

**AMENDED AND RESTATED
TERMS AND CONDITIONS**



ALM Equity AB (publ)

**Maximum SEK 1,250,000,000
Senior Secured Floating Rate Bonds
2021/2024**

ISIN: SE0016797799

LEI: 549300FVH6QE042L3J12

First Issue Date: 21 September 2021

as amended and restated on 10 June 2024 and 2 September 2024

SELLING RESTRICTIONS

The distribution of this document and the private placement of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required to inform themselves about, and to observe, such restrictions.

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

PRIVACY STATEMENT

Each of the Issuer, the Agent and the Issuing Agent may collect and process personal data relating to the Bondholders, the Bondholders' representatives or agents, and other persons nominated to act on behalf of the Bondholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Bonds). The personal data relating to the Bondholders is primarily collected from the registry kept by the CSD. The personal data relating to other Persons is primarily collected directly from such Persons.

The personal data collected will be processed by the Issuer, the Agent and the Issuing Agent for the following purposes (i) to exercise their respective rights and fulfil their respective obligations under the Finance Documents, (ii) to manage the administration of the Bonds and payments under the Bonds, (iii) to enable the Bondholders to exercise their rights under the Finance Documents and (iv) to comply with its obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Agent and the Issuing Agent in relation to items (i) to (iii) above is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to item (iv), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Agent or the Issuing Agent (as applicable). Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent or the Issuing Agent (as applicable). In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format.

Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: www.almequity.se, www.nordictrustee.com and www.arctic.com.

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TERMS AND CONDITIONS

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 Central Securities Depositories and Financial Instruments Accounts Act and through which a Bondholder has opened a Securities Account in respect of its Bonds.

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

“**Adjusted Nominal Amount**” means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time *less* the aggregate Nominal Amount of all Bonds owned by the Issuer, a Group Company or an Affiliate of the Issuer or a Group Company, irrespective of whether such Person is directly registered as owner of such Bonds.

“**Advance Purchase Agreement**” means:

- (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than one hundred and twenty (120) calendar days after the date of supply; or
- (b) any other trade credit incurred in the ordinary course of business.

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

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

“**Agent**” means Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden) in its capacity as agent and security agent or another party replacing it as Agent in accordance with the Finance Documents.

“**Allocated Loan Amounts**” means:

- (a) in respect of Stockholm Kvarnlaven 9–60, SEK 68,500,000;
- (b) in respect of Stockholm Kvarnlaven 61–138, SEK 95,000,000;
- (c) in respect of the Fyrlotsen Property, SEK 236,500,000; and

(d) in respect of any other Bond Financed Property, the aggregated Nominal Amount of Subsequent Bonds issued for the purpose of acquiring and/or refinancing such property (or any entity owning such property).

“**Base Rate**” means STIBOR or any reference rate replacing STIBOR in accordance with Clause 22 (*Base Rate Replacement*).

“**Base Rate Administrator**” means Swedish Financial Benchmark Facility AB (SFBF) or any person replacing it as administrator of the Base Rate.

“**Bond**” means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds.

“**Bond Financed Properties**” means (i) the Järva Properties, (ii) the Fyrlotsen Property and (iii) any other property, which shall be located in Region Stockholm, financed, directly or indirectly, by a Bond Issue, in each case unless the relevant property has been disposed by the Group.

“**Bond Issue**” means the Initial Bond Issue and any Subsequent Bond Issue.

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

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clause 19 (*Bondholders’ Meeting*).

“**Brf. Fyrlotsen**” means Bostadsrättsföreningen Fyrlotsen 2 på Lidingö, 769612-9456.

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

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

“**Calculation Principles**” has the meaning set forth in Clause 14.2 (*Calculation Principles*).

“**Central Securities Depositories and Financial Instruments Accounts Act**” means the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more Persons (other than the Main Shareholder) acting in concert gain control of more than fifty (50.00) per cent. of the shares and votes of the Issuer.

“**Compliance Certificate**” means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it. If the Compliance Certificate is provided in connection with an application of the Incurrence Test, the Compliance Certificate shall include calculations and

figures in respect of the Loan to Value Ratio, calculated *pro forma* and in accordance with the Calculation Principles.

“**Conditions Precedent**” means the Conditions Precedent to First Issue Date and Conditions Precedent for a Subsequent Bond Issue.

“**Conditions Precedent for a Subsequent Bond Issue**” means all documents and evidence required to be delivered pursuant to Clause 5.3 (*Conditions Precedent for a Subsequent Bond Issue*).

“**Conditions Precedent to First Issue Date**” means all documents and evidence required to be delivered by the Issuer pursuant to Clause 5.1 (*Conditions Precedent to the First Issue Date*).

“**Conditions Subsequent**” means all documents and evidence required to be delivered by the Issuer pursuant to Clause 5.2 (*Conditions Subsequent*).

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

“**Delisting Event**” means a situation where, if at any time (i) the Issuer’s shares are not listed and admitted to trading on an MTF or a Regulated Market or (ii) trading of the Issuer’s shares on the relevant Market Place is suspended for a period of fifteen (15) consecutive Business Days.

“**Event of Default**” means an event or circumstance specified as such in Clause 16 (*Termination of the Bonds*).

“**Existing Fyrlotsen Financing**” means the existing debt in Brf. Fyrlotsen, in the total nominal amount of SEK 65,935,600.

“**Existing Järva Financing**” means the existing debt in the Järva Property Companies, in the total nominal amount of SEK 140,888,000.

“**Final Redemption Date**” means 21 September 2024.

“**Finance Documents**” means the Terms and Conditions, the Agent Agreement and any other document designated to be a Finance Document by the Issuer and the Agent.

“**Financial Indebtedness**” means any indebtedness in respect of:

- (a) monies borrowed or raised;
- (b) the amount of any liability in respect of any lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability;
- (c) receivables sold or discounted (not including receivables sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that

if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);

- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a) to (f) above.

“Financial Report” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, which shall be prepared and made available according to Clause 13.1 (*Financial Reports*).

“First Issue Date” means 21 September 2021.

“Fyrlotsen Acquisition” means the Issuer’s contemplated acquisition of Fyrlotsen Holding.

“Fyrlotsen Holding” means Fyrlotsen Holding AB, reg. no. 559260-5785.

“Fyrlotsen Intragroup Loan I” means a loan from the Issuer to Fyrlotsen Holding in the total nominal amount of SEK 65,935,600 to be made after completion of the Fyrlotsen Acquisition.

“Fyrlotsen Intragroup Loan II” means a loan from Fyrlotsen Holding to Brf. Fyrlotsen, in the total nominal amount of SEK 65,935,600, to be made after completion of the Fyrlotsen Acquisition.

“Fyrlotsen Intragroup Loans” means Fyrlotsen Intragroup Loan I and Fyrlotsen Intragroup Loan II.

“Fyrlotsen Property” means the property Lidingö Fyrvaktaren 1.

“Group” means the Issuer and each of its Subsidiaries from time to time.

“Group Company” means the Issuer or any of its Subsidiaries.

“Hybrid Instruments” means any subordinated (according to its terms) debt instruments issued by the Issuer which are, entirely or partly permitted to be accounted for as equity in accordance with the Accounting Principles at the date of issuance of the relevant subordinated debt instrument(s).

“Incurrence Test” has the meaning set forth in Clause 14.1 (*Incurrence Test*).

“Initial Bond” means any Bond issued on the First Issue Date.

“Initial Bond Issue” has the meaning set forth in Clause 3.2.

“Initial Nominal Amount” has the meaning set forth in Clause 3.2.

“Interest” means the interest on the Bonds calculated in accordance with Clauses 11.1 to 11.3.

“Interest Payment Date” means 21 March, 21 June, 21 September and 21 December each year or, to the extent such day is not a Business Day, the Business Day following from an

application of the Business Day Convention (with the first Interest Payment Date on 21 December 2021 and the last Interest Payment Date being the Final Redemption Date).

“**Interest Period**” means each period beginning on (but excluding) the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant) and, in respect of Subsequent Bonds, each period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means three (3) months STIBOR *plus* 3.375 per cent. *per annum* as adjusted by any application of Clause 22 (*Base Rate Replacement*).

“**Issue Date**” means the First Issue Date or any date when Subsequent Bonds are issued pursuant to these Terms and Conditions.

“**Issuer**” means (i) before the entering into of these amended and restated Terms and Conditions on 2 September 2024, Svenska Nyttobostäder AB (publ), a public limited liability company incorporated in Sweden with reg. no. 559250-9607, and (ii) following the entering into of these amended and restated Terms and Conditions on 2 September 2024, Alm Equity AB (publ), a public limited liability company incorporated in Sweden with reg. no. 556549-1650.

“**Issuing Agent**” means Arctic Securities AS, filial Sverige, reg. no. 516408-5366, Regeringsgatan 38, 111 56 Stockholm, Sweden.

“**Järva Properties**” means the properties Stockholm Kvarnlaven 9–138.

“**Järva Property Companies**” means the direct owners of the Järva Properties from time to time, initially being Ekonomisk förening Esplanaden på Rinkebyterrassen, 769628-8740 (registered owner of Stockholm Kvarnlaven 9–60) and Bostadsrättsföreningen Ängshuset på Rinkebyterrassen, 769628-8716 (registered owner of Stockholm Kvarnlaven 61–138).

“**Järva Property Holding Companies**” means Rinkebyterrassen Holding 5 AB, reg. no. 556965-2109 and Rinkebyterrassen Holding 6 AB, reg. no. 556965-2075.

“**Listing Failure Event**” means a situation where the Initial Bonds or any Subsequent Bonds have not been admitted to trading on a Market Place within sixty (60) calendar days from the relevant Issue Date (although the Issuer will use its best efforts to list any Bonds issued within thirty (30) calendar days from the relevant Issue Date).

“**Loan to Value Ratio**” means, in respect of a Bond Financed Property or a Target Property (as applicable), the ratio of:

- (a) the Allocated Loan Amount of such Bond Financed Property or Target Property (as applicable) *plus* any other interest bearing Financial Indebtedness (other than any interest bearing Financial Indebtedness taken up from a Property Company) in the Property Companies (other than the Issuer) having (or will have following completion of the relevant acquisition of a Target Property) an ownership interest in the relevant Bond Financed Property or Target Property (as applicable) *minus* any Pledged Cash,
- (b) to the Value of the relevant Bond Financed Property or Target Property (as applicable).

“**Main Shareholder**” means Joakim Alm, his wife, or any of his direct heirs, by way of either (i) direct or indirect ownership of shares or (ii) shares held through a capital insurance (Sw. *kapitalförsäkring*) controlled by such person.

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

“**Market Place**” means a Regulated Market, an MTF or any recognised unregulated market place.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the Issuer’s ability to perform and comply with the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

“**Material Intragroup Loan**” means any intra-group loan where:

- (a) the term is at least twelve (12) months; and
- (b) the principal amount, when aggregated with all other intra-group loans with a term of at least twelve (12) months between the relevant Group Companies, exceeds SEK 1,000,000.

“**MTF**” means any multilateral trading facility as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

“**Nasdaq Stockholm**” means the Regulated Market of Nasdaq Stockholm AB, reg. no. 556420-8394, SE-105 78 Stockholm, Sweden.

“**Net Proceeds**” means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner (if the Sole Bookrunner has requested that its fees and costs shall be deducted).

“**Nominal Amount**” means in respect of each Bond, the Initial Nominal Amount, less the aggregate amount by which that Bond has been prepaid pursuant to Clause 12.6 (*Partial prepayment*).

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

- (a) incurred by Property Companies under the Finance Documents (excluding as a result of any Subsequent Bond Issue);
- (b) until repaid in full, incurred under Existing Järva Financing and the Existing Fyrlotsen Financing;
- (c) incurred under a Property Refinancing Loan;
- (d) incurred by the Issuer if such Financial Indebtedness is incurred as a result of a Subsequent Bond Issue and meets the Incurrence Test on a *pro forma* basis;

- (e) incurred by the Issuer and ranking *pari passu* with the Bonds or is subordinated in relation to the Bonds;
- (f) being Market Loans incurred by the Issuer and ranking *pari passu* with the Bonds or are subordinated in relation to the Bonds, provided in each case that such debt according to its terms has a final redemption date or, when applicable, early redemption dates or instalment dates, which occur after the Final Redemption Date;
- (g) incurred by a Property Company under any vendor loan relating to an acquisition made by a Property Company, provided that such Financial Indebtedness is discharged no later than on the day on which the relevant acquisition is completed;
- (h) related to any agreements under which a Property Company leases office space (Sw. *kontorshyresavtal*) or other premises provided that such Financial Indebtedness is incurred in the ordinary course of such Group Company's business;
- (i) taken up by a Property Company from a Group Company (including under any cash pool arrangements);
- (j) arising under any Finance Lease entered into by a Property Company in the ordinary course of business in a maximum aggregate amount equivalent to SEK 5,000,000 *multiplied* with the number of Bond Financed Property (from time to time);
- (k) arising under any guarantee for the purposes of securing obligations to the CSD;
- (l) arising under any contractual non-interest bearing earn-out payments relating to acquisitions made by the Issuer regardless of how such earn-out payments are accounted for in the Accounting Principles;
- (m) arising under any guarantee which constitutes Permitted Security;
- (n) incurred by a Property Company under Advance Purchase Agreements;
- (o) arising under any counter indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability in the ordinary course of business of a Group Company;
- (p) of a Property Company under any pension and tax liabilities incurred in the ordinary course of business;
- (q) incurred by the Issuer for the purpose of refinancing the Bonds in full provided that the net proceeds of such Financial Indebtedness shall be kept on an escrow account until such refinancing shall be made; or
- (r) not otherwise permitted by items (a) to (q) above, in an aggregate amount not at any time exceeding SEK 5,000,000 (or its equivalent in other currencies) and incurred in the ordinary course of the Group's business (all such Financial Indebtedness is together referred to as the "**Permitted Basket**").

"**Permitted Fyrlotsen Divestment**" means the divestment (in full or in part) of the Group's ownership interests in Fyrlotsen Property and/or Brf. Fyrlotsen by way of sale of condominiums (Sw. *bostadsrätter*) to private individuals, in each case provided that the net

cash proceeds (after deduction of taxes and reasonable fees, costs and expenses for the divestment) from such divestments are deposited on a Property Escrow Account.

“**Permitted Järva Divestment**” means the divestment (in full or in part) of the Group’s ownership interests in the Järva Properties and/or the Järva Property Companies, in each case provided that (i) the divestment is made at a price equal to or higher than one hundred and ten (110.00) per cent. of the Allocated Loan Amount in respect to the relevant Järva Property and (ii) the net cash proceeds (after deduction of taxes and reasonable fees, costs and expenses for the divestment) from such divestments are deposited on a Property Escrow Account.

“**Permitted Security**” means any Security:

- (a) provided under the Finance Documents;
- (b) until repaid in full, provided in respect of the Existing Järva Financing and the Existing Fyrlotsen Financing;
- (c) provided under any Property Refinancing Loan, but only consisting in the direct or indirect assets of the relevant Property Holding Company that directly owns the relevant Property Company;
- (d) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (e) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;
- (f) provided in relation to any derivative transaction but only consisting of Security customary for such derivative transactions and not consisting of Security over any shares in a Group Company or Security over any other asset which constitutes Transaction Security;
- (g) provided pursuant to paragraph (j) of the definition of Permitted Debt;
- (h) created for the purposes of securing obligations to the CSD;
- (i) (i) provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds are to be transferred or (ii), always subject to paragraph (j) below, agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full (a “**Refinancing**”);
- (j) created for the benefit of the financing providers in relation to a Refinancing, however provided always that any perfection requirements in relation thereto are satisfied after full repayment of the Bonds; and
- (k) provided in relation to any Financial Indebtedness incurred pursuant to the Permitted Basket.

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or

any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

“Pledged Cash” means cash standing to the credit of any account held by the Issuer which is pledged and duly perfected in favour of the Agent and the Bondholders (represented by the Security Agent).

“Preference Shares” means outstanding preference shares issued by the Issuer from time to time, provided such preference shares are issued on an arm’s length basis and on market terms (or, for the Issuer, better terms).

“Property Company” means:

- (a) a Group Company having any ownership interests, directly or indirectly, in any Bond Financed Property;
- (b) a Property Management Company.

“Property Escrow Account” means a bank account:

- (a) held in Sweden by the Issuer or a wholly-owned Subsidiary of the Issuer with a reputable bank;
- (b) subject to perfected security in favour of the Bondholders (represented by the Agent); and
- (c) from which no withdrawals may be made by any member of the Group except for application towards redemption or prepayment (as applicable) of Bonds in accordance with Clause 12.1 (*Redemption at maturity*), 12.3 (*Early voluntary redemption by the Issuer (call option)*), 12.4 (*Early redemption due to illegality (call option)*) or 12.6 (*Partial prepayment*).

“Property Holding Company” means any Subsidiary of the Issuer being a Swedish limited liability company (Sw. *aktiebolag*) owning, directly or indirectly, a Bond Financed Property.

“Property Management Company” means a Group Company administrating and collecting rental payments in relation to any Bond Financed Property.

“Property Refinancing Loan” means one or several loans from reputable lenders taken up by:

- (a) a Järva Property Company, provided that the funds from such loan(s) are used to fully repay Material Intragroup Loans incurred by that Järva Property Companies; or
- (b) Brf. Fyrlotsen, provided that the funds from such loan(s) are used to fully repay the Fyrlotsen Intragroup Loan II,

in each case provided that an amount equal to the principal amount of such loan(s) is deposited on a Property Escrow Account.

“Quotation Day” means, in relation to (i) an Interest Period for which an Interest Rate is to be determined, two (2) Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period, two (2) Business Days before the First Issue Date), or (ii) any other period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

“Record Date” means the fifth (5th) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date;
- (c) a date on which a payment to the Bondholders is to be made under Clause 17 (*Distribution of proceeds*);
- (d) the date of a Bondholders’ Meeting; or
- (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“Redemption Date” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 12 (*Redemption and repurchase of the Bonds*).

“Reference Date” means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding.

“Regulated Market” means any regulated market as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

“Relevant Period” means each period of twelve (12) consecutive calendar months.

“Secured Obligations” means all present and future obligations and liabilities of the Issuer and/or the Group to the Secured Parties under the Finance Documents, together with all costs, charges and expenses incurred by any Secured Parties in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities.

“Secured Parties” means the Agent, the Security Agent and the Bondholders.

“Securities Account” means the account for dematerialised securities maintained by the CSD pursuant to the Central Securities Depositories and Financial Instruments Accounts Act in which:

- (a) an owner of such Security is directly registered; or
- (b) 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 including guarantees, or any other agreement or arrangement having a similar effect.

“Security Agent” means the Secured Parties’ security agent from time to time; initially Nordic Trustee & Agency AB (publ) (reg. no. 556882-1879, P.O. Box 7329, 103 90 Stockholm, Sweden).

“SEK” means the lawful currency of Sweden for the time being.

“Sole Bookrunner” means Arctic Securities AS, filial Sverige, reg. no. 516408-5366, Regeringsgatan 38, 111 56 Stockholm, Sweden.

“Subsequent Bond” means any Bonds issued after the First Issue Date on one or more occasions.

“Subsequent Bond Issue” means any issue of Subsequent Bonds.

“STIBOR” means:

- (a) the applicable interest rate per annum calculated and distributed by the Swedish Financial Benchmark Facility (or the replacing administrator or calculation agent) for the current day and published on the on page STIBOR= of the Thomson Reuters screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period equal to the relevant Interest Period;
- (b) if no such rate as set out in item (a) above is available for the relevant Interest Period, the rate calculated by the Issuing Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period, and (ii) the applicable screen rate for the shortest period (for which screen rate is available) which exceeds that Interest Period, as of around 11:00 a.m. on the Quotation Day; or
- (c) if no rate is available for the relevant Interest Period pursuant to item (a) or (b) above, 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
- (d) if no rate is available for the relevant Interest Period pursuant to paragraph (a) and (b) above and if no quotation is available pursuant to item (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered for the relevant period; or

and if any such rate is below zero (0), STIBOR will be deemed to be zero (0).

“Subsidiary” means an entity from time to time of which a person:

- (a) has direct or indirect control; or
- (b) owns directly or indirectly more than fifty (50) per cent of the share capital or other right of ownership

“Target Property” means any real property:

- (a) which the Group is contemplating to acquire with Net Proceeds from a Subsequent Bond Issue; and
- (b) owned by a Group Company (other than a Property Company).

“Transaction Costs” means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) the Bond Issue and (ii) the listing of the Bonds.

“Transaction Security” means the Security created or expressed to be created in favour of the Security Agent (acting on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

“Transaction Security Documents” means any document required to be delivered to the Agent under Clause 5.1 (*Conditions Precedent to the First Issue Date*), Clause 5.2

(*Conditions Subsequent*) or Clause 6.1 (*Transaction Security*) together with any other document entered into by any Group Company creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Group Companies under any of the Finance Documents.

“**Valuation**” means a full external valuation of a Bond Financed Property or condominiums (Sw. *bostadsrätter*) (as applicable) prepared and issued by an independent third party regularly engaged for the purpose of appraising real estate.

“**Value**” means, as applicable:

- (a) the fair market value of the relevant Bond Financed Property (other than the Fyrlotsen Property) according to the most recent Financial Report;
- (b) the fair market value of the Group’s assets in the Fyrlotsen Property according to the most recent Financial Report *plus* the fair value of the Fyrlotsen Intragroup Loan II (calculated in accordance with the Accounting Principles); or
- (c) in respect of any Target Property for the purpose of Clause 14.1, the fair market value of the Target Property according to a Valuation which is not older than twelve (12) months.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 20 (*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) a “**Finance Document**” or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
- (c) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (d) a “**regulation**” includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
- (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 An Event of Default is continuing if it has not been remedied or waived.

1.2.3 When ascertaining whether a limit or threshold specified in SEK 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 SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

- 1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
- 1.2.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

2. STATUS OF THE BONDS

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

3. THE AMOUNT OF THE BONDS AND UNDERTAKING TO MAKE PAYMENTS

- 3.1 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 3.2 The aggregate amount of the bond loan will be an amount of maximum SEK 1,250,000,000 which will be represented by Bonds, each of a nominal amount of SEK 1,250,000 or full multiples thereof (the “**Initial Nominal Amount**”). The total nominal amount of the Initial Bonds is SEK 400,000,000 (the “**Initial Bond Issue**”).
- 3.3 The ISIN for the Bonds is SE0016797799.
- 3.4 All Initial Bonds are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 3.5 The minimum permissible investment in connection with the Initial Bond Issue is SEK 1,250,000.
- 3.6 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 3.7 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds each subsequent Bondholder confirms such agreement.
- 3.8 The Issuer may at one or more occasions after the First Issue Date issue Subsequent Bonds under these Terms and Conditions, until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 1,250,000,000 always provided that (i) no Event of Default is continuing or would result from the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing or from the Subsequent Bond Issue and (ii) the Incurrence Test (calculated *pro forma* including the Subsequent Bond Issue) is met. Any Subsequent Bond shall, for the avoidance of doubt, be issued subject to these Terms and Conditions and the ISIN, the Interest Rate, the Nominal Amount and the final maturity applicable to the Initial Bonds shall apply also to Subsequent Bonds. The issue price of Subsequent Bonds may be set at the Nominal Amount or at a discount or at a premium compared to the Nominal Amount.

4. USE OF PROCEEDS

- 4.1 The Net Proceeds of the Initial Bond Issue shall be applied towards (i) partly financing the Fyrlotsen Acquisition, (ii) refinancing the Existing Järva Financing and the Existing Fyrlotsen Financing, (iii) general corporate purposes of the Issuer and the other Property Companies and (iv) Transaction Costs for the Initial Bond Issue.
- 4.2 The Net Proceeds from any Subsequent Bond Issue shall be applied towards (i) acquisitions of Target Properties, (ii) refinancing of debt in Property Companies and/or (iii) financing Transaction Costs for the relevant Subsequent Bond Issue.

5. CONDITIONS PRECEDENT AND CONDITIONS SUBSEQUENT

5.1 Conditions Precedent to the First Issue Date

- 5.1.1 The Issuer shall provide to the Agent, prior to the First Issue Date, the following documents and evidence:
- (a) copies of constitutional documents and necessary corporate resolutions (including authorisations) in relation to the Initial Bond Issue and the Finance Documents to which it is a party, from:
 - (i) the Issuer;
 - (ii) the Järva Property Holding Companies; and
 - (iii) the Järva Property Companies.
 - (b) prepayment and cancellation letters and release letters in relation to the Existing Järva Financing, evidencing that the Existing Järva Financing will be prepaid and cancelled, and any security and guarantees provided by the Group released and discharged, promptly following the Initial Bond Issue;
 - (c) a funds flow statement in relation to the Fyrlotsen Acquisition, evidencing that the Fyrlotsen Acquisition will be completed promptly following the Initial Bond Issue;
 - (d) prepayment and cancellation letters and release letters in relation to the Existing Fyrlotsen Financing, evidencing that the Existing Fyrlotsen Financing will be prepaid and cancelled, and any security and guarantees provided by the Group released and discharged, promptly following completion of the Fyrlotsen Acquisition;
 - (e) an agreed form Compliance Certificate;
 - (f) a duly executed copy of the Terms and Conditions;
 - (g) a duly executed copy of the Agent Agreement; and
 - (h) duly executed copies of the following Transaction Security Documents:
 - (i) pledge agreement(s) in respect of the shares in each Property Holding Company (other than the shares in Fyrlotsen Holding);
 - (ii) pledge agreement(s) in respect of the Fyrlotsen Intragroup Loans;
 - (iii) subject to delayed perfection, pledge agreement(s) in respect of any present or future Material Intragroup Loan from the Issuer to any Property Holding

Company or any Subsidiary of a Property Holding Company (other than Fyrlotsen Intragroup Loan I); and

- (iv) subject to delayed perfection, pledge agreement(s) in respect of any present or future Material Intragroup Loan made by a Property Holding Company (other than Fyrlotsen Intragroup Loan II).

5.1.2 Until the Agent is satisfied that the Conditions Precedent to First Issue Date have been fulfilled (as confirmed by the Agent), the Issuing Agent shall hold the Net Proceeds of the Initial Bond Issue.

5.2 **Conditions Subsequent**

5.2.1 The Issuer shall no later than two (2) Business Days following the First Issue Date provide the Agent with:

- (a) evidence that the Fyrlotsen Acquisition and refinancing of the Existing Fyrlotsen Financing (including release of any existing security and guarantees in relation to the Existing Fyrlotsen Financing) have been completed; and
- (b) a duly executed copy of a pledge agreement regarding the shares in Fyrlotsen Holding and evidence that the security purported to be created under such agreement has been duly perfected in accordance with the terms therein.

5.2.2 The Issuer shall no later than two (2) Business Days following the First Issue Date provide the Agent with duly executed copies of pledge agreements in respect of existing first priority mortgage certificates in each Järva Property. The Issuer shall procure that additional mortgage certificates are issued in relation to the Järva Properties, and added as security under the aforementioned pledge agreements as well as perfected in accordance with the terms therein, without undue delay if needed in order to ensure that the aggregate nominal amount of such mortgage certificates is equal to or higher than 100 per cent. of the Allocated Loan Amount of each Järva Property.

5.2.3 The Issuer shall no later than two (2) Business Days following any Subsequent Bond Issue provide the Agent with duly executed copies of relevant Transaction Security Documents relating to any new Property Holding Company and Bond Financed Property and evidence that the security purported to be created under such agreement has been duly perfected in accordance with the terms therein.

5.3 **Conditions Precedent for a Subsequent Bond Issue**

5.3.1 The Issuer shall provide to the Agent prior to the Issue Date in respect of Subsequent Bonds:

- (a) copies of constitutional documents and necessary corporate resolutions (including authorisations) from the Issuer and each Group Company providing Transaction Security in relation to the relevant Subsequent Bond Issue and the relevant Finance Documents;
- (b) evidence in the form of a Compliance Certificate signed by the Issuer that the Incurrence Test has been met; and
- (c) a certificate signed by the Issuer:

- (i) specifying and confirming details with respect to each relevant Target Property, including the appraised fair market value of the Group's share of ownership in such Target Property (upon becoming a Bond Financed Property following completion of the acquisition and/or refinancing) according to a Valuation which is not older than twelve (12) months;
- (ii) confirming that each relevant Target Property is (i) a residential property, (ii) located in Region Stockholm (iii) and acquired for the purpose of letting out apartments on the Target Property; and
- (iii) specifying the Allocated Loan Amount in respect of the relevant Target Property.

5.3.2 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.3.1 have been fulfilled (or amended or waived in accordance with Clause 21 (*Amendments and waivers*)).

5.4 **No responsibility for documentation**

The Agent may assume that the Conditions Precedent and the Conditions Subsequent are accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such documentation or evidence. None of the Conditions Precedent or Conditions Subsequent are reviewed by the Agent from a legal or commercial perspective of the Bondholders.

6. **TRANSACTION SECURITY**

6.1 **Transaction Security**

- (a) As continuing security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants (and shall procure that any other Group Company (as applicable) grants) as first ranking security to the Secured Parties (as represented by the Agent) the Transaction Security on the terms set out in the Transaction Security Documents.
- (b) The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Transaction Security Documents.
- (c) Subject to Clause 6.2 (*Security principles*), the Issuer shall ensure that first ranking Security is granted in favour of the Secured Parties in respect of:
 - (i) the shares in each Property Holding Company;
 - (ii) mortgage certificates in respect of each Bond Financed Property (other than the Fyrlotsen Property) in an aggregate nominal amount equal to or higher than 100 per cent. of the aggregate Allocated Loan Amount for each Bond Financed Property (other than the Fyrlotsen Property);
 - (iii) the Fyrlotsen Intragroup Loans;
 - (iv) subject to delayed perfection, security in respect of any present or future Material Intragroup Loan from the Issuer to any Property Holding Company or any Subsidiary of a Property Holding Company (other than Fyrlotsen Intragroup Loan I); and

- (v) subject to delayed perfection, security in respect of any present or future Material Intragroup Loan made by a Property Holding Company (other than Fyrlotsen Intragroup Loan II),

in each case at the times contemplated by Clause 5 (*Conditions Precedent and Conditions Subsequent*).

- (d) The Issuer shall:
 - (i) ensure that the Transaction Security Documents and all documents relating thereto are duly executed in favour of the Agent and the Secured Parties (as represented by the Agent) and that such documents are, subject to the terms of each Transaction Security Document, legally valid, perfected, enforceable and in full force and effect according to their terms;
 - (ii) ensure that the relevant pledgors carry out any action to protect, perfect or give priority to the Transaction Security in accordance with the terms of the Transaction Security Documents; and
 - (iii) execute and/or procure the execution of such further documentation as the Agent may reasonably require in order for the Bondholders and the Agent to at all times maintain the security position envisaged under the Finance Documents.
- (e) Except if otherwise decided by the Bondholders according to the procedures set out in Clauses 18 (*Decisions by Bondholders*), 19 (*Bondholders' Meeting*) and 20 (*Written Procedure*), the Agent is, without first having to obtain the Bondholders' consent, entitled to enter into binding agreements with the Group Companies or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the Transaction Security or for the purpose of settling the various Bondholders' relative rights to the Transaction Security. The Agent is entitled to take all measures available to it according to the Transaction Security Documents.

6.2 **Security principles**

All Transaction Security shall be subject to, and limited as required by, financial assistance regulations, corporate benefit restrictions and other applicable corporate law limitations. The Issuer shall procure that additional mortgage certificates are issued in relation to any Bond Financed Property without undue delay after the relevant Issue Date if needed in order to ensure that the aggregate nominal amount of such mortgage certificates is equal to or higher than 100 per cent. of the aggregate Allocated Loan Amount of such Bond Financed Property. The Issuer shall not be required to procure any security or guarantees from any Group Company which is not directly or indirectly wholly-owned by the Issuer. Security over Material Intragroup Loans, other than the Fyrlotsen Intragroup Loans, will be subject to delayed perfection, whereby such security will be perfected upon the occurrence of an Event of Default.

6.3 Enforcement of Transaction Security

- (a) If the Bonds are declared due and payable according to Clause 16 (*Termination of the Bonds*), or following the Final Redemption Date, the Agent is, without first having to obtain the Bondholders' consent, entitled to enforce the Transaction Security in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Transaction Security Documents).
- (b) If a Bondholders' Meeting has been convened, or a Written Procedure has been instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Transaction Security, the Agent is obligated to take actions in accordance with the Bondholders' decision regarding the Transaction Security. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in the Finance Documents, the Agent shall not enforce the Transaction Security. If the Bondholders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of the Transaction Security in accordance with the procedures set out in Clauses 18 (*Decisions by Bondholders*), 19 (*Bondholders' Meeting*) and 20 (*Written Procedure*), the Agent shall promptly declare the Bonds terminated and enforce the Transaction Security. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- (c) Funds that the Agent receives (directly or indirectly) on behalf of Secured Parties in connection with the termination of the Bonds or the enforcement of any or all of the Transaction Security constitute escrow funds (*Sw. redovisningsmedel*) according to the Escrow Funds Act (*Sw. lag (1944:181) om redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Secured Parties. The Agent shall promptly arrange for payments to be made to the Bondholders in such case. The Agent shall arrange for payments of such funds in accordance with Clause 17 (*Distribution of proceeds*) as soon as reasonably practicable. If the Agent deems it appropriate, it may, in accordance with this paragraph (c), instruct the CSD to arrange for payment to the Bondholders.
- (d) For the purpose of exercising the rights of the Bondholders and the Agent under the Finance Documents and for the purpose of distributing any funds originating from the enforcement of any Transaction Security, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Bondholders in accordance with paragraph (c) above. To the extent permissible by law, the powers set out in this paragraph (d) are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney, which the Agent deems necessary for the purpose of carrying out its duties under paragraph (c) above (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account

registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with paragraph (c) above to the Bondholders through the CSD.

6.4 **Release of Transaction Security**

6.4.1 The Security Agent may release Transaction Security in accordance with the terms of the Transaction Security Documents.

6.4.2 Notwithstanding anything to the contrary in the Finance Documents (including, for the avoidance of doubt, any provision in relation to the release of any Transaction Security), the Security Agent shall:

(a) in connection with a Permitted Fyrlotsen Divestment, release the Transaction Security created over:

(i) provided that the Fyrlotsen Property has been divested in full, the shares of Fyrlotsen Holding; and

(ii) provided that Fyrlotsen Intragroup Loan II is fully or partly repaid in connection with the Permitted Fyrlotsen Divestment, the Fyrlotsen Intragroup Loans,

provided that the net cash proceeds (after deduction of taxes and reasonable fees, costs and expenses for the divestment) from such Permitted Fyrlotsen Divestment are deposited on a Property Escrow Account;

(b) in connection with the incurrence by Brf. Fyrlotsen of a Property Refinancing Loan used to fully repay the Fyrlotsen Intragroup Loan II, release the Transaction Security created over the Fyrlotsen Intragroup Loans, provided that an amount equal to the principal amount of such Property Refinancing Loan is deposited on a Property Escrow Account;

(c) in connection with a or Permitted Järva Divestment, release the Transaction Security created over:

(i) the shares in the relevant Järva Property Holding Company;

(ii) the mortgage certificates in respect of the relevant Järva Property;

(iii) any Material Intragroup Loan provided by the Issuer to any Järva Property Holding Company or any of their Subsidiaries; and

(iv) any Material Intragroup Loan provided by a Järva Property Holding Company, provided that the net cash proceeds (after deduction of taxes and reasonable fees, costs and expenses for the divestment) from such Permitted Järva Divestment are deposited on a Property Escrow Account; and

(d) in connection with the incurrence by a Järva Property Company of a Property Refinancing Loan used to fully repay all Material Intragroup Loans from a Järva Property Holding Company to the relevant Järva Property Company, release the Transaction Security created over the:

- (i) Material Intragroup Loans from the relevant Järva Property Holding Company to the relevant Järva Property Company; and
- (ii) Material Intragroup Loans from the Issuer to the relevant Järva Property Holding Company,

provided that an amount equal to the principal amount of such Property Refinancing Loan is deposited on a Property Escrow Account.

7. THE BONDS AND TRANSFERABILITY

- 7.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 7.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 7.3 Upon a transfer of Bonds, any rights and obligations under the Finance Documents relating to such Bonds are automatically transferred to the transferee.
- 7.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, e.g., its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 7.5 The Bonds have not been registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and the Issuer is under no obligation to arrange for registration of the Bonds under the Securities Act or under any other law or regulation. The Bonds may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.
- 7.6 For the avoidance of doubt and notwithstanding the above, a Bondholder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Bondholder hereunder in each case until such allegations have been resolved.

8. BONDS IN BOOK-ENTRY FORM

- 8.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 8.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements

to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act .

- 8.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 8.4 For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.
- 8.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 8.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.

9. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 9.1 If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.
- 9.2 A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- 9.3 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 9.1 and 9.2 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.
- 9.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

10. PAYMENTS IN RESPECT OF THE BONDS

- 10.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 10.2 If a Bondholder has registered, through an Account Operator, that principal, Interest or any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effectuated by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.
- 10.3 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 11.4 during such postponement.
- 10.4 If payment or repayment is made in accordance with this Clause 10, 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, unless the Issuer or the CSD (as applicable) was aware that the payment was being made to a Person not entitled to receive such amount.
- 10.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

11. INTEREST

- 11.1 The Initial Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the Interest Payment Date falling immediately prior to its Issue Date (or the First Issue Date if there is no such Interest Payment Date) up to, and including, the relevant Redemption Date.
- 11.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 11.3 Interest shall be calculated on the basis of the actual number of calendar days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 11.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from, but excluding, the due date up to and including the date of actual payment at a rate which is two hundred (200) basis

points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

12. REDEMPTION AND REPURCHASE OF THE BONDS

12.1 Redemption at maturity

The Issuer shall redeem all, but not only some, of the Bonds in full on the Final Redemption Date (or, to the extent such day is not a Business Day and if permitted under the CSD's applicable regulations, on the Business Day following from an application of the Business Day Convention, and otherwise on the first following Business Day) with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

12.2 The Group's purchase of Bonds

The Issuer and any Group Company may at any time and at any price purchase Bonds. Bonds held by the Issuer or any Group Company may at the Issuer's or such Group Company's discretion be retained or sold, but not cancelled. However, Bonds held by the Issuer may be cancelled in connection with a full redemption of the Bonds.

12.3 Early voluntary redemption by the Issuer (call option)

12.3.1 The Issuer may redeem all, but not some only, of the Bonds early at:

- (a) 100.00 per cent. of the outstanding Nominal Amount, provided that such early redemption is financed in full by way of the Issuer issuing Market Loan(s) and further provided a tender offer or exchange offer is carried out in connection therewith in respect of the Bonds which gives preferred allocation in such Market Loan(s) for Bondholders up to the Nominal Amount tendered or exchanged (as applicable) by the relevant Bondholder; or
- (b) if paragraph (a) above does not apply, 100.50 per cent. of the outstanding Nominal Amount,

in each case together with accrued and unpaid interest.

12.3.2 Redemption in accordance with Clause 12.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

12.4 Early redemption due to illegality (call option)

12.4.1 The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

- 12.4.2 The applicability of Clause 12.4.1 shall be supported by a legal opinion issued by a reputable law firm.
- 12.4.3 The Issuer may give notice of redemption pursuant to Clause 12.4.1 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). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a Person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.
- 12.5 **Mandatory repurchase due to a Change of Control Event, Delisting Event or a Listing Failure Event (put option)**
- 12.5.1 Upon a Change of Control Event, Delisting Event or a Listing Failure Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to one hundred and one (101.00) per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of fifteen (15) calendar days following a notice from the Issuer of the relevant event pursuant to paragraph (b) of Clause 13.3 (*Information undertakings*). The fifteen (15) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, Delisting Event or the Listing Failure Event (as applicable).
- 12.5.2 The notice from the Issuer pursuant to paragraph (b) of Clause 13.3 (*Information undertakings*) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to paragraph (b) of Clause 13.3 (*Information undertakings*). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 12.5.1.
- 12.5.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 12.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 12.4 by virtue of the conflict.
- 12.5.4 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 12.5, if a third party in connection with the occurrence of a Change of Control Event, Delisting Event or a Listing Failure Event offers to purchase all Bonds in the manner and on the terms set out in this Clause 12.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 12.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.
- 12.5.5 No repurchase of Bonds pursuant to this Clause 12.5 shall be required if the Issuer has given notice of a redemption pursuant to Clause 12.3 (*Early voluntary redemption by the Issuer (call option)*) provided that such redemption is duly exercised.

12.5.6 Any Bonds repurchased by the Issuer pursuant to this Clause 12.4 may at the Issuer's discretion be retained, sold or cancelled in accordance with Clause 12.2.

12.6 **Partial prepayment**

12.6.1 The Issuer may carry out one or several partial prepayment of outstanding Bonds up to an aggregate Nominal Amount of SEK 100,000,000 at price equal to 100.50 per cent. of the outstanding Nominal Amount of the Bonds plus accrued and unpaid interest, by way of reducing the Nominal Amount of each Bond *pro rata* in accordance with the procedures of the CSD, provided that each such partial prepayment is equal to or exceeds a Nominal Amount of SEK 40,000,000.

12.6.2 Prepayment in accordance with Clause 12.6.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent, where such notice shall state the relevant prepayment date on which the prepayment shall be made, the prepayment amount and the relevant Record Date.

13. **INFORMATION UNDERTAKINGS**

13.1 **Financial Reports**

13.1.1 The Issuer shall prepare and make available to the Agent and on its website:

- (a) the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, not later than four (4) months after the expiry of each financial year; and
- (b) the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, not later than two (2) months after the expiry of each relevant interim period.

13.1.2 The Issuer shall:

- (a) prepare the Financial Reports in accordance with the Accounting Principles and make them available in accordance with the rules and regulations of Nasdaq Stockholm or any other Regulated Market on which the Issuer's securities from time to time are listed (as amended from time to time) and the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*) (if applicable and as amended from time to time); and
- (b) procure that each of the Financial Reports include a profit and loss account and a balance sheet and that each of the consolidated Financial Reports, in addition, include a cash flow statement, a management commentary or report from the Issuer's board of directors.

13.2 **Compliance Certificate**

The Issuer shall issue a Compliance Certificate to the Agent signed by the CEO, CFO or any other duly authorised signatory of the Issuer:

- (a) when Financial Reports are made available to the Agent in accordance with paragraph (a) or (b) of Clause 13.1.1 (*Financial Statements*);

- (b) in connection with the testing of an Incurrence Test; and
- (c) at the Agent's reasonable request, within twenty (20) calendar days from such request.

13.3 **Information: Miscellaneous**

The Issuer shall:

- (a) keep the latest version of these Terms and Conditions (including documents amending the Terms and Conditions) available on its website;
- (b) promptly notify the Agent (and, as regards a Change of Control Event, a Delisting Event or a Listing Failure Event, the Bondholders) upon becoming aware of the occurrence of a Change of Control Event, a Delisting Event, a Listing Failure Event or an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice; and
- (c) at the Agent's request, deliver the most recent Valuation to the Agent.

14. **FINANCIAL COVENANTS**

14.1 **Incurrence Test**

The Incurrence Test is met if the aggregate Loan to Value Ratio of the Bond Financed Properties, including the relevant Target Property (upon becoming a Bond Financed Property following completion of the relevant acquisition and/or refinancing), is equal to or lower than sixty-five (65) per cent.

14.2 **Calculation Principles**

The calculation of the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than two (2) months prior to the Subsequent Bond Issue, and adjusted so that any assets acquired with proceeds from a Subsequent Bond Issue (as applicable) shall be included calculated *pro forma*.

15. **GENERAL UNDERTAKINGS**

So long as any Bond remains outstanding, the Issuer undertakes to comply with the undertakings set forth in this Clause 15.

15.1 **Distributions**

The Issuer shall not, and shall procure that no other Property Company will:

- (a) pay any dividend on its shares;
- (b) repurchase any of its own shares;
- (c) redeem its share capital or other restricted equity with repayment to shareholders;
- (d) repay any principal under or any interest in respect of Hybrid Instruments; or
- (e) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer

(the transactions set out in paragraphs (a) to (e) above are together and individually referred to as a “**Restricted Payment**”), provided however that any such Restricted Payment may be made, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, by:

- (i) any Property Company if such Restricted Payment is made to another Property Company and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis;
- (ii) the Issuer by way of (A) any share dividend (for the avoidance of doubt, whether made from the Issuer’s Preference Shares or ordinary shares) (B) redemption or repurchase of Preference Shares or (C) payment of interest under Hybrid Instruments, in each case provided that no Event of Default is continuing or would result from the expiry of a grace period, giving of notice, making of any determination or any combination of any of the foregoing or the Restricted Payment; or
- (iii) the Issuer, if such Restricted Payment is a payment of principal or interest under Hybrid Instruments in connection with a refinancing in part or in full of such Hybrid Instruments financed by the issuance of new Hybrid Instruments, preference shares or ordinary shares.

15.2 **Admission to trading**

The Issuer shall:

- (a) ensure that the Bonds issued in the Initial Bond Issue are admitted to trading on Nasdaq Stockholm or another Regulated Market within twelve (12) months after the First Issue Date;
- (b) ensure that any Subsequent Bonds are admitted to trading on the relevant Regulated Market within twelve (12) months after the relevant Issue Date; and
- (c) use its best efforts to ensure that the Bonds, if admitted to trading on a Regulated Market, continue being admitted to trading thereon for as long as any Bond is outstanding (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

15.3 **Nature of business**

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

15.4 **Financial Indebtedness**

The Issuer shall not, and shall procure that no other Property Company will, incur, prolong, renew or extend any Financial Indebtedness, provided however that the Issuer and its Subsidiaries have a right to incur, prolong, renew or extend Financial Indebtedness that constitutes Permitted Debt.

15.5 **Loans out**

The Issuer shall not, and shall procure that no other Property Company will, provide any loan to any party other than:

- (a) to another Group Company or any associated company (*Sw. intressebolag*); or
- (b) to any party in the ordinary course of business.

15.6 **Disposal of assets**

The Issuer shall not, and shall procure that none of its Subsidiaries, sell or otherwise dispose of shares in any of its Subsidiaries or of all or substantially all of its or that Subsidiary's assets, or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction is carried out on market terms and on terms and conditions customary for such transaction and provided that (i) it is a Permitted Fyrlotsen Divestment or Permitted Järva Divestment or (ii) is otherwise permitted by the terms of any Transaction Security Document in respect of such assets and it does not have a Material Adverse Effect. The Issuer shall only be obliged to notify the Agent of any such transaction if such transaction is not within the ordinary course of business and, if not within the ordinary course of business, the Issuer shall upon request by the Agent provide the Agent with any information relating to the transaction which the Agent deems necessary (acting reasonably).

15.7 **Bond Financed Properties**

15.7.1 The Issuer shall ensure:

- (a) that each Bond Financed Property, other than the Fyrlotsen Property, at all times is fully owned by (i) the Issuer (indirectly) and (ii) one or several Property Holding Companies (directly or indirectly);
- (b) that no less than 71.238 per cent. of the Fyrlotsen Property at all times is owned by (i) the Issuer (indirectly) and (ii) one or several Property Holding Companies (directly or indirectly);
- (c) that the Bond Financed Properties at all times are kept in a good state of repair and maintenance, as will enable compliance in all material respects with the obligations under the relevant rental agreements and in accordance with all applicable laws and regulations; and
- (d) that each Bond Financed Property at all times has been subject of a Valuation which is not older than twelve (12) months.

15.7.2 Paragraphs (a) and (b) of Clause 15.7.1 shall not apply to the extent non-compliance with such paragraphs results from a Permitted Fyrlotsen Divestment or Permitted Järva Divestment (as applicable).

15.8 **Property Management Companies**

The Issuer shall ensure that each Property Management Company at all times is fully owned by (a) the Issuer (indirectly) and (b) one or several Property Holding Companies (directly or indirectly).

15.9 **Negative Pledge**

The Issuer:

- (a) shall ensure that no security is created or allowed to be subsisted, retained, provided, prolonged or renewed over (i) the shares or other ownership interests in any Property Company (other than the Issuer) and (ii) the Bond Financed Properties, in each case save for any Transaction Security; and
- (b) shall procure that no Property Company (other than the Issuer) will create or allow to subsist, retain, provide, prolong or renew any security over any other assets (present or future) than the assets referred to in item (a) above, to secure any Financial Indebtedness, save for any Permitted Security.

15.10 **Dealings with related parties**

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

15.11 **Insurance**

The Issuer shall ensure that the Bond Financed Properties are kept insured to an extent which is customary for similar properties on the relevant geographical market with one or more reputable insurers. The insurance cover shall inter alia include full value insurance and third party liability insurances.

15.12 **Compliance with laws**

The Issuer shall, and shall procure that its Subsidiaries, (a) comply in all material respects with all laws and regulations applicable from time to time and (b) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, in each case, if failure to do so would result in a Material Adverse Effect.

16. **TERMINATION OF THE BONDS**

Each of the events or circumstances set out in this Clause 16 is an Event of Default (save for Clause 16.10 (*Termination*)).

16.1 **Non-payment**

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

16.2 **Other obligations**

- (a) A Group Company does not comply with its obligations under the Finance Documents (other than those referred to in Clause 16.1 (*Non-payment*)).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of being remedied (if the failure or violation is not capable of being remedied,

the Agent may declare the Bonds payable without such prior written request) and is remedied within fifteen (15) Business Days of the earlier of:

- (i) the Agent giving notice to the Issuer; and
- (ii) the Issuer becoming aware of the non-compliance.

16.3 **Cross-acceleration**

- (a) Any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); or
- (b) Any security interest securing Financial Indebtedness over any asset of any Group Company is enforced,

provided however that the amount of Financial Indebtedness referred to under item (a) and/or (b) above, individually or in the aggregate exceeds an amount corresponding to SEK 1,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company

16.4 **Insolvency**

- (a) Any Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors with a view to rescheduling its Financial Indebtedness; or
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Group Company.

16.5 **Insolvency proceedings**

Any corporate action, legal proceedings or other procedures are taken (other than (a) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) calendar days of commencement or, if earlier, the date on which it is advertised and (b), in relation to Subsidiaries of the Issuer, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of the Issuer; and
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Issuer or any of its assets or any analogous procedure or step is taken in any jurisdiction.

16.6 **Mergers and demergers**

A decision is made that the Issuer shall be demerged or merged where the Issuer is not the surviving entity and provided that the Issuer may not be demerged.

16.7 **Creditors' process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding SEK 1,000,000 and is not discharged within sixty (60) calendar days.

16.8 **Impossibility or illegality**

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

16.9 **Continuation of the business**

A Group Company ceases to carry on its business (except if due to (a) a solvent liquidation of a Group Company other than the Issuer or (b) a permitted disposal, merger or demerger as stipulated in Clause 16.6 (*Mergers and demergers*) and 15.6 (*Disposal of assets*) and provided, in relation to a discontinuation of a Group Company other than the Issuer, that such discontinuation is likely to have a Material Adverse Effect.

16.10 **Termination**

- 16.10.1 If an Event of Default has occurred and is continuing the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a Person who is a Bondholder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 16.10.6 or 16.10.7, on behalf of the Bondholders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration).
- 16.10.2 The Agent may not terminate the Bonds in accordance with Clause 16.10.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under Clause 16.10.1.
- 16.10.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 16.10.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 16.10.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Clause 16.10.1. The Issuer shall further, at the request of the Agent, provide the Agent with

details of any circumstances referred to in Clause 16.10.1 and provide the Agent with all documents that may be of significance for the application of this Clause 16.

- 16.10.5 The Issuer is only obliged to inform the Agent according to Clause 16.10.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with the relevant Regulated Market. If such a conflict would exist pursuant to the listing contract with the relevant Regulated Market or otherwise, the Issuer shall however be obliged to either seek the approval from the relevant Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 16.10.4.
- 16.10.6 If the Agent has been notified by the Issuer or has otherwise received actual knowledge that there is a default under the Finance Documents according to Clause 16.10.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or actual knowledge, the Bondholders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or actual knowledge, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 18 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 16.10.7 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 18 (*Decisions by Bondholders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 16.10.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 16, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 16.10.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 16 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 18 (*Decisions by Bondholders*).
- 16.10.10 If the Bonds are declared due and payable in accordance with this Clause 16, the Issuer shall redeem all Bonds with an amount per Bond of one hundred and one 101.00 per cent. of the Nominal Amount together with accrued but unpaid interest.

17. DISTRIBUTION OF PROCEEDS

- 17.1 If the Bonds have been declared due and payable in accordance with Clause 16 (*Termination of the Bonds*) all payments by the Issuer relating to the Bonds and any proceeds received from

an enforcement of the Transaction Security shall be made and/or distributed in the following order or priority, in accordance with the instructions of the Agent:

- (a) *firstly*, in or towards payment pro rata of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the bondholders' rights, (iii) any non-reimbursed costs incurred by the Agent for external experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a bondholders' meeting or a written procedure;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid interest under the Bonds (interest due on an earlier Interest Payment Date to be paid before any interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with (a) to (d) above shall be paid to the Issuer or the relevant Group Company.

- 17.2 If the Issuer or the Agent shall make any payment under this Clause 17, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 10.1 shall apply.

18. DECISIONS BY BONDHOLDERS

- 18.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 18.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 18.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (a) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (b) the suggested decision is not in accordance with applicable laws.

- 18.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 9 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:
- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
 - (b) on the Business Day specified in the communication pursuant to Clause 20.3, in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- 18.5 The following matters shall require consent of Bondholders representing at least two thirds ($\frac{2}{3}$) of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 20.3:
- (a) waive a breach of or amend an undertaking set out in Clause 15 (*General undertakings*);
 - (b) except as expressly regulated elsewhere in the relevant Transaction Security Document, release any Transaction Security, in whole or in part;
 - (c) a mandatory exchange of Bonds for other securities;
 - (d) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer (other than as a result of an application of Clause 22 (*Base Rate Replacement*));
 - (e) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
 - (f) amend the provisions in this Clause 18.5 or Clause 18.6.
- 18.6 Any matter not covered by Clause 18.5 shall require the consent of Bondholders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 20.3. This includes, but is not limited to, any amendment to or waiver of the terms of any Finance Documents that does not require a higher majority (other than an amendment permitted pursuant to paragraph (a), (b) or (c) of Clause 21.1), or a termination of the Bonds or the enforcement of the Transaction Security in whole or in part.
- 18.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail.
- 18.8 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50.00) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' 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.
- 18.9 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 19.1) or initiate a second Written Procedure (in accordance with Clause 20.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 18.8 shall not apply to such second Bondholders' Meeting or Written Procedure.
- 18.10 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 18.11 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 18.12 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under the Finance Documents, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 18.13 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 18.14 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 18.15 If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate of a Group Company.
- 18.16 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

19. BONDHOLDERS' MEETING

- 19.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholder's Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 19.2 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 19.1 with a copy to the Agent. After a request from the Bondholders pursuant to Clause 23.4.3, 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 Bondholders' Meeting in accordance with Clause 19.1.
- 19.3 The notice pursuant to Clause 19.1 shall include:
- (a) the time for the meeting;
 - (b) the place for the meeting;
 - (c) an agenda for the meeting (including each request for a decision by the Bondholders); and
 - (d) a form of power of attorney.
- Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- 19.4 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 19.5 If the Agent, in breach of these Terms and Conditions, has not convened a Bondholders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Bondholders' Meeting itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD and, if no Person to open the Bondholders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.
- 19.6 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.
- 19.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

20. WRITTEN PROCEDURE

- 20.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.
- 20.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 20.1 to each Bondholder with a copy to the Agent.
- 20.3 A communication pursuant to Clause 20.1 shall include (a) each request for a decision by the Bondholders, (b) a description of the reasons for each request, (c) a specification of the Business Day on which a Person must be registered as a Bondholder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 20.1), (d) 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 (e) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 20.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 20.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD.
- 20.5 When the requisite majority consents of the Adjusted Nominal Amount pursuant to Clauses 18.5 and 18.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 18.5 or 18.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

21. AMENDMENTS AND WAIVERS

- 21.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in the Finance Documents, provided that:
- (a) the Agent is satisfied that such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (b) the Agent is satisfied that such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
 - (c) such amendment or waiver is necessary for the purpose of having the Bonds listed or admitted to trading on a Regulated Market or MTF, provided that the Agent is satisfied that such amendment or waiver does not materially adversely affect the rights of the Bondholders;

- (d) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 18 (*Decisions by Bondholders*); or
 - (e) the Agent is satisfied that such amendment or waiver is made pursuant to Clause 22 (*Base Rate Replacement*).
- 21.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- 21.3 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 21.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 21.4 An amendment or waiver to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

22. BASE RATE REPLACEMENT

22.1 General

- 22.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 22 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.
- 22.1.2 If a Base Rate Event has occurred, this Clause 22 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

22.2 Definitions

- 22.2.1 In this Clause 22:

“**Adjustment Spread**” means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof determined in accordance with Clause 22.3.4 to be applied to a Successor Base Rate or an Alternative Base Rate, the objective of which, in each case, shall be to reduce or eliminate, to the fullest extent reasonably practicable, any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

“**Alternative Base Rate**” means the reference rate that has replaced the Base Rate in customary market usage in the relevant debt capital markets for the purposes of determining rates of interest in respect of Bonds denominated in SEK or, if there is no such rate, such other rate as the Independent Adviser determines is most comparable to the Base Rate.

“**Base Rate Amendments**” has the meaning set forth in Clause 22.3.5.

“**Base Rate Event**” means that:

- (a) the Base Rate has (i) been permanently or indefinitely discontinued, (ii) ceased to exist or (iii) ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate ceasing to be calculated or administered;
- (b) the Base Rate Administrator ceases to publish the applicable Base Rate permanently or indefinitely and, at that time, no successor administrator has been appointed to continue to publish the Base Rate;
- (c) the supervisor of the Base Rate Administrator (i) has made a public statement stating that the Base Rate is no longer representative of the underlying market or (ii) is recommending the usage of a Successor Base Rate for the applicable Base Rate;
- (d) the Base Rate Administrator or its supervisor announces that (i) the Base Rate methodology has changed materially after the First Issue Date or (ii) the Base Rate may no longer be used, either generally or in respect of the Bonds; or
- (e) it has become unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate.

“Base Rate Event Announcement” means a public statement by the Base Rate Administrator or the supervisor of the Base Rate Administrator that any event or circumstance specified in paragraphs (a) to (e) of the definition of Base Rate Event will occur.

“Independent Adviser” means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

“Relevant Nominating Body” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee of any of them or the Financial Stability Council (*Finansiella stabilitetsrådet*) or any part thereof.

“Successor Base Rate” means a screen or benchmark rate which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body.

22.3 **Determination of Base Rate, Adjustment Spread and Base Rate Amendments**

22.3.1 Without prejudice to Clause 22.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate or an Alternative Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to determine a Successor Base Rate or, if there is no Successor Base Rate, an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 22.3.2.

22.3.2 If (i) a Base Rate Event has occurred or (ii) a Base Rate Event Announcement has been made and the announced Base Rate Event will occur within six (6) months, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer’s expense, appoint an Independent Adviser to determine, as soon as commercially reasonable, a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate.

22.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 22.3.2, the Bondholders shall, if so decided at a Bondholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in Clause 22.3.2.

22.3.4 The Adjustment Spread determined by the Independent Adviser in accordance with Clause 22.3.1 or 22.3.2, shall be the Adjustment Spread which:

- (a) is formally recommended in relation to the replacement of the Base Rate by any Relevant Nominating Body; or
- (b) if paragraph (a) above does not apply, the Independent Adviser determines is customarily applied to the relevant Successor Base Rate or Alternative Base Rate (as applicable), in comparable debt capital markets transactions.

22.3.5 The Independent Adviser shall also determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or an Alternative Base Rate or to reflect the adoption of such Successor Base Rate or Alternative Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").

22.3.6 Provided that a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the applicable Adjustment Spread and any Base Rate Amendments have been determined no later than ten (10) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period.

22.4 **Interim measures**

22.4.1 If Base Rate Event has occurred but no Successor Base Rate or Alternative Base Rate and Adjustment Spread have been determined at least ten (10) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period, the Interest Rate applicable to the next succeeding Interest Period shall be:

- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
- (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

22.4.2 For the avoidance of doubt, Clause 22.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 22.

22.5 **Notices**

The Issuer shall promptly following the determination by the Independent Adviser of any Successor Base Rate, Alternative Base Rate, Adjustment Spread and any Base Rate Amendments give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 28 (*Notices and press releases*) and the CSD.

22.6 **Variation upon replacement of Base Rate**

- 22.6.1 No later than giving the Agent notice pursuant to Clause 22.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and a duly authorised signatory of the Issuer confirming the relevant Successor Base Rate or Alternative Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 22. The Successor Base Rate or Alternative Base Rate, the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any determination, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.
- 22.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 22.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 22.
- 22.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 22. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Terms and Conditions.

22.7 **Limitation of liability for the Independent Adviser**

Any Independent Adviser appointed pursuant to Clause 22.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with the Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

23. APPOINTMENT AND REPLACEMENT OF THE AGENT

23.1 **Appointment of Agent**

- 23.1.1 By subscribing for Bonds, each initial Bondholder:
- (a) appoints the Agent to act as its agent and security agent in all matters relating to the Bonds 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 Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*), or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of the Issuer including, for the avoidance of doubt, any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security; and
 - (b) confirms the appointment of the Security Agent to act as its agent in all matters relating to the Transaction Security and the Transaction Security Documents,

including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security.

- 23.1.2 By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent and the Security Agent to act on its behalf, as set forth in Clause 23.1.1.
- 23.1.3 Each Bondholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 23.1.4 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.
- 23.1.5 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 Agent's obligations as agent and security agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 23.1.6 The Agent may act as agent and/or security agent for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

23.2 **Duties of the Agent**

- 23.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Transaction Security Documents on behalf of the Secured Parties and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. However, the Agent is not responsible for the contents, execution, legal validity or enforceability of the Finance Documents. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent.
- 23.2.2 The Agent is not obliged to actively assess or monitor (i) the financial condition of the Issuer or any Group Company, (ii) the compliance by the Issuer of the Finance Documents (unless expressly set out in the Finance Documents) or (iii) whether an Event of Default (or any event that may lead to an Event of Default) has occurred or not. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default has occurred.
- 23.2.3 The Agent may assume that any information, documentation and evidence delivered to it is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary, and the Agent does not have to verify or assess the contents of any such information, documentation or evidence. The Agent does not review any information, documents and evidence from a legal or commercial perspective of the Bondholders.
- 23.2.4 The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.

- 23.2.5 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill. The Agent is never acting as an advisor to the Bondholders or the Issuer.
- 23.2.6 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.
- 23.2.7 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- 23.2.8 The Agent shall be entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 23.2.9 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 (a) after the occurrence of an Event of Default, (b) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (c) when the Agent is to make a determination 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 17 (*Distribution of proceeds*).
- 23.2.10 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 23.2.11 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.
- 23.2.12 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 Bondholders, 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.
- 23.2.13 The Agent shall give a notice to the Bondholders (a) 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 (b) if it refrains from acting for any reason described in Clause 23.2.12.

23.2.14 The Agent's duties under the Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with the Terms and Conditions and upon instructions from the Bondholders, unless otherwise set out in the Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other person.

23.3 **Limited liability for the Agent**

23.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.

23.3.2 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 provided to 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 Bondholders to delay the action in order to first obtain instructions from the Bondholders.

23.3.3 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 Bondholders, 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.

23.3.4 The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.

23.3.5 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 Bondholders under the Finance Documents.

23.3.6 The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other person.

23.4 **Replacement of the Agent**

23.4.1 Subject to Clause 23.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

23.4.2 Subject to Clause 23.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, 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.

23.4.3 A Bondholder (or Bondholders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the

Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.

- 23.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) calendar days after (a) the earlier of the notice of resignation was given or the resignation otherwise took place or (b) the Agent was dismissed through a decision by the Bondholders, 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.
- 23.4.5 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.
- 23.4.6 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.
- 23.4.7 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 Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 23.4.8 In the event that there is a change of the Agent in accordance with this Clause 23.4, 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. 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.

24. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

- 24.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 24.2 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.

25. APPOINTMENT AND REPLACEMENT OF THE CSD

- 25.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.

25.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the listing of the Bonds listed on a Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

26. NO DIRECT ACTIONS BY BONDHOLDERS

26.1 A Bondholder may not take any steps whatsoever against the Issuer or a Group Company 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 or another Group Company in relation to any of the liabilities of the Issuer or a Group Company under the Finance Documents. Such steps may only be taken by the Agent.

26.2 Clause 26.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 23.1.2), 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 by any reason described in Clause 23.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 23.2.13 before a Bondholder may take any action referred to in Clause 26.1.

26.3 The provisions of Clause 26.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 12.5 (*Mandatory repurchase due to a Change of Control Event, Delisting Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

27. TIME-BAR

27.1 The right to receive repayment of the principal of the Bonds shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been time-barred and has become void.

27.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new time-bar period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to the right to receive payment of Interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

28. NOTICES AND PRESS RELEASES

28.1 Notices

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

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

28.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 28.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 28.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 28.1.1.

28.1.3 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

28.2 Press releases

28.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 12.3, 12.4, 12.6, 13.3(b), 16.10.6, 17.2, 18.16, 19.1, 20.1, 21.3, 22.5, 23.2.13 and 23.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.

28.2.2 In addition to Clause 28.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice that the Agent may send to the Bondholders 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 Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

29. ADMISSION TO TRADING

- 29.1.1 The Issuer shall use its best efforts to procure that the Initial Bonds and any Subsequent Bonds are admitted to trading on a Market Place within thirty (30) days after the relevant Issue Date.
- 29.1.2 If the Initial Bonds or any Subsequent Bonds have not been admitted to trading on any Market Place within sixty (60) calendar days from the relevant Issue Date each Bondholder will have the right to request that all, or only some, of its Bonds are repurchased in accordance with Clause 12.5 (*Mandatory repurchase due to a Change of Control Event, Delisting Event or a Listing Failure Event* (put option)).
- 29.1.3 The Issuer has in accordance with Clause 15.2 (*Admission to trading*) undertaken to have the Initial Bonds and any Subsequent Bonds admitted to trading within twelve (12) months after the relevant Issue Date on the corporate bond list of Nasdaq Stockholm (or, if such admission to trading is not possible to obtain or maintain, admitted to trading on any other Regulated Market within twelve (12) months after the relevant Issue Date).

30. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 30.1 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.
- 30.2 The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 30.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with the Finance Documents, such action may be postponed until the obstacle has been removed.
- 30.4 The provisions in this Clause 30 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

31. GOVERNING LAW AND JURISDICTION

- 31.1 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.
- 31.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 31.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.
- 31.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

We hereby certify that the above Terms and Conditions are binding upon ourselves.

The Issuer

ALM Equity AB (publ)

Name:

Name:

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

The Agent

Nordic Trustee & Agency AB (publ)

Name:

Name: