

**TERMS AND CONDITIONS FOR**  
**IKANO BOSTAD STOCKHOLM HOLDING AB**  
**SEK 1,000,000,000**  
**SENIOR SECURED FIXED AND FLOATING RATE NOTES**  
**ISIN: SE0005849445 AND SE0005849452**

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Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.*

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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 Noteholder has opened a Securities Account in respect of its Notes.

“**Account Pledge Agreement**” means the pledge agreement pursuant to which the Issuer pledges the Pledged Account, in favour of the Noteholders, represented by the Agent, in order to secure the Secured Obligations.

“**Accounting Principles**” means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time) as applied by the Issuer in preparing its annual consolidated financial statements.

“**Additional Amount**” has the meaning set forth in Clause 7.5.

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

“**Affiliate**” means (i) an entity controlling or under common control with the Issuer, other than a Group Company and an Ikano Party, and (ii) any other person or entity owning any Notes (irrespective of whether such person is directly registered as owner of such Notes) that has undertaken towards a Group Company, an Ikano Party, or an entity referred to in item (i) to vote for such Notes in accordance with the instructions given by a Group Company or an Ikano Party or an entity referred to in item (i). For the purposes of this definition, “**control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise.

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

“**Agent**” means CorpNordic Sweden AB, Swedish Reg. No. 556625-5476, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

“**Allocated Loan Amount**” means with respect to a Pledged Property, the amount set opposite that Pledged Property in Schedule 1.1(a). The allocated loan amount for a Replacement Property shall be the same as the Allocated Loan Amount for the relevant Replaced Property.

“**Bookrunner**” means Skandinaviska Enskilda Banken AB (publ).

“**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.

“**Change of Control Event**” means that;

- (a) the Ultimate Parent ceases to own, directly or indirectly, and have the right to vote as it sees fit for, more than fifty (50) per cent of the total number of shares and votes in the Issuer; or
- (b) the Issuer ceases to directly own and have the right to vote as it sees fit for, less than one hundred (100) per cent of the total number of shares and votes in each of the Property Companies.

“**Compliance Certificate**” means the compliance certificate required to be delivered pursuant to Clause 11.1.2, which shall be in the form set out in Schedule 1.1(b).

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

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

“**Euro**” and “**EUR**” means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

“**Existing Hagsätra Debt**” means the Financial Indebtedness outstanding in the amount of;

- (a) SEK 623,000,000 pursuant to the loan agreement entered into between Stadshypotek AB (publ) and IKANO Hagsätra dated 11 December 2012, as amended on 25 October 2013; and
- (b) SEK 424,500,000 pursuant to the loan agreement entered into between Stadshypotek AB (publ) and IKANO Hagsätra dated 9 November 2012, as amended on 25 October 2013.

“**Existing Stockholm Debt**” means the Financial Indebtedness outstanding in the amount of SEK 580,000,000 pursuant to the loan agreement entered into between SBAB Bank AB (publ) and IKANO Stockholm dated 11 May 2009.

“**Event of Default**” means an event or circumstance specified in Clause 13.1.

**“External Valuation Report”** means a valuation report prepared by a Valuer of the Properties which shall be, in form and substance reasonably acceptable to the Agent, prepared in accordance with valuation methods generally applied by Swedish property valuers and reflecting market practice in Sweden from time to time.

**“Final Maturity Date”** means 25 March 2019.

**“Finance Documents”** means these Terms and Conditions, the Security Documents, any Compliance Certificate, the Intragroup Loan Agreement (including any Reallocation Confirmation), the Subordinated Loan Agreement and any other document designated by the Issuer and the Agent as a Finance Document.

**“Financial Indebtedness”** means:

- (a) moneys borrowed (including under any bank financing);
- (b) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles 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 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 other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (f) the marked-to-market value of derivative transactions entered into in connection with protection against or benefit from fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (g) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (h) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

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

**“Financial Quarter”** means the period commencing on the day after one Quarter Date and ending on the next Quarter Date.

**“Financial Year”** means the current annual accounting period of the Issuer.

**“Fixed Business Day Convention”** means the first following day that is a Business Day.

**“Fixed Interest Payment Date”** means 25 March of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Fixed Business Day Convention. The first Fixed Interest Payment Date for the Notes shall be 25 March 2015 and the last Fixed Interest Payment Date shall be the relevant Redemption Date.

**“Fixed Interest Period”** means (i) in respect of the first Fixed Interest Period, the period from (but excluding) the Issue Date to (and including) the first Fixed Interest Payment Date, and (ii) in respect of subsequent Fixed Interest Periods, the period from (but excluding) a Fixed Interest Payment Date to (and including) the next succeeding Fixed Interest Payment Date. A Fixed Interest Period shall not be adjusted due to an application of the Fixed Business Day Convention.

**“Fixed Interest Rate”** means 3.10 per cent. *per annum*.

**“Floating 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.

**“Floating Interest Payment Date”** means 25 June, 25 September, 25 December and 25 March of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Floating Business Day Convention. The first Floating Interest Payment Date for the Notes shall be 25 June 2014 and the last Floating Interest Payment Date shall be the relevant Redemption Date.

**“Floating Interest Period”** means (i) in respect of the first Floating Interest Period, the period from (but excluding) the Issue Date to (and including) the first Floating Interest Payment Date, and (ii) in respect of subsequent Floating Interest Periods, the period from (but excluding) a Floating Interest Payment Date to (and including) the next succeeding Floating Interest Payment Date.

**“Floating Interest Rate”** means STIBOR plus 1.30 per cent. *per annum*.

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

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

**“IKANO Fastighets”** means IKANO Fastighets AB, with Reg. No. 556289-0961.

**“IKANO Hagsätra”** means IKANO Bostad Hagsätra AB, with Reg. No. 556655-7863.

**“Ikano Party”** means:

- (a) the Ultimate Parent, or any of its Subsidiaries; or

- (b) any of Peter, Jonas and Mathias Kamprad, or any of their children, or husband/wife to any of these persons; or
- (c) groups, trustees or similar legal entities where one or more of the persons under (b) above are beneficiary or member of the board; or
- (d) any other company (public or private), partnership, limited partnership or other legal entity that is under the direct or indirect control of one or more of the persons or entities in (a), (b) or (c) above, where control, direct or indirect, shall exist if one or more of the persons in (a), (b) or (c) above, alone or together could dispose of fifty (50) percent or more of the voting rights in the board or the equivalent governing body or having fifty (50) percent or more of the economic rights in such company, partnership, limited partnership or other legal entity.

**“IKANO Stockholm”** means IKANO Bostad Stockholm AB, with Reg. No. 556753-3855.

**“In-house Valuation Report”** means a valuation report prepared by the Issuer of the Properties which shall be based upon the same principles as the External Valuation Reports are based on and be in a form and substance reasonably acceptable to the Agent.

**“Insolvent”** means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Noteholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (Sw. *lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

**“Interest”** means the interest on the Notes calculated in accordance with Clauses 8.1 (*Series 1 Notes*) and 8.2 (*Series 2 Notes*).

**“Interest Payment Date”** means a Floating Interest Payment Date and a Fixed Interest Payment Date.

**“Interest Rate”** means the Floating Interest Rate and the Fixed Interest Rate.

**“Intragroup Loan”** means the intragroup loan granted by the Issuer initially to IKANO Hagsåtra in an amount equivalent to the Total Nominal Amount, with the possibility to subsequently reallocate part of the loan amount between the Property Companies.

**“Intragroup Loan Agreement”** means the agreement entered into between the Issuer and each Property Company with respect to the Intragroup Loan.

**“Intragroup Loan Pledge Agreement”** means the pledge agreement pursuant to which the Issuer pledges all its rights under the Intragroup Loan, together with the Property Pledge Agreement related thereto, in favour of the Noteholders, represented by the Agent, in order to secure the Secured Obligations;

**“Issue Date”** means 25 March 2014. The Issuing Agent shall confirm the Issue Date to the CSD and the Agent in writing and the Issuer shall publish the Issue Date in accordance with Clause 24.2 (*Press releases*).

**“Issuer”** means Ikano Bostad Stockholm Holding AB (publ), a public limited liability company incorporated under the laws of Sweden, with Reg. No. 556945-5206.

**“Issuing Agent”** means Skandinaviska Enskilda Banken AB (publ), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**“Loan to Value”** means, at any time, the total outstanding Financial Indebtedness of the Group (excluding any Financial Indebtedness provided by IKANO Fastigheter under the Subordinated Loan Agreement) as a percentage of the aggregate market value of the Properties (determined in accordance with the most recent Valuation Report of the Properties), plus the amount (if any) standing to the credit of the Pledged Account.

**“Nominal Amount”** has the meaning set forth in Clause 2.3.

**“Noteholder”** means the person who is registered on a Securities Account as direct registered owner (Sw. *ägare*) or nominee (Sw. *förvaltare*) with respect to a Note.

**“Noteholders’ Committee”** has the meaning set forth in Clause 15 (*Noteholders’ Committee*).

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

**“Note”** 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 by Series 1 Notes and Series 2 Notes.

**“Original Valuation Report”** means an External Valuation Report relating to the value of the Properties on 31 December 2013.

**“Permitted Replacement”** means a replacement of a Pledged Property, made in accordance with Clauses 12.7.2 to 12.7.3 below.

**“Pledged Account”** means the account with No. 5298 10 127 11 held by the Issuer with the Issuing Agent;

**“Pledged Properties”** means all real properties (Sw. *fastigheter*) and site leasehold rights (Sw. *tomträtter*) owned by IKANO Hagsåtra from time to time, which on the Issue Date are the following real properties;



- (a) Stockholm Fjäderlåset 1,
- (b) Stockholm Långskysten 4,
- (c) Stockholm Långskysten 5,
- (d) Stockholm Långskysten 6,
- (e) Stockholm Långskysten 7,
- (f) Stockholm Långskysten 8,
- (g) Stockholm Långskysten 9,
- (h) Stockholm Ärtäkern 1,
- (i) Stockholm Rågröken 1,
- (j) Stockholm Struthatten 3,
- (k) Stockholm Struthatten 4,
- (l) Stockholm Kolbottnen 1,
- (m) Stockholm Kolryssen 1,
- (n) Stockholm Höstsådden 1,
- (o) Stockholm Rågskysten 1,
- (p) Stockholm Rågrian 1,
- (q) Stockholm Stubbneken 1,
- (r) Stockholm Kolaren 1,

and if and when any of the real properties or site leasehold right in items (a) to (r) above is replaced in accordance with a Permitted Replacement, any Replacement Property shall replace the Replaced Property for the purpose of this definition.

**“Pledged Security Assets”** means the Pledged Properties and the Pledged Account.

**“Properties”** means all real properties and site leasehold rights owned by any member of the Group from time to time.

**“Property Companies”** means IKANO Hagsåtra and IKANO Stockholm, and each a **“Property Company”**.

**“Property Pledge Agreement”** means the pledge agreement pursuant to which each Property Company pledges the mortgage certificates issued in the Pledged Properties in

favour of the Issuer, in order for each Property Company to secure its obligations pursuant to the Intragroup Loan.

**“Quarter Date”** means each of 31 March, 30 June, 30 September and 31 December.

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

**“Reallocation Confirmation”** means a confirmation made in connection with a Permitted Replacement, in the form set out in the Intragroup Loan Agreement, confirming that an amount equal to the Allocated Loan Amount of a Replaced Property has been reallocated to either IKANO Hagsätra or IKANO Stockholm.

**“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 Noteholders is to be made under Clause 14 (*Distribution of proceeds*), (iv) the date of a Noteholders’ 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 Notes are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and repurchase of the Notes*).

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

**“Relevant Period”** means each period of twelve months ending on or about the last day of the Financial Year and each period of twelve months ending on or about the last day of each Financial Quarter.

**“Replacement Certificate”** has the meaning set forth in Clause 12.7.5 below.

**“Replaced Property”** means a real property or site leasehold right that will or has been replaced by a Replacement Property in connection with a Permitted Replacement.

**“Replacement Property”** means a real property or site leasehold right that will or has replaced a Replaced Property in connection with a Permitted Replacement.

**“Secured Obligations”** means all present and future payment obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents and the Agency Agreement.

**“Secured Parties”** means the Noteholders and the Agent (including in its capacity as Agent under the Agency Agreement).

**“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.

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

“**Security Documents**” means;

- (a) the Account Pledge Agreement;
- (a) the Intragroup Loan Pledge Agreement; and
- (b) the Property Pledge Agreement.

“**Series 1 Notes**” means the SEK 400,000,000 floating rate securities with ISIN SE0005849445, issued by the Issuer pursuant to these Terms and Conditions.

“**Series 2 Notes**” means the SEK 600,000,000 fixed rate securities with ISIN SE0005849452, issued by the Issuer pursuant to these Terms and Conditions.

“**STIBOR**” means:

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

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

“**Subordinated Loan Agreement**” means the subordinated loan agreement dated 20 March 2014 and entered into between IKANO Fastighets and the Issuer.

“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (Sw. *dotterföretag*) to such person, directly or indirectly, as defined in the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

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

“**Tax Code**” means the code assigned to a real property by a relevant authority for tax assessment purposes (Sw. *typkod*).

“**Total Nominal Amount**” means the total aggregate Nominal Amount of the Notes outstanding at the relevant time.

“**Transaction Security**” means the Security provided for the Secured Obligations pursuant to the Security Documents.

“**Ultimate Parent**” means Ikano S.A.

“**Ultimate Parent Group**” means the Ultimate Parent and its Subsidiaries.

“**Valuation Report**” means an In-house Valuation Report or an External Valuation Report.

“**Valuer**” means Savills Sweden AB or any other Royal Institute of Chartered Surveyors-regulated real estate appraiser as determined by the Agent.

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders 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, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (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 Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.

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 Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## **2. Status of the Notes**

- 2.1 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.
- 2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.3 The nominal amount of each Note is SEK 1,000,000 (the “**Nominal Amount**”). All Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- 2.4 The Notes constitute direct, unconditional, and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them.
- 2.5 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.6 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

## **3. Use of proceeds**

The Issuer shall use the proceeds from the issue of the Notes, less the costs and expenses incurred by the Issuer in connection with the issue of the Notes, for the purpose of on-lending the proceeds initially to IKANO Hagsätra in order to refinance the Existing Hagsätra Debt, and with the possibility subsequently reallocate part of the proceeds to refinance part of the Existing Stockholm Debt.

## **4. Conditions for disbursement**

- 4.1 The Issuer shall provide to the Agent, prior to the issuance of the Notes the following, in form and substance satisfactory to the Agent:
- (a) the Finance Documents and the Agency Agreement duly executed by the parties thereto, and in relation to Security Document, evidence of perfection;

- (b) the agreement between the Issuer and the Bookrunner regarding the appointment of the Bookrunner to offer the Notes for sale, duly executed by the parties thereto;
- (c) a copy of a resolution from the board of directors of the Issuer, each Property Company, and IKANO Fastighets, approving, as applicable, the issue of the Notes, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
- (d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement and any other documents in connection therewith on behalf of the Issuer, each Property Company, and IKANO Fastighets (as applicable) is/are duly authorised to do so;
- (e) evidence that the Existing Debt will be repaid in full on the Issue Date and that all Security provided for such financing (if any) will be simultaneously released;
- (f) a Compliance Certificate;
- (g) the Original Valuation Report;
- (h) a legal opinion in favour of the Bookrunner and the Agent issued by Advokatfirman Vinge KB as to Swedish law matters;
- (i) a power of attorney in favour of the Agent, authorising the Agent to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Notes; and
- (j) such other documents and information as is specified in the Security Documents or otherwise agreed between the Agent and the Issuer.

4.2 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.

4.3 The Agent shall confirm to the Issuing Agent when the conditions in Clause 4.1 have been satisfied.

## **5. Notes in book-entry form**

5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.

5.2 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 Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

- 5.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 5.4 For the purpose of or in connection with any Noteholders' 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 Notes.
- 5.5 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 Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

## **6. Right to act on behalf of a Noteholder**

- 6.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 6.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 6.3 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 6.2 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.

## **7. Payments in respect of the Notes**

- 7.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date, or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 If a Noteholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder 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 Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.

- 7.3 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 8.3 (*Default interest*) during such postponement.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 All amounts payable by the Issuer to the Noteholders shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Sweden or any authority thereof or therein unless such withholding or deduction is required by law or regulation or the interpretation or application of such laws or regulations. If such withholding or deduction is required, the Issuer will at the request of the relevant Noteholder pay such additional amounts (the “**Additional Amounts**”) as are necessary in order that the net amount received by the relevant Noteholder, after such withholding or deduction, shall be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction.
- 7.6 Notwithstanding Clause 7.5, no Additional Amounts shall be payable on account of any taxes or duties which:
- (a) are payable by reason of any relevant person having, or having had, some connection with Sweden other than the mere holding of the Note(s);
  - (b) would not be payable if a relevant person made a declaration of non-residence or similar claim for exemption to the relevant tax authority;
  - (c) would not be payable if a relevant person could claim an exemption under a tax treaty;
  - (d) are withheld or deducted pursuant to any European Union Directive or Regulation concerning the taxation of interest income or any provision of law implementing or complying with such Directive or Regulation; or
  - (e) gives rise to a tax credit that may be effectively used by a relevant person.

## **8. Interest**

### **8.1 Series 1 Notes**

- 8.1.1 Each Series 1 Note carries Interest at the Floating Interest Rate from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.



8.1.2 Interest on the Series 1 Notes accrues during a Floating Interest Period. Payment of Interest in respect of the Series 1 Notes shall be made to the Noteholders on each Floating Interest Payment Date for the preceding Floating Interest Period.

8.1.3 Interest on the Series 1 Notes shall be calculated on the basis of the actual number of days in the Floating Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

## **8.2 Series 2 Notes**

8.2.1 Each Series 2 Note carries Interest at the Fixed Interest Rate from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.

8.2.2 Interest on the Series 2 Notes accrues during a Fixed Interest Period. Payment of Interest in respect of the Series 2 Notes shall be made to the Noteholders on each Fixed Interest Payment Date for the preceding Fixed Interest Period.

8.2.3 Interest on the Series 2 Notes shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

## **8.3 Default interest**

If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## **9. Redemption and repurchase of the Notes**

### **9.1 Redemption at maturity**

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

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

The Issuer may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

### **9.3 Early redemption due to illegality or tax event (call option)**

9.3.1 The Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest on a

date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

9.3.2 The Issuer may redeem the relevant Notes on a date determined by the Issuer if, as a result of any change in, or amendment to, laws or regulations in Sweden, or any change in the interpretation or application of such laws or regulations, which amendment or change is effective on or after the Issue Date, the Issuer has or will become required to pay Additional Amounts in relation to any Notes and this obligation cannot be avoided by reasonable measures available to the Issuer. The Notes shall be redeemed at an amount per Note equal to 100 per cent of the Nominal Amount together with accrued but unpaid Interest.

9.3.3 The Issuer shall give notice of any redemption pursuant to Clause 9.3.1 or 9.3.2 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).

9.3.4 A notice of redemption in accordance with Clause 9.3.3 is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Notes in full at the applicable amounts.

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

9.4.1 Upon a Change of Control Event occurring, each Noteholder shall have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1.3 (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.

9.4.2 The notice from the Issuer pursuant to Clause 11.1.3 shall specify the repurchase date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder 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 Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1.3. The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.4.1.

9.4.3 If Noteholders representing more than 50 per cent. of the Total Nominal Amount have requested that Notes held by them are repurchased pursuant to this Clause 9.4, the Issuer shall send a notice to the remaining Noteholders giving them a further opportunity to request that Notes held by them be repurchased on the same terms during a period of twenty (20) Business Days following such notice. Such notice shall specify the repurchase date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder 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 Notes and the repurchase

amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to this Clause 9.4.3. The repurchase date must fall no later than forty (40) Business Days after the end of the period of twenty (20) Business Days referred to in this Clause 9.4.3.

9.4.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.4 by virtue of the conflict.

9.4.5 Any Notes repurchased by the Issuer pursuant to this Clause 9.4 may at the Issuer's discretion be retained, sold or cancelled.

## **10. Transaction Security**

10.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants on the Issue Date the Transaction Security to the Secured Parties as represented by the Agent.

10.2 The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents. The Issuer shall enter into the Security Documents and procure that the Transaction Security is perfected in accordance with the Security Documents on or before the Issue Date.

10.3 Unless and until the Agent has received instructions from the Noteholders in accordance with Clause 16 (*Decisions by Noteholders*), the Agent shall (without first having to obtain the Noteholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Noteholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

## **11. Information to Noteholders**

### **11.1 Information from the Issuer**

11.1.1 The Issuer will make the following information available to the Noteholders by way of press release and by publication on the website of IKANO Fastighets:

- (a) as soon as the same become available, but in any event within ninety (90) days after the end of each financial year, its audited consolidated financial statements for that financial year;
- (b) as soon as the same become available, but in any event within forty five (45) days after the end of each interim quarter of its financial year, its unaudited consolidated financial statements or the year-end report (Sw. *bokslutskommuniké*) (as applicable) for such period;

- (c) as soon as practicable following an acquisition or disposal of Notes by a Group Company or an Ikano Party, the aggregate Nominal Amount held by Group Companies and an Ikano Party, or the amount of Notes cancelled by the Issuer; and
- (d) any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.

11.1.2 The Issuer shall for each Financial Quarter, deliver to the Agent, on the same date as, and together with, the relevant financial statements to be delivered under Clause 11.1.1(a) and (b) above, a Compliance Certificate, (i) containing a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it), and (ii) attaching copies of any notices sent to the Regulated Market on which the Notes are admitted to trading, and (iii) setting out (in reasonable detail) computations as to compliance with Clause 12.3 (*Loan to Value*) below. The Compliance Certificate shall be signed by two (2) authorised signatories of the Issuer.

11.1.3 The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.

11.1.4 When the financial statements and other information are made available to the Noteholders pursuant to Clause 11.1.1, the Issuer shall send copies of such financial statements and other information to the Agent.

11.1.5 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

## **11.2 Information from the Agent and a Noteholders' Committee**

11.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 15.4, the Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

- 11.2.2 Notwithstanding Clause 11.2.1, the Agent shall comply with an agreement regarding the non-disclosure of information received from the Issuer, which is entered into with the members of a Noteholders' Committee and the Issuer pursuant to Clause 15.4.

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

- 11.3.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the website of IKANO Fastighets and the Agent.
- 11.3.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

## **12. General undertakings**

### **12.1 Change of business**

The Issuer shall procure that (i) no member of the Group suspends or ceases to carry on its business (other than within the ordinary course of business of the Group), and (ii) that no substantial change is made to the general nature of the business of any member of the Group from that carried on at the date of this Agreement.

### **12.2 Valuation of properties**

- 12.2.1 The Issuer shall annually, at the cost of the Issuer, distribute to the Agent an External Valuation Report relating to the value of the Properties as of 31 December each year, to be delivered together with the Compliance Certificate for the relevant period.
- 12.2.2 The Issuer shall on each Quarter Date, at the cost of the Issuer, distribute to the Agent an In-house Valuation Report relating to the value of the Properties on the relevant Quarter Date, to be delivered together with the Compliance Certificate for the Relevant Period.
- 12.2.3 The Agent shall have the right to request, and the Issuer shall upon such request distribute to the Agent, at the cost of the Issuer, an External Valuation Report if (i) an Event of Default has occurred, or (ii) the Agent has reason to believe that the figures set out in the most recent In-house Valuation Report are inaccurate.

### **12.3 Loan to Value**

The Issuer shall procure that the Loan to Value for the Properties in respect of any Relevant Period shall not be higher than 75%.

### **12.4 Maintenance of Properties**

The Issuer shall, and shall procure that each Subsidiary, keep the Properties in a good state of repair and maintenance, subject to normal wear and tear and in accordance with normal market practice, and in such repair and condition as will enable the relevant Property Company to comply in all material respects with its obligations under each

lease document pertaining to the Properties and in accordance (in all material respects) with all applicable laws and regulations.

## **12.5 Disposal of business**

12.5.1 The Issuer shall not, and shall procure that each Subsidiaries does not, enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or a substantial part of the assets or operations of the Group to another person than a Subsidiary.

12.5.2 The above shall not apply when;

- (a) the transaction (when taking into account other transactions and arrangements with the same person or persons) is carried out at market terms, and
- (b) such transaction would not have a material adverse effect on (i) the business, assets, prospects or condition (financial or otherwise) of the Group taken as a whole, (ii) the ability of the Issuer to perform its obligations under the Finance Documents, or (iii) the validity or enforceability of, or the effectiveness or ranking of any Security granted or purporting to be granted pursuant to any of the Finance Documents or the rights or remedies of the Noteholders under any of the Finance Documents.

## **12.6 Acquisition of new properties**

The Issuer shall procure that each Subsidiary continues to own and manage its Properties in the county of Stockholm.

## **12.7 Substitution of Pledged Properties**

12.7.1 The Issuer shall procure that the Property Companies shall not directly or indirectly sell, transfer or substitute the Pledged Properties.

12.7.2 The above does not apply if (i) the aggregated sum of the total market value of Pledged Properties substituted or disposed during the period from the Issue Date until the Final Maturity Date is less than an amount equal to 20 per cent of the total market value of the initial Pledged Properties, and (ii) the relevant Pledged Property is substituted or disposed in accordance with Clauses 12.7.3 to 12.7.6 below.

12.7.3 A Pledged Property may be substituted or disposed in accordance with Clause 12.7.2 if;

- (a) the Pledged Property is replaced by a Replacement Property owned by one of the Property Companies;
- (b) the market value of the Replacement Property (as determined by an External Valuation Report being no older than ninety (90) days on the date of the replacement) is higher or equal to the higher of;

- (i) the original market value (as determined by the Original Valuation Report), and
  - (ii) the existing market value (as determined by the latest available Valuation Report), of the of the Replaced Property;
- (c) the Allocated Loan Amount of the relevant Replaced Property will be allocated to the Replacement Property;
- (d) if the Replaced Property is owned by IKANO Hagsätra, and the Replacement Property is owned by IKANO Stockholm, an amount equal to the Allocated Loan Amount in 12.7.3(c) is reallocated under the Intragroup Loan to IKANO Stockholm, by way of a Reallocation Confirmation;
- (e) if the Replaced Property is owned by IKANO Stockholm, and the Replacement Property is owned by IKANO Hagsätra, an amount equal to the Allocated Loan Amount in 12.7.3(c) is reallocated under the Intragroup Loan to IKANO Hagsätra, by way of a Reallocation Confirmation;
- (f) the Replacement Property is located in Hagsätra and Högdalen, southern suburban parts of the Stockholm municipality;
- (g) the Replacement Property has one of the following Tax Codes;
- (i) 320 (Rental apartments, mainly residential buildings);
  - (ii) 321 (Rental apartments, residential and commercial buildings);
  - (iii) 325 (Rental apartments, mainly commercial buildings),
- (h) the vacancy value of the Replacement Property is less or equal to the higher of the original and the existing vacancy value of the Replaced Property, and
- (i) the Loan to Value after the replacement complies with the provisions of Clause 12.3 (*Loan to Value*).

12.7.4 A Pledged Property may, in addition to Clause 12.7.3, be substituted or disposed in accordance with Clause 12.7.2 if an amount equal to the higher of (i) the original market value, or (ii) the existing market value (in each case as determined by the Valuation Report relating to the time of valuation), of the disposed Pledged Property, is deposited on the Pledged Account over which security is granted to the Agent.

12.7.5 Prior to making any replacements in accordance with this Clause 12, the Issuer shall provide the Agent with a certificate, in the form set out in Schedule 12.6.3 (a "**Replacement Certificate**") which shall include (i) evidence that the conditions set in Clause 12.7.2 and Clause 12.7.3 or 12.7.4 above are fulfilled, together with relevant calculations in reasonable details, and (ii) if the Pledged Property shall be replaced with a Replacement Property, information about whether any property mortgage certificates (Sw. *pantbrev*) have been issued in the Replacement Property, the amount of such

property mortgage certificates, and whether such property mortgage certificates are computerised or in paper form.

- 12.7.6 The Agent shall, within five (5) Business Days from receipt of the Replacement Certificate notify the Issuer whether the conditions in Clause 12.7.2 to 12.7.4 (as applicable) above have been fulfilled. When making this determination, the Agent may assume that the calculations in the Replacement Certificate are accurate. If the conditions have been fulfilled, the Issuer may effectuate the transaction provided that (i) the security over the Replacement Property simultaneously is perfected pursuant to the Property Pledge Agreement in accordance with the terms therein, or (ii) the amount set out in Clause 12.7.4 above simultaneously is deposited on the Pledged Account.
- 12.7.7 The Agent shall, when the relevant perfection requirements under the Property Pledge Agreement have been fulfilled, or the amount set out in Clause 12.7.4 above has been deposited on the Pledged Account, as applicable, release the property mortgage certificate(s) held by the Agent in the Replaced Property.

## **12.8 Intragroup Loans**

The Issuer shall not be, and procure that no Group Company is;

- (a) a debtor in respect of any Financial Indebtedness provided from any member of the Ultimate Parent Group (excluding a Group Company), except if such Financial Indebtedness is provided by IKANO Fastighets under the Subordinated Loan Agreement; or
- (b) a creditor in respect of any Financial Indebtedness provided by it to any member of the Ultimate Parent Group (excluding a Group Company).

## **12.9 Admission to trading**

- 12.9.1 The Issuer shall use its best efforts to ensure that the loan constituted by these Terms and Conditions and evidenced by the Notes is admitted to trading on the Regulated Market of Nasdaq OMX Stockholm within six (6) months after the Issue Date, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.
- 12.9.2 Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

## **12.10 Undertakings relating to the Agency Agreement**

- 12.10.1 The Issuer shall, in accordance with the Agency Agreement:
- (a) pay fees to the Agent;
  - (b) indemnify the Agent for costs, losses and liabilities;



- (c) furnish to the Agent all information 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 Agency Agreement.

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

### **13. Acceleration of the Notes**

13.1 The Agent is entitled to, and shall following an instruction given pursuant to Clause 13.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
  - (i) is caused by technical or administrative error; and
  - (ii) is remedied within five (5) Business Days from the due date;
- (b) the Issuer or any other person (other than the Agent) does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) above), unless the non-compliance:
  - (i) is capable of remedy; and
  - (ii) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance;
- (c) the Issuer, or a Subsidiary, becomes Insolvent;
- (d) any Financial Indebtedness of the Issuer or a Subsidiary is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), (ii) any commitment for any Financial Indebtedness of the Issuer or a Subsidiary is cancelled or suspended by a creditor as a result of an event of default (however described), or (iii) any creditor of the Issuer or a Subsidiary becomes entitled to declare any Financial Indebtedness of the Issuer or a Subsidiary 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) if the aggregate amount of

Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than EUR 50,000,000 (or the equivalent in any other amount).

- 13.2 The Agent may not accelerate the Notes in accordance with Clause 13.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 13.3 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 16 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 13.4 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 13.5 If the right to accelerate the Notes is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 13.6 In the event of an acceleration of the Notes in accordance with this Clause 13, the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent. of the Nominal Amount.

#### **14. Distribution of proceeds**

- 14.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 13 (*Acceleration of the Notes*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the 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 in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, the enforcement of the Transaction Security or the protection of the Noteholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a

Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16.13;

- (b) *secondly*, in or towards payment *pro rata* of any cost and expenses incurred by a Noteholders' Committee in accordance with an agreement with the Issuer pursuant to Clause 15.5 that have not been reimbursed by the Issuer;
- (c) *thirdly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (d) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (e) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

- 14.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14.1(a) or (b), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14.1(a) or (b).
- 14.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Transaction Security constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 14 as soon as reasonably practicable.
- 14.4 If the Issuer or the Agent shall make any payment under this Clause 14, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7.1 shall apply.

## **15. Noteholders' Committee**

- 15.1 The Noteholders may appoint a committee (a "**Noteholders' Committee**") to represent the interests of the Noteholders. A Noteholders' Committee shall consist of no less than three (3) natural persons. All members of a Noteholders' Committee shall be elected at a Noteholders' Meeting.
- 15.2 Each Noteholder is entitled to nominate candidates to the Noteholders' Committee by notice to Agent no later than two (2) Business Days prior to the Noteholders' Meeting. At the Noteholders Meeting all candidates so nominated shall be presented to the Noteholders. Each Noteholder that is entitled to vote shall for such election have the

same number of votes to cast for each Note as the total number of persons to be elected. A Noteholder may cast its votes for one or several of the candidates. The candidates that receive the most votes shall be elected to the Noteholders' Committee.

- 15.3 A Noteholders' Committee may enter into discussions with the Issuer and other creditors of the Issuer and by majority decision among its members (i) adopt such procedural rules as it considers appropriate and (ii) prepare proposals and recommendations to the Noteholders. A Noteholders' Committee may not bind the Noteholders to any agreement or decision. The Agent shall provide reasonable assistance to the Noteholders' Committee and participate in its meetings.
- 15.4 The Noteholders' Committee may agree with the Issuer not to disclose information received from the Issuer provided that it, in the reasonable opinion of the Noteholders' Committee, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the Noteholders' Committee.
- 15.5 The Noteholders' Committee and the Issuer may agree that the Issuer shall pay certain costs and expenses incurred by the Noteholders' Committee. Otherwise the Noteholders' Committee is not entitled to be reimbursed for any costs or expenses.

## **16. Decisions by Noteholders**

- 16.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 16.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting. Notwithstanding the foregoing, the appointment of a Noteholders' Committee shall always be dealt with at a Noteholders' Meeting.
- 16.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders 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 pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is, registered as a Noteholder:

- (a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' 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 Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the definition of Adjusted Nominal Amount.

16.5 The following matters shall require the consent of Noteholders representing at least eighty (80) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3:

- (a) the issue of any Notes after the Issue Date, if the total nominal amount of the Notes exceeds, or if such issue would cause the total nominal amount of the Notes to at any time exceed, the Total Nominal Amount (for the avoidance of doubt, for which consent shall be required at each occasion such Notes are issued);
- (b) a change to the terms of any of Clause 2.1, and Clauses 2.4 to 2.6;
- (c) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 9 (*Redemption and repurchase of the Notes*);
- (d) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of proceeds*);
- (e) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 16;
- (f) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (g) a release of the Transaction Security, except if such release is made in accordance with the terms of the Security Documents;
- (h) a mandatory exchange of the Notes for other securities; and
- (i) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 13 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

16.6 Any matter not covered by Clause 16.5 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which

Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18.3. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19.1(a) or (b)), an acceleration of the Notes, the appointment of a Noteholders' Committee, or the enforcement of any Transaction Security.

- 16.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.5, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' 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.
- 16.8 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' 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 Noteholders' consent. The quorum requirement in Clause 16.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 16.9 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 the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 16.10 A Noteholder holding more than one Note 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.
- 16.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' 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.
- 16.12 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.

- 16.13 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.14 If a decision shall be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by a member of the Group, an Ikano Party or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Note is owned by a member of the Group, an Ikano Party or an Affiliate.
- 16.15 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the website of IKANO Fastighets 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 Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **17. Noteholders' Meeting**

- 17.1 The Agent shall convene a Noteholders' Meeting by sending a notice thereof to each Noteholder no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(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 Noteholders' Meeting in accordance with Clause 17.1 with a copy to the Agent. After a request from the Noteholders pursuant to Clause 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' 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 Noteholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 17.4 The Noteholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- 17.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **18. Written Procedure**

- 18.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(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 Noteholder 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 Noteholder 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 Noteholders, (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 Noteholder 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 Noteholder must reply to the request (such time period to last at least fifteen (15) 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 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 Noteholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Noteholders, 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; or
  - (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 16 (*Decisions by Noteholders*).
- 19.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- 19.3 The Agent shall promptly notify the Noteholders 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 the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*).



The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

- 19.4 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders 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 Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Finance Documents, 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 Notes held by such Noteholder including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.

- 20.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (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 the Finance Documents. The Agent is under no obligation to represent a Noteholder 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 the Finance Documents.

- 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 the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

- 20.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer, other members of the Group and an Ikano Party notwithstanding potential conflicts of interest.

### **20.2 Duties of the Agent**

- 20.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Noteholders and, where relevant, enforcing the Transaction Security on behalf of the Noteholders. Except as specified in Clause 4 (*Conditions for disbursement*), the Agent is not responsible for the execution or enforceability of the Finance Documents or the perfection of the Transaction Security.

- 20.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 20.2.3 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 the Finance Documents.
- 20.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 20.2.5 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or the Transaction Security which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents. 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 the Finance Documents shall be distributed in accordance with Clause 14 (*Distribution of proceeds*).
- 20.2.6 Notwithstanding any other provision of the Finance Documents 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.
- 20.2.7 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 Noteholders, 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.
- 20.2.8 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2.7.

### **20.3 Limited liability for the Agent**

- 20.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.

- 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 the Finance Documents to be paid by the Agent to the Noteholders, 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 Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 16 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 13.1.
- 20.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

#### **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 Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' 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 ten (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 Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 20.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) 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 Noteholders, 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 the Finance Documents.

- 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 the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original 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 the Finance Documents and the Agency 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 Notes.
- 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 Noteholders**

- 22.1 A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- 22.2 Clause 22.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder 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 the Finance Documents or the Agency Agreement or by any reason described in Clause 20.2.7, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.8 before a Noteholder 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 Noteholder's right to claim and enforce payments which are due to it under Clause 9.4 (*Mandatory repurchase due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Noteholders.

## **23. Prescription**

- 23.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders' 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 limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## **24. Notices and press releases**

### **24.1 Notices**

- 24.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

- (a) if to the Agent, shall be given at the address specified on its website [www.corpnordic.com](http://www.corpnordic.com) on the Business Day prior to dispatch;
- (b) if to the Issuer, shall be given at the following address:

Ikano Bostad Stockholm Holding AB (publ)  
Attention: CFO  
c/o IKANO Fastigheter  
22370 Lund

Sweden  
Fax No +46 46 286 47 01  
E-mail: fastigheter@ikano.se

on the Business Day prior to dispatch; and

(c) if to the Noteholders, 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 Noteholders. A Notice to the Noteholders shall also be published on the website of IKANO Fastighets and the Agent.

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

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

## **24.2 Press releases**

24.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 9.3 (*Early redemption due to illegality or tax event*), 11.1.2, 13.3, 16.15, 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 Notes or the Group contained in a notice the Agent may send to the Noteholders 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 Noteholders 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 Noteholders, 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 Noteholders 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 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

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[Signature pages follow]

## Schedule 1.1(a)

### PROPERTIES AND ALLOCATED LOAN AMOUNT

Property	Allocated Loan Amount
Stockholm Fjäderläset 1	29,000,000
Stockholm Långskysten 4	63,000,000
Stockholm Långskysten 5	85,000,000
Stockholm Långskysten 6	43,000,000
Stockholm Långskysten 7	54,000,000
Stockholm Långskysten 8	44,000,000
Stockholm Långskysten 9	67,000,000
Stockholm Ärtäkern 1	84,240,000
Stockholm Rågröken 1	68,000,000
Stockholm Struthatten 3	47,000,000
Stockholm Struthatten 4	49,000,000
Stockholm Kolbottnen 1	74,000,000
Stockholm Kolryssen 1	60,000,000
Stockholm Höstsådden 1	760,000
Stockholm Rågskysten 1	28,000,000
Stockholm Rågrian 1	85,000,000
Stockholm Stubbneken 1	84,000,000
Stockholm Kolaren 1	35,000,000



## **Schedule 1.1(b)**

### **FORM OF COMPLIANCE CERTIFICATE**

To: [ ] as Agent

From: Ikano Bostad Stockholm Holding AB (publ)

Dated:

Dear Sirs

#### **Ikano Bostad Stockholm Holding AB (publ) – Terms and conditions for Ikano Bostad Stockholm Holding AB with respect to the SEK 1,000,000,000 senior secured fixed and floating rate notes (the "Terms and Conditions")**

1. We refer to the Terms and Conditions. This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
2. We confirm that Loan to Value is [●] per cent.
3. We set out below calculations establishing the figures in paragraph 2:  
[●]
4. We confirm that no Event of Default is continuing. *[If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.]*
5. Attached hereto you will find (i) copies of any notices sent to the Regulated Market, and (ii) the latest Valuation Report.

**IKANO BOSTAD STOCKHOLM HOLDING AB (PUBL)**  
as Issuer

\_\_\_\_\_  
Name:

## Schedule 12.6.3

### FORM OF REPLACEMENT CERTIFICATE

To: [●] as Agent

From: Ikano Bostad Stockholm Holding AB (publ)

Dated:

Dear Sirs

#### **Ikano Bostad Stockholm Holding AB (publ) – Terms and conditions for Ikano Bostad Stockholm Holding AB with respect to the SEK 1,000,000,000 senior secured fixed and floating rate notes (the "Terms and Conditions")**

1. We refer to the Terms and Conditions. This is a Replacement Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Replacement Certificate unless given a different meaning in this Replacement Certificate.
2. We intend to replace the property [*insert property's name*] [with a new property [*insert the new property's name*] owned by [IKANO Hagsätra/IKANO Stockholm]]/[by deposit SEK [●] on the Pledged Account].
3. [We confirm that the information set out in the table below is true and accurate. Calculations with respect to the figures are set out in more detail in Appendix 1 hereto, and relevant Valuation Reports are attached as Appendix 2]<sup>i</sup>

Condition	Existing Pledged Property	New Pledged Property
<b>Market value</b>	[ <i>the higher of the original market value and the existing market value</i> ]	[ <i>existing market value, not older than 90 days</i> ]
<b>Allocated Loan Amount</b>	[ <i>original allocated loan amount</i> ]	[ <i>original allocated loan amount</i> ]
<b>Location</b>	[●]	[●]
<b>Vacancy value</b>	[ <i>the higher of the original and the existing vacancy value</i> ]	[ <i>existing vacancy value</i> ]
<b>Loan to Value</b>	[ <i>before the replacement</i> ]	[ <i>after the replacement</i> ]

4. [We confirm that an amount equal to the Allocated Loan Amount set out in the table below has been reallocated under the Intragroup Loan Agreement. The Reallocation Confirmation is attached hereto as Appendix 3.]<sup>ii</sup>

5. [[We confirm that property mortgage certificates (Sw. *pantbrev*) have been issued in the new property in an amount of SEK *[to correspond with the Allocated Loan Amount]*. The property mortgage certificates are *[paper form mortgage certificate, and copies are attached as Appendix 4 hereto]*/*[computerised mortgage certificates, and listed in Appendix 4 hereto]*/*[We confirm that no property mortgage certificates (Sw. pantbrev) have been issued in the new property and that new property mortgage certificates will be applied for in an amount of [to correspond with Allocated Loan Amount] in connection with the replacement]*/*[We confirm that property property mortgage certificates (Sw. pantbrev) have been issued in the new property in an amount of SEK [●] and that we will apply for new property mortgage certificates in an amount of SEK [this amount plus the amount of existing property mortgage certificates should correspond with the Allocated Loan Amount]*. The existing property mortgage certificates are *[paper form mortgage certificate, and copies are attached as Appendix 4 hereto]*/*[computerised mortgage certificates, listed in Appendix 4 hereto]]*<sup>iii</sup>
6. [We confirm that the original market value of the existing Pledged Property was [●] and that the existing market value of the Pledged Property is [●] (in each case as determined by the latest available Valuation Report relating to the time of valuation) and that an amount corresponding to *[the higher of the original market value and the existing market value to be inserted]* will be deposited on the Pledged Account. Relevant Valuation Reports are attached in Appendix 1. We furthermore confirm that the Loan to Value after the sale will be [●]]<sup>iv</sup>

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<sup>i</sup> To be deleted if the Pledged Property will be replaced by depositing an amount on the Pledged Account.

<sup>ii</sup> To be included if the Pledged Property will be replaced by a property owned by IKANO Stockholm.

<sup>iii</sup> Relevant text to be deleted, as applicable. The whole paragraph to be deleted if the Pledged Property will be replaced by depositing an amount on the Pledged Account.

<sup>iv</sup> To be deleted if the Pledged Property is replaced by a new property.