



## **Terms and Conditions**

**Cimco Marine AB (publ)**

**Up to SEK 200,000,000 or its equivalent in NOK and EUR**

**Senior Secured Callable Fixed Rate NOK, SEK and EUR Bonds**

**NOK BONDS - ISIN: NO0010815442**

**SEK BONDS – ISIN: SE0010831545**

**EUR BONDS – ISIN: SE0010831594**

**originally dated 12 February 2018 as amended and restated on 14 February 2019**

*Other than the registration of the Bonds under Norwegian and 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**"):

"**Account Operator**" means: (i) with respect to the NOK Bonds a bank or other party registered as account operator (No: *Kontofører*) with Verdipapirsentralen ASA, reg. no. 985 140 421, Fred Olsens gate 1, 0152 Oslo ("**VPS**"), and (ii) with respect to the SEK Bonds and EUR Bonds a bank or other party registered as account operator with Euroclear Sweden AB, reg. no. 556112-8074, ("**Euroclear**"), through which a Bondholder has opened a Securities Account in respect of its Bonds.

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

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than 90 days after the date of supply, or (b) any other trade credit incurred in the ordinary course of business.

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

"**Arranger**" means JOOL Markets AS, Grundingen 2, 0250 Oslo, Norway.

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

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 18 (*Bondholders' Meeting*).

"**Bond**" means a NOK Bond and/or a SEK Bond and/or a EUR Bond.

"**Bond Issue**" means the Initial Bond Issue and any Subsequent Bond Issue.

"**Bridge Loan Facility**" means the loan up to SEK 55,000,000 to be made available by Scandinavian Credit Fund I AB (publ).

"**Business Day**" means a Business Day Sweden and a Business Day Norway.

"**Business Day Norway**" means a day other than a Saturday, Sunday or a public holiday in Norway on which the Norwegian Central Bank's and the Norwegian CSD's settlement systems are open and commercial banks in Norway are open for business.

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

**"Change of Control Event"** means the occurrence of an event or series of events whereby one or more persons acting together, acquire control over the Issuer and where **"control"** means (a) acquiring or 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.

**"CSD"** means (i) with respect to NOK Bonds, the Issuer's central securities depository and registrar in respect of such Bonds from time to time, initially VPS; and (ii) with respect to SEK Bonds and EUR Bonds, the Issuer's central securities depository and registrar in respect of such Bonds from time to time, initially Euroclear, or another party replacing any of them, as CSD, in accordance with these Terms and Conditions.

**"CSD Agent"** means the legal entity appointed by the Issuer to act as its paying agent and/or issuing with respect to the Bonds in each CSD.

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

**"EIB"** means the European Investment Bank.

**"Equity"** means, by reference to the consolidated balance sheet of the Group the sum of (i) restricted equity, (ii) non-restricted equity (including any minority interests for the Group) and (iii) any Subordinated Loans.

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

**"Escrow Accounts"** means a NOK bank account and/or EUR bank account and/or a SEK bank account opened by the Arranger with a reputable bank, on which the proceeds from the Bond Issues will be held by the Arranger until the Conditions Precedent for Disbursement have been fulfilled.

**"Event of Default"** means an event or circumstance specified in any of the Clauses 15.1 (*Non-Payment*) to and including Clause 15.9 (*Continuation of the Business*).

**"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.

**"EUR Bonds"** a debt instrument for the Nominal Amount, denominated in EUR and which are governed by and issued under these Terms and Conditions, with ISIN SE0010831594.

**"Existing Debt"** means the loan provided by Almi Företagspartner Skåne AB of approximately SEK 4,500,000.

**"Final Redemption Date"** means 15 February 2023.

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

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

- (a) monies borrowed or raised, including Market Loans;
- (a) the amount of any liability in respect of any finance leases, to the extent the arrangement is treated as a finance lease in accordance with the accounting principles applicable on the First Issue Date (a lease which in the accounts of the Issuer is treated as an asset and a corresponding liability);
- (b) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (c) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (d) 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);
- (e) 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
- (f) (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*).

**"First Issue Date"** means 15 February 2018.

**"Force Majeure Event"** has the meaning set forth in Clause 27(a).

**"Group"** means the Issuer and any of its Subsidiaries from time to time (each company within the Group is a **"Group Company"**).

**"Initial Bond Issue"** means the issuance of the Initial Bonds.

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

**"Initial Exchange Ratio"** means the SEK/NOK and SEK/EUR exchange rate quoted on the Swedish Central Bank's website ([www.riksbank.se](http://www.riksbank.se)) at 12:00 Swedish time on the First Issue Date.

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

**"Interest"** means the interest on the Bonds calculated in accordance with Clauses 11(a) to 11(b).

**"Interest Payment Date"** means, for the period up until the Restated Date; 15 February, 15 May, 15 August and 15 November each year (with the first Interest Payment Date on 15 May 2018), or to the extent such day is not a Business Day, the first following day that is a Business Day (no adjustments of Business Day) and for the period following the Restated Date; on the same date as the Restated Date in each following quarter (the last Interest Payment Date being the Final Redemption Date), or to the extent such day is not a Business Day, the first following day that is a Business Day (no adjustments of Business Day).

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

**"Interest Rate"** means 10.75 per cent. *per annum* for the period until (and including) the Restated Date and 7 per cent. *per annum* from (but excluding) the Restated Date.

**"Issue Date"** means the First Issue Date and any subsequent issue date on which Bonds are issued.

**"Issuer"** means Cimco Marine AB (publ), a public limited liability company incorporated under the laws of Sweden with Swedish reg. no. 556889-7226.

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

**"Material Adverse Effect"** means a material adverse effect on (a) the business, financial condition or operations of the Issuer, (b) the Issuer's ability to perform and comply with the Finance Documents including their payment obligations thereunder, or (c) the validity or enforceability of the Finance Documents.

**"MTF"** means any multilateral trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

**"Net Proceeds"** means the proceeds from a Bond Issue which after deduction has been made for the Transaction Costs, including fees, payable by the Issuer to the Arranger for the services provided in relation to the placement and the Bond Issue.

**"Nominal Amount"** has the meaning set forth in Clause 2(c), less any amounts redeemed pursuant to these Terms and Conditions.

**"NOK Bonds"** a debt instrument for the Nominal Amount, denominated in NOK and which are governed by and issued under these Terms and Conditions, with ISIN NO0010815442.

**"Norwegian Kronor"** and **"NOK"** means the lawful currency of Norway.

**"Norwegian Securities Register Act"** means the Norwegian Act relating to registration of financial instruments of 5 July 2002 No. 64.

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

- (a) taken up by the Issuer under the Bond Issue(s);
- (b) taken up by the Issuer, provided that such Financial Indebtedness constitute Subordinated Loans;
- (c) incurred in the ordinary course of business under Advance Purchase Agreements;
- (d) until repaid in full, under the Bridge Loan Facility (including interest);
- (e) taken up from EIB (including interest) in the ordinary course of business during the tenor of the Bonds, provided that such Financial Indebtedness constitute Subordinated Loans;
- (f) until repaid in full, the Existing Debt;
- (g) arising as a result of the refinancing of the Bonds in full;
- (h) taken up under any finance leases in the ordinary course of business up to a maximum amount of SEK 5,000,000 during the tenor of the Bonds;
- (i) arising under any Permitted Factoring;
- (j) arising under any Permitted Credit Guarantees; and

(k) incurred for the purpose of financing real property acquisitions.

**"Permitted Credit Guarantees"** means credit guarantees for trade receivables issued by public authorities, or other organisations promoting exports, in the ordinary course of business during the tenor of the Bonds.

**"Permitted Factoring"** means factoring arrangements entered into by the Group in the ordinary course of business up to SEK 5,000,000 during the tenor of the Bonds.

**"Permitted Security"** means any guarantee or Security:

- (a) created in accordance with the Terms and Conditions;
- (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 pursuant to item (d), (e), (f), (i) and (j) of the definition of Permitted Debt;
- (d) 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; and
- (e) security over real property to secure debt incurred for the purpose of financing the acquisition of such real property.

**"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.

**"Record Date"** means in relation to any payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the relevant CSD Regulations from time to time.

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

**"Regulated Market"** means any regulated market (as defined in Directive 2014/65/EU on markets in financial instruments).

**"Restated Date"** means 14 February 2019, being the date on which the Terms and Conditions, originally dated 12 February 2018, were amended and restated on.

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

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



**"Securities Account"** means the account for dematerialised securities maintained by the relevant CSD pursuant to the Norwegian Securities Register Act in respect of the NOK Bonds and pursuant to the Financial Instruments Accounts Act in respect of the SEK Bonds and EUR Bonds, 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 or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Security Documents"** means the security documents creating the following security:

- (a) security over business mortgage certificates issued by the Issuer in an amount equivalent to the Bonds issued from time to time; and
- (b) any security document pursuant to which additional security is provided in accordance with Clause 14.8 (*Granting of additional Security*).

**"SEK Bonds"** a debt instrument for the Nominal Amount, denominated in SEK and which are governed by and issued under these Terms and Conditions, with ISIN SE0010831545.

**"Subordination Agreement"** means any subordination agreement entered into between the Issuer, the relevant lender providing loans to the Issuer and the Trustee for the purpose of subordinating loans incurred by the Issuer.

**"Subordinated Loan"** means any loans incurred by the Issuer which are subordinated in accordance with a Subordination Agreement, and which is not to be repaid until the Bonds have been fully repaid and that, in the event of a bankruptcy or composition, is not to receive a distribution or payment until the Bonds have been fully repaid.

**"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).

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

**"Total Assets"** means, by reference to the consolidated balance sheet of the Group, the consolidated book-value of all assets of the Group in accordance with the applied accounting principles.

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

**"Transaction Costs"** means all arrangement, trustee and legal fees, costs and expenses, stamp duties, registration and other taxes incurred by the Issuer in connection with the Bond Issue and the Transaction Security.

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

"**Trustee**" means Intertrust (Sweden) AB, Swedish Reg. No. 556625-5476, or another party replacing it, as trustee, in accordance with these Terms and Conditions.

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

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 19 (*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 real 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) a provision of law is a reference to that provision as amended or re-enacted; and
  - (v) a time of day is a reference to Stockholm time.
- (b) An Event of Default is continuing if it has not been remedied or waived.
- (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- (d) Subject to paragraph (e) below, when ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.

- (e) Notwithstanding paragraph (d) above, at a Bondholders' Meeting or by way of a Written Procedure, the calculations of whether a quorum exist and if the relevant consent has been obtained, shall be made in SEK. Each Bond shall always entitle to one vote at a Bondholders' Meeting or by way of a Written Procedure. The value of the vote of each SEK Bond shall be the Nominal Amount and the value of the vote of each EUR Bond and NOK Bond shall be the Nominal Amount of the EUR bond or NOK Bond converted into SEK at the Initial Exchange Ratio. For the avoidance of doubt, the Adjusted Nominal Amount shall at all times be calculated based on the Initial Exchange Ratio.
- (f) No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The NOK Bonds are denominated in Norwegian Kroner, the SEK Bonds are denominated in Swedish Kronor and the EUR 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 nominal amount of each NOK Bond is initially NOK 10,000, the Nominal Amount of each SEK Bond is initially SEK 10,000 and the nominal amount of each EUR Bond is initially EUR 1,000 (the "**Nominal Amount**"). The maximum Total Nominal Amount of the Initial Bonds is SEK 80,000,000 (or its equivalent in NOK or EUR). The Issuer reserves its rights to issue Initial Bonds of a Total Nominal Amount of less than SEK 80,000,000 (or its equivalent in NOK or EUR). All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- (d) Provided that (i) no Event of Default is continuing or would occur as a result of the issue of the Subsequent Bonds and (ii) the Equity Ratio is at least 30 per cent. before and following the Issue of the Subsequent Bonds, tested on a pro forma basis, the Issuer may, at one or several occasions after the First Issue Date, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"), until the total aggregate amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals a Total Nominal Amount of SEK 200,000,000 (or its equivalent in NOK or EUR). Any 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 redemption 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. Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 11(a), and otherwise have the same rights as the Initial Bonds.

- (e) The minimum permissible investment amount upon issuance of the Bonds is NOK 1,000,000, SEK 1,000,000 and EUR 100,000, respectively.
- (f) The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.
- (g) Notwithstanding paragraph (f) above, the Financial Indebtedness incurred by the Issuer under the Bonds will be subordinated to the Financial Indebtedness owed by the Issuer under the Bridge Loan Facility. The Bonds shall not be repaid until the Bridge Loan Facility has been fully repaid and, in the event of a bankruptcy or composition, the Bondholders are not to receive distribution or payment until the Bridge Loan Facility has been fully repaid.
- (h) Except as set out in Clause 6 (Transfer Restrictions) below, and subject to any restrictions to which a Bondholder may be subject due to local law or otherwise, the Bonds are freely transferrable. Each Bondholder must ensure compliance with local laws and regulations applicable at their own cost and expense.
- (i) The Swedish CSD, in respect of SEK Bonds and EUR Bonds initially being Euroclear Sweden AB, shall perform its obligations as CSD solely in respect of the SEK Bonds and EUR Bonds and in accordance with the rules and regulations for issuers and issuing agents as regularly applied to it in relation to Swedish bond offerings, and shall, for the avoidance of doubt, have no obligations in respect of the NOK Bonds.
- (j) The Norwegian CSD, in respect of NOK Bonds, initially being VPS, shall perform its obligations as CSD solely in respect of the NOK Bonds and in accordance with the rules and regulations as regularly applied to it in relation to Norwegian bond offerings, and shall, for the avoidance of doubt, have no obligations in respect of the SEK Bonds or EUR Bonds.

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

- (a) The proceeds from the Initial Bond Issue shall be applied as follows:
  - (i) payment of Transaction Costs;
  - (ii) towards repayment of the Existing Debt; and
  - (iii) the remainder, towards financing working capital and general purposes of the Group.
- (b) The Net Proceeds from any Subsequent Bond Issue may only be used for payment of Transaction Costs in connection with such issue and financing working capital and general purposes of the Group.

## **4. Conditions Precedent for Disbursement**

### **4.1 The Escrow Accounts**

The proceeds from a Bond Issue shall be held by the Arranger on the Escrow Accounts and shall be released to the Issuer when the conditions precedent for disbursement of the Net Proceeds for the Bonds have been fulfilled pursuant to Clause 4.2 or 4.3 below, as applicable.

### **4.2 Disbursement of the Net Proceeds from the Initial Bonds**

- (a) The Trustee's approval of the disbursement from the Escrow Accounts of the Net Proceeds from the Initial Bond Issue is subject to the following documents being received by the Trustee, in form and substance satisfactory to it (acting reasonably), and that the following actions have been taken or will occur on the disbursement date:
  - (i) confirmation from the Arranger that the Transactions Costs have or will be paid on the date of disbursement or a later date agreed by the Arranger;
  - (ii) duly executed corporate authorization documents, issued by any party that shall execute a Finance Document;
  - (iii) duly executed copies of the Finance Documents, and evidence satisfactory to the Trustee that the Transaction Security will be perfected in accordance with the terms of the Security Documents; and
  - (iv) a copy of a funds flow statement detailing the payments, including the repayment of the Existing Debt, that shall be made on the first disbursement date.
- (b) When the conditions precedent for disbursement set out in Clause 4.2(a) have been fulfilled to the satisfaction of the Trustee (acting reasonably) or waived by the Trustee, the Trustee shall notify the Arranger that the Net Proceeds shall be released from the Escrow Accounts, to be applied as set out in Clause 3(a).
- (c) If the conditions precedent for disbursement set out in Clause 4.2(a) have not been fulfilled to the satisfaction of the Trustee (acting reasonably) or waived by the Trustee within thirty (30) Business Days from the First Issue Date, the Issuer shall redeem all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. The Arranger shall fund such repayment with the amounts standing to the credit on the Escrow Accounts and any remaining amount shall be paid by the Issuer.
- (d) The Trustee may assume that the documentation delivered to it pursuant to Clause 4.2(a) is accurate, correct and complete unless it has actual knowledge

that this is not the case, and the Trustee does not have to verify the contents of any such documentation.

#### **4.3 Conditions precedent to a Subsequent Bond Issue**

- (a) The Trustee's approval of the disbursement from the Escrow Accounts of the Net Proceeds from a Subsequent Bond Issue is subject to the following documents being received by the Trustee, in form and substance satisfactory to it (acting reasonably), and that the following actions have been taken or will occur on the disbursement date:
  - (i) duly executed corporate authorization documents, issued by any party that shall execute a Finance Document in connection with the Subsequent Bond Issue;
  - (ii) a compliance certificate signed by an authorized signatory of the Issuer setting out in reasonable detail, the Issuer's compliance with the Equity Ratio test set out in Clause 2(d); and
  - (iii) a duly executed business mortgage agreement granting security over newly issued business mortgage certificates (including evidence that the stamp duty in connection therewith will be paid), which together with the business mortgage certificates issued on the First Issue Date cover the aggregate total Nominal Amount following the issuance of the Subsequent Bonds.
- (b) When the conditions precedent for disbursement set out in Clause 4.3(a) have been fulfilled to the satisfaction of the Trustee (acting reasonably) or waived by the Trustee, the Trustee shall notify the Arranger that the Net Proceeds shall be released from the Escrow Accounts, to be applied as set out in Clause 3(b).
- (c) If the conditions precedent for disbursement set out in Clause 4.3(a) have not been fulfilled to the satisfaction of the Trustee (acting reasonably) or waived by the Trustee within thirty (30) Business Days from the relevant Issue Date, the Issuer shall redeem all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. The Arranger shall fund such repayment with the amounts standing to the credit on the Escrow Accounts and any remaining amount shall be paid by the Issuer.
- (d) The Trustee may assume that the documentation delivered to it pursuant to Clause 4.3(a) is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Trustee does not have to verify the contents of any such documentation.

#### **5. Conditions Subsequent**

The Issuer shall promptly following the Restated Date ensure that a new share issue is carried out with the purpose of raising additional share capital in the Issuer. The share issue shall amount to a minimum of SEK 100,000,000 in paid-in capital and the

proceeds from the share issue shall have been received by the Issuer no later than 31 May 2019.

## **6. Transfer Restrictions**

- (a) Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due to e.g. its nationality, its qualification, its residency, its registered address or its place(s) for business). No party other than the Bondholder shall be responsible to ensure compliance with such laws and regulations and each Bondholder must ensure compliance with local laws and regulations applicable at their own cost and expense.
- (b) 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, 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.

## **7. 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 NOK Bonds will be registered in accordance with the Norwegian Securities Register Act and the relevant CSD Regulations, and the SEK Bonds and EUR Bonds will be registered in accordance with the Swedish Securities Register Act and the relevant CSD Regulations. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) The Issuer shall at all times ensure that the registration of the Bonds in the respective CSD is correct.
- (c) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act or the Norwegian Securities Register Act (as applicable).
- (d) The Issuer (and the Trustee and/or the CSD Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*Sw. skuldbok*) and/or securities depository kept by each CSD in respect of the Bonds. At the request of the Trustee, the Issuer shall promptly obtain such information and provide it to the Trustee.
- (e) The Trustee and/or the CSD Agent shall, in order to carry out its functions and obligations under these Terms and Conditions, have access to the debt register and/or securities depository registered with the respective CSD for the

purposes of reviewing ownership of the Bonds registered in the debt register and/or securities depository.

- (f) The Trustee may use the information referred to in Clause 7(e) only for the purposes of carrying out its duties and exercising its rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

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

- (a) If any person, other than a Bondholder, wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.
- (b) A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 8(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 or the Trustee has actual knowledge to the contrary.

## **9. 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 requested by a Bondholder pursuant to these Terms and Conditions, shall be made to such person who is registered as a Bondholder on a Securities Account on the Record Date immediately preceding the relevant payment date, by way of (if no specific order is made by the Trustee) crediting the relevant amount to the bank account nominated by such Bondholder in connection with its Securities Account in the relevant CSD.
- (b) With respect to SEK Bonds and EUR Bonds, 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) All amounts payable under the Finance Documents shall be payable in the denomination of the Bonds set out in Clause 2(a) above. If, however, the denomination differs from the currency of the bank account connected to the Bondholder's Securities Account in the relevant CSD, any cash settlement may be exchanged and credited to this bank account in accordance with the procedures of the relevant CSD.
- (d) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the relevant CSD must be provided by the relevant Bondholder to the CSD Agent (either directly or through its Account Operator in the relevant CSD) within five Business Days prior to a payment date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the CSD Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.
- (e) If, due to any obstacle for the relevant CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 11(d) during such postponement.
- (f) If payment or repayment is made in accordance with this Clause 9, the Issuer shall be deemed to have fulfilled its obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- (g) Any payment which shall be made under these Terms and Conditions on a date which is not a Business Day, shall be instead be made on the first following day that is a Business Day (no business day adjustment).
- (h) 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.
- (i) Notwithstanding anything to the contrary in these Terms and Conditions, the Bonds shall be subject to, and any payments made in relation thereto shall be made in accordance with, the rules and procedures of each CSD.
- (j) With respect to NOK Bonds, payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Terms and Conditions will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its Securities Account in the relevant CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.

## 10. Transaction Security

- (a) As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall and shall procure that relevant security providers grant the Transaction Security to the Secured Parties as represented by the Trustee on the terms set out in the Security Documents.
- (b) The Trustee shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents. The Issuer and the relevant security providers shall enter into the Security Documents and perfect the Transaction Security in accordance with the Security Documents.
- (c) Unless and until the Trustee has received instructions from the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*), the Trustee shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents, and provided that such agreements or actions are not detrimental to the interests of the Bondholders.

## 11. Interest

- (a) Each Initial Bond carries Interest at the Interest Rate (i) in respect of the SEK Bonds and EUR bonds, from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date and (ii) in respect of the NOK Bonds, from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding, in case of the SEK Bonds and EUR Bonds, and including in case of the NOK Bonds) the Interest Payment Date falling immediately prior to its issuance up to (and including in case of the SEK Bonds and EUR Bonds and excluding in case of the NOK Bonds) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. For the Interest Period until the Restated Date payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period. Interest accrued during the period between the last Interest Payment Date and the Restated Date shall be made on the Restated Date. For the subsequent Interest Periods, the Interest shall be quarterly compounded and added to the Nominal Amount on each Interest Payment Date.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- (d) If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from (and including) the due date up to (but excluding) the date of

actual payment at a rate which is five hundred (500) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Trustee or the relevant CSD, in which case the Interest Rate shall apply instead.

## **12. Redemption of the Bonds**

### **12.1 Redemption at maturity**

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

### **12.2 Group Companies' purchase of Bonds**

The Group Companies 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 Group Companies may at such company's discretion be retained, sold or, if held by the Issuer, cancelled.

### **12.3 Voluntary Redemption (call option)**

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full
  - (i) any time from and including the First Issue Date to, but excluding, the first Business Day falling twelve (12) months after the First Issue Date at an amount per bond equal to 102.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
  - (ii) any time from and including the first Business Day falling twelve (12) months after the First Issue 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 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest;
  - (iii) any time from and including the first Business Day falling twenty-four (24) months after the First Issue Date to, but excluding, the Final Redemption Date at an amount per Bond equal to 100.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 12.3(a) above, shall be made by the Issuer giving not less than ten (15) Business Days' notice prior to the relevant Redemption Date to the Bondholders and the Trustee, in each case calculated from the effective date of the notice. 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 fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

- (a) Upon the occurrence of a Change of Control Event, each Bondholder shall during a period of sixty (60) Business Days from the effective date of a notice from the Issuer of the Change of Control Event pursuant to Clause 13.1(c) (after which time period such right shall lapse), have the right to request that all of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. 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 13.1(c) shall specify the Record Date on which a person shall be registered as a Bondholder to receive interest and principal, the Redemption Date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 13.1(c). The Redemption Date must fall no later than forty (20) Business Days after the end of the period referred to in Clause 12.4(a).
- (c) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 12.4 (*Mandatory repurchase due to a Change of Control Event (put option)*), the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 12.4 (*Mandatory repurchase due to a Change of Control Event (put option)*) by virtue of the conflict.
- (d) Any Bonds repurchased by the Issuer pursuant to this Clause 12.4 (*Mandatory repurchase due to a Change of Control Event (put option)*) may at the Issuer's discretion be retained, sold or cancelled.

## **13. Information to Bondholders**

### **13.1 Information from the Issuer**

- (a) The Issuer will make the following information available to the Bondholders by way of press release and by publication on the website of the Group:
  - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, its audited consolidated financial statements for that financial year;
  - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, its unaudited consolidated financial statements or the year-end report (Sw. *bokslutskommuniké*) (as applicable) for such period;

- (iii) as soon as practicable following an acquisition or disposal of Bonds by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Bonds cancelled by the Issuer; and
  - (iv) any other information required by the Swedish Securities Market Act (*Sw. lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the applicable Regulated Market or MTF on which the Bonds are listed.
- (b) If and for as long as the Bonds are listed on a Regulated Market, the reports referred to in Clause 13.1(a) shall, in addition, be prepared in accordance with IFRS and made available in accordance with the rules and regulations of the relevant Regulated Market (as amended from time to time) and the Swedish Securities Market Act.
- (c) The Issuer shall as soon as possible notify the Trustee and the Bondholders when the Issuer is or becomes aware of the occurrence of a Change of Control Event.
- (d) The Issuer shall as soon as possible notify the Trustee (with full particulars) when the Issuer is or becomes aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Trustee with such further information as it may reasonably request in writing following receipt of such notice. Should the Trustee not receive such information, the Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Trustee does not have actual knowledge of such event or circumstance.
- (e) When the financial statements and other information are made available to the Bondholders pursuant to Clause 13.1(a), the Issuer shall send copies of such financial statements and other information to the Trustee. Together with the financial statements, the Issuer shall submit to the Trustee a compliance certificate (i) containing a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it, and (ii) attaching copies of any notices sent to the Regulated Market or the MTF on which the Bonds are admitted to trading.
- (f) The Issuer is only obliged to inform the Trustee according to this Clause 13.1 if informing the Trustee would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the relevant Regulated Market or MTF. If such a conflict would exist pursuant to the listing contract with the relevant Regulated Market or MTF otherwise, the Issuer shall however be obliged to either seek approval from the relevant Regulated Market or MTF, or undertake other reasonable measures, including entering into a non-disclosure agreement with the Trustee, in order to be able to timely inform the Trustee according to this Clause 13.1.

## **13.2 Information from the Trustee**

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

## **13.3 Information among the Bondholders**

Upon request by a Bondholder, the Trustee shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds. The Trustee may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Trustee in doing so (including a reasonable fee for the work of the Trustee) before any such information is distributed.

## **13.4 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 Trustee.
- (b) The latest versions of the other Finance Documents shall be available to the Bondholders at the office of the Trustee during normal business hours.

## **14. General Undertakings**

### **14.1 General**

The Issuer undertakes to comply with the undertakings set out in this Clause 14 (*General Undertakings*) for as long as any Bonds remain outstanding.

### **14.2 Distributions**

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries, will:
  - (i) pay any dividend in respect of its shares (other than to the Issuer);
  - (ii) repurchase or redeem any of its own shares;
  - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders;
  - (iv) repay any Shareholder Loans or pay interest thereon;
  - (v) make any prepayments or repayments under any long-term debt ranking junior or *pari passu* with the Bonds;
  - (vi) grant any loans except to Group Companies and in the ordinary course of business; or

- (vii) make any other similar distribution or transfer of value to the Issuer's, or the Subsidiaries', direct or indirect shareholder or the Affiliates of such direct and indirect shareholders (other than to the Issuer),

((i) – (vii) each being a "**Restricted Payment**").

(b) Notwithstanding paragraph (a) above, a Restricted Payment may be made if:

- (i) no Event of Default is continuing or would occur as a result of the Restricted Payment; and
- (ii) the aggregate amount of all Restricted Payments of the Group does not exceed fifty (50) per cent. of the Group's consolidated profit for the previous financial year.

### **14.3 Financial Indebtedness**

The Issuer shall not (and shall ensure that neither of its Subsidiaries) incur any additional Financial Indebtedness, provided however that the Issuer may incur Financial Indebtedness that constitute Permitted Debt.

### **14.4 Negative Pledge**

The Issuer shall not (and shall ensure that neither of its Subsidiaries) provide, prolong or renew any guarantee or security over any of its assets (present or future), provided however that the Issuer has a right to provide, prolong and renew any Permitted Security.

### **14.5 Financial Support**

The Issuer shall not (and shall ensure that neither of its Subsidiaries) provide any loan or security or guarantee to or for the benefit of any party, other than to wholly-owned Subsidiaries of the Issuer whose shares are subject to the Security Documents.

### **14.6 Nature of Business**

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Issuer as of the First Issue Date if such change is reasonably likely to have a Material Adverse Effect.

### **14.7 Disposal of Assets**

The Issuer shall not (and shall ensure that neither of its Subsidiaries) sell or otherwise dispose of all or substantially all of its assets or operations to any person, other than licensing of the Issuer's IPR rights on normal commercial terms and Permitted Factoring.

### **14.8 Granting of additional Security**

Should the Issuer acquire any company or establish any new Subsidiary, the Issuer shall as soon as reasonably practicable and to the extent legally possible, provide Security

over the shares in such company or Subsidiary, in accordance with a security document in form and substance satisfactory to the Trustee (acting reasonably), as continuing security for the due and punctual fulfilment of the Secured Obligations.

#### **14.9 Dealings with Related Parties**

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

#### **14.10 Admission to trading**

The Issuer shall ensure that (i) the Initial Bonds are listed on a Regulated Market or an MTF 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 or a MTF within 60 calendar days after the issuance of such Subsequent Bonds and with an intention to complete such listing within 20 calendar days after the issuance of such Subsequent Bonds, and (iii) that the Bonds, once admitted to trading on a Regulated Market or a MTF, 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 or MTF and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

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

Each of the events or circumstances set out in this Clause 15 (other than Clause 15.10 (*Acceleration of the Bonds*)) is an Event of Default.

#### **15.1 Non-Payment**

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

#### **15.2 Other Obligations**

The Issuer, or any other party (other than the Trustee) does not comply with its obligations under the Finance Documents to which it is a party, in any other way than as set out under Clause 15.1 (*Non-Payment*) above, unless the non-compliance (i) is capable of remedy and (ii) is remedied within fifteen (15) Business Days of the earlier of the Trustee giving notice and the Issuer becoming aware of the non-compliance.

#### **15.3 Cross-default**

- (a) Any financial indebtedness of the Issuer is not paid when due nor within any originally applicable grace period.



- (b) Any financial indebtedness of the Issuer is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any financial indebtedness of the Issuer is cancelled or suspended by a creditor of the Issuer as a result of an event of default (however described).
- (d) Any creditor of the Issuer becomes entitled to declare any financial indebtedness of the Issuer due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 15.3 (*Cross-default*) if the aggregate amount of financial indebtedness or commitment for financial indebtedness falling within paragraphs (a) to (d) above is less than SEK 5,000,000 (or its equivalent in any other currency or currencies).

#### **15.4 Insolvency**

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

#### **15.5 Insolvency Proceedings**

Any corporate action, legal proceedings or other procedures are taken (other than proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 30 Business Days of commencement or, if earlier, the date on which it is advertised) in relation to:

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

#### **15.6 Mergers and Demergers**

A decision is made that the Issuer shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

## **15.7 Creditors' Process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of the Issuer having an aggregate value of an amount equal to or exceeding SEK 5,000,000 and is not discharged within 30 days.

## **15.8 Impossibility or Illegality**

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

## **15.9 Continuation of the Business**

The Issuer ceases to carry on its business or in the case of a merger or a demerger as stipulated in Clause 15.6 above.

## **15.10 Acceleration of the Bonds**

- (a) If an Event of Default has occurred and is continuing, the Trustee is entitled to, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the Bonds due for payment together with any other amounts payable under the Finance Documents, immediately or at such later date as the Trustee determines (but such date may not fall after the Final Redemption Date), and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) The Trustee may not accelerate the Bonds in accordance with Clause 15.10(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders' Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Trustee shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Trustee received actual knowledge of that an Event of Default has occurred and is continuing. The Trustee shall, within twenty (20) Business Days of the date on which the Trustee received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be accelerated. If the Trustee decides not to accelerate the Bonds, the Trustee shall promptly seek instructions from the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*) or inform the Bondholders on the reason for not accelerating. The Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Trustee to accelerate the Bonds, the Trustee shall promptly declare the Bonds due and payable and take such actions as, in the opinion of the Trustee, 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, an arbitral tribunal 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 15.10 (*Acceleration of the Bonds*), the Issuer shall redeem all Bonds with an amount equal to the redemption amount specified in Clause 12.3 (*Voluntary Total Redemption (call option)*).

## 16. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 15 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be applied in the following order of priority, in accordance with the instructions of the Trustee:
  - (i) *first*, in or towards payment pro rata of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Trustee in accordance with the Trustee Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights as may have been incurred by the Trustee, (iii) any costs incurred by the Trustee for external experts that have not been reimbursed by the Issuer in accordance with Clause 21.2(e), and (iv) any costs and expenses incurred by the Trustee in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 17(c), together with default interest in accordance with Clause 11(d) on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;
  - (ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds;
  - (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, including default interest in accordance with Clause 11(d) on delayed payments of Interest and repayments of principal under the Bonds.

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

- (b) Funds that a Bondholder receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security shall constitute escrow funds (Sw. *redovisningsmedel*) and must be promptly turned over to the Trustee to be applied in accordance with this Clause 16 (*Distribution of Proceeds*) as soon as reasonably practicable.

## **17. Decisions by Bondholders**

- (a) Any decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Trustee and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Trustee and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Trustee. The person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Trustee may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Trustee that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Should the Trustee not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17(c) being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead.
- (e) Should the Issuer want to replace the Trustee, it may (i) convene a Bondholders' Meeting in accordance with Clause 18(a) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 19(a), in both cases with a copy to the Trustee. After a request from the Bondholders pursuant to Clause 21.4(c), the Issuer shall no later than ten (10) 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 18(a). The Issuer shall inform the Trustee before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Trustee is proposed to be replaced is sent and shall, on the request of the Trustee, append information from the Trustee together with the notice or the communication.

(f) Only a person who is, or who has been provided with a power of attorney pursuant to Clause 8 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:

- (i) on the Business Day specified in the notice pursuant to Clause 18(b) of the Bondholders' Meeting, or
- (ii) on the Business Day specified in the communication pursuant to Clause 19(b), 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. Such Business Day specified pursuant to paragraph (i) or (ii) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

(g) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19(b):

- (i) a change to the terms of any of Clauses 2(a), 2(f) and 6(b);
- (ii) a change to the terms for the distribution of proceeds set out in Clause 16 (*Distribution of Proceeds*);
- (iii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 17 (*Decisions by Bondholders*);
- (iv) a change to the definition "Interest Rate" or "Nominal Amount" set out in Clause 1.1 (*Definitions*);
- (v) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 12 (*Redemption of the Bonds*);
- (vi) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
- (vii) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
- (viii) a mandatory exchange of the Bonds for other securities; and
- (ix) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 15 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

- (h) Any matter not covered by Clause 17(g) 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 19(b). 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 20(a)(i) or 20(a)(ii)) or an acceleration of the Bonds or the enforcement of any Transaction Security.
- (i) 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 17(g), and otherwise 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.

If a quorum exists for some but not all of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

- (j) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18(a)) or initiate a second Written Procedure (in accordance with Clause 19(a)), as the case may be, provided that the person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 17(j), the date of request of the second Bondholders' Meeting pursuant to Clause 18(a) or second Written Procedure pursuant to Clause 19(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 17(i) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (k) Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Trustee, under the Finance Documents shall be subject to the Issuer's or the Trustee's consent, as applicable.
- (l) 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.
- (m) 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.

- (n) 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.
- (o) All reasonable costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.
- (p) If a decision is to be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds (and the relevant denomination of such Bonds) owned by Group Companies, irrespective of whether such person is directly registered as owner of such Bonds. The Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Bond is owned by a Group Company.
- (q) 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 be published on the websites of the Issuer and the Trustee, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

## **18. Bondholders' Meeting**

- (a) The Trustee shall convene a Bondholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is registered as a Bondholder on a date selected by the Trustee which falls no more than five (5) Business Days prior to the date on which the notice is sent.
- (b) The notice pursuant to Clause 18(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), (iv) the day on which a person must be a Bondholder in order to exercise Bondholders' rights at the Bondholders' Meeting, and (v) 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.

- (c) The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.
- (d) Without amending or varying these Terms and Conditions, the Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Trustee may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **19. Written Procedure**

- (a) The Trustee shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid 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 person who is registered as a Bondholder on a date selected by the Trustee which falls no more than five (5) Business Days prior to the date on which the communication is sent.
- (b) A communication pursuant to Clause 19(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 ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 19(a)). If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- (c) When consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 17(g) and 17(h) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17(g) or 17(h), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **20. Amendments and Waivers**

- (a) The Issuer and the Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:



- (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*).
- (b) The Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 20(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 13.3 (*Information among the Bondholders*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the relevant CSD and each other relevant organisation or authority (to the extent such registration is possible in accordance with the rules of each CSD).
- (c) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Trustee, as the case may be.

## **21. Appointment and Replacement of the Trustee**

### **21.1 Appointment of the Trustee**

- (a) By subscribing for Bonds, each initial Bondholder appoints the Trustee to act as its Trustee in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Trustee to act on its behalf, as set out in Clause 21.1(a).
- (c) Each Bondholder shall immediately upon request provide the Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Trustee is under no obligation to represent a Bondholder which does not comply with such request.

- (d) The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Trustee's obligations as Trustee under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (f) The Trustee may act as Trustee or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **21.2 Duties of the Trustee**

- (a) The Trustee shall represent the Bondholders in accordance with the Finance Documents, and, where relevant, in relation to instructions to the Trustee to enforce the Transaction Security on behalf of the Bondholders. Except as specified in Clause 4.2 (*Disbursement of the Net Proceeds from the Initial Bonds*) and 4.3 (*Conditions precedent to a Subsequent Bond Issue*) the Trustee is not responsible for the execution or enforceability of the Finance Documents.
- (b) When acting in accordance with the Finance Documents, the Trustee is always acting with binding effect on behalf of the Bondholders. The Trustee shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) The Trustee is entitled to delegate its duties to other professional parties, but the Trustee shall remain liable for the actions of such parties under the Finance Documents.
- (d) The Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (e) The Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Trustee pay all reasonable costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out

its duties under the Finance Documents shall be distributed in accordance with Clause 16 (*Distribution of Proceeds*).

- (f) The Trustee shall, as applicable, enter into agreements with each CSD, and comply with such agreement and the relevant CSD Regulations applicable to the Trustee, as may be necessary in order for the Trustee to carry out its duties under the Finance Documents.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (i) The Trustee shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 21.2(h).

### **21.3 Limited liability for the Trustee**

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

accordance with Clause 17 (*Decisions by Bondholders*) or a demand by Bondholders given pursuant to Clause 15.10.

- (e) Any liability towards the Issuer which is incurred by the Trustee in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

#### **21.4 Replacement of the Trustee**

- (a) Subject to Clause 21.4(f), the Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.
- (b) Subject to Clause 21.4(f), if the Trustee is Insolvent, the Trustee shall be deemed to resign as Trustee with immediate effect and the Issuer shall within ten (10) Business Days appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as Trustee under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Trustee be dismissed and a new Trustee appointed.
- (d) If the Bondholders have not appointed a successor Trustee within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Trustee was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Trustee which shall be an independent financial institution or other reputable company which regularly acts as Trustee under debt issuances.
- (e) The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under the Finance Documents.
- (f) The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.
- (g) Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall

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

- (h) In the event that there is a change of the Trustee in accordance with this Clause 21.4 (*Replacement of the Trustee*), the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents. Unless the Issuer and the new Trustee agree otherwise, the new Trustee shall be entitled to the same fees and the same indemnities as the retiring Trustee.

## **22. Appointment and Replacement of the CSD Agent**

- (a) The Issuer appoints the CSD Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The CSD Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new CSD Agent at the same time as the old CSD Agent retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the listing of the Bonds. If the CSD Agent is Insolvent, the Issuer shall immediately appoint a new CSD Agent, which shall replace the old CSD Agent as CSD Agent in accordance with these Terms and Conditions.

## **23. Appointment and Replacement of the CSD**

- (a) The Issuer has appointed each CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- (b) Each CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorised to professionally conduct clearing operations and be authorised as a central securities depository in accordance with applicable law.

## **24. No Direct Actions by Bondholders**

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or

procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Trustee.

- (b) Paragraph (a) above shall not apply if the Trustee has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 21.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or by any reason described in Clause 21.2(h), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2(i) before a Bondholder may take any action referred to in paragraph (a) above.
- (c) The provisions of paragraph (a) above shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due by the Issuer to some but not all Bondholders.

## 25. Prescription

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

## 26. Notices

### 26.1 Notices

- (a) Subject to Clause 26.1(c), any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Trustee, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the

Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Trustee to the Issuer from time to time;

- (ii) if to the Issuer, to the following address:

Cimco Marine AB (publ)  
Att: Myron Mahendra  
Metallgatan 19 A  
262 72 ÄNGELHOLM  
Sweden  
Email: myron.mahendra@oxe-diesel.com

or, if sent by email by the Trustee, to the email address notified by the Issuer to the Trustee from time to time; and

- (iii) if to the Bondholders, shall (a) if made by the Trustee, be sent via the CSD with a copy to the Issuer, and (b) if made by the Issuer, be sent via the Trustee, alternatively through the CSD and/or to their addresses as registered with the CSD with a copy to the Trustee. A notice to the Bondholders shall also be published on the websites of the Issuer and the Trustee.

- (b) Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery (or, in terms of notice or other communication to the Bondholders, delivered through the relevant CSD as set out in (a)(iii) above) 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) or in case of notice or other communication posted through the relevant CSD, on the date of the message being issued by the relevant CSD.
- (c) Any notice pursuant to the Finance Documents shall be in English.
- (d) If an Event of Default is continuing, any notice or other communication made by the Trustee to the Issuer under or in connection with the Finance Documents may, provided that the Trustee deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Trustee), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Trustee to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Trustee.

## 26.2 Press releases

- (a) Any notice that the Issuer or the Trustee shall send to the Bondholders pursuant to Clauses 12.3 (*Voluntary total redemption (call option)*), 12.4 (*Mandatory repurchase due to a Change of Control Event (put option)*), 13.1(a), 13.1(d), 15.10(c), 17(q), 18(a), 19(a) and 20(b) shall also be published by way of press release by the Issuer or the Trustee, as applicable.
- (b) In addition to Paragraph (a) above, if any information relating to the Bonds or the Group contained in a notice the Trustee may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Trustee shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Trustee considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Trustee shall be entitled to issue such press release.

## 27. Force Majeure and Limitation of Liability

- (a) Neither the Trustee nor the CSD 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, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Trustee or the CSD Agent itself takes such measures, or is subject to such measures.
- (b) The CSD Agent shall not have any liability to the Bondholders if it has observed reasonable care. The CSD 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 Trustee or the CSD Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 26.2 (*Press releases*) apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## 28. Governing Law and Jurisdiction

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



- (c) Paragraphs (a) and (b) above shall not limit the right of the Trustee (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.
- (d) Notwithstanding the above, the NOK Bonds shall be registered pursuant to Norwegian securities laws and the SEK Bonds and EUR Bonds shall be registered pursuant to Swedish securities law.

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

Place:

Date:

**CIMCO MARINE AB (PUBL)**

as Issuer

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Name:

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Name:

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

Place:

Date:

**INTERTRUST (SWEDEN) AB**

as Trustee

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Name: