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Terms and Conditions

DDM Debt AB (publ)

Up to EUR 160,000,000

Senior Secured Bonds

ISIN: SE0010636746

8 December 2017

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

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1. Definitions and Construction

1.1 Definitions

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

"**Accession Agreement**" has the meaning ascribed to such term in the Intercreditor Agreement".

"**Additional Deposit Account**" means a bank account of the Issuer held with a Swedish bank which has been pledged in favour of the Security Agent under the Additional Deposit Account Pledge Agreement.

"**Additional Deposit Account Pledge Agreement**" means the pledge agreement to be entered into between the Issuer, the Security Agent and DDM Finance AB (acting as agent for the Security Agent) in respect of a first priority pledge over the Additional Deposit Account and all funds held on the Additional Deposit Account from time to time, granted in favour of the Secured Parties.

"**Additional Intercompany Loan**" means loans from the Issuer to a Subsidiary where the net intercompany loan position between the Issuer (as creditor) and the relevant Subsidiary exceeds EUR 2,000,000 or such higher threshold amount prescribed as intercompany loans in the terms of the Existing Bonds or in the documentation governing any other debt incurred pursuant to paragraph (e) of the definition of Permitted Debt. However, an intercompany loan between the Issuer (as creditor) and a relevant Subsidiary shall not be considered to be an Additional Intercompany Loan if it is an Intercompany Loan or if the total aggregated amount of Intercompany Loans and Additional Intercompany Loans outstanding exceeds the aggregated nominal amount of Existing Bonds, Bonds and any New Debt outstanding.

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

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

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are normal for the relevant type of project contracts, 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.

"Agency Agreement" means the agency agreement entered into on or before the First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent, regarding, inter alia, the remuneration payable to the Agent.

"Agent" means Intertrust (Sweden) AB or another party replacing it, as Agent, acting for and on behalf of the Bondholders, in accordance with these Terms and Conditions and, as relevant, the Finance Documents.

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

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

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

"Business Day" means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (*midsommarafton*), Christmas Eve (*julafton*) and New Year's Eve (*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.

"Cash EBITDA" means the Net Collections and cash revenues from management fees paid by co-investors less Operating Expenses.

"Change of Control Event" means the occurrence of an event or series of events whereby any person, other than Demeter Finance Sarl, or a person or persons acting in concert, acquires control over the Issuer, and where "control" means (a) controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

"Compliance Certificate" means a certificate, in form and substance satisfactory to the Agent, signed on behalf of the Issuer certifying (i) the satisfaction of the Maintenance Test (including figures in respect of the relevant financial covenant(s) and the basis on which they/it has/have been calculated), and (ii) 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.

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

"Deposit Account" means the bank account with account number 8327-9, 337 672 630-7 held by the Issuer with Swedbank AB (publ).

"Deposit Account Pledge Agreement" means the pledge agreement dated 16 February 2017 and entered into between the Issuer, the Security Agent and DDM Finance AB (acting as agent for the Security Agent) in respect of a first priority pledge over the Deposit Account and all funds held on the Deposit Account from time to time, granted in favour of the Secured Parties.

"DDM Finance AB" means DDM Finance AB, a limited liability company incorporated under the laws of Sweden with Reg. No. 559053-6214.

"DDM Group AG" means DDM Group AG, a limited liability company (De: *aktiengesellschaft*) incorporated under the laws of Switzerland with business identity code: CHE-115278533.

"DDM Holding Group" means DDM Holding AG, or any other company replacing DDM Holding AG as the ultimate parent company of the Group, and its Subsidiaries from time to time.

"EBITDA" means, in respect of the Relevant Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;
- (b) before deducting any net finance charges;
- (c) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (d) not including any accrued interest owing to any member of the Group;
- (e) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (f) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset and after adding back any loss arising from the impairment of any asset;
- (g) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (h) plus or minus the Group's share of the profits or losses of entities which are not part of the Group; and
- (i) after adding back any amount attributable to the amortisation, depreciation, impairment or depletion of assets of members of the Group.

"Equity" means by reference to the consolidated balance sheet of the Group the sum of (i) restricted equity, (ii) non-restricted equity, and (iii) Shareholder Debt.

"Equity Ratio" means the ratio of Equity to Total Assets.

"ERC" means the sum of all future estimated remaining collections from Portfolios for the next following 120 months.

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

"Existing Bonds" means the up to EUR 85,000,000 senior secured fixed rate bonds with ISIN SE0009548332 issued by the issuer on 30 January 2017.

"Existing Bonds Documents" means the "Bond Documents" as defined in the Intercreditor Agreement.

"Final Maturity Date" 11 December 2020.

"Finance Documents" means the Terms and Conditions, the Proceeds Account Pledge Security Agreement, the Intercreditor Agreement, the Security Documents, the Agency Agreement, the Existing Bonds Documents, any and all currency or interest swaps and/or interest cap and/or other hedging agreements entered into or to be entered into between an Issuer Group Company and a Hedge Counterparty (as defined in the Intercreditor Agreement) and approved by the Agent in accordance with the Intercreditor Agreement, any New Debt Documents 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, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is treated as a finance lease in accordance with the accounting principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).

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

"Financial Report" means the Group's annual audited consolidated financial statements and quarterly interim unaudited reports of the Group, which shall be prepared and made available in accordance with Clause 11.1 (*Information from the Issuer*).

"First Call Date" means the date falling 18 months after the First Issue Date or, to extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

"First Issue Date" 11 December 2017.

"Force Majeure Event" has the meaning set forth in Clause 24(a).

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

"Guarantee and Adherence Agreement" has the meaning ascribed to such term in the Intercreditor Agreement.

"Guarantee" means the guarantee provided by the Guarantor under the Guarantee and Adherence Agreement.

"Guarantor" means DDM Finance AB.

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

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

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

"Intercompany Loan" means loans from the Issuer to a Subsidiary where the net intercompany loan position between the Issuer (as creditor) and a relevant Subsidiary exceeds EUR 2,000,000 or such higher threshold amount prescribed as intercompany loans in the terms of the Existing Bonds or in the documentation governing any other debt incurred pursuant to paragraph (e) of the definition of Permitted Debt. However, an intercompany loan between the Issuer (as creditor) and a relevant Subsidiary shall not be considered to be an Intercompany Loan if the total aggregated amount of

Intercompany Loans outstanding exceeds the Nominal Amount of Existing Bonds outstanding.

"Intercreditor Agreement" means the intercreditor agreement dated 16 February 2017 between, *inter alios*, the Bonds Agent, the Security Agent, the Issuer and DDM Finance AB which the Agent, on behalf of the Bondholders, will accede to by way of executing an Accession Agreement.

"Interest" means the interest on the Bonds calculated in accordance with Clause 8 (*Interest*).

"Interest Payment Date" means 11 December and 11 June of each year or, to the extent such day is not a Business Day, the first following day that is a Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 11 June 2018 and the last Interest Payment Date shall be the relevant Redemption Date.

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

"Interest Rate" means 8 per cent. *per annum*.

"Issue Date" means the First Issue Date and any subsequent date when a Subsequent Bond Issue takes place.

"Issuer" means DDM Debt AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 559053-6230.

"Issuing Agent" means Carnegie Investment Bank AB (publ), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

"Local Banks" means any bank or financial institutions offering Local Credits to any of the Group Companies.

"Local Credit" means loan credits provided by Local Banks to Group Companies (except for the Issuer).

"Maintenance Test" has the meaning set forth in Clause 12.1 (*Maintenance Test*).

"Make Whole Amount" means a price equivalent to the sum of:

- (a) the present value on the relevant record date of 104,00 per cent. of the Outstanding Nominal Amount as if such payment originally should have taken place on the First Call Date; and
- (b) the present value on the relevant record date of the remaining coupon payments on the Bonds to (and including) the First Call Date, less any accrued but unpaid interest, through and including the First Call Date,

both calculated by using a discount rate of 50 basis points over the comparable German government bond rate (i.e. comparable to the remaining duration of the Bonds until the mentioned date falling on the First Call Date) and where "relevant record date" shall mean a date agreed upon between the Agent, the CSD and the Issuer in connection with such repayment.

"Management Fee" means a management fee in an amount *per annum* equivalent to the operating expenses (calculated in accordance with IFRS) of the DDM Holding Group for that calendar year, based on the last published Financial Report.

"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 Nasdaq Stockholm or any other regulated or unregulated recognised market place.

"Material Adverse Effect" means a material adverse effect on (i) the business, financial condition or operations of the Group taken as a whole, (ii) the Group's ability to perform and comply with the Finance Documents, or (iii) the validity or enforceability of the Finance Documents.

"Net Collections" means the gross collections from Portfolios held by the Group minus commission and fees to third parties.

"Net Interest Bearing Debt" means the aggregate interest bearing debt less cash and cash equivalents of the Group in accordance with the applicable accounting principles of the Group from time to time (excluding Shareholder Debt subordinated pursuant to the Intercreditor Agreement and excluding interest bearing debt borrowed from any Group Company).

"Net Proceeds" means the proceeds from the issuance of the Bonds, after deduction has been made for the Transaction Costs, including fees, payable by the Issuer to Carnegie Investment Bank AB as bookrunner for the services provided in relation to the placement and issuance of the Bonds.

"New Creditor" means a provider of New Debt.

"New Debt" means Financial Indebtedness incurred by the Issuer pursuant to paragraph (e) of the definition of Permitted Debt.

"New Debt Documents" means all documents relating to any New Debt.

"Nominal Amount" means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which the Bond has been redeemed in part pursuant to Clause 13.5(d)(ii).

"Operating Expenses" means personnel expenses, consulting expenses and other operating expenses, including the Management Fee, excluding any non-recurring exceptional items in an amount up to 10 per cent of the EBITDA for the relevant year (based on EBITDA calculated without adding back non-recurring exceptional items).

"Outstanding Nominal Amount" means the Nominal Amount of the Bonds from time to time taking into account any amortisations made on the Bonds.

"Permitted Debt" means any Financial Indebtedness:

- (a) incurred under the Bonds, other than Subsequent Bonds;
- (b) taken up from a Group Company and/or a SPV;
- (c) incurred in the ordinary course of business under Advance Purchase Agreements;
- (d) incurred as a result of any Group Company acquiring another entity and which is due to that such acquired entity holds indebtedness;
- (e) incurred by the Issuer if such Financial Indebtedness (i) is incurred as a result of a Subsequent Bond Issue by the Issuer under the Terms and Conditions, or (ii) ranks pari passu or is subordinated to the obligations of the Issuer under the Bonds and has a final maturity date or a final redemption date which occurs after the Final Maturity Date;
- (f) incurred under hedging transactions in the ordinary course of business or in respect of payments to be made under these Terms and Conditions or any Permitted Debt, but not for investment or speculative purposes;
- (g) incurred by the Issuer pursuant to any financing with a bank or a financial institution in an amount not exceeding to the equivalent of 20 per cent. of the outstanding total aggregate Financial Indebtedness of the Group pursuant to the most recent Financial Report published for the quarter including, and subsequent to the First Issue Date, provided that the aggregate amount outstanding together with any debt outstanding pursuant to (h) and (i) may not exceed 20 per cent. of the outstanding total aggregate Financial Indebtedness of the Group pursuant to the most recent Financial Report published for the quarter including, and subsequent to the First Issue Date;
- (h) incurred by the Group Companies (except for the Issuer) under any Local Credit provided that the aggregate amount outstanding together with any debt outstanding pursuant to (g) and (i) may not exceed 20 per cent. of the outstanding total aggregate Financial Indebtedness of the Group pursuant to the most recent Financial Report published for the quarter including, and subsequent to the First Issue Date;
- (i) incurred as deferred consideration to a seller of distressed debt, or a seller of an entity holding distressed debt, provided that the aggregate amount outstanding together with any debt outstanding pursuant to (g) and (h) may not exceed 20 per cent. of the outstanding total aggregate Financial Indebtedness of the Group pursuant to the most recent Financial Report published for the quarter including, and subsequent to the First Issue Date;
- (j) incurred by a Group Company and subordinated to the Bonds in accordance with the terms of the Intercreditor Agreement;

- (k) incurred for the purpose of refinancing existing Financial Indebtedness of any Group Company;
- (l) incurred for the purpose of refinancing the Bonds in full;
- (m) incurred under the Existing Bonds; and
- (n) any Financial Indebtedness not permitted by paragraphs (a) to (m) above, provided that the aggregate amount of such indebtedness does not exceed EUR 500,000.

"Permitted Security" means any guarantee or security:

- (a) created in accordance with the Finance Documents;
- (b) 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);
- (c) provided by any entity that has been acquired pursuant to item (d) of the definition of "Permitted Debt";
- (d) any Security to a New Creditor provided that such New Creditor accedes to the Intercreditor Agreement, as a Secured Party and that such Security is also granted to the Secured Parties (including the New Creditor) as Transaction Security, in each case on a *pro rata* basis and on the same terms, including ranking, and any such new Security shall constitute Transaction Security, subject to and in accordance with the Intercreditor Agreement;
- (e) for any hedging transactions or other derivatives transactions for the purpose of hedging currency or interest rates, unless for speculative purposes;
- (f) any Security provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Bonds in full are intended to be received;
- (g) any Security agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Bonds in full, however provided that any perfection requirements in relation thereto are satisfied only after repayment of the Bonds in full;
- (h) for amounts to be paid as deferred consideration to a seller of distressed debt, or a seller of an entity holding distressed debt; and
- (i) any Security granted as security for the Existing Bonds.

"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.

"Portfolios" means (i) loan portfolios, (ii) the shares in special purpose vehicles holding loan portfolios, provided that such special purpose vehicles does not have any other material assets or liabilities, or (iii) bonds, notes or other instruments issued by a SPV.

"Proceeds Account" means a bank account of the Issuer held with a Swedish bank, into which the Net Proceeds will be transferred and which has been pledged in favour of the Agent and the bondholders (represented by the Agent) under the Proceeds Account Pledge Security Agreement.

"Proceeds Account Pledge Security Agreement" means the pledge agreement entered into between the Issuer and the Agent on or about the First Issue Date in respect of a first priority pledge over the Proceeds Account and all funds held on the Proceeds Account from time to time, granted in favour of the bondholders and the Agent (in its capacity as agent in accordance with the Agency Agreement).

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

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

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

"Relevant Period" means each period of 12 consecutive calendar months ending on a Reference Date.

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

"Secured Debt" means all present and future moneys, debts and liabilities due, owing or incurred from time to time by any Group Company to any Secured Party under any Senior Finance Documents (as defined in the Intercreditor Agreement), and all available commitments of any Secured Party, under or in connection with any Senior Finance Documents and any New Debt Documents (as applicable).

"Secured Obligations" means all present and future payment obligations and liabilities of the Issuer to the Secured Parties (whether actual and contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by the Issuer or by some other person) under each of the Finance Documents or any New Debt Documents in accordance with the terms of the Intercreditor Agreement.

"Secured Party" means each of the Agent, each Senior Creditor (as defined in the Intercreditor Agreement) and any hedge counterparty and any other creditor with respect to Secured Debt (together the **"Secured Parties"**).

"Securities Account" means the account for dematerialised securities maintained by the CSD pursuant to the Financial Instruments Accounts Act in which (i) an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

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

"Security Agent" means Intertrust (Sweden) AB, appointed by the Secured Parties pursuant to the Intercreditor Agreement, holding the Transaction Security on behalf of the Secured Parties.

"Security Documents" means the following security agreements:

- (a) the share pledge agreement entered into between DDM Finance AB and the Security Agent with respect to the shares currently issued in the Issuer;
- (b) share pledge agreements entered into between the Issuer and the Security Agent over the shares in each direct Subsidiary of the Issuer;
- (c) the Deposit Account Pledge Agreement;
- (d) the Additional Deposit Account Pledge Agreement;
- (e) loan pledge agreements entered into between the Issuer and the Security agent in respect of any existing Intercompany Loans;
- (f) any security document pursuant to which additional security is provided in accordance with Clause 13.8 (*Granting of security*); and
- (g) any other document designated as a Security Document by the Issuer and the Security Agent,

each in form and substance satisfactory to the Security Agent.

"Shareholder Debt" means all present and future moneys, debts and liabilities due, without any cash interest, owing or incurred from time to time by any member of the Group to any Shareholder Creditor (as defined in the Intercreditor Agreement), including any dividends and any advisory, monitoring or management fee, which is subordinated in accordance with the Intercreditor Agreement.

"SPV" means a special purpose vehicle having issued bonds, notes or other instruments, provided that (i) the instruments are secured with a loan portfolio owned by such special purpose vehicle, (ii) an investment in such instrument will have the similar economic effects as an investment directly in the underlying loan portfolio, and (iii) that an investment in the special purpose vehicle will give a member of the Group administrative rights which are comparable to the rights of an owner, and (iv) such special purpose vehicle does not have any other material assets or liabilities than the loan portfolio.

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

"**Subsidiary**" means a subsidiary of the Issuer according to Chapter 1 Section 11 of the Swedish Companies Act (or under such provision as may replace this provision).

"**Total Assets**" means by reference to the consolidated balance sheet of the Group, the book value of the total consolidated assets.

"**Total Nominal Amount**" means the total aggregate Outstanding Nominal Amount of the Bonds from time to time.

"**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 the issuance of the Bonds.

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

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

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
- (i) "assets" includes present and future properties, revenues and rights of every description;
 - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (iii) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (iv) an Event of Default is continuing if it has not been remedied or waived;
 - (v) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the European Central Bank on its website (www.ecb.europa.eu).

www.ecb.int). If no such rate is available, the most recently published rate shall be used instead.

- (c) 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

- (a) The Bonds are denominated in Euro and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Initial Bond is EUR 100,000 (the "**Initial Nominal Amount**"). The maximum total nominal amount of the all Initial Bonds is EUR 50,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Initial Nominal Amount.
- (d) The Issuer may, at one or several occasions, issue Subsequent Bonds. Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed EUR 160,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (e) The Bonds constitute direct, general, unconditional, 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 *pari passu* with any other Secured Debt (other than any Super Senior RCF (as defined in the Intercreditor Agreement)) in accordance with the Intercreditor Agreement, except those obligations which are mandatorily preferred by law, and without any preference among them.
- (f) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (g) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any

jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

- (h) The minimum permitted investment in the Bonds are EUR 100,000.

3. Use of Proceeds

The Issuer shall use the proceeds from the issue of the Bonds, less the costs and expenses incurred by the Issuer in connection with the issue of the Bonds, to (i) finance purchase of Portfolios, (ii) finance general corporate purposes and (iii) finance Transaction Costs.

4. Conditions Precedent

4.1 The Escrow Account

The Net Proceeds shall be transferred to the Proceeds Account. The Proceeds Account will be pledged in favour of the Agent and the Bondholders (represented by the Agent). The pledge over the Proceeds Account shall be released when the Conditions Precedent for Disbursement have been fulfilled pursuant to Clause 4.2 below.

4.2 Conditions Precedent for Disbursement

- (a) The Issuer shall provide, or procure the provision of, to the Security Agent, in form and substance satisfactory to the Security Agent (acting reasonably):
- (i) an Accession Agreement duly executed where the Agent, on behalf of the Bondholders, accedes to the Intercreditor Agreement as a New Creditor;
 - (ii) evidence that the relevant Finance Documents have been duly executed;
 - (iii) copies of constitutional documents and necessary corporate resolutions (including authorisations) from each Group Company and the Guarantor to execute the relevant Finance Documents to the extent that Group Company or the Guarantor, as applicable, is a party to a relevant Finance Document; and
 - (iv) evidence that the relevant Transaction Security to be granted on the First Issue date has been granted and perfected.
- (b) When the Agent has confirmed to the Issuer that the conditions precedent for disbursement set out in Clause 4.2(a) have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall release the Security over the Proceeds Account.
- (c) If the Conditions Precedent for Disbursement have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within

sixty (60) Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 100 % of the Nominal Amount together with any accrued Interest.

5. Bonds in Book-Entry Form

- (a) 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 Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*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.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such persons employed by the 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.

6. Right to Act on Behalf of a Bondholder

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

- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

7. Payments in Respect of the Bonds

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

8. Interest

- (a) Interest on the Initial Bonds will accrue from, but excluding, the Issue Date up to, and including, the relevant redemption date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date. The interest shall be payable semi-annually in arrears on the Interest Payment Dates each year, or if the relevant Interest Payment Date does not fall on a Business Day in Sweden, on the first subsequent Business Day (no adjustments of Business Day).

- (b) Interest shall be calculated on the basis of the Outstanding Nominal Amount from time to time and a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- (c) If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9. Redemption and Repurchase of the Bonds

9.1 Redemption at maturity

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

9.2 Issuer's purchase of Bonds

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer may at the Issuer's discretion be retained, sold but not cancelled by the Issuer (except that the Issuer may cancel Bonds in connection with a total redemption of all outstanding Bonds).

9.3 Voluntary total redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds prior to the Final Maturity Date at:
 - (i) the Make Whole Amount, if the call option is exercised on or after the Issue Date to, but not including, the First Call Date; and
 - (ii) any time from and including the First Call Date to, but excluding, the first Business Day falling twenty-four (24) months after the First Issue Date at an amount per Bond equal to 104.00 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid Interest;
 - (iii) any time from and including the date falling twenty-four (24) months after the First Issue Date to, but excluding, the first Business Day falling thirty (30) months after the First Issue Date at an amount per Bond equal to 102.00 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid Interest;

- (iv) any time from and including the date falling thirty (30) months after the First Issue Date to, but excluding, the Final Maturity Date after the First Issue Date at an amount per Bond equal to 101.00 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid Interest; or

provided that the redemption is financed to more than 50 per cent. by way of one or several Market Loan issues any time from and including the first Business Day falling thirty (30) months after the First Issue Date, to, but excluding, the Final Maturity Date, at an amount equal to 100 per cent. of the Outstanding Nominal Amount together with accrued but unpaid Interest.

- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. The Notice from the Issuer 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. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

9.4 Mandatory redemption due to a Change of Control Event (put option)

- (a) Upon a Change of Control Event occurring, each Bondholder shall have the right to request that its Bonds are redeemed at a price per Bond equal to 101 per cent. of the Outstanding Nominal Amount together with accrued but unpaid Interest, during a period of thirty (30) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1(b) (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- (b) The notice from the Issuer pursuant to Clause 11.1(b) shall specify the redemption date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be redeemed. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall redeem the relevant Bonds on the redemption date specified in the notice given by the Issuer pursuant to Clause 11.1(b). The redemption date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.4(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the redemption of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.4 by virtue of the conflict.

9.5 Early redemption due to illegality

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

10. Transaction Security

10.1 Granting of Transaction Security

- (a) As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer and the Guarantor will, on or about the Issue Date, grant the relevant Transaction Security and the Guarantee to the Secured Parties on the terms set out in the Security Documents and the Guarantee and Adherence Agreement.
- (b) The Agent shall hold the Transaction Security on behalf of the Secured Parties and the Guarantee in accordance with the terms of the Security Documents and the Guarantee and Adherence Agreement. The Issuer shall enter into, and shall procure that the Guarantor enters into, the Security Documents and the Guarantee and Adherence Agreement and perfect the Transaction Security in accordance with the Security Documents prior or immediately following disbursement of the Net Proceeds (certain notarisation, registration and other formal requirements will not be satisfied before disbursement and such requirements shall be satisfied as soon as practicably possible following disbursement).
- (c) Unless and until the Agent has received instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security and/or the Guarantee, creating further Security or Guarantee for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security and/or the Guarantee, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interest of the Secured Parties.

10.2 Release of Transaction Security and Guarantee

The Agent may at any time, acting on instructions of the Secured Parties, release any Transaction Security in accordance with the terms of the Security Documents and the Guarantee and Adherence Agreement. For the avoidance of doubt, any Transaction Security and the Guarantee will always be released *pro rata* between the Secured Parties and the remaining Transaction Security and Guarantee will continue to rank *pari passu* between the Secured Parties as set forth in the Security Documents and the Guarantee and Adherence Agreement.

10.3 Enforcement of Security and Guarantee

- (a) The Agent may only take any action to accelerate or enforce any Transaction Security or Guarantee in accordance with the terms of the Security Documents and the Guarantee and Adherence Agreement.
- (b) Upon an enforcement of the Transaction Security and/or the Guarantee, the proceeds shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (c) All security and/or guarantees or arrangement having similar effects may be released by the Agent, without the need for any further referral to or authority from anyone, upon any enforcement provided that the proceeds are distributed in accordance with the provisions set out in Clause 15 (*Distribution of Proceeds*).

11. Information to Bondholders

11.1 Information from the Issuer

- (a) The Issuer shall make the following information available to the Bondholders by way of publication on the website of the Group:
 - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the Group's audited consolidated financial statements and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report, for such financial year;
 - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, or the year-end report (*bokslutskommuniké*), as applicable, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report, for such period; and
 - (iii) any other information required by the Swedish Securities Markets Act (Sw. lag (2007:582) om värdepappersmarknaden) and the rules and regulations of the Regulated Market on which the Bonds are listed.
- (b) The Issuer shall promptly notify the Bondholders and the Agent upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.

- (c) When the financial statements and other information are made available to the Bondholders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- (d) The Issuer shall promptly notify the Agent (with full particulars) when the Issuer is or becomes aware of the occurrence of any event or circumstance which constitutes an Event of Default and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (e) The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.

11.2 Information from the Agent

- (a) Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 11.2(b), the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the 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.
- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

11.3 Publication of Finance Documents

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

12. Maintenance Covenants

12.1 Maintenance Test

The Maintenance Test is met if (i) the Equity Ratio is at least 15.00 per cent., (ii) Net Interest Bearing Debt to Cash EBITDA does not exceed 4:1, and (iii) Net Interest Bearing Debt to ERC does not exceed 75.00 per cent.

12.2 Testing

The Maintenance Test shall be tested on each Reference Date with respect to the Relevant Period ending on such Reference Date. The first test date of the Maintenance Test shall be on the Reference Date occurring 31 December 2017.

12.3 Adjustments

The figures for EBITDA for the Relevant Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Maintenance Test, but adjusted so that entities acquired or disposed of by the Group during the Relevant Period shall be included or excluded (as applicable), pro forma, for the entire Relevant Period.

12.4 Equity Cure

- (a) If there is a breach of the Equity Ratio test, the Net Interest Bearing Debt to Cash EBITDA test or the Net Interest Bearing Debt to ERC test, no Event of Default will occur if, within thirty (30) Business Days of a delivery of the relevant Compliance Certificate evidencing that breach, the Issuer has received equity injection in cash in the form of a share issue or an unconditional shareholder contribution and has deposited such equity injection in an amount sufficient to ensure compliance with the Equity Ratio test, the Net Interest Bearing Debt to Cash EBITDA test and/or the Net Interest Bearing Debt to ERC test, as at the relevant test date (the "**Cure Amount**") on a bank account (the "**Cure Account**") pledged in favour of the Bondholders and the Agent on terms and conditions satisfactory to the Agent.
- (b) The Agent may at any time, upon the instruction by the bondholders, apply the deposited Cure Amount towards prepayment of the Bonds *pro rata*. Any such repayment shall be made at the Make Whole Amount or the Call Option Amount (as applicable).
- (c) The calculation of the Equity Ratio shall be adjusted so that the Equity for the Reference Period is increased with an amount equal to the Cure Amount.
- (d) The calculation of Net Interest Bearing Debt to Cash EBITDA and Net Interest Bearing Debt to ERC shall be adjusted so that the Net Interest Bearing Debt for the Reference Period is reduced with an amount equal to the Cure Amount.

- (e) Any Equity Cure must be made in cash and no more than three (3) Equity Cures are to be made over the life of the Bonds. Equity Cures may not be injected in respect of any consecutive calendar quarters.

13. General Undertakings

13.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 12 for as long as any Bonds remain outstanding.

13.2 Distributions

- a) The Issuer shall not, and shall procure that none of the Subsidiaries:
- (i) pay any dividend in respect of its shares (other than to the Issuer and any wholly owned Subsidiary of the Issuer);
 - (ii) repurchase or redeem any of its own shares with payment to its shareholders;
 - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders;
 - (iv) repay any loans granted by its direct or indirect shareholders or pay interest thereon (other than to the Issuer and any wholly-owned Subsidiary of the Issuer and other than the Existing Bonds and the Bonds);
 - (v) make any prepayments or repayments under any long-term debt ranking junior with the Bonds and as otherwise set out in "Disposals of assets";
 - (vi) grant any loans or enter into exposures except to Group Companies or SPVs; and
 - (vii) make any other distributions or transfers of value to the Issuer's, or the Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (other than (A) to the Issuer and any wholly-owned Subsidiary of the Issuer or (B) as any Management Fees),
- (items (i)-(vii) above are together and individually referred to as a "**Restricted Payment**").
- (b) Notwithstanding the above, a Restricted Payment may be made by the Issuer at any time falling 18 months after the initial issue date of the Existing Bonds, or, to the extent such day is not a Business Day, the Business Day following 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, if:

- (i) no Event of Default is continuing and no Event of Default will occur when making the Restricted Payment;
- (ii) the Maintenance Test is met (calculated on a pro forma basis including the relevant Restricted Payment); and
- (iii) the aggregate amount of all Restricted Payments of the Group (including the Restricted Payment in question) during any financial year does not exceed 50% of the Group's profit for the previous financial year less any Management Fee paid with respect to the same period.

13.3 Nature of Business

The Issuer shall procure that the business of the Group shall be the same as the business of DDM Group AG and its Subsidiaries (consolidated) as of the First Issue Date and that no change shall be made to such business that would have a Material Adverse Effect.

13.4 Financial Indebtedness

The Issuer shall not, and shall procure that none of its Subsidiaries, incur any Financial Indebtedness, provided however that the Issuer and the Subsidiaries have a right to incur Financial Indebtedness that constitute Permitted Debt.

13.5 Disposal of Assets

The Issuer shall not, and shall procure that no Subsidiary, sell or otherwise dispose of the shares in any Subsidiary, or substantially all the business or assets of a Subsidiary, other than:

- (a) disposals made by a Group Company to another Group Company (except for the Issuer), provided that:
 - (i) the disposal is made subject to any Transaction Security provided;
 - (ii) the disposal is made to either (A) a Group Company over which a first ranking share pledge is provided to the Secured Parties, or (B) an indirect Subsidiary of the Issuer, provided that all shares of the direct holding company of such Subsidiary are subject to a first ranking share pledge to the Secured Parties; and
 - (iii) the relevant disposal does not involve shares in any Group Company.
- (b) disposals of shares in any Subsidiary made by a Group Company to the Issuer;
- (c) disposals made of obsolete or redundant assets;
- (d) any disposals, provided that:

- (i) the net proceeds from such disposal are reinvested in the same line of business within 12 months, or agreed to be so within 12 months and reinvested within 180 days from the end of the 12 month period, from the disposal and that the shares of the Group Company owning the assets arising from any such reinvestment are pledged in favour of the bondholders and that any Intercompany Loan made with reinvestment proceeds to such Group Company is pledged in favour of the Secured Parties, or
- (ii) an amount equivalent to the net disposal proceeds is applied towards partial repayment on outstanding Bonds, Existing Bonds or New Debt (on a *pro rata* basis) and in relation to the Bonds by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*,

provided that the transaction (other than in respect of paragraph (a) above) is carried out at fair market value and on arm's length terms. The repayment per Bond shall equal the repaid percentage of the Outstanding Nominal Amount (rounded down to the nearest EUR 1.00) plus 3.00 per cent and accrued but unpaid interest on the repaid amount.

13.6 Dealings with Related Parties

The Issuer shall, and shall procure that its Subsidiaries, 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 other than as set out in the Finance Documents.

13.7 Negative Pledge

The Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any guarantee or security over any of its/their assets (present or future) to secure any Financial Indebtedness, provided however that the Group Companies have a right to provide, prolong and renew any Permitted Security.

13.8 Granting of security

The Issuer shall as soon as practically possible:

- (a) provide Security over the shares in each company becoming a direct Subsidiary of the Issuer;
- (b) provide Security over each new Intercompany Loan made by the Issuer to any of its Subsidiaries; and
- (c) provide Security over each new Additional Intercompany Loan made by the Issuer to any of its Subsidiaries,

in favour of the Secured Parties in form and substance satisfactory to the Agent.

13.9 New Market Loans

The Issuer shall not, and shall ensure that no other Group Company will issue any Market Loans with a final maturity date prior to the Final Maturity Date.

13.10 Mergers and demergers

The Issuer shall not, and shall procure that none of its Subsidiaries, enter into (i) a merger with a transferee, the shares of which are not subject to Transaction Security, or (ii) a demerger where the shares in the resulting entities not become subject to Transaction Security. The Issuer shall not enter into a merger where the Issuer is not the surviving entity and the Issuer shall not enter into a demerger which would not be allowed as an asset disposal.

13.11 Listing

The Issuer shall ensure that (i) the Initial Bonds are listed on a Regulated Market within 60 calendar days after the First Issue Date and with an intention to complete such listing within 30 calendar days after the First Issue Date, and (ii) any Subsequent Bonds are listed on a Regulated Market within 60 calendar days after the issuance of such Subsequent Bonds and with an intention to complete such listing within 30 calendar days after the issuance of such Subsequent Bonds, and (iii) that the Bonds, once admitted to trading on a Regulated Market, continue to be listed 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).

13.12 Local credits

- (a) Local Credits may be assumed by any Group Company for the purpose of acquiring Portfolios, provided that (i) the Local Credit is in compliance with Clause 13.4 (*Financial Indebtedness*) above, and (ii) the initial equity contribution provided by the Group to the acquiring Group Company shall not exceed 40 per cent of the acquisition price for the acquired Portfolios.
- (b) The Group may not inject any more equity or extend any loans or make any other value transfers to the acquiring Group Company or its Subsidiaries (which have incurred Local Credit) until full repayment of such Local Credit, provided that the Group may inject cash through equity contributions or subordinated loans if an equivalent amount has been contributed to the Issuer as an unconditional equity injection or Shareholder Debt.

13.13 Intercompany Loan

- (a) The Subsidiaries shall be permitted to pay interest and amortise on the Intercompany Loans, provided that any amortisations are made by direct payment to the Issuer's Deposit Account.
- (b) Funds shall only be released from the Deposit Account by DDM Finance (acting on behalf of the Security Agent and the Secured Parties) if the funds are:

- (i) immediately utilised for payment of interest on the Existing Bonds;
- (ii) immediately utilised for payment of interest on the Bonds or any New Debt (provided that the Existing Bonds have been redeemed in full); or
- (iii) immediately and directly on-lent to a direct Subsidiary of the Issuer provided that:
 - (A) the Secured Parties have a first ranking share pledge over such direct Subsidiary;
 - (B) the downstream loan to such Subsidiary is pledged to the Secured Parties as an Intercompany Loan; and
 - (C) funds on lent to the Subsidiary are as soon as practically possible employed for investment in the same line of business.

13.14 Additional Intercompany Loan

- (a) The Subsidiaries shall be permitted to pay interest and amortise on the Additional Intercompany Loans, provided that any amortisations are made by direct payment to the Issuer's Additional Deposit Account.
- (b) Funds shall only be released from the Additional Deposit Account by DDM Finance (acting on behalf of the Security Agent and the Secured Parties) if the funds are:
 - (i) immediately utilised for payment of interest on the Bonds or any New Debt; or
 - (ii) immediately and directly on-lent to a direct Subsidiary of the Issuer provided that:
 - (A) the Secured Parties have a first ranking share pledge over such direct Subsidiary;
 - (B) the downstream loan to such Subsidiary is pledged to the Secured Parties as an Additional Intercompany Loan; and
 - (C) funds on lent to the Subsidiary are as soon as practically possible employed for investment in the same line of business.

14. Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.9 (*Acceleration of the Bonds*)) is an Event of Default.

14.1 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:

- (a) is caused by administrative or technical error;
- (b) and payment is made within 5 Business Days of the due date.

14.2 Maintenance test

The Issuer fails to comply with Clause 12 (*Maintenance Covenants*) and such failure has not been cured in accordance with provisions for an Equity Cure.

14.3 Other Obligations

The Issuer does not comply with any provision under the Finance Documents, in any other way than as set out in Clause 14.1 (*Non-Payment*) or Clause 12 (*Maintenance Covenants*), provided that the Agent have requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

14.4 Cross Acceleration:

Any Financial Indebtedness of a Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur if the aggregate amount of Financial Indebtedness, that has fallen due is less than EUR 1,500,000 or such higher threshold amount prescribed in the terms of the Existing Bonds or in the documentation governing any other debt incurred pursuant to paragraph (e) of the definition of Permitted Debt.

14.5 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.

14.6 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, 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 any Group Company; and

- b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Group Company or any of its assets or any analogous procedure or step is taken in any jurisdiction.

14.7 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction (other than vexatious or frivolous and as disputed in good faith) affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding EUR 1,000,000 and is not discharged within 60 Business Days.

14.8 Continuation of the Business

The Issuer ceases to carry on its business.

14.9 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall following an instruction given pursuant to Clause 14.9(d) on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not only some, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines (but such date may not fall after the Final Maturity Date), and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Agent may not accelerate the Bonds in accordance with Clause 14.9(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as, in the opinion of the Agent, may be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.

- (f) In the event of an acceleration of the Bonds in accordance with this Clause 14.9, the Issuer shall redeem all Bonds at an amount per Bond equivalent to:
- (i) if the acceleration has occurred before the First Call Date, the redemption amount specified in clause 9.3(a)(ii); or
 - (ii) if the acceleration has occurred on or after the First Call Date, as applicable considering when the acceleration occurs, the redemption amount specified in clause 9.3 (*Voluntary total redemption (call option)*).

15. Distribution of Proceeds

- (a) Subject to the terms of the Intercreditor Agreement, all payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security and/or the Guarantee shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (i) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (if applicable) (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the Guarantee or the protection of the Bondholders' rights as may have been incurred by the Agent or any agent in relation to New Debt, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2(e), and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16(c);
 - (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
 - (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
 - (iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

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

- (b) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15(a)(i), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15(a)(i).
- (c) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security or the Guarantee shall constitute escrow funds (*redovisningsmedel*) and must be held on a separate interest bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.
- (d) If the Issuer or the Agent shall make any payment under this Clause 15, 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 7(a) shall apply.

16. Decisions by Bondholders

- (a) Any 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.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the 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 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.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:
 - (i) on the relevant Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or

- (ii) on the Business Day specified in the communication pursuant to Clause 18(c), in respect of a Written Procedure,

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

- (e) The following matters shall require the consent of Bondholders representing at least two-thirds (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 18(c):
 - (i) waive a breach of or amend an undertaking set out in Clause 13 (*General Undertakings*);
 - (ii) release or materially change the security provided under the Security Documents;
 - (iii) reduce the principal amount, interest rate or interest amount which shall be paid by the Issuer;
 - (iv) amend any payment day for principal or interest amount or waive any breach of a payment undertaking, or
 - (v) amend the provisions regarding the majority requirements under these Terms and Conditions.
- (f) Any matter not covered by Clause 16(e) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 19(a)(i) or (19(a)(ii))), an acceleration of the Bonds, or the enforcement of any Transaction Security.
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16(e), and otherwise at least twenty (20) per cent. of the Adjusted Nominal Amount:
 - (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders'

Meeting (in accordance with Clause 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 16(h), the date of request of the second Bondholders' Meeting pursuant to Clause 17(a) or second Written Procedure pursuant to Clause 18(a), as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 16(g) shall not apply to such second Bondholders' Meeting or Written Procedure.

- (i) Any decision which extends or increases the obligations of the Issuer or the 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 applicable.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All costs and expenses incurred by the Issuer or the 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.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The 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.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and

published on the websites of the Group 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.

17. Bondholders' Meeting

- (a) 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).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17(a) with a copy to the Agent. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with such notice. After a request from the Bondholders pursuant to Clause 20.7(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17(a).
- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the 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.

18. Written Procedure

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically in a manner determined by the Agent) no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.

- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Agent. The Issuer shall inform the Agent before a communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with such communication
- (c) A communication pursuant to Clause 18(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 18(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 16(e) and 16(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(e) or 16(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

19. Amendments and Waivers

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

any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

20. Appointment and Replacement of the Agent

20.1 Appointment of Agent

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

20.2 Duties of the Agent

- (a) The Agent shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Bondholders and, where relevant,

enforcing the Transaction Security on behalf of the Bondholders. However, the Agent is not responsible for the execution or enforceability of the Finance Documents or the perfection of the Transaction Security.

- (b) When acting in accordance with the Finance Documents, the 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.
- (c) 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.
- (d) 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.
- (e) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer, the Transaction Security or the Guarantee which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the 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 15 (*Distribution of Proceeds*).
- (f) 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.
- (g) 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.
- (h) The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2(g).

20.3 Swiss Security Documents

- (a) Without limiting any other rights of the Agent under these Terms and Conditions, in relation to the Security Documents governed by the laws of Switzerland (the "**Swiss Security Documents**") the following shall apply:
- (i) the Agent holds:
- (A) any security constituted by such Swiss Security Document (but only in relation to an assignment or any other non-accessory (*nicht akzessorische*) Security);
 - (B) the benefit of this paragraph (a); and
 - (C) any proceeds of such security,
- as fiduciary (*treuhänderisch*) in its own name but for the account of all relevant Secured Parties which have the benefit of such Security in accordance with these Terms and Conditions Agreement and the respective Swiss Security Document;
- (ii) each present and future Secured Party hereby authorises the Agent:
- (A) acting for itself and in the name and for the account of such Secured Party to accept as its direct representative (*direkter Stellvertreter*) any Swiss law pledge or any other Swiss law accessory (*akzessorische*) Security made or expressed to be made to such Secured Party in relation to the Swiss Security Documents, to hold, administer and, if necessary, enforce any such security on behalf of each relevant Secured Party which has the benefit of such security;
 - (B) to agree as its direct representative (*direkter Stellvertreter*) to amendments and alterations to any Swiss Security Document which creates a pledge or any other Swiss law accessory (*akzessorische*) Security;
 - (C) to effect as its direct representative (*direkter Stellvertreter*) any release of a security created under a Swiss Security Document in accordance with these Terms and Conditions; and
 - (D) to exercise as its direct representative (*direkter Stellvertreter*) such other rights granted to the Agent hereunder or under the relevant Swiss Security Document;
- (iii) the Agent, when acting in its capacity as creditor of the Swiss Parallel Debt, holds:
- (A) any Swiss law pledge or any other Swiss law accessory (*akzessorische*) Security;

- (B) any proceeds of such Security; and
- (C) the benefit of this paragraph and of the Swiss Parallel Debt,

as creditor in its own right but for the benefit of the Secured Parties in accordance with this Agreement.

20.4 Swiss Parallel Debt

- (a) Each debtor of Secured Obligations and each Secured Party (other than the Agent) hereby irrevocably and unconditionally agrees and undertakes with the Agent (and, where applicable, by way of an abstract acknowledgement of debt (*abstraktes Schuldanerkenntnis*)) that each debtor of Secured Obligations shall pay to the Agent sums equal to, and in the currency of, any sums owing by it to a Secured Party (other than the Agent) under any Finance Documents (the "**Principal Obligations**") as and when the same fall due for payment under the relevant Finance Document (together with the obligations described in paragraph (e) below, the "**Swiss Parallel Debt**").
- (b) Each debtor of Secured Obligations and each Secured Party (other than the Agent) acknowledges that the right of the Agent to demand payment of the Swiss Parallel Debt shall be independent and several from the rights of the other Secured Parties to demand payment of the Principal Obligations provided that the payment by a debtor of its Swiss Parallel Debt to the Agent in accordance with this Clause 20.4 shall also discharge (in the amount of the relevant payment) the corresponding Principal Obligations and vice versa, the payment by a debtor of its Principal Obligations in accordance with the provisions of the relevant Finance Document shall also discharge (in the amount of the relevant payment) the corresponding Swiss Parallel Debt but further provided that no Principal Obligation shall be discharged by a discharge of the Swiss Parallel Debt if such discharge of the Swiss Parallel Debt is effected by virtue of any set-off, counterclaim or similar defence invoked by a debtor of Secured Obligations vis-à-vis the Agent.
- (c) Despite the foregoing, any payment in relation to Secured Obligations under a Finance Document shall be made to the Agent unless expressly stated otherwise in these Terms and Conditions or in that Finance Document or unless the Agent directs such payment to be made otherwise than to the Agent.
- (d) Without limiting or affecting the Agent's rights against any debtor (whether under this Clause 20.4 or under any other provision of the Finance Documents), the Agent agrees with each other Secured Party (on a several and divided basis) that it will not exercise its rights under the Swiss Parallel Debt in respect of the Principal Obligations owing to a Secured Party other than as provided for herein or in any of the Finance Documents. However, for the avoidance of doubt, nothing in the previous sentence shall in any way limit the Agent's right to act in the protection or preservation of rights under any Security Document or to enforce any Transaction Security as contemplated by

these Terms and Conditions, the relevant Security Document or any other Finance Documents (or to do any act reasonably incidental to the foregoing).

- (e) For the purpose of this Clause 20.4, the Agent acts in its own name and not as a trustee, and its claims in respect of the Swiss Parallel Debt shall not be held on trust. The Transaction Security granted under the Swiss Security Documents to the Agent to secure the Swiss Parallel Debt is granted to the Agent in its capacity as creditor of the Swiss Parallel Debt and shall not be held on trust.

20.5 Slovenian Parallel Debt

- (a) Each debtor of Secured Obligations and each Secured Party (other than the Agent) hereby irrevocably and unconditionally agree that each debtor of Secured Obligations shall pay to the Agent (or any of its successors under these Terms and Conditions) sums equal to, and in the currency of, any sums owing by it to a Secured Party (other than the Agent) under any Finance Documents (the "**Principal Obligations**") as and when the same fall due for payment under the relevant Finance Document (together with the obligations described in paragraph (e) below, the "**Slovenian Parallel Debt**").
- (b) Each debtor of Secured Obligations and each Secured Party (other than the Agent) acknowledges that the right of the Agent to demand payment of the Slovenian Parallel Debt shall be independent and several from the rights of the other Secured Parties to demand payment of the Principal Obligations provided that the payment by a debtor of its Slovenian Parallel Debt to the Agent in accordance with this Clause 20.5 shall also discharge (in the amount of the relevant payment) the corresponding Principal Obligations and vice versa, the payment by a debtor of its Principal Obligations in accordance with the provisions of the relevant Finance Document shall also discharge (in the amount of the relevant payment) the corresponding Slovenian Parallel Debt but further provided that no Principal Obligation shall be discharged by a discharge of the Slovenian Parallel Debt if such discharge of the Slovenian Parallel Debt is effected by virtue of any set-off, counterclaim or similar defence invoked by a debtor of Secured Obligations vis-à-vis the Agent.
- (c) Despite the foregoing, any payment in relation to Secured Obligations under a Finance Document shall be made to the Agent unless expressly stated otherwise in these Terms and Conditions or in that Finance Document or unless the Agent directs such payment to be made otherwise than to the Agent.
- (d) Without limiting or affecting the Agent's rights against any debtor of Secured Obligations (whether under this Clause 20.5 or under any other provision of the Finance Documents), the Agent agrees with each other Secured Party (on a several and divided basis) that it will not exercise its rights under the Slovenian Parallel Debt in respect of the Principal Obligations owing to a Secured Party other than as provided for herein or in any of the Finance Documents. However, for the avoidance of doubt, nothing in the previous sentence shall in any way limit the Agent's right to act in the protection or preservation of rights under any Security Document or to enforce any Transaction Security as

contemplated by these Terms and Conditions, the relevant Security Document or any other Finance Documents (or to do any act reasonably incidental to the foregoing).

- (e) For the purpose of this Clause 20.5, the Agent acts in its own name and on behalf of itself and not as an agent or representative of any other person or trustee, and its claims in respect of the Slovenian Parallel Debt shall not be held on trust. The Transaction Security granted under the Security Documents governed by Slovenian law to the Agent to secure the Slovenian Parallel Debt is granted to the Agent in its capacity as creditor of the Slovenian Parallel Debt and shall not be held on trust.
- (f) Without prejudice to any other provision of this Terms and Conditions or any other Finance Document, each debtor of Secured Obligations, the Agent and each other Secured Party agree that the Agent shall be, together with the respective other Secured Parties, the joint and several creditor of any obligation of any debtor of Secured Obligations towards the respective other Secured Parties under the Finance Documents and that accordingly the Agent shall have its own independent right to demand performance of any such obligation from the relevant debtor under the Finance Document. The Agent shall apply all amounts received or recovered by it in respect of any such joint and several creditorship in accordance with Clause 15 of these Terms and Conditions.

20.6 Limited liability for the Agent

- (a) 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.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) 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.
- (d) 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 Clause 16 (*Decisions by Bondholders*).

- (e) 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.

20.7 Replacement of the Agent

- (a) Subject to Clause 20.7(f), 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.
- (b) Subject to Clause 20.7(f), if the Agent is Insolvent, the Agent shall be deemed to resign as Agent with immediate effect 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.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the 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.
- (d) If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the 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.
- (e) 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.
- (f) 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.
- (g) 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.

- (h) In the event that there is a change of the Agent in accordance with this Clause 20.7, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement.

21. No Direct Actions by Bondholders

- (a) No Bondholder may take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 21(a) 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 20.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 20.2(g), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2(h) before a Bondholder may take any action referred to in Clause 21(a).
- (c) The provisions of Clause 21(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.4 (*Mandatory redemption due to a Change of Control Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

22. Prescription

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

years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

23. Notices

23.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
 - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch;
 - (ii) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch; and
 - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders.
- (b) Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 23.1(a) or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1(a).
- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.
- (d) If an Event of Default is continuing, any notice or other communication made by the Agent to the Issuer under or in connection with the Finance Documents may, provided that the Agent deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Agent), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Agent to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Agent.

24. Force Majeure and Limitation of Liability

- (a) 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.
- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 24 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

25. Governing Law and Jurisdiction

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