



## **Terms and Conditions**

**Lendify Sweden 2 AB (publ)**

**Up to SEK 750,000,000**

**Senior Secured Floating Rate Bonds**

**ISIN: SE0010831669**

**25 January 2018**

**Other than the registration of the Bonds under Swedish law, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Bonds in any jurisdiction where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.**

## Table of Contents

1.	Definitions and Construction .....	1
2.	Status of the Bonds .....	13
3.	Use of Proceeds .....	14
4.	Conditions to Payments from Accounts .....	14
5.	Bonds in Book-Entry Form .....	18
6.	Right to Act on Behalf of a Bondholder .....	19
7.	Payments in Respect of the Bonds .....	20
8.	Interest.....	20
9.	Redemption and Repurchase of the Bonds.....	21
10.	Transaction Security.....	22
11.	Information to Bondholders .....	23
12.	Maintenance Test .....	25
13.	General Undertakings .....	25
14.	Events of Default and Acceleration of the Bonds.....	29
15.	Distribution of Proceeds.....	32
16.	Decisions by Bondholders.....	33
17.	Bondholders' Meeting.....	35
18.	Written Procedure .....	36
19.	Amendments and Waivers .....	37
20.	Appointment and Replacement of the Trustee.....	37
21.	Appointment and Replacement of the Issuing Agent.....	41
22.	Appointment and Replacement of the CSD .....	42
23.	No Direct Actions by Bondholders .....	42
24.	Prescription .....	43
25.	Notices and Press Releases.....	43
26.	Force Majeure and Limitation of Liability .....	44
27.	Governing Law and Jurisdiction .....	45

# 1. Definitions and Construction

## 1.1 Definitions

In these terms and conditions (the "**Terms and Conditions**"):

"**Accounts Pledge Agreement**" means the pledge agreement entered into between the Issuer and the Trustee on or about the First Issue Date in respect of a first priority pledge over the Escrow Account, Excess Liquidity Account, Collection Account, Cost Account and Interest Reserve Account (together the "**Accounts**") and all funds held on the Accounts from time to time, granted in favour of the Trustee and the Bondholders (represented by the Trustee).

"**Account Bank**" means Svenska Handelsbanken AB (publ), or another party replacing it, as account bank, in accordance with these Terms and Conditions.

"**Account Operator**" means a bank or other party duly authorised to operate as an account operator pursuant to the Financial Instruments Accounts Act and through which a Bondholder has opened a Securities Account in respect of its Bonds.

"**Accounting Principles**" means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

"**Adjusted Nominal Amount**" means the Total Nominal Amount less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate, irrespective of whether such person is directly registered as owner of such Bonds.

"**Adjusted Total Assets**" means the total assets of the Issuer as reported in the Issuer's balance sheet in accordance with the Accounting Principles by:

- (a) deducting any amount standing to the credit of the Escrow Account, Collection Account, Interest Reserve Account or the Excess Liquidity Account; and
- (b) deducting the Outstanding Nominal Amount and any accrued but unpaid interest on any Bond held by the Issuer as Eligible Investments and any other Eligible Investments held by the Issuer (without double counting and only to the extent included as assets of the Issuer).

"**Affiliate**" means any person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, "control" when used with respect to any person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**Bondholder**" means the person who is registered on a Securities Account as direct registered owner (Sw. *ägare*) or nominee (Sw. *förvaltare*) with respect to a Bond.

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 17 (*Bondholders' Meeting*).

**"Bond"** means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

**"Business Day"** means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

**"Business Day Convention"** means the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

**"Call Option Amount"** means:

- (a) 104.50 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the First Call Date to, but not including, the date falling nine (9) months after the First Issue Date;
- (b) 103.60 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling nine (9) months after the First Issue Date to, but not including, the date falling twelve (12) months after the First Issue Date;
- (c) 102.70 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling twelve (12) months after the First Issue Date to, but not including, the date falling fifteen (15) months after the First Issue Date;
- (d) 101.80 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling fifteen (15) months after the First Issue Date to, but not including, the date falling eighteen (18) months after the First Issue Date;
- (e) 100.90 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling eighteen (18) after the First Issue Date to, but not including, the date falling twenty one (21) months after the First Issue Date; and
- (f) 100 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest, if the Call Option is exercised on or after the date falling twenty-one (21) months after the First Issue Date to, but not including, the Final Redemption Date.

**"Cash Manager"** means the Originator or, following termination of the Cash Manager's assignment in accordance with the Securitisation Framework Agreement, any replacement cash manager.

**"Change of Control Event"** means the occurrence of an event or series of events whereby one or more persons (other than JCE Sweden AB, Swedish Reg. No. 556962-

4546), acting in concert, acquire control over the Originator, and where "control" means (a) acquiring or controlling, directly or indirectly, more than fifty (50) per cent. of the voting shares of the Originator, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Originator.

**"Collection Account"** means the bank account of the Issuer with account number 513 347 771 held with the Account Bank into which any repayments of principal and payments of interest and fees under the Transferred Promissory Notes will be transferred and which have been pledged in favour of the Trustee and the Bondholders (represented by the Trustee) under the Accounts Pledge Agreement.

**"Compliance Certificate"** means a certificate, in form and substance satisfactory to the Trustee, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it. If the Compliance Certificate is provided to evidence compliance with the Maintenance Test or in connection with that a Financial Report is made available, the certificate shall include calculations and figures in respect of the ratio of Equity to Adjusted Total Assets and evidence that an amount corresponding to at least the Minimum Interest Reserve Amount stands to the credit on the Interest Reserve Account.

**"Cost Account"** means the bank account of the Issuer with account number 495 780 561 held with the Account Bank into which any repayments of principal and payments of interest and fees under the Transferred Promissory Notes will be transferred and which have been pledged in favour of the Trustee and the Bondholders (represented by the Trustee) under the Accounts Pledge Agreement.

**"Credit Policy"** means the credit policy of the Originator at the First Issue Date, or as amended from time to time, provided that it is not changed to allow materially higher credit risks or the granting of credit to Debtors with recorded payment defaults (Sw: *betalningsanmärkning*).

**"CSD"** means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden.

**"CSD Regulations"** means the CSD's rules and regulations applicable to the Issuer, the Trustee and the Bonds from time to time.

**"Debt Instruments"** means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

**"Debtor"** means a debtor under a Promissory Note.

**"Eligible Investments"** means:

- (a) money in a bank account held in a bank;

- (b) Promissory Notes originated by the Originator provided that the conditions set out in Clause 4.1(e) are fulfilled with respect to such Promissory Notes and such acquisition would be permitted pursuant to applicable laws and regulations;
- (c) Bonds; and
- (d) any investment in Debt Instruments issued by a special purpose vehicle controlled by the Originator which:
  - (i) are listed on a Regulated Market or which pursuant to their terms must be listed within sixty (60) days from their issuances on a Regulated Market;
  - (ii) are secured by security created over Promissory Notes originated by the Originator which substantially comply with the Portfolio Parameters; and
  - (iii) benefits from restricted covenants and financial covenants that are not substantially less favourable to the holders of the instruments than those applicable to the Bonds.

**"Event of Default"** means an event or circumstance specified in any of the Clauses 14 (*Events of Default and Acceleration of the Bonds*)

**"Equity"** means the equity as reported in the Issuer's balance sheet in accordance with the Accounting Principles from time to time plus Subordinated Debt up to an amount corresponding to not more than sixty (60) per cent. of the aggregate amount of equity reported in the Issuer's balance sheet plus the Subordinated Debt.

**"Escrow Account"** means the bank account of the Issuer with account number 513 346 821 held with the Account Bank into which the Net Proceeds in cash related to the Bonds will be transferred and which have been pledged in favour of the Trustee and the Bondholders (represented by the Trustee) under the Accounts Pledge Agreement.

**"Excess Liquidity Account"** means the bank account of the Issuer with account number 513 347 321 held with the Account Bank into which any residual amount in accordance with Clause 4.2(a)(viii) will be transferred and which have been pledged in favour of the Trustee and the Bondholders (represented by the Trustee) under the Accounts Pledge Agreement.

**"Finance Documents"** means these Terms and Conditions, the Security Documents, and any other document designated by the Issuer and the Trustee as a Finance Document.

**"Financial Indebtedness"** means:

- (a) monies borrowed or raised, including Market Loans, provided that in relation to any bank accounts which are subject to netting arrangements only the net balance shall be taken into account;

- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is treated as a finance lease in accordance with the accounting principles applicable on the First Issue Date (a lease which in the accounts of the Issuer is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).

**"Financial Instruments Accounts Act"** means the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*).

**"Final Redemption Date"** means 29 January 2020 (two (2) years after the First Issue Date).

**"Financial Report"** means the Issuer's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available pursuant to paragraph (a) of Clause 11.1 (*Information from the Issuer*), including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors.

**"First Call Date"** means the date falling six (6) months after the First Issue Date.

**"First Issue Date"** means 29 January 2018.

**"Force Majeure Event"** has the meaning set forth in Clause 26(a).

**"Group"** means the Issuer and its Subsidiaries from time to time (each a **"Group Company"**).

**"Initial Nominal Amount"** has the meaning set forth in Clause 2(c).

**"Initial Bonds"** means the Bonds issued on the First Issue Date.

**"Insolvent"** means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of

Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Bondholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (Sw. *lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

**"Interest"** means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

**"Interest Payment Date"** means 29 January, 29 April, 29 July and 29 October of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 29 April 2018 and the last Interest Payment Date shall be the relevant Redemption Date.

**"Interest Period"** means (i) in respect of the first Interest Period, the period from (but excluding) the First Issue Date to (and including) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

**"Interest Rate"** means STIBOR plus 4.50 per cent. per annum.

**"Interest Reserve Account"** means the bank account of the Issuer with account number 513 348 131 held with the Account Bank into which an amount corresponding to the Minimum Interest Reserve Amount shall be financed out of the Net Proceeds and be deposited and which have been pledged in favour of the Trustee and the Bondholders (represented by the Trustee) under the Accounts Pledge Agreement.

**"Issue Date"** means the First Issue Date and any subsequent date when issuance of Subsequent Bonds takes place.

**"Issuer"** means Lendify Sweden 2 AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 559129-2981.

**"Issuing Agent"** means DNB Markets, part of DNB BANK ASA, Sweden Branch, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**"Maintenance Tests"** means the maintenance tests set out in Clause 12 (*Maintenance Test*).

**"Market Loan"** means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).



**"Minimum Interest Reserve Amount"** means an amount equivalent to one year's Interest under the Bonds calculated on the relevant issue date for any Bonds assuming that the STIBOR for the whole year will be the STIBOR quoted on the day falling two (2) Business Days before the relevant Issue Date, and for the avoidance of doubt if STIBOR is below zero, STIBOR will be deemed to be zero.

**"Net Proceeds"** means the proceeds from an issue of Bonds after deduction has been made for the Transaction Costs payable by the Issuer.

**"Nominal Amount"** means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which that Bond has been redeemed in part pursuant to Clause 9.4 (*Voluntary partial amortisation*).

**"Originator"** means Lendify AB, a public limited liability company incorporated under the laws of Sweden with Reg. No. 556968-1744.

**"Outstanding Nominal Amount"** means The Nominal Amount less any redemptions and amortisations made.

**"Permitted Costs"** means costs incurred towards third parties by or on behalf of the Issuer on arm's lengths terms for the purpose of the Issuer's business (including value added tax, if any).

**"Permitted Debt"** means any Financial Indebtedness:

- (a) of the Issuer incurred under the Bonds;
- (b) of the Issuer incurred under any Subsequent Bonds (provided that the Tap Conditions are met);
- (c) by the Issuer under any tax liabilities incurred in the ordinary course of business;
- (d) constituting Subordinated Debt;
- (e) incurred under any counter-indemnity obligation in respect of a guarantee issued by a bank or financial institution to the CSD, in the maximum amount of SEK 60,000; or
- (f) incurred for the purpose of refinancing the Bonds in full.

**"Permitted Disposal"** means a sale of a Transferred Promissory Note by the Issuer to the Originator for consideration in the form of the Repurchase Price.

**"Permitted Security"** means any guarantees or security:

- (a) provided under these Terms and Conditions;
- (b) created over Transferred Promissory Notes to directly or indirectly secure a Warehouse Facility (until released in connection with the payment of the Purchase Price for the Transferred Promissory Notes);

- (c) any Security provided in the form of a pledge over an escrow account or bank account to which the proceeds from a refinancing of the Bonds in full are intended to be received;
- (d) created over cash on a bank account of the Issuer in a maximum amount of SEK 60,000 to secure the counter-indemnity obligation referred to in item (e) of the definition "Permitted Debt"; and
- (e) arising by operation of law in the ordinary course of trade.

**"Portfolio Parameters"** means, with respect to Transferred Promissory Notes or Proposed Transferred Promissory Notes, that the relevant Promissory Notes:

- (a) are in non-negotiable form;
- (b) are denominated in Swedish Kronor;
- (c) have been issued by Debtors that are at least eighteen (18) years of age;
- (d) are issued by Debtors that, on the Transfer Date, are domiciled/resident in Sweden;
- (e) evidences whole loans for which the Issuer is or would be the sole creditor after the Transfer Date;
- (f) evidence loans which, at the time of issuance, were granted in accordance with the Issuer's Credit Policy and in accordance with applicable consumer legislation;
- (g) evidence loans that, on the Transfer Date, are in compliance with applicable consumer legislation;
- (h) have a tenure of maximum fifteen (15) years after their issue dates,
- (i) have face amounts that, for each individual Promissory Note, do not exceed SEK 502,500 (including any capital fee);
- (j) are not issued by Debtors that have deposited funds with the Originator or have other set-off rights against the Originator;
- (k) were, on the Transfer Date, not more than sixty (60) days overdue; and
- (l) were, at the Transfer Date, not issued by Debtors that at that time were subject to insolvency proceedings of any kind.

**"Promissory Notes"** means non-negotiable promissory notes issued under Swedish law by consumers resident in Sweden.

**"Proposed Transferred Promissory Notes"** means Promissory Notes that are proposed or requested to be transferred by the Originator to the Issuer.

**"Purchase Price"** means, in relation to a Proposed Transferred Promissory Note, the purchase price to be paid for the acquisition from the Originator by the Issuer of that Promissory Note and shall be determined as:

- (a) the outstanding principal amount of such Promissory Note, plus
- (b) accrued but unpaid interest under such Promissory Note and all other amounts outstanding thereunder.

**"Quotation Day"** means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

**"Record Date"** means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 15 (*Distribution of Proceeds*), (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).

**"Regulated Market"** means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).

**"Repurchase Price"** means an amount paid in cash corresponding to the Purchase Price originally paid by the Issuer to the Originator (or if no Purchase Price was paid, the outstanding principal amount of the Promissory Note at the time of the transfer to the Issuer) with respect to a Transferred Promissory Note minus repayment of principal actually received and, to the extent included in the calculation of such Purchase Price, any other amounts actually received thereunder plus accrued but unpaid interest under such Transferred Promissory Note and, to the extent not already included in the calculation of the Purchase Price, any other amounts outstanding thereunder.

**"Risk Calculation Method"** means that the average weighted risk for a portfolio of Promissory Notes is determined as the total sum of the risk (weighted by each loan outstanding principal amount) for each loan in the portfolio divided by the total principal amount of the loans in the portfolio and where the risk for each loan is deemed to be equal to the risk score assigned to that loan pursuant to the Credit Policy and model used by the Originator at the time of origination.

**"Secured Obligations"** means all present and future obligations and liabilities of the Issuer to the Secured Persons under the Finance Documents and the Trustee Agreement.

**"Secured Persons"** means the Bondholders and the Trustee.

**"Securities Account"** means the account for dematerialised securities maintained by the CSD pursuant to the Financial Instruments Accounts Act in which (i) an owner of

such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

**"Securitisation Framework Agreement"** means an agreement between the Issuer, the Originator, the Servicer, the Cash Manager and the Trustee regulating, amongst other things, the transfer of the Promissory Notes from the Originator to the Issuer and the duties of the Servicer and the Cash Manager.

**"Security"** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

**"Security Agent"** means the security agent holding the Transaction Security on behalf of the Secured Persons, being Intertrust (Sweden) AB on the First Issue Date.

**"Security Documents"** means the security documents pursuant to which the Transaction Security is created.

**"Servicer"** means the Originator or, following termination of the Servicer's assignment in accordance with the Securitisation Framework Agreement, any replacement servicer.

**"STIBOR"** means:

- (a) the applicable percentage rate per annum displayed on NASDAQ OMX's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period; or
- (b) if no rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK 100,000,000 for the relevant period; or
- (c) if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period,

if any such rate is below zero, STIBOR will be deemed to be zero.

**"Subordinated Debt"** means any loan granted by the Originator to the Issuer, if such loan (i) according to its terms and pursuant to a subordination agreement on terms and conditions satisfactory to the Trustee, is subordinated to the obligations of the Issuer under the Terms and Conditions, (ii) according to its terms have a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date, (iii) according to its terms yield only payment-in-kind interest and (iv) can mandatorily, at the election of the Trustee, be written-down or converted into equity by way of capital contribution to avoid or mitigate compulsory liquidation duties (Sw. *tvångslikvidation*), and, if security is

created over such loan in favour of any person other than the Secured Persons, such security is created under contractual arrangements satisfactory to the Trustee providing that such security (A) is second ranking security ranking after first priority ranking Transaction Security, (B) may be released by the Trustee if the Transaction Security granted over the shares in the Issuer is enforced and (C) may only be enforced or otherwise utilised after all obligations secured by the Transaction Security has been fully discharged or the Transaction Security has been released..

**"Subsequent Bonds"** means any Bonds issued after the First Issue Date on one or more occasions.

**"Subsidiary"** means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), in respect of which such person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, or (iv) exercises control as determined in accordance with the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

**"Swedish Kronor"** and **"SEK"** means the lawful currency of Sweden.

**"Tap Conditions"** means:

- (a) that no Event of Default has occurred and is continuing (or would occur as a result of the issuing of Subsequent Bonds); and
- (b) at least fifty (50) per cent. of the Net Proceeds from issue of Initial Bonds have been disbursed from the Escrow Account to acquire Promissory Notes.

**"Tax Event"** means the occurrence of any amendment to, clarification of or change in the laws, treaties or regulations affecting taxation (including any change in the interpretation by any court or authority entitled to do so) or any governmental action, on or after the First Issue Date and which was not foreseeable at the First Issue Date, resulting in that:

- (a) the Issuer is, or becomes, subject to a significant amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Bonds; or
- (b) the treatment of any of the Issuer's items of income or expense with respect to the Bonds as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be accepted by any tax authority, which subjects the Issuer to a significant amount of additional taxes, duties or governmental charges.

**"Total Nominal Amount"** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

**"Transaction Costs"** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer in connection with the issue of Bonds.

**"Transaction Documents"** means the Terms and Conditions, the Securitisation Framework Agreement and the Security Documents.

**"Transaction Security"** means all security provided by the Issuer to the Secured Persons, including:

- (a) security over Transferred Promissory Notes;
- (b) the Accounts Pledge Agreement;
- (c) security over the Issuer's rights under the Securitisation Framework Agreement;
- (d) a first ranking share pledge over the shares in the Issuer; and
- (e) security over Eligible Investments (if any).

**"Transfer Date"** means the date a Promissory Note is proposed to be transferred to or is transferred to the Issuer from the Originator.

**"Transferred Promissory Notes"** means Promissory Notes that have been transferred to the Issuer.

**"Trustee"** means Intertrust (Sweden) AB, Swedish Reg. No. 556652-5476, or another party replacing it, as Trustee, in accordance with these Terms and Conditions.

**"Trustee Agreement"** means the trustee agreement entered into on or before the First Issue Date, between the Issuer and the Trustee, or any replacement trustee agreement entered into after the First Issue Date between the Issuer and a trustee.

**"Warehouse Facility"** means a credit facility under a credit agreement entered into between the Originator (or a wholly owned Subsidiary of the Originator) as borrower and one or several lenders for the purpose of financing the granting of loans by the Originator to Debtors in the form of Promissory Notes prior to the acquisition by the Issuer of the Promissory Notes.

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18 (*Written Procedure*).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) **"assets"** includes present and future properties, revenues and rights of every description;

- (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
  - (iv) a "**regulation**" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (v) an Event of Default is continuing if it has not been remedied or waived;
  - (vi) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vii) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- (c) No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Initial Bond is SEK 1,000,000 (the "**Initial Nominal Amount**"). The maximum total nominal amount of the Initial Bonds is up to SEK 400,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Initial Nominal Amount.
- (d) Provided that the Tap Conditions are met, the Issuer may, at one or several occasions, issue Subsequent Bonds. Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the

ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed SEK 750,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.

- (e) The Bonds constitute direct, general, unconditional, senior and secured obligations of the Issuer and shall at all times rank *pari passu* with all direct, unconditional, senior and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.
- (f) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (g) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### **3. Use of Proceeds**

- (a) The Net Proceeds from the issue of Initial Bonds shall be used to (i) finance the Issuer's purchase of Promissory Notes from the Originator, (ii) deposit an amount on the Interest Reserve Account equivalent to the Minimum Interest Reserve Amount, and (iii) finance certain costs of the Issuer.
- (b) The Net Proceeds from an issue of Subsequent Bonds shall be used to (i) finance the Issuer's purchase of Promissory Notes from the Originator, and (ii) top up the amount standing to the credit of the Interest Reserve Amount to cover the increase of the Minimum Reserve Amount resulting from the issue of Subsequent Bonds.

### **4. Conditions to Payments from Accounts**

#### **4.1 Escrow Account**

- (a) The Net Proceeds shall be paid into the Escrow Account, provided that the Trustee has received documents and evidence of the Accounts Pledge Agreement having been executed and perfected.
- (b) The Trustee's approval of the partial disbursement of the Net Proceeds from the Escrow Account in accordance with paragraph (c) below is subject to the



following documents being received by the Trustee, in form and substance satisfactory to it (acting reasonably), the following actions have been taken and that the following events have occurred:

- (i) certificate of registration, articles of association and copies of relevant corporate resolutions and authorisations for the Issuer and the Originator; and
  - (ii) evidence that the Transaction Documents and the Trustee Agreement have been duly executed.
- (c) If the conditions set out in paragraphs (b)(i)-(ii) above have been fulfilled, the Trustee shall instruct the Account Bank to make the following transfers of Net Proceeds from the Escrow Account:
- (i) to the Interest Reserve Account in an amount equivalent to the Minimum Interest Reserve Amount; and
  - (ii) to the Cost Account in an amount of SEK 400,000.
- (d) After the partial transfers of Net Proceeds have been made pursuant to paragraph (c) above and provided that the conditions set out in paragraph (e) below have been fulfilled, at the request of the Issuer if it gives the Trustee not less than five (5) Business Days' notice, the Trustee shall up to a maximum number of three (3) times instruct the Account Bank to transfer funds from the Escrow Account to pay the Purchase Price for Proposed Transferred Promissory Notes.
- (e) The Trustee is obliged to instruct the account bank to transfer funds from the Escrow Account in accordance with paragraph (d) above only if the following documents being received by the Trustee, in form and substance satisfactory to it (acting reasonably), the following actions have been taken and that the following events have occurred:
- (i) no Event of Default has occurred and is continuing;
  - (ii) the Trustee has received a duly executed transfer note relating to the transfer of the Proposed Transferred Promissory Notes from the Originator to the Issuer;
  - (iii) the Trustee has received evidence in form and substance satisfactory to it that Promissory Notes that comply with the Portfolio Parameters and/or cash in an aggregate nominal amount of not less than ten (10) per cent. of the Purchase Price for the Proposed Transferred Promissory Notes has been contributed to the Issuer by the Originator as a shareholder's contribution (*Sw. aktieägartillskott*), or has been disbursed in cash as a loan or loans to the Issuer in the form of Subordinated Debt;
  - (iv) the Trustee has received a certificate from the Originator stating that (A) the Purchase Price for the Proposed Transferred Promissory Notes

does not exceed the nominal amount of such Proposed Transferred Promissory Notes plus accrued and unpaid interest and other outstanding amounts, (B) the Proposed Transferred Promissory Notes comply with the Portfolio Parameters, (C) the transfer of the Proposed Transferred Promissory Notes has been duly perfected (or will, no later than within fifteen (15) Business Days from the payment of the Purchase Price, be duly perfected) and (D) any security over the Proposed Transferred Promissory Notes securing the Bonds has been duly perfected (or will, no later than within fifteen (15) Business Days from the payment of the Purchase Price, be duly perfected);

- (v) the Trustee has received from the Originator a report signed by a registered signatory of the Originator or a member of the management team of the Originator showing that the average weighted risk for the Proposed Transferred Promissory Notes (calculated pursuant to the Risk Calculation Method) does not exceed the average weighted risk for the total portfolio of loans originated through the Originator's platform and booked during the same period as the Proposed Transferred Promissory Notes with more than 0.2 percentage points;
- (vi) the Trustee has received from the Originator a report or other documentation signed by a registered signatory of the Originator or a member of the management team of the Originator setting out, with respect to each Proposed Transferred Promissory Note: (A) the outstanding principal amount, (B) accrued and unpaid interest, (C) any other outstanding amount, and (D) the name of and personal identification number for the relevant Debtor; and
- (vii) the Trustee has received evidence that Security created over the Proposed Transferred Promissory Notes to directly or indirectly secure a Warehouse Facility (if any) has been or will be released in connection with the disbursement.

## 4.2 Collection Account

- (a) Except as provided in paragraph (b) below, at the request of the Cash Manager if it gives the Trustee not less than five (5) Business Days' notice, the Trustee shall on the third (3<sup>rd</sup>) Business Day before each Interest Payment Date instruct the Account Bank to make payments out of funds standing to the credit of, the Collection Account, in the following order:
  - (i) *first*, towards payment of any fees to the Trustee in accordance with the Trustee Agreement;
  - (ii) *secondly*, towards payment of a servicing fee of three (3) per cent. *per annum* to the Servicer in accordance with the Securitisation Framework Agreement and payment of a cash manager fee to the Cash Manager in accordance with the Securitisation Framework Agreement;
  - (iii) *thirdly*, towards payment of interest under the Bonds;

- (iv) *fourthly*, to the Cost Account in an amount equivalent to the Permitted Costs and output value added tax expected to be payable during the next Interest Period (and for which reservations has not been made earlier), plus a buffer of up to SEK 25,000;
  - (v) *fifthly*, to pay taxes imposed on the Issuer for which the Originator is responsible but which the Originator has not settled;
  - (vi) *sixthly*, to replenish the Interest Reserve Account up to the Minimum Interest Reserve Amount; and
  - (vii) *seventhly*, until the Issuer has acquired Promissory Notes from the Issuer pursuant to Clause 4.1(d) three times, any residual amount shall be transferred to the Escrow Account; and
  - (viii) *eighthly*, any residual amount shall be transferred to the Excess Liquidity Account.
- (b) The Trustee is obliged to instruct the Account Bank to make payments of funds from the Collection Account in accordance with paragraph (a) above only if no Event of Default has occurred and is continuing.

#### **4.3 Interest Reserve Account**

- (a) An amount corresponding to the Minimum Interest Reserve Amount shall be financed out of the Net Proceeds and be deposited into the Interest Reserve Account in accordance with Clause 4.1(c)(i) and funds shall be paid to the Interest Reserve Account in accordance with paragraph 4.2(a)(vi) of (Collection Account).
- (b) If the amount available to be used to pay interest on the Bonds pursuant to Clause 4.2(a)(iii) is not sufficient to pay the interest payable on the Bonds, the Trustee may withdraw funds from the Interest Reserve Account to cover any shortfall.

#### **4.4 Excess Liquidity Account**

- (a) Except as provided in paragraph (b) below, at the request of the Cash Manager if it gives the Trustee not less than five (5) Business Days' notice, the Trustee shall instruct the Account Bank to effect payment of funds from the Excess Liquidity Account to make an Eligible Investment.
- (b) The Trustee is obliged to instruct the Account Bank to effect payment of funds from the Excess Liquidity Account in accordance with paragraph (a) above only if:
  - (i) no Event of Default has occurred and is continuing;
  - (ii) the amount standing to the credit of the Interest Reserve Account amounts to at least the Minimum Interest Reserve Amount;

- (iii) the Cash Manager has certified to the Trustee that the requested investment constitutes an Eligible Investment; and
  - (iv) the Trustee has received evidence that Transaction Security will be created over the applicable Eligible Investment as soon as practicably possible in connection with the applicable Eligible Investment being made.
- (c) Except as provided in paragraph (d) below, at the request of the Cash Manager if it gives the Trustee not less than five (5) Business Days' notice, the Trustee shall instruct the Account Bank to effect payment of funds from the Excess Liquidity Account to make a voluntary partial repayment in accordance with Clause 9.4 (*Voluntary partial amortisation*).
- (d) The Trustee is obliged to instruct the Account Bank to effect payment of funds from the Excess Liquidity Account in accordance with paragraph (c) above only if:
- (i) no Event of Default has occurred and is continuing;
  - (ii) the amount standing to the credit of the Interest Reserve Account amounts to at least the Minimum Interest Reserve Amount (taking into account such voluntary partial repayment); and
  - (iii) the Cash Manager has certified to the Trustee that the requested payment will constitute a voluntary partial repayment in accordance with Clause 9.4 (*Voluntary partial amortisation*).

#### **4.5 Cost Account**

- (a) Except as provided in paragraph (b) below, the Cash Manager may withdraw funds from the Cost Account to pay Permitted Costs and output value added tax.
- (b) If an Event of Default has occurred and is continuing, the Trustee may:
- (i) instruct the Cash Manager to make payments only to third parties from the Cost Account; and/or
  - (ii) notify the Account Bank of the pledge over the Cost Account and thereby block the right for the Cash Manager and the Issuer to withdraw funds from the Cost Account; or
  - (iii) Instruct the Cash Manager to transfer any funds standing to the credit of the Cost Account to the Collection Account, Escrow Account or Interest Reserve Account.

### **5. Bonds in Book-Entry Form**

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be

registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.

- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- (c) The Issuer (and the Trustee when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Trustee, the Issuer shall promptly obtain such information and provide it to the Trustee.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such persons employed by the Trustee, as notified by the Trustee, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Trustee or unless consent thereto is given by the Bondholders.

## **6. Right to Act on Behalf of a Bondholder**

- (a) If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.
- (b) A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## 7. Payments in Respect of the Bonds

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such person who is registered as a Bondholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Bondholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8(d) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## 8. Interest

- (a) Each Initial Bond carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date

up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Trustee or the CSD, in which case the Interest Rate shall apply instead.

## **9. Redemption and Repurchase of the Bonds**

### **9.1 Redemption at maturity**

The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Redemption Date is not a Business Day, then the redemption shall occur on the first following Business Day.

### **9.2 Issuer's purchase of Bonds**

The Issuer may, subject to applicable law, at any time purchase Bonds in accordance with paragraphs (a) and (b) of Clause 4.4 (*Excess Liquidity Account*). The Issuer may not cancel repurchased Bonds.

### **9.3 Voluntary total redemption (call option)**

The Issuer may redeem all, but not only some, of the Bonds early on any Business Day falling on or after the First Call Date and before the Final Redemption Date. The Bonds shall be redeemed at the applicable Call Option Amount together with accrued but unpaid interest.

### **9.4 Voluntary partial amortisation**

- (a) The Issuer may, each twelve month period, repay an aggregate amount not exceeding SEK 100,000 per each Bond issued at the time of repayment (without carry-back or carry forward) as one repayment or divided between no more than two repayments during such period, at a price equal to 102 per cent. of the repaid principal amount (or, if lower, the Call Option Amount for the relevant period when the relevant repayment is made) together with any accrued but unpaid interest on the repaid amounts. Partial repayment shall reduce the Outstanding Nominal Amount of each Bond pro rata (rounded down to the nearest SEK 1), provided that at least seventy (70) per cent. of the Initial Nominal Amount of the Bonds remains outstanding after such repayment.
- (b) Partial redemption in accordance with Clause 9.4(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Trustee. Any such notice is irrevocable and, upon expiry of such notice, the Issuer is bound to redeem the Bonds in part on the immediately following Interest Payment Date at the applicable amounts. The applicable amount shall be an even amount in SEK and paid to the person who is registered as a Bondholder on the Record Date prior to the relevant Redemption Date.

### **9.5 Early redemption due to a Tax Event (call option)**

- (a) Upon the occurrence of a Tax Event, the Issuer may, at its option and at any time, redeem all (but not some only) of the outstanding Bonds at the Nominal Amount, together with accrued interest thereon.
- (b) The Issuer shall give notice of any redemption pursuant to Clause 9.5(a) no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).
- (c) A notice of redemption in accordance with Clause 9.5(b) is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Bonds in full at the applicable amounts.

### **9.6 Mandatory repurchase due to a Change of Control Event (put option)**

- (a) Upon a Change of Control Event occurring, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1(b) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- (b) The notice from the Issuer pursuant to Clause 11.1(b) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1(b). The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.6(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.6, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.6 by virtue of the conflict.
- (d) Any Bonds repurchased by the Issuer pursuant to this Clause 9.6 may at the Issuer's discretion be retained, sold or cancelled.

## **10. Transaction Security**

- (a) As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants on the First Issue Date the Transaction Security to the Secured Persons as represented by the Trustee.



- (b) The Trustee shall hold the Transaction Security on behalf of the Secured Persons in accordance with the Security Documents. The Issuer shall enter into the Security Documents and perfect the Transaction Security in accordance with the Security Documents on or before the First Issue Date.
- (c) Unless and until the Trustee has received instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the Trustee shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Bondholders or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

## 11. Information to Bondholders

### 11.1 Information from the Issuer

- (a) The Issuer will make the following information available to the Bondholders by way of press release and by publication on the website of the Originator:
  - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, its audited financial statements for that financial year;
  - (ii) as soon as the same become available, but in any event within two (2) months after the end of each relevant interim period, its quarterly interim unaudited consolidated financial statements or the year-end report (*Sw. bokslutskommuniké*) (as applicable) for such period (starting with the interim period ending on 31 March 2018);
  - (iii) as soon as practicable following an acquisition or disposal of Bonds by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Bonds cancelled by the Issuer; and
  - (iv) any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading the Regulated Market on which the Bonds are traded.
- (b) When the Bonds have been listed, the reports referred to under (a)(i)-(ii) above shall, in addition, be made available in accordance with the rules and regulations of NDX or other Regulated Market and any applicable securities market regulation.
- (c) The Issuer shall immediately notify the Bondholders and the Trustee upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event,

conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.

- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Trustee.
- (e) The Issuer shall issue a Compliance Certificate to the Trustee:
  - (i) in connection with the financial statements being made available to the Bondholder pursuant to Clause 11.1(a); and
  - (ii) at the Trustee's request, within twenty (20) days from such request, attaching copies of any notices sent to the Regulated Market on which the Bonds are admitted to trading.
- (f) The Issuer shall, at the Trustee's request, issue a portfolio certificate to the Trustee (in form and substance satisfactory to the Trustee) certifying compliance with the Portfolio Parameters, within twenty (20) days from such request.
- (g) Before any issue of Subsequent Bonds, issue a certificate to the Trustee certifying that all Tap Conditions have or will be fulfilled in connection with the issue of Subsequent Bonds.
- (h) The Issuer shall immediately notify the Trustee (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Trustee with such further information as it may reasonably request in writing following receipt of such notice. Should the Trustee not receive such information, the Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Trustee does not have actual knowledge of such event or circumstance.
- (i) The Issuer is only obliged to inform the Trustee according to this Clause 11.1 if informing the Trustee would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Trustee, in order to be able to timely inform the Trustee according to this Clause 11.1.

## **11.2 Information from the Trustee**

- (a) Subject to the restrictions of a non-disclosure agreement entered into by the Trustee in accordance with Clause 11.2(b), the Trustee is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the

Issuer or the Bonds. Notwithstanding the foregoing, the Trustee may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Trustee shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

### **11.3 Publication of Finance Documents**

- (a) The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Originator and the Trustee.
- (b) The latest versions of the Finance Documents shall be available to the Bondholders at the office of the Trustee during normal business hours.

## **12. Maintenance Test**

- (a) The Issuer shall procure that, at each Interest Payment Date:
  - (i) the ratio of Equity to Adjusted Total Assets is not lower than 1:10; and
  - (ii) an amount corresponding to at least the Minimum Interest Reserve Amount stands to the credit on the Interest Reserve Account.
- (b) A capital contribution made to increase the Equity of the Issuer in connection with the issuing of the Initial Bonds or any Subsequent Bonds must be made in cash or in the form of Promissory Notes that comply with the Portfolio Parameters.

## **13. General Undertakings**

### **13.1 General**

The Issuer undertakes to (and shall, if applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 13 for as long as any Bonds remain outstanding.

### **13.2 Distributions and loans to shareholders**

The Issuer shall not:

- (a) grant any loans to any direct or indirect shareholder of the Issuer or any Affiliate of such shareholders;
- (b) pay any dividend on its shares;
- (c) repurchase any of its own shares;
- (d) redeem its share capital or other restricted equity with repayment to shareholders; or
- (e) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer or any Affiliate of such shareholders other than:
  - (i) any payments under the Transaction Documents; and
  - (ii) any group contribution (Sw: *koncernbidrag*) to the Originator on a non-cash basis and provided that a corresponding amount shall be contributed back to the Issuer by the Originator as equity in the form of a shareholder contribution simultaneously therewith.

### **13.3 Nature of Business**

The Issuer shall not conduct any other business than holding and managing the Transferred Promissory Notes and shall procure that no change is made to the general nature of the business carried as at the First Issue Date and shall not enter into any other agreements than the Transaction Documents, the Transferred Promissory Notes, agreements regarding Eligible Investments made in accordance with these Terms and Conditions, agreements in respect of a Permitted Disposal and any other agreements necessary to carry out the general business of the Issuer as contemplated by the Transaction Documents. The Issuer shall have no employees.

### **13.4 Financial Indebtedness**

The Issuer shall not incur any additional Financial Indebtedness, provided however that the Issuer and its Subsidiaries have a right to incur Financial Indebtedness that constitutes Permitted Debt.

### **13.5 Disposal of Assets**

The Issuer shall not sell or otherwise dispose of any of its assets other than as a Permitted Disposal.

### **13.6 Dealings with Related Parties**

The Issuer shall conduct all dealings with the direct and indirect shareholders of the Issuer and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

### **13.7 Negative Pledge**

The Issuer shall not provide or prolong any guarantee or security over any of its assets (present or future), other than Permitted Security.

### **13.8 Listing of Bonds**

- (a) The Issuer shall use its best efforts to ensure:
  - (i) that the Bonds are listed on the Regulated Market NDX operated by Nordic Growth Market AB or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market, within sixty (60) days of the First Issue Date, and
  - (ii) that the Bonds, if admitted to trading on a Regulated Market, continue being listed thereon for as long as any Bond is outstanding (however, subject to and taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).
- (b) Upon any issue of Subsequent Bonds, the Issuer shall promptly, but not later than thirty (30) Business Days after the relevant issue date, procure that the volume of Bonds listed is increased accordingly.

### **13.9 Compliance**

The Issuer shall obtain, maintain, and comply in all material respects with the terms of any authorisation, approval or license required for the conduct of its business and comply in all material respects with all applicable laws and regulations.

### **13.10 Financial support**

The Issuer shall not provide any loans, guarantees, security or other financial assistance to or on behalf of any other party.

### **13.11 Anti-Money Laundering**

The Issuer shall comply with all applicable money laundering laws.

### **13.12 Portfolio Parameters**

The Issuer shall ensure that it at all times is in compliance with the Portfolio Parameters.

### **13.13 Servicer**

The Issuer shall appoint the Servicer as servicer, which shall be responsible for the administration of the Transferred Promissory Notes. The Issuer shall not replace the Servicer, unless its appointment is terminated pursuant to the Securitisation Framework Agreement.

### 13.14 Cash Manager

The Issuer shall appoint the Cash Manager as cash manager to perform certain administrative services for the Issuer. The Issuer shall not replace the Cash Manager, unless the Cash Manager's assignment as Cash Manager has been terminated in accordance with the Securitisation Framework Agreement.

### 13.15 Taxes

The Issuer shall procure that the Originator undertakes to pay or compensate the Issuer for corporate taxes imposed on the Issuer and, if possible, ensure that all such taxes are (i) neutralised by means of group contributions (Sw. *koncernbidrag*) to the Originator or (ii) paid out of funds provided by the Originator as a shareholder's contribution (Sw. *aktieägartillskott*).

### 13.16 Bank Accounts

- (a) The Issuer shall maintain the following bank Accounts in the name of the Issuer:
  - (i) Escrow Account;
  - (ii) Collection Account;
  - (iii) Interest Reserve Account;
  - (iv) Excess Liquidity Account; and
  - (v) Cost Account.
- (b) Subject to paragraphs (c) and (d) below, each Account must be held with the Account Bank.
- (c) Upon request by the Trustee (acting reasonably and after consultation with the Issuer), an Account must without undue delay be replaced with a bank account at the same or another bank.
- (d) The replacement of an Account only becomes effective when the relevant bank agrees with the Trustee and the Issuer, in a manner satisfactory to the Trustee, to fulfil the role of the bank holding that Account.
- (e) The Issuer may not, without the prior consent of the Trustee, maintain any bank accounts other than the Accounts, a bank account for the purposes of granting security pursuant to item (d) in the definition "Permitted Security", a bank account required to make payments through the CSD and the account holding the registered share capital of the Issuer.

### 13.17 Undertakings relating to the Trustee Agreement

- (a) The Issuer shall, in accordance with the Trustee Agreement:

- (i) pay fees to the Trustee;
  - (ii) indemnify the Trustee for costs, losses and liabilities;
  - (iii) furnish to the Trustee all information requested by or otherwise required to be delivered to the Trustee; and
  - (iv) not act in a way which would give the Trustee a legal or contractual right to terminate the Trustee Agreement.
- (b) The Issuer and the Trustee shall not agree to amend any provisions of the Trustee Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

## **14. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.14 (*Acceleration of the Bonds*)) is an Event of Default.

### **14.1 Non-Payment**

The Issuer fails to make a payment in accordance with the Transaction Documents unless its failure to pay is caused by administrative or technical error and payment is made within five (5) Business Days of the due date.

### **14.2 Portfolio Parameters**

The Issuer has failed to comply with any of the Portfolio Parameters, and has not remedied such failure (if capable of being remedied) within twenty (20) Business Days' notice thereof.

### **14.3 Other Obligations**

The Issuer fails to comply with the Transaction Documents, except as set out under 14.1 and 14.2 above, and has not remedied such failure (if capable of being remedied) within twenty (20) Business Days' notice thereof.

### **14.4 Cross-Acceleration**

Any Financial Indebtedness of the Issuer is not paid when due as extended by any originally applicable grace period, or is declared to be due as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 14.4 if the aggregate amount of Financial Indebtedness is less than SEK 3,000,000 (or its equivalent in any other currency).

### **14.5 Service Provider Termination Event**

A Service Provider Termination Event (as defined in the Securitisation Framework Agreement) occurs.

#### **14.6 Insolvency**

- (a) The Issuer is unable or admits inability to pay its debts, suspends making payments on its debts generally or, by reason of financial difficulties, commences negotiations with its creditors; or
- (b) a moratorium is declared in respect of the Financial Indebtedness of the Issuer.

#### **14.7 Insolvency Proceedings**

Any corporate action, legal proceedings or other procedures are taken (other than proceedings which are being disputed in good faith and are discharged within thirty (30) days) in relation to:

- (a) the suspension of payments, winding-up, re-organisation or similar (by way of voluntary arrangement or otherwise) of the Issuer; and
- (b) the appointment of a liquidator, administrator, or other similar officer in respect of the Issuer or any of its assets or any analogous procedure.

#### **14.8 Mergers and Demergers**

A decision is made that the Issuer shall be demerged or merged.

#### **14.9 Change of control of the Issuer**

The Issuer ceases to be wholly-owned by the Originator.

#### **14.10 Taxes**

- (a) The Swedish Tax Authority requests payment from the Issuer of value added tax payable with respect to a VAT group that includes the Issuer; and
- (b) the Originator does not pay or compensate the Issuer for taxes imposed on the Issuer as set out in Clause 13.15 (*Taxes*).

#### **14.11 Creditors' Process**

Any expropriation, attachment or any analogous process in any jurisdiction affects any asset or assets of the Issuer having an aggregate value of an amount equal to or exceeding SEK 3,000,000 (or its equivalent in any other currency) and is not discharged within thirty (30) days.



#### 14.12 Impossibility or Illegality

It is or becomes impossible or unlawful for the Issuer to fulfill or perform any of the provisions of the Transaction Documents or if the obligations under the Transaction Documents are not, or cease to be, legal, valid, binding and enforceable.

#### 14.13 Continuation of the Business

The Issuer ceases to carry on its business.

#### 14.14 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing, the Trustee is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the demand is received by the Trustee and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 14.14(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Trustee determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Trustee may not accelerate the Bonds in accordance with Clause 14.14(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Trustee shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Trustee received actual knowledge of that an Event of Default has occurred and is continuing. The Trustee shall, within twenty (20) Business Days of the date on which the Trustee received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Trustee decides not to accelerate the Bonds, the Trustee shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*). The Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders instruct the Trustee to accelerate the Bonds, the Trustee shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Trustee, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become

enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.

- (f) In the event of an acceleration of the Bonds in accordance with this Clause 14.14, the Issuer shall redeem all Bonds at an amount per Bond equal to 100 per cent. of the Nominal Amount.

## 15. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Trustee:

- (i) *first*, in or towards payment *pro rata* of (A) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee in accordance with the Trustee Agreement (other than any indemnity given for liability against the Bondholders), (B) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Bondholders' rights as may have been incurred by the Trustee, (C) any costs incurred by the Trustee for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2(g), and (D) any costs and expenses incurred by the Trustee in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16(c);
- (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (i) to (iv) above shall be paid to the Issuer.

- (b) Funds that the Trustee receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Trustee shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.

- (c) If the Issuer or the Trustee shall make any payment under this Clause 15, the Issuer or the Trustee, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply and for any amortisation in accordance with Clause 9.4 (*Voluntary partial amortisation*) due but not made, the Record Date specified in Clause 9.4(b) shall apply.

## 16. Decisions by Bondholders

- (a) A request by the Trustee for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Trustee and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Trustee and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Trustee. The person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Trustee may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Trustee that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:
- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) on the Business Day specified in the communication pursuant to Clause 18(c), in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal

Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c):

- (i) waive a breach of or amend an undertaking set out in Clause 13 (*General Undertakings*);
  - (ii) release the security provided under the Security Documents;
  - (iii) reduce the principal amount, interest rate or interest amount which shall be paid by the Issuer;
  - (iv) amend any payment day for principal or interest amount or waive any breach of a payment undertaking, or
  - (v) amend the provisions regarding the majority requirements under the Terms and Conditions.
- (f) Any matter not covered by Clause 16(e) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19(a)(i) or (19(a)(ii)), an acceleration of the Bonds or the enforcement of any Transaction Security.
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 16(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under the Finance Documents shall be subject to the Issuer's or the Trustee's consent, as appropriate.

- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Originator and the Trustee, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

## **17. Bondholders' Meeting**

- (a) The Trustee shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Trustee, it may convene a Bondholders' Meeting in accordance with Clause 17(a) with a copy to the Trustee. After a

request from the Bondholders pursuant to Clause 20.4(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17(a).

- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Trustee may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **18. Written Procedure**

- (a) The Trustee shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Trustee, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Trustee.
- (c) A communication pursuant to Clause 18(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 18(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16(e) and 16(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(e)

or 16(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 19. Amendments and Waivers

- (a) The Issuer and the Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- (c) The Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Trustee, as the case may be.

## 20. Appointment and Replacement of the Trustee

### 20.1 Appointment of Trustee

- (a) By subscribing for Bonds, each initial Bondholder appoints the Trustee to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security.

- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Trustee to act on its behalf, as set forth in Clause 20.1(a).
- (c) Each Bondholder shall immediately upon request provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Trustee is under no any obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Trustee Agreement and the Trustee's obligations as Trustee under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) The Trustee may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **20.2 Duties of the Trustee**

- (a) The Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, holding the Transaction Security pursuant to the Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. However, the Trustee is not responsible for the execution or enforceability of the Finance Documents or the perfection of the Transaction Security.
- (b) When acting in accordance with the Finance Documents, the Trustee is always acting with binding effect on behalf of the Bondholders. The Trustee shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) The Trustee's duties under the Finance Documents are solely mechanical and administrative in nature and the Trustee only acts in accordance with the Finance Documents and upon instructions from the Bondholders, or the Cash Manager, the Originator or the Issuer, in accordance with the terms of the Finance Documents, unless otherwise set out in the Finance Documents. In particular, the Trustee is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other person.



- (d) The Trustee may rely on a certificate or an instruction from the Issuer, the Originator and/or the Cash Manager given pursuant to these Terms and Conditions:
- (i) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
  - (ii) to the effect that such person approves of any particular dealing, transaction, step, action or thing,
- as sufficient evidence that that is the case and may assume the truth and accuracy of that certificate or such instruction.
- (e) The Trustee is entitled to delegate its duties to other professional parties, but the Trustee shall remain liable for the actions of such parties under the Finance Documents.
- (f) The Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (g) The Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Trustee pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or the Transaction Security which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, the Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (j) The Trustee shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the

Finance Documents or the Trustee Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2(i).

### 20.3 Limited liability for the Trustee

- (a) The Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or willful misconduct. The Trustee shall never be responsible for indirect loss.
- (b) The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Trustee to the Bondholders, provided that the Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Trustee for that purpose.
- (d) The Trustee shall have no liability to the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with Clause 16 (*Decisions by Bondholders*) or a demand by Bondholders given pursuant to Clause 14.14.
- (e) Any liability towards the Issuer which is incurred by the Trustee in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

### 20.4 Replacement of the Trustee

- (a) Subject to Clause 20.4(f), the Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.
- (b) Subject to Clause 20.4(f), if the Trustee is Insolvent, the Trustee shall be deemed to resign as Trustee and the Issuer shall within ten (10) Business Days appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day

immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Trustee be dismissed and a new Trustee appointed.

- (d) If the Bondholders have not appointed a successor Trustee within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Trustee was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under the Finance Documents.
- (f) The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.
- (g) Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Trustee.
- (h) In the event that there is a change of the Trustee in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents and the Trustee Agreement. Unless the Issuer and the new Trustee agrees otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee.

## **21. Appointment and Replacement of the Issuing Agent**

- (a) The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities

institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## 22. Appointment and Replacement of the CSD

- (a) The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- (b) The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the listing of the Bonds. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Securities Markets Act (Sw. *lag 2007:528*) om värdepappersmarknaden) and be authorised as a central securities depository in accordance with the Financial Instruments Account Act.

## 23. No Direct Actions by Bondholders

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 23(a) shall not apply if the Trustee has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or the Trustee Agreement or by any reason described in Clause 20.2(i), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2(j) before a Bondholder may take any action referred to in Clause 23(a).
- (c) The provisions of Clause 23(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.6 (*Mandatory repurchase due to a Change of Control Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## 24. Prescription

- (a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.
- (b) If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## 25. Notices and Press Releases

### 25.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Trustee, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch;
  - (ii) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch; and
  - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders. A Notice to the Bondholders shall also be published on the websites of the Originator and the Trustee.
- (b) Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1(a) or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1(a).
- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

- (d) If an Event of Default is continuing, any notice or other communication made by the Trustee to the Issuer under or in connection with the Finance Documents may, provided that the Trustee deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Trustee), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Trustee to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Group, to the email addresses most recently notified by the Issuer to the Trustee.

## 25.2 Press releases

- (a) Any notice that the Issuer or the Trustee shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption (call option)*), 9.4 (*Voluntary partial amortisation*), 9.5 (*Early redemption due to a Tax Event (call option)*), 11.1(b), 14.14(c), 16(o), 17(a), 18(a) and 19(c) shall also be published by way of press release by the Issuer or the Trustee, as applicable.
- (b) In addition to Clause 25.2(a), if any information relating to the Bonds or the Issuer contained in a notice the Trustee may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Trustee shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Trustee considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Trustee shall be entitled to issue such press release.

## 26. Force Majeure and Limitation of Liability

- (a) Neither the Trustee nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Trustee or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and willful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Trustee or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

- (d) The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **27. Governing Law and Jurisdiction**

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- (b) The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Stockholm

Date: \_\_\_\_ January 2018

**Lendify Sweden 2 AB (publ)**

as Issuer

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Name:

We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

Place: Stockholm

Date: \_\_\_\_ January 2018

**Intertrust (Sweden) AB**

as Trustee

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Name: