

**TERMS AND CONDITIONS FOR  
EUROPEAN ENERGY A/S  
MAXIMUM EUR 60,000,000  
SENIOR UNSECURED CALLABLE FLOATING RATE  
BONDS 2014/2018**

**ISIN: SE0005677796**

Issue Date: 3 March 2014

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*The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.*

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**1. DEFINITIONS AND CONSTRUCTION**

**1.1 Definitions**

In these terms and conditions (the “**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 Holder has opened a Securities Account in respect of its Bonds.

“**Accounting Principles**” means (i) until the Bonds are listed on the corporate bond list of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable), the generally accepted local accounting principles, standards and practices in Denmark and (ii) once the Bonds are listed on the corporate bond list of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable), the 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 aggregate Nominal Amount of the Bonds outstanding at the relevant time 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.

“**Advance Purchase Agreements**” means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than 120 calendar days after the date of supply, or (b) any other trade credit incurred in the ordinary course of business.

“**Affiliate**” means any other 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.

“**Agent**” means the agent under these Terms and Conditions from time to time; initially CorpNordic Sweden AB, reg. no. 556625-5476, P.O. Box 16285, 103 25 Stockholm Sweden.

“**Agent Agreement**” means the agency, fee and indemnity agreement entered into on or about the Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the Issue Date between the Issuer and an Agent.

“**Applicable Premium**” means the higher of (a) 1.00 per cent. of the Nominal Amount, and (b) an amount equal to (i) 104.00 per cent. of the Nominal Amount; plus (ii) all remaining scheduled interest payments on the Bonds until the First Call Date (but excluding accrued but unpaid Interest up to the relevant redemption date) discounted (for the time period starting from the date the relevant Bonds are redeemed to the First Call Date) using a discount rate equal to the German Government Bond Rate plus 50 basis points; minus (iii) the Nominal Amount.

“**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 any Bond issued in a Subsequent Bond Issue.

“**Bond Issue**” means the issuance of the Bonds on the Issue Date.

“**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.

“**Business Report**” has the meaning set forth in paragraph (c) of Clause 11.11 (*Financial reporting and information*).

**“Call Option Amount”** means:

- (a) 104.00 per cent. of the Nominal Amount if the call option is exercised on or after the First Call Date up to (but excluding) the date falling 30 months after the Issue Date;
- (b) 103.00 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 30 months after the Issue Date up to (but excluding) the date falling 36 months after the Issue Date;
- (c) 102.00 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 36 months after the Issue Date up to (but excluding) the date falling 42 months after the Issue Date; or
- (d) 101.00 per cent. of the Nominal Amount if the call option is exercised on or after the date falling 42 months after the Issue Date up to (but excluding) the Final Maturity Date.

**“Cash”** means, at any time, cash in hand held by the Issuer or at a reputable bank credited to an account in the name of the Issuer and in each case to which the Issuer is beneficially and legally entitled and which is immediately available to be applied in repayment or prepayment of the Bonds or payment of interest (for the avoidance of doubt, not including any cash subject to a pledge or similar arrangement or any amount standing on client accounts).

**“Change of Control Event”** means the occurrence of an event or series of events whereby one or more persons, not being a direct or indirect shareholder in the Issuer as of the Issue Date, acting together, acquire control over the Issuer and where **“control”** means (a) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the voting shares of the Issuer, 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 Issuer.

**“Choleva Loan”** means the DKK 5,000,000 loan provided under a loan agreement entered into between the Issuer (as borrower) and Aktieselskabet af 12. marts 1914 (as lender).

**“Compliance Certificate”** means a certificate 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, and, if the Compliance Certificate is

provided in connection with a Financial Report being made available, the Compliance Certificate shall include relevant calculations and figures in respect of the Financial Covenants.

“**Conditions Precedent for Disbursement**” means all actions and documents set forth in Clause 12.1.

“**Construction Principal**” means each of the contractors appointed by or partnered with the Issuer or a Subsidiary for the purposes of constructing a renewable energy project.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds from time to time, initially Euroclear Sweden AB (reg. no. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden).

“**DKK**” means the official currency of Denmark.

“**Equity**” means the aggregate book value of the Group’s total equity in accordance with the Accounting Principles.

“**Escrow Account**” means a bank account of the Issuer held by the Escrow Bank, into which the Net Proceeds will be transferred and which has been pledged in favour of the Agent and the Holders (represented by the Agent) under the Escrow Account Pledge Agreement.

“**Escrow Account Pledge Agreement**” means the pledge agreement entered into between the Issuer and the Agent on or about the Issue Date in respect of a first priority pledge over the Escrow Account and all funds held on the Escrow Account from time to time, granted in favour of the Agent and the Holders (represented by the Agent).

“**Escrow Bank**” means Nykredit Bank A/S.

“**EURIBOR**” means:

- (a) the applicable percentage rate per annum displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or
- (b) if no screen 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 Nordea Bank AB (publ), Svenska Handelsbanken AB (publ) and Skandinaviska Enskilda Banken AB (publ) (or such other banks as may be appointed by the Issuing Agent in consultation with

the Issuer), for deposits of EUR 10,000,000 for the relevant period; or

- (c) if no quotation is available pursuant to paragraph (b) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Euro offered for the relevant period; and

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

“**Euro**” and “**EUR**” means the currency used by the institutions of the European Union and is the official currency of the Eurozone.

“**Event of Default**” means an event or circumstance specified in Clause 14.1.

“**Existing Guarantees and Security**” means each of the guarantees and security provided by the Issuer for the purposes of guaranteeing or securing the obligations of:

- (a) European Energy Systems II ApS under a EUR 1,100,000 loan provided by FS Finans A/S;
- (b) European Solar Farms Spain ApS under a EUR 1,500,000 loan provided by Merkur Andelskasse;
- (c) SF Ibiza ApS under a EUR 475,000 loan provided by Merkur Andelskasse;
- (d) SF La Pobla ApS under a EUR 500.000 loan provided by Merkur Andelskasse; and
- (e) itself under the Choleva Loan.

“**Existing Nykredit Corporate Debt**” means the:

- (a) DKK 143,800,000 credit facility provided under a facility agreement dated 18 November 2011; and
- (b) DKK 47,300,000 credit facility provided under a facility agreement dated 22 March 2013 (as amended on 10 July 2013),

entered into between the Issuer (as borrower), Nykredit Bank A/S (as lender) and certain Subsidiaries and direct and indirect shareholders of the Issuer (as guarantors).

“**Existing Nykredit Security**” means any and all security and guarantees provided by the Issuer, any Subsidiary or any direct or indirect shareholder of the Issuer for the purposes of securing and/or guaranteeing

the Issuer's and/or any guarantor's obligations under the Existing Nykredit Corporate Debt.

**"Final Maturity Date"** means 3 March 2018.

**"Financial Covenants"** means the financial covenants specified in Clause 11.7 (*Financial Covenants*).

**"Financial Indebtedness"** means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (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 Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the accounting principles applicable on the Issue Date are met);
- (d) any amount raised pursuant to any note purchase facility or the issue of any bond or note or similar instrument;
- (e) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (f) 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);
- (g) 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
- (h) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)–(g).

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

**"Financial Report"** means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial



statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group and the Business Report.

“**First Call Date**” means the date falling 24 months after the Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**Force Majeure Event**” has the meaning set forth in Clause 25.1.

“**German Government Bond Rate**” means the yield to maturity at the time of computation of direct obligations of the Federal Republic of Germany (Ge: *Bund or Bundesanleihen*) with a constant maturity (as officially compiled and published in the most recent financial statistics that have become publicly available at least 2 Business Days (but not more than 5 Business Days) prior to the redemption date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Issuer in good faith)) most nearly equal to the period from the relevant redemption date to (but excluding) the First Call Date, provided, however that if the period from the relevant redemption date to (but excluding) the First Call Date is not equal to the constant maturity of the direct obligations of the Federal Republic of Germany for which a weekly average yield is given, the German Government Bond Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of direct obligations of the Federal Republic of Germany for which such yields are given, except that if the period from such redemption date to (but excluding) the First Call Date is less than one year, the weekly average yield on actually traded direct obligations of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used.

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

“**Holder**” 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.

“**Holders’ Meeting**” means a meeting among the Holders held in accordance with Clause 17 (*Holders’ Meeting*).

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 9.1 to 9.3.

“**Interest Payment Date**” means 3 March, 3 June, 3 September and 3 December 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 (with the first Interest Payment Date on 3 June 2014 and the last Interest Payment Date being the Final Maturity Date).

“**Interest Period**” means (i) in respect of the first Interest Period, the period from (but excluding) the Issue Date up 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 up to (and including) the next succeeding Interest Payment Date (or a shorter period if applicable).

“**Interest Rate**” means a floating rate of EURIBOR (3 months) + 7.50 per cent. per annum.

“**Issue Date**” means 3 March 2014.

“**Issuer**” means European Energy A/S, (reg. no. 18351331, Diplomvej 377, 2800 Kgs. Lyngby, Denmark).

“**Issuing Agent**” means ABG Sundal Collier Norge ASA (reg. no. 883 603 362, Munkedamsveien 45, 0205 Oslo, Norway) or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Market Loan**” means any loan or other indebtedness where an entity issues commercial paper, certificates, convertibles, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on any regulated or unregulated recognised market place.

“**Material Adverse Effect**” means a material adverse effect on (i) the business, financial condition or operations of the Group taken as a whole, (ii) the Issuer’s ability to perform and comply with its payment undertakings under these Terms and Conditions and with the undertakings set out in Clause 11 (*Special undertakings*), or (iii) the validity or enforceability of these Terms and Conditions.

“**NASDAQ OMX Stockholm**” means NASDAQ OMX Stockholm AB (reg. no. 556383-9058, 105 78 Stockholm, Sweden).

“**Net Proceeds**” means the proceeds from the Bond Issue which, after deduction has been made for the Transaction Costs, shall be transferred to

the Escrow Account and used in accordance with Clause 4 (*Use of proceeds*).

“**Nominal Amount**” has the meaning set forth in Clause 2.1.

“**Operational Unit**” means a group of entities together holding a renewable energy project which is divided into different parts (all of which are located at the same location (or within close proximity of each other)) where each part is being held by a separate entity and where all entities within the group benefit from the same financial arrangement with an external finance provider for the purpose of financing the operation of the Operational Unit.

“**Payment In Kind Investment**” means an arrangement in writing on arm’s length terms between the Issuer and another shareholder in a Subsidiary, whereby part of such shareholder’s equity investment in a Subsidiary is agreed to be by way of contributing free of charge work force and engagement (or any other similar value increase investments) instead of by way of contributing cash.

“**Permitted Debt**” means any Financial Indebtedness:

- (a) incurred under the Bonds (including Bonds issued under any Subsequent Bond Issues);
- (b) related to any agreements under which the Issuer leases office space (*Sw. kontorshyresavtal*) provided that such Financial Indebtedness is incurred in the ordinary course of the Issuer’s business;
- (c) arising under a derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price where such exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions, but not a derivative transaction for investment or speculative purposes;
- (d) incurred in the ordinary course of business under Advance Purchase Agreements;
- (e) incurred under an existing intra-group loan in the amount of EUR 1,000,000 provided by Bond II Erste GmbH & Co. KG to the Issuer;

- (f) incurred under an existing intra-group loan in the amount of EUR 680,000 provided by Bond II Zweite GmbH & Co. KG to the Issuer;
- (g) taken up from a wholly-owned Group Company;
- (h) related to any Shareholder Loans;
- (i) incurred under the Choleva Loan;
- (j) incurred under an existing loan in the amount of DKK 430,000 provided by Sydbank A/S; and
- (k) any Financial Indebtedness not permitted by paragraphs (a) to (j) above, provided that the aggregate amount of such indebtedness, does not exceed EUR 2,000,000.

“**Permitted Security**” means any guarantee or security:

- (a) arising by operation of law or in the ordinary course of business (including set-off under standard terms for bank accounts or collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (b) provided by the Issuer for the purposes of guaranteeing or securing a Subsidiary’s obligations owed to a third party under a construction facility entered into in connection with the construction of any renewable energy project, under which guarantee the Issuer shall on demand and as if the Issuer was the principal obligor pay any amount due to the third party whenever the Subsidiary entity does not under the construction facility punctually pay any amount due thereunder to the third party, provided, however, that (i) the arrangement is in the ordinary course of the Group’s business (ii) such guarantee from the Issuer is only valid until the renewable energy project has been completed and the later of: (a) the project has been in operation for a full year, or (b) there are no ongoing appeals regarding legal (including building) permits in relation to such renewable energy projects, and (iii) a back-to-back guarantee arrangement with the Construction Principal has been entered into whereby the Construction Principal will indemnify the Issuer and/or the relevant Subsidiary should any loss during the construction phase occur due to a fault which the Construction Principal is liable for;

- (c) provided by the Issuer for the purposes of guaranteeing or securing a Subsidiary's obligations under its Financial Indebtedness but which shall not in aggregate exceed EUR 4,000,000 during the term of the Bonds;
- (d) provided by the Issuer prior to the Issue Date for the purpose of guaranteeing or securing expectations relating to debt service coverage ratios to be met by certain Subsidiaries whereby the Issuer's obligation under such guarantee consists of having to contribute capital to such Subsidiary in accordance with a specific instalment schedule that becomes applicable if the Subsidiary fails to meet the expected ratios within a set time period;
- (e) provided by a Subsidiary (the "**Subsidiary Guarantor**") for the purpose of guaranteeing or securing the obligations of another Subsidiary (the "**Subsidiary Borrower**" and together with the Subsidiary Guarantor and any indirect or direct Subsidiaries of each of the Subsidiary Guarantor and the Subsidiary Borrower a "**Subsidiary Group**") under a loan agreement (or any refinancing thereof) entered into with an external finance provider for the purpose of finance the operations of the Subsidiary Group and provided such guarantee is part of a financial arrangement of a portfolio of renewable energy projects which have been directly or indirectly acquired by the Issuer as a unit (constituting the Subsidiary Group) having a shared financing set-up;
- (f) provided by a Subsidiary Guarantor for the purpose of guaranteeing or securing the obligations of a Subsidiary Borrower (provided the Subsidiary Borrower and the Subsidiary Guarantor belong to the same Operational Unit) under a loan agreement entered into with an external finance provider for the purpose of finance the operations of the Operational Unit;
- (g) provided by each of Parcoeolico Carpanaccio s.r.l. and Parcoeolico Riparbella s.r.l. for the purpose of guaranteeing or securing each other's respective obligations under a loan agreement entered into with an external lender; and
- (h) provided by a Subsidiary for the purpose of securing its own obligations under any Financial Indebtedness.

"**Purpose of the Bond Issue**" has the meaning set forth in Clause 4.2.

“**Quotation Day**” means, in relation to any period for which an interest rate is to be determined, 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 Holders is to be made under Clause 15 (*Distribution of proceeds*), (iv) the date of a Holders’ 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 10 (*Redemption and repurchase of the Bonds*).

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

“**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.

“**Shareholder Loans**” means any shareholder loans of the Issuer or any of its Subsidiaries, where the Issuer or the relevant Subsidiary is the debtor, if such shareholder loans (a) are provided by any direct or indirect shareholder of the Issuer, (b) according to its terms are subordinated to the obligations of the Issuer under these Terms and Conditions, (c) according to its terms can be repaid only after the Issuer’s payment obligations under these Terms and Conditions have been discharged and (d) according to its terms yield payment-in-kind interest or prescribes that interest can only be paid after the issuer’s payment obligations under these Terms and Conditions have been discharged.

“**Subsequent Bond Issue**” has the meaning set forth in Clause 2.2.

“**Subsidiary**” means, in relation to any person, any legal entity (whether incorporated or not), in respect of which such person, directly or indirectly, (a) owns shares or ownership rights representing more than 50.00 per cent. of the total number of votes held by the owners, (b) otherwise controls more than 50.00 per cent. of the total number of votes held by the owners, (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, (d) exercises control as determined in accordance with the

Accounting Principles or (e) holds, individually or together with any other Group Company, at least twenty per cent. (20 per cent.) but not more than forty nine per cent. (49 per cent.) of the voting rights and do not exercise any direct or indirect control over such associated entity.

“**Total Assets**” means the aggregate book value of the Group’s total assets in accordance with the Accounting Principles.

“**Transaction Costs**” means all fees, costs and expenses incurred by a Group Company in connection with the Bond Issue, a Subsequent Bond Issue and the listing of the Bonds on NASDAQ OMX Stockholm (or any other Regulated Market, as applicable).

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

## 1.2 **Construction**

1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a “**regulation**” includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) a time of day is a reference to Stockholm time.

1.2.2 When ascertaining whether a limit or threshold specified in EUR 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 EUR 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.

- 1.2.3 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.2.4 No delay or omission of the Agent or of any Holder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

## **2. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS**

- 2.1 The aggregate amount of the bond loan will be an amount of up to EUR 60,000,000 and will be represented by Bonds, each of a nominal amount of EUR 100,000 or full multiples thereof (the “**Nominal Amount**”). All Bonds issued in the Bond Issue are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount. The ISIN for the Bonds is SE0005677796. The minimum permissible investment in connection with the Bond Issue is EUR 100,000 and integral multiples thereof.
- 2.2 The Issuer may choose not to issue the full amount of Bonds on the Issue Date and may in such case, provided that no Event of Default is continuing or would result from such issue, choose to issue the remaining amount of Bonds at one or more subsequent dates (“**Subsequent Bond Issue**”). The price of Bonds issued in a Subsequent Bond Issue may be set at the Nominal Amount or at a higher or lower amount than the Nominal Amount. Bonds issued in a Subsequent Bond Issue shall have the same ISIN, Interest Rate, Nominal Amount, Final Maturity Date and other rights as Bonds issued on the Issue Date.
- 2.3 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.4 The Bonds are denominated in EUR and each Bond is constituted by these Terms and Conditions.
- 2.5 By subscribing for Bonds, each initial Holder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Holder confirms such agreements.

## **3. STATUS OF THE BONDS**

The Bonds constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them.



#### **4. USE OF PROCEEDS**

- 4.1 The Net Proceeds shall be transferred by the Issuing Agent to the Escrow Account. For the purpose of securing that the Conditions Precedent for Disbursement have been fulfilled before the disbursement of the Net Proceeds, the Escrow Account has been pledged in favour of the Holders and the Agent under the Escrow Account Pledge Agreement until the Conditions Precedent for Disbursement have been fulfilled.
- 4.2 Upon fulfilment of the Conditions Precedent for Disbursement, the Net Proceeds shall be used towards repayment of the Existing Nykredit Corporate Debt and any Net Proceeds remaining after the repayment shall be used as growth capital and for general corporate purposes (the “**Purpose of the Bond Issue**”).
- 4.3 The proceeds from any Subsequent Bond Issue (after deduction has been made for any Transaction Costs) shall be transferred by the Issuing Agent directly to the Issuer to be used as growth capital and for general corporate purposes.

#### **5. THE BONDS AND TRANSFERABILITY**

- 5.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 5.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 5.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 5.4 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 Holder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Holder must ensure compliance with such restrictions at its own cost and expense.
- 5.5 For the avoidance of doubt and notwithstanding the above, a Holder which allegedly has purchased Bonds in contradiction to mandatory

restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Holder hereunder in each case until such allegations have been resolved.

## **6. BONDS IN BOOK-ENTRY FORM**

- 6.1 The Bonds will be registered for the Holders on their respective Securities Accounts and no physical Bonds 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.
- 6.2 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.
- 6.3 The Issuer (and the Agent 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 Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 6.4 For the purpose of or in connection with any Holders' 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. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.
- 6.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, 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 Agent or unless consent thereto is given by the Holders.
- 6.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.

## **7. RIGHT TO ACT ON BEHALF OF A HOLDER**

- 7.1 If any person other than a Holder wishes to exercise any rights under these Terms and Conditions, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such person.
- 7.2 A Holder 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 these Terms and Conditions in relation to the Bonds for which such representative is entitled to represent the Holder and may further delegate its right to represent the Holder by way of a further power of attorney.
- 7.3 The Agent 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 7.1 and 7.2 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.

## **8. PAYMENTS IN RESPECT OF THE BONDS**

- 8.1 Any payment or repayment under these Terms and Conditions, or any amount due in respect of a repurchase of any Bonds, shall be made to such person who is registered as a Holder on the Record Date prior to the relevant payment 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.
- 8.2 If a Holder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions 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 Holder 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 Holders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 8.3 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 9.4 during such postponement.

- 8.4 If payment or repayment is made in accordance with this Clause 8, 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.
- 8.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue or any Subsequent Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law.
- 8.6 The Issuer is not liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or the similar.

## **9. INTEREST**

- 9.1 The Bonds will bear interest at the Interest Rate applied to the Nominal Amount from, but excluding, the Issue Date up to and including the relevant Redemption Date. Any Bond issued pursuant to a Subsequent Bond Issue will, however, 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.
- 9.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Holders on each Interest Payment Date for the preceding Interest Period.
- 9.3 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).
- 9.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions 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 200 basis points 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 Agent or the CSD, in which case the Interest Rate shall apply instead.

## **10. REDEMPTION AND REPURCHASE OF THE BONDS**

### **10.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Maturity Date (or, to the extent such day is not a Business Day, on the Business Day following from an application of the Business Day Convention) with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

### **10.2 The Group Companies' purchase of Bonds**

Any Group Company may, subject to applicable law, at any time and at any price purchase Bonds. The Bonds held by a Group Company may at such Group Company's discretion be retained, sold or, if held by the Issuer, cancelled.

### **10.3 Early voluntary redemption by the Issuer (call option)**

10.3.1 The Issuer may redeem all, but not only some, of the outstanding Bonds on any Business Day prior to the First Call Date, at an amount equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest, plus the Applicable Premium.

10.3.2 The Issuer may redeem all, but not only some, of the outstanding Bonds on any Business Day falling on or after the First Call Date, but before the Final Maturity Date, at the Call Option Amount together with accrued but unpaid Interest.

10.3.3 Redemption in accordance with Clause 10.3.1 and 10.3.2 shall be made by the Issuer giving not less than 15 Business Days' notice to the Holders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

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

10.4.1 Upon a Change of Control Event occurring, each Holder shall have the right to request that all, or only some, of its Bonds be repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 105.00 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of 60 calendar days following a notice from the Issuer of the Change of Control Event

pursuant to paragraph (f) of Clause 11.11 (*Financial reporting and information*). The 60 calendar days' period may not start earlier than upon the occurrence of the Change of Control Event.

- 10.4.2 The notice from the Issuer pursuant to paragraph (f) of Clause 11.11 (*Financial reporting and information*) shall specify the repurchase date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by 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 paragraph (f) of Clause 11.11 (*Financial reporting and information*). The repurchase date must fall no later than 20 Business Days after the end of the period referred to in Clause 10.4.1.
- 10.4.3 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 10.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 10.4 by virtue of the conflict.
- 10.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 10.4 may at the Issuer's discretion be retained, sold or cancelled.

## **11. SPECIAL UNDERTAKINGS**

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Clause 11.

### **11.1 Distributions**

The Issuer shall not, and shall procure that none of its Subsidiaries, (i) pay any dividend on shares, (ii) repurchase any of its own shares, (iii) redeem its share capital or other restricted equity with repayment to shareholders, (iv) repay or pay interest under any shareholder loans or (v) make any other similar distribution or transfers of value (Sw. *värdeöverföringar*) to the Issuer's, or its Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (items (i)-(v) above are together and individually referred to as a "**Restricted Payment**"), provided however that any such Restricted Payment can be made, if no Event of Default is continuing or would result from such Restricted Payment, by any of the Issuer's Subsidiaries

if such Restricted Payment is made to the Issuer or any of its Subsidiaries and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, any such Restricted Payments shall be made *pro rata* (or to the Issuer's advantage) in relation to each shareholder's respective investment in such Subsidiary which shall include investments made by way of shareholder loans and regardless of whether there are different classes of shares, however, has a Payment In Kind Investment been made any such Restricted Payment may be made *pro rata* in relation to each shareholder's shareholding not taking into account investments by shareholder loans provided such arrangement has been agreed in writing between the Issuer and the shareholder having made the Payment In Kind Investment.

#### 11.2 **Listing of Bonds**

The Issuer shall take all measures required to ensure (i) that the Bonds are listed on the corporate bond list of NASDAQ OMX Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market, within 12 months after the Issue Date, (ii) that the Bonds, once listed on the corporate bond list of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable), continue being listed thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable) and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds) and (iii) that, upon any Subsequent Bond Issue, the volume of Bonds listed on the corporate bond list of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable) promptly, and not later than 10 Business Days after the relevant issue date, is increased accordingly.

#### 11.3 **Financial Indebtedness**

The Issuer shall not incur any Financial Indebtedness or maintain or prolong any existing Financial Indebtedness, provided however that the Issuer has a right to incur, maintain and prolong Financial Indebtedness constituting Permitted Debt.

#### 11.4 **Negative pledge**

The Issuer shall not, and shall procure that none of its Subsidiaries will, create or allow to subsist, retain, provide, prolong or renew any guarantee or security over any of its/their assets (present or future) to secure any

loan or other indebtedness, provided however that the Group Companies have a right to retain, provide, prolong and renew any Permitted Security.

11.5 **Loans and shareholder contributions**

The Issuer shall not be a creditor in respect of any future Financial Indebtedness unless the debtor under such arrangement is a wholly-owned Subsidiary of the Issuer or, if the debtor is a Subsidiary not wholly-owned by the Issuer, such loan is granted as part of the investment in such Subsidiary in the ordinary course of the Group's business. Furthermore, the Issuer shall not make any shareholder contributions to any of its Subsidiaries unless made in the ordinary course of the Group's business.

11.6 **Disposals of assets**

The Issuer shall not, and shall procure that no Group Company will, sell or otherwise dispose of (including through any mergers or demerges) all or some of the shares in any Group Company to any person not being the Issuer or any of its wholly-owned Subsidiaries unless such disposal is made on customary arm's length terms at fair market value not having a Material Adverse Effect.

11.7 **Financial Covenants**

- (a) **Minimum Equity:** The Issuer shall ensure that the Equity does not fall below EUR 40,000,000.
- (b) **Minimum Total Assets:** The Issuer shall ensure that the Total Assets does not fall below EUR 115,000,000.
- (c) **Equity to Total Assets ratio:** The Issuer shall ensure that Equity to Total Assets does not fall below 25.00 per cent..
- (d) **Minimum Liquidity:** The Issuer shall ensure that the total Cash at least equals an amount of interest payable for three (3) consecutive Interest Periods by reference to the interest payable in the latest Interest Period.

Compliance with each Financial Covenant shall be determined by reference to the most recent Financial Report either prepared in accordance with the Accounting Principles adopted by the Issuer as of the Issue Date or any other subsequent Accounting Principles adopted by the Issuer after the Issue Date (at the Issuer's sole discretion).



11.8 **Nature of business**

The Issuer shall procure that no substantial change is made to the general nature of the business carried out by the Group as of the Issue Date.

11.9 **Dealings with related parties**

The Issuer shall, and shall procure that its Subsidiaries will, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders, at arm's length terms.

11.10 **Compliance with laws etcetera**

The Issuer shall, and shall procure that its Subsidiaries will, (i) comply in all material respects with all laws and regulations applicable from time to time and (ii) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company.

11.11 **Financial reporting and information**

The Issuer shall:

- (a) prepare and make available the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of 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, on its website not later than 4 months after the expiry of each financial year (for the first time in connection with the Financial Report relating to the financial period ending on 31 December 2014);
- (b) starting from 1 July 2014, prepare and make available the quarterly interim unaudited consolidated reports of the Group, 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, on its website not later than 2 months after the expiry of each relevant interim period;
- (c) within 2 months from 30 June 2014, prepare and make available a report on the Issuer's business covering the period 1 January 2014 to 30 June 2014 including a description of the business and business development, a profit and loss account and a balance sheet (the "**Business Report**");

- (d) issue a Compliance Certificate to the Agent in connection with a Financial Report being made available and at the Agent's request, within 20 days from such request;
- (e) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on the website of the Group;
- (f) promptly notify the Agent (and, as regards a Change of Control Event, the Holders) upon becoming aware of the occurrence of (i) a Change of Control Event or (ii) an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice; and
- (g) prepare the Financial Reports in accordance with the Accounting Principles and, once the Bonds are listed on the corporate bond list of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable), in addition make them available in accordance with the rules and regulations of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable) (as amended from time to time).

#### 11.12 **Agent Agreement**

11.12.1 The Issuer shall, in accordance with the Agent Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;
- (c) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agent Agreement.

11.12.2 The Issuer and the Agent shall not agree to amend any provisions of the Agent Agreement without the prior consent of the Holders if the amendment would be detrimental to the interests of the Holders.

### 12. **CONDITIONS PRECEDENT FOR DISBURSEMENT OF THE NET PROCEEDS**

12.1 The Agent's approval of the disbursement from the Escrow Account of the Net Proceeds is subject to the following documents being received by the Agent, in form and substance satisfactory to it (acting reasonably):

- (a) a duly executed release notice from the lender under the Existing Nykredit Corporate Debt confirming that all Existing Nykredit Security will be released upon repayment; and
  - (b) evidence that the amounts to be released from the Escrow Account shall be applied towards repayment in full of the Existing Nykredit Corporate Debt in accordance with the Purpose of the Bond Issue.
- 12.2 When the Conditions Precedent for Disbursement set out in Clause 12.1 above have been fulfilled to the satisfaction of the Agent, the Agent shall instruct the Escrow Bank to transfer the funds from the Escrow Account for the purpose of repayment in full of the Existing Nykredit Corporate Debt. The Agent shall instruct the Escrow Bank to transfer any residual funds from the Escrow Account to the bank account specified by the Issuer, to be used as growth capital and for general corporate purposes in accordance with the Purpose of the Bond Issue.
- 12.3 When the Conditions Precedent for Disbursement have been fulfilled, the Escrow Account Pledge Agreement shall have no further effect and the security created thereunder shall be released. The Agent shall execute and deliver any documents and take any other actions necessary to give effect to such termination of the Escrow Account Pledge Agreement and such release of security in accordance with the terms of the Escrow Account Pledge Agreement.
- 12.4 The Agent may assume that the documents presented under Clause 12.1 are correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such documents.

**13. CONDITIONS SUBSEQUENT**

The Issuer shall provide evidence to the Agent, in form and substance satisfactory to the Agent, showing that:

- (a) the Existing Nykredit Corporate Debt has been fully repaid, such evidence to be provided immediately after the Conditions Precedent for Disbursement have been fulfilled and the payments from the Escrow Account have been made; and
- (b) all Existing Nykredit Security and Existing Guarantees and Security have been released with no remaining obligations of any of the Group Companies, such evidence to be provided as soon as possible after the Conditions Precedent for Disbursement have been fulfilled and the payments from the Escrow Account have

been made, but no later than 14 calendar days after the Issue Date.

#### **14. TERMINATION OF THE BONDS**

14.1 The Agent is entitled, on behalf of the Holders, to terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than 20 Business Days from the date on which the Agent made such declaration), if:

- (a) **Non-payment:** the Issuer fails to pay an amount on the date it is due in accordance with these Terms and Conditions unless its failure to pay is due to technical or administrative error and/or is remedied within 5 Business Days of the due date;
- (b) **Conditions subsequent:** the Issuer has not provided the Agent with evidence, in form and substance satisfactory to the Agent, showing that the actions described under Clause 13 (*Conditions subsequent*) have been taken or that the events described therein have occurred not later than immediately after the Conditions Precedent for Disbursement have been fulfilled and the payments from the Escrow Account have been made and/or 14 calendar days after the Issue Date (as applicable);
- (c) **Other obligations:** the Issuer does not comply with these Terms and Conditions in any other way than as set out under (a) and (b) above, provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within 20 Business Days from such request (if the failure or violation according to the Agent (acting reasonably) is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request);
- (d) **Cross-acceleration:** any Financial Indebtedness of one or several Group Companies is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (d) until the aggregate amount of all such Financial Indebtedness for one or several Group Companies exceeds EUR 2,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company;

- (e) **Insolvency:**
- (i) the Issuer is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors with a view to rescheduling its Financial Indebtedness; or
  - (ii) a moratorium is declared in respect of the Financial Indebtedness of the Issuer;
- (f) **Insolvency proceedings:** any corporate action, legal proceedings or other procedures are taken (other than proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 days of commencement or, if earlier, the date on which it is advertised) in relation to:
- (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (Sw. *företagsrekonstruktion*) (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer;
  - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Issuer or any of its assets (which for the avoidance of doubt does not include the Subsidiaries); or
  - (iii) any analogous procedure or step is taken in any jurisdiction in respect of the Issuer;
- (g) **Mergers and demergers:** the Issuer merges with any other person, or is subject to a demerger, with the effect that the Issuer is not the surviving entity;
- (h) **Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets (which for the avoidance of doubt does not include assets of any Subsidiary) of the Issuer having an aggregate value exceeding EUR 2,000,000, is targeted against the Issuer and is not discharged within 30 days;

- (i) **Impossibility or illegality:** it is or becomes impossible or unlawful for the Issuer to fulfil or perform any of the provisions of these Terms and Conditions or if the obligations under these Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable; or
  - (j) **Continuation of the business:** the Issuer ceases to carry on its business.
- 14.2 Termination for payment prematurely on the grounds mentioned in paragraph (c) or (d) of Clause 14.1 above may only occur if the nature of the particular circumstance is such that it would have a Material Adverse Effect and that the cause of termination is continuing at the time of the Agent's declaration. However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned in paragraph (e) of Clause 14.1 above.
- 14.3 If the right to terminate 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 termination to be deemed to exist.
- 14.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 14.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 14.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 14.1 and provide the Agent with all documents that may be of significance for the application of this Clause 14.
- 14.5 The Issuer is only obliged to inform the Agent according to Clause 14.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with NASDAQ OMX Stockholm (or any other Regulated Market, as applicable). If such a conflict would exist pursuant to the listing contract with NASDAQ OMX Stockholm (or any other Regulated Market, as applicable) or otherwise, the Issuer shall however be obliged to either seek the approval from NASDAQ OMX Stockholm (or any other Regulated Market, as applicable) or undertake other reasonable measures, including entering into a non-disclosure agreement

with the Agent, in order to be able to timely inform the Agent according to Clause 14.4.

- 14.6 If the Agent has been notified by the Issuer or has otherwise determined that there is a default under these Terms and Conditions according to Clause 14.1, the Agent shall decide, within 20 Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Clause 16 (*Decisions by Holders*). If the Holders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Holders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default and whether such event has a Material Adverse Effect.
- 14.7 If the Holders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 16 (*Decisions by Holders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Holders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 14.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 14, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 14.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 14 without relevant decision by the Agent or following instructions from the Holders' pursuant to Clause 16 (*Decisions by Holders*).
- 14.10 If the Bonds are declared due and payable, the Issuer shall redeem all Bonds with an amount per Bond equal to 104.00 per cent. of the Nominal Amount or, if the Bonds are declared due and payable on or after the First Call Date, at the applicable Call Option Amount.

## 15. DISTRIBUTION OF PROCEEDS

15.1 If the Bonds have been declared due and payable due to an Event of Default, all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Holders' rights, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Holders' Meeting or a Written Procedure;
- (b) *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);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer. The application of proceeds in accordance with paragraphs (a) to (d) above shall, however, not restrict a Holders' Meeting or a Written Procedure from resolving that accrued Interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

15.2 If a Holder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1, such Holder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1.

15.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Holders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.



15.4 If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Holders of any such payment at least 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 8.1 shall apply.

## **16. DECISIONS BY HOLDERS**

16.1 A request by the Agent for a decision by the Holders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.

16.2 Any request from the Issuer or a Holder (or Holders) representing at least 10 per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Holder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Holders' Meeting or by way of a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.

16.3 The Agent may refrain from convening a Holders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Holders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

16.4 Only a person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 7 (*Right to act on behalf of a Holder*) from a person who is, registered as a Holder:

(a) on the Record Date prior to the date of the Holders' Meeting, in respect of a Holders' Meeting, or

(b) on the Business Day specified in the communication pursuant to Clause 18.3, in respect of a Written Procedure,

may exercise voting rights as a Holder at such Holders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.

- 16.5 The following matters shall require consent of Holders representing at least the following proportion of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3:
- (a) two thirds (2/3) to (i) waive a breach of an undertaking in Clause 11 (*Special undertakings*), and (ii) amend a provision in these Terms and Conditions, subject to (b) below; and
  - (b) three quarters (3/4) to (i) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer, (ii) amend any payment day for principal or Interest or waive any breach of a payment undertaking, and (iii) amend the provisions in this Clause 16.5.
- 16.6 Any matter not covered by Clause 16.5 shall require the consent of Holders representing more than 50 per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3. This includes, but is not limited to, any waiver of the terms of these Terms and Conditions that does not require a higher majority (other than an amendment permitted pursuant to paragraph (a), (b) or (c) of Clause 19.1) or termination of the Bonds.
- 16.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Holders' Meeting or the Agent in a Written Procedure, will prevail.
- 16.8 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least 20 per cent. of the Adjusted Nominal Amount:
- (a) if at a Holders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 16.9 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 17.1) or initiate a second Written Procedure (in accordance with Clause 18.1), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Holders' consent. The quorum

requirement in Clause 16.8 shall not apply to such second Holders' Meeting or Written Procedure.

- 16.10 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.11 A Holder 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.
- 16.12 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that consent at the relevant Holders' 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.
- 16.13 A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- 16.14 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.15 If a decision shall be taken by the Holders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Agent 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 of a Group Company.
- 16.16 Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Holders and

published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Holders' Meeting or Written Procedure shall at the request of a Holder be sent to it by the Issuer or the Agent, as applicable.

## **17. HOLDERS' MEETING**

- 17.1 The Agent shall convene a Holders' Meeting by sending a notice thereof to each Holder no later than 5 Business Days after receipt of a request from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons).
- 17.2 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 17.1 with a copy to the Agent. After a request from the Holders pursuant to Clause 20.4.3, the Issuer shall no later than 5 Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 17.1.
- 17.3 The notice pursuant to Clause 17.1 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 Holders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.
- 17.4 The Holders' Meeting shall be held no earlier than 10 Business Days and no later than 20 Business Days from the notice.
- 17.5 If the Agent, in breach of these Terms and Conditions, has not convened a Holders' Meeting within 10 Business Days after having received such notice, the requesting person may convene the Holders' Meeting itself. If the requesting person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD and, if no person to open the Holders' Meeting has been appointed by the Agent, the meeting shall be opened by a person appointed by the requesting person.
- 17.6 At a Holders' Meeting, the Issuer, the Holders (or the Holders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the

Issuer's auditors may attend the Holders' Meeting. The Holders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Holders' Meeting instead of the Holder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Holder.

- 17.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Holders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Holders to vote without attending the meeting in person.

**18. WRITTEN PROCEDURE**

- 18.1 The Agent shall instigate a Written Procedure no later than 5 Business Days after receipt of a request from the Issuer or the Holder(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 Holder on the Record Date prior to the date on which the communication is sent.
- 18.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18.1 to each Holder with a copy to the Agent.
- 18.3 A communication pursuant to Clause 18.1 shall include (i) each request for a decision by the Holders, (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 Holder 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 Holder must reply to the request (such time period to last at least 10 Business Days from the communication pursuant to Clause 18.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 18.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within 10 Business Days after having received such notice, the requesting person may instigate a Written Procedure itself. If the requesting person is a Holder, the Issuer shall upon request from such Holder provide the Holder with necessary information from the register kept by the CSD.

18.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16.5 and 16.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.5 or 16.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **19. AMENDMENTS AND WAIVERS**

19.1 The Issuer and the Agent (acting on behalf of the Holders) may agree to amend these Terms and Conditions or waive any provision in these Terms and Conditions, provided that:

- (a) such amendment or waiver is not detrimental to the interest of the Holders, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
- (c) such amendment or waiver is necessary for the purpose of listing the Bonds on the corporate bond list of NASDAQ OMX Stockholm (or any other Regulated Market, as applicable) provided such amendment or waiver does not materially adversely affect the rights of the Holders; or
- (d) such amendment or waiver has been duly approved by the Holders in accordance with Clause 16 (*Decisions by Holders*).

19.2 The consent of the Holders is not necessary to approve the particular form of any amendment or waiver to these Terms and Conditions. It is sufficient if such consent approves the substance of the amendment or waiver.

19.3 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 19.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

19.4 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Holders Meeting, in the Written Procedure or by the Agent, as the case may be.

## **20. APPOINTMENT AND REPLACEMENT OF THE AGENT**

### **20.1 Appointment of Agent**

20.1.1 By subscribing for Bonds, each initial Holder appoints the Agent to act as its agent in all matters relating to the Bonds and these Terms and Conditions, and authorises the Agent 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 Holder. By acquiring Bonds, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf.

20.1.2 Each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Holder which does not comply with such request.

20.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions.

20.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and Conditions and the Agent Agreement and the Agent's obligations as agent under these Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.

20.1.5 The Agent may act as agent 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 Agent**

20.2.1 The Agent shall represent the Holders in accordance with these Terms and Conditions. However, the Agent is not responsible for the execution or enforceability of these Terms and Conditions, the Escrow Account Pledge Agreement, the Agent Agreement, subordination agreements relating to Shareholder Loans or other documents entered into by the Agent relating to these Terms and Conditions. The Agent shall keep the latest version of these Terms and Conditions (including any document

amending these Terms and Conditions) available on the website of the Agent.

- 20.2.2 The Agent shall upon request by a Holder disclose the identity of any other Holder who has consented to the Agent in doing so.
- 20.2.3 When acting in accordance with these Terms and Conditions, the Agent is always acting with binding effect on behalf of the Holders. The Agent shall carry out its duties under these Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill.
- 20.2.4 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under these Terms and Conditions.
- 20.2.5 The Agent shall treat all Holders equally and, when acting pursuant to these Terms and Conditions, act with regard only to the interests of the Holders 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 these Terms and Conditions and the Agent Agreement.
- 20.2.6 The Agent shall be entitled to disclose to the Holders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 20.2.7 The Agent is entitled to engage external experts when carrying out its duties under these Terms and Conditions. The Issuer shall on demand by the Agent pay all costs for external experts engaged (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Holders under these Terms and Conditions or (iii) when the Agent is to make a determination under these Terms and Conditions. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).



- 20.2.8 Notwithstanding any other provision of these Terms and Conditions to the contrary, the Agent 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.
- 20.2.9 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Holders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent 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.
- 20.2.10 The Agent shall give a notice to the Holders (i) before it ceases to perform its obligations under these Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement, or (ii) if it refrains from acting for any reason described in Clause 20.2.9.
- 20.3 Limited liability for the Agent**
- 20.3.1 The Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 20.3.2 The Agent 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 Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.
- 20.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to these Terms and Conditions to be paid by the Agent to the Holders, provided that the Agent 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 Agent for that purpose.
- 20.3.4 The Agent shall have no liability to the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with Clause 16 (*Decisions by Holders*).

20.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, these Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Holders under these Terms and Conditions.

#### 20.4 **Replacement of the Agent**

20.4.1 Subject to Clause 20.4.6, the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

20.4.2 Subject to Clause 20.4.6, if the Agent is insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within 10 Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

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

20.4.4 If the Holders have not appointed a successor Agent within 90 calendar days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Holders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

20.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under these Terms and Conditions.

20.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor

Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.

20.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of these Terms and Conditions but shall remain entitled to the benefit of these Terms and Conditions and remain liable under these Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under these Terms and Conditions as they would have had if such successor had been the original Agent.

20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under these Terms and Conditions and the Agent Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **21. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT**

21.1 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.

21.2 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. NO DIRECT ACTIONS BY HOLDERS**

22.1 A Holder may not take any steps whatsoever against the Issuer or a Subsidiary to enforce or recover any amount due or owing to it pursuant to these Terms and Conditions, 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 or a Subsidiary in relation to any of the liabilities of the Issuer under these Terms and Conditions.

22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Holders in accordance with these Terms and Conditions 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 Holder to provide documents in accordance with Clause 20.1.2), 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 Agent under these Terms and Conditions or the Agent Agreement or by any reason described in Clause 20.2.9, such failure must continue for at least 40 Business Days after notice pursuant to Clause 20.2.10 before a Holder may take any action referred to in Clause 22.1.

22.3 The provisions of Clause 22.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due to it under Clause 10.4 (*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 Holders.

### **23. TIME-BAR**

23.1 The right to receive repayment of the principal of the Bonds shall be prescribed and become void 10 years from the Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be prescribed and become void 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 Holders' right to receive payment has been prescribed and has become void.

23.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar period of 10 years with respect to the right to receive repayment of the principal of the Bonds, and of 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.

## **24. NOTICES AND PRESS RELEASES**

### **24.1 Notices**

24.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such email address notified by the Agent to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to such email address notified by the Issuer to the Agent from time to time; and
- (c) if to the Holders, shall be given at their addresses as registered with the CSD, on the Record Date prior to dispatch, and by either courier delivery or letter for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Agent.

24.1.2 Any notice or other communication made by one person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1 or, in case of letter, 3 Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 24.1.1.

24.1.3 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

### **24.2 Press releases**

24.2.1 Any notice that the Issuer or the Agent shall send to the Holders pursuant to Clauses 10.3 (*Early voluntary redemption by the Issuer (call option)*), 11.11 (f), 14.6, 16.16, 17.1, 18.1 and 19.3 shall also be published by way of press release by the Issuer or the Agent, as applicable.

24.2.2 In addition to Clause 24.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice the Agent may send to the

Holder under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Holders 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 Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Holders, the Agent shall be entitled to issue such press release.

## **25. FORCE MAJEURE AND LIMITATION OF LIABILITY**

- 25.1 Neither the Agent 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 Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 25.2 The Issuing Agent shall have no liability to the Holders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 25.3 Should a Force Majeure Event arise which prevents the Agent 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.
- 25.4 The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **26. GOVERNING LAW AND JURISDICTION**

- 26.1 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.
- 26.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 26.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 26.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Holders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.