

*Denna kallelse till obligationsinnehavarna är endast utformad på engelska.*

Stockholm, 24 October 2019

**To the bondholders in:**

**ISIN: SE0009155286 – Prime Living AB (publ) - SEK 400,000,000 senior secured callable floating rate bonds (the “Bonds”)**

## **NOTICE OF WRITTEN PROCEDURE – REQUEST FOR CONSENT**

**This voting request for procedure in writing has been sent on 24 October 2019 to Bondholders directly registered in the debt register (Sw. skuldbok) kept by Euroclear Sweden AB (the “CSD”). If you are an authorised nominee under the Swedish Financial Instruments Accounts Act (Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument) or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. For further information, please see below under Section 4.3 (Voting rights and authorisation).**

Intertrust (Sweden) AB acts as agent (the “**Agent**”) for the holders of the Bonds (the “**Bondholders**”) in the above mentioned bonds issue ISIN SE009155286 (with an aggregated amount outstanding of SEK 400,000,000) (the “**Bonds**”) issued by Prime Living AB (publ), reg. no. 556715-7929, (the “**Issuer**”). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing, whereby Bondholders can vote for or against the Issuer’s proposal.

All capitalised terms used herein and not otherwise defined in this notice (the “**Notice**”) shall have the meanings assigned to them in the terms and conditions of the Bonds (the “**Terms and Conditions**”).

Bondholders participate by completing and sending the voting form, attached hereto as Schedule 1 (*Voting Form*) (the “**Voting Form**”), and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (*Power of Attorney*) (the “**Power of Attorney**”) or other sufficient evidence, if the Bonds are held in custody other than by the CSD, to the Agent. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

The Agent must receive the Voting Form no later than 17:00 (CET) on 12 November 2019 either by mail, courier or email to the Agent using the contact details set out in Section 5.7 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Bondholder on 29 October 2019 (the “**Record Date**”). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

**Disclaimer:** *The Proposal is presented to the Bondholders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Proposal (and its effects, should it be adopted) from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Proposal (and its effects, should it be adopted). The Bondholders are recommended to seek legal advice in order to independently evaluate whether the Proposal (and its effects) is acceptable or not.*

## 1 Background

- 1.1 The Issuer has during some time experienced problems with its finances. Because of this, the Issuer has entered into a standstill agreement on the 28 June 2019 by which the Issuer, certain shareholders and Bondholders under the Bonds have agreed to, amongst others, that the loans under the Bonds nor the Transaction Security will be enforced and that certain secured shareholder loans will not be enforced during the standstill period. Further, the parties have decided that no interest will be paid to the Bondholders nor the shareholders during the standstill period (the "**Standstill Agreement**"). Further information will be distributed by way of a Q&A that will be released by the Issuer in connection with this Notice and that will be made available on the Issuer's webpage <https://www.primeliving.se/> no later than 17:00 on 29 October 2019.
- 1.2 On 20 September 2019 the Issuer issued a press release announcing that the Standstill Agreement has expired and that, since the finances of the Issuer are still problematic, a recapitalisation plan has been negotiated with an ad hoc committee of Bondholders (the "**Committee**") (the "**Press Release**").
- 1.3 The recapitalisation plan involves:
  - (i) The terms of the Bonds will be amended to the effect that final maturity date will be changed from 29 September 2020 to 29 September 2022. The interest that should have been paid on 29 June 2019 will be paid no later than 10 Business Days after the Effective Date (as defined below).
  - (ii) The terms and conditions of the SEK 100,000,000 senior secured callable fixed rate bonds with ISIN SE0010985218, issued by the subsidiary of the Issuer Prime Living Campus Stockholm AB (publ) (the "**Campus Stockholm Issuer**") (the "**Campus Stockholm Bonds**") (the "**Campus Stockholm Terms and Conditions**") will be amended as follows:
    - (A) the final maturity date will be changed from 21 March 2020 to 19 October 2023;
    - (B) with effect from (and including) 1 October 2019, the interest rate will be reduced to 450 bps per annum;
    - (C) the interest (including accrued, but unpaid interest) will be capitalized and paid at the final maturity date;
    - (D) a cross payment default clause will be inserted in respect of any Financial Indebtedness in excess of SEK 5,000,000 for Comodo Real Estate AB or Prime Living Spånga AB if (i) not paid when due as extended by any originally applicable grace period (if there is one) or, (ii) such

financial indebtedness is declared to be due and payable prior to its specified maturity as a result of an event of default (however described);

- (E) the cross-default provision in paragraph 15.1(c) will be amended to include a new subclause containing a cross default on any financial indebtedness under the Oxie Bonds and the Bonds; and
- (F) a new event of default will be inserted with an event under which it is evident that the construction of the apartments on the Properties (as defined in the Campus Stockholm Terms and Conditions) will not be completed.

Further, SEK 50,000,000 of the nominal amount of the Campus Stockholm Bonds, together with accrued interest of SEK 9,652,038 up until 1 October 2019 totally SEK 59,652,038 will be converted into ordinary shares of the Issuer in a new issue of shares with subscription price per share of SEK 1.50 per share (rounded down to the nearest whole number of shares per bond).

In order to effect the partial debt-for-equity conversion of the Campus Stockholm Bonds, an amount of the Campus Stockholm Issuer's obligations under the Campus Stockholm Bonds equivalent to the amount that will be converted to equity will be detached from the Campus Stockholm Bonds and transferred from the Campus Stockholm Issuer to the Issuer.

- (iii) The terms and conditions of the SEK 400,000,000 senior unsecured callable floating rate bonds with ISIN SE0009806383 issued by the Issuer (the "**Senior Unsecured Bonds**") (the "**Senior Unsecured Terms and Conditions**") will be amended as follows:
  - (A) the final maturity date will be changed from 19 October 2020 to 19 October 2023;
  - (B) with effect from (and including) 1 October 2019, the interest rate will be changed to fixed rate and reduced to 450 bps per annum;
  - (C) the interest (including accrued, but unpaid interest) will be capitalised and will be paid at the final maturity date;
  - (D) the cross-default in paragraph 13.1(c) will be amended to include event of default on Campus Stockholm Bonds. (The Senior Unsecured Terms and Conditions already include a cross-default on the Bonds);
  - (E) a cross payment default clause will be inserted in respect of any Financial Indebtedness in excess of SEK 5,000,000 for Comodo Real Estate AB or Prime Living Spånga AB if (i) not paid when due as extended by any originally applicable grace period (if there is one) or, (ii) such financial indebtedness is declared to be due and payable prior to its specified maturity as a result of an event of default (however described); and
  - (F) certain amendments will be made to the financial covenants in paragraph 11.1.

Further, SEK 210,000,000 of the nominal amount of the Senior Unsecured Bonds, together with accrued interest up until 1 October 2019 of SEK 27,294,413 totally SEK 237,294,413 will be converted into ordinary shares of the Issuer in a new issue of shares with subscription price per share of SEK 1.50 per share (rounded down to the nearest whole number of shares per bond).

- (iv) Share pledges over the shares in Prime Living Campus Stockholm AB, Prime Living Beryllgatan AB and Prime Living Industries AB are provided to secure the Bonds and the Campus Stockholm Bonds (the "**Shared Security**"). Intertrust (Sweden) AB will act as security agent and enter into a security sharing agreement regulating how the Shared Security shall be shared. The agreement will, amongst other things, stipulate that the Shared Security shall be shared pro rata, that the Agents for the holders of the Senior Unsecured Bonds and the Campus Stockholm Bonds will consult for a period of 45 days, if they do not agree if and how the Shared Security shall be enforced, that any of the Agents for the respective bonds (giving instructions for the total amount of debt under the bonds it represents) thereafter may instruct the security agent to enforce the Shared Security, and that the Agent that represents the largest amount of outstanding debt will prevail, if the Agents do not agree as to the manner of enforcement. Provisions enabling Intertrust (Sweden) AB as Security Agent to hold the Shared Security and act on behalf of the bondholders with respect to the Shared Security will be inserted in the relevant terms and conditions.
- (v) Repayment and conversion of a secured shareholder loan of the Issuer in the principal amount of SEK 39,300,000 (the "**Shareholder Loan**"), where a nominal principal amount of SEK 29,500,000 is repaid and an amount of SEK 1,922,962.96 is paid as interest in cash if and when (i) a sufficient amount is available for such purpose out of the proceeds from sales of assets of the assets directly or indirectly held by Prime Living International AB and (ii) all loans from the Issuer to Prime Living International and any of its subsidiaries have been repaid in full, and where SEK 9,833,333.33 will be converted into ordinary shares of the Issuer in a new issue of shares with subscription price per share of SEK 1.50 per share (rounded down to the nearest whole number of shares per shareholder); and
- (vi) An exchange offer to the holders of Series B preferential shares in the Issuer, where one share of Series B would be exchanged for 20 ordinary shares (the "**Exchange Offer**").
- (vii) The conversion of debt into ordinary shares outlined in (ii), (iii) and (v) above shall be carried out by an issue of a new series of preferential shares in the Issuer referred to as "**Preferential Shares of Series C**". The Preferential Shares of Series C will rank before ordinary shares and Series B preferential shares with respect to right to dividend, redemption and payment in the event of a liquidation and they will have a voting right of one vote per share. No dividend will be paid on any other shares as long as any Preferential Shares of Series C are outstanding. Upon the Exchange Offer being accepted by holders of shares of Series B representing 95 percent of the total number of shares of Series B at the time of this Notice (equalling 1,235,000 shares of

Series B), the shares of Series C shall automatically convert to ordinary shares of the Issuer (the “**Series C Share Conversion**”). The Series C Share Conversion may also be requested by holders of Series C representing 2/3 or more of the total number of shares of Series C at the time of the request or, if the voting is made at a shareholders meeting where at least 50 percent of the holders of Series C shares are represented, the Series C Share Conversion may be carried out if at least 2/3 of the represented Series C Shares vote in favour of such conversion.

The amendment set out in (i) above is referred to as the “**Oxie Adjustment**”. The amendments and actions set out in (ii) above are referred to as the “**Campus Stockholm Bonds Adjustment**”. The amendments and actions set out in (iii) above are referred to as the “**Senior Unsecured Bonds Adjustment**”. The amendments and actions set out in (iv) above are referred to as the “**Shareholder Loan Adjustment**”. The Oxie Adjustment, Campus Stockholm Bonds Adjustments, the Senior Unsecured Bonds Adjustments, Shareholder Loan Adjustment, the Exchange Offer and the other matters set out above are hereafter jointly referred to as the “**Recapitalisation Plan**”.

The Issuer informed in the Press Release that it would issue this Notice as well as convene an extra general meeting of shareholders in order to receive the requisite authorisations from its Bondholders and shareholders to the Recapitalisation Plan.

- 1.4 This Notice consists of one single resolution, to be effective upon certain conditions specified below occurring. The Committee has agreed to support the Notice and also agreed to not dispose of their Bonds until the earlier of the recapitalisation being finalised and the final date to vote on the Written Procedure.
- 1.5 Consequently, the Issuer wishes to instigate a written procedure in order to obtain a consent from the Bondholders to the completion of the Oxie Adjustment.
- 1.6 The Agent may assume that any documentation and other evidence delivered to it or to be entered into by it in relation to the Written Procedure is accurate, legally valid, correct and complete and the Agent does not have to verify the contents of such documentation or evidence.
- 1.7 ***Please be informed that it is important that each Bondholder exercise their voting rights in this Written Procedure. The support of the bondholders in the Committee alone may not be sufficient in order to approve the Proposal (as defined below).***

## **2 Proposal**

- 2.1 Approval of Recapitalisation Plan and amendments to the Terms and Conditions
  - (a) The Issuer proposes and requests (the “**Proposal**”) that the Bondholders consent to:
    - A. the Recapitalisation Plan and the amendments to the Terms and Conditions set out in the form of the redline amended and restated version of the Terms of Conditions attached as Schedule 3 and of which the more material amendments are outlined in the Oxie Adjustment (the “**Consent**”); and

- B. authorise the Agent to take on behalf of the Bondholders such measures, provide confirmations, give notices and execute on behalf of the Bondholders any agreement, or document, and agree amendments to such agreements or documents, that may be necessary or appropriate for the purpose of implementing the Recapitalisation Plan (including agreeing to amendments and adjustments necessary or appropriate to implement the Recapitalisation Plan and the amendments to the Terms and Conditions).
- (b) The Consent stated in this Clause 2.1(a) automatically lapses if the Effective Date (as defined in Section 2.2. (Conditions for effectiveness of the Oxie Bonds Adjustment) has not occurred on or before 16 December 2019.

2.2 Conditions for effectiveness of the approval of the Recapitalisation Plan and the amendments to the Terms and Conditions

Each of the following shall be a condition to the effectiveness of the Bondholders' approval of the Recapitalisation Plan and the amendments of the Terms and Conditions (if given) (jointly referred to as the "Conditions"):

- (i) the Campus Stockholm Bonds Adjustment is approved by a prerequisite majority of the holders of Campus Stockholm Bonds;
- (ii) the Senior Unsecured Bonds Adjustment is approved by a prerequisite majority of the holders of Senior Unsecured Bonds;
- (iii) the Issuer has provided evidence to the satisfaction of the Agent that:
  - (A) the Shareholder Loan Adjustment has been accepted by all creditors under the Shareholder Loan and that the conversion of the Shareholder Loan into ordinary shares as set out in 1.3(v) will be effected in connection with the partial conversion of the Campus Stockholm Bonds and the Senior Unsecured Bonds into ordinary shares as described in 1.3(vii);
  - (B) the shareholders of the Issuer have adopted resolutions that enable the share issuances contemplated by the Recapitalisation Plan to be effected as contemplated; and
  - (C) Swedbank AB (publ) has confirmed that it, subject to certain conditions, intends to extend the maturity date for the loans that it has granted to Comodo Real Estate AB of 95,500,000 SEK and 125,250,000 SEK and to Prime Living Spånga AB of 97,500,000 SEK until at least 30 June 2020.
- (iv) the Shared Security has or will be granted in connection with the Effective Date; and
- (v) all the Agent's costs which the Agent have notified the Issuer of have been paid to the Agent.

For the purpose of this Notice, "**Effective Date**" means the date on which all the Conditions are fulfilled.

For the avoidance of doubt, the Series C Share Conversion is not one of the Conditions, but the Issuer undertakes to take such measures that are required by it to facilitate the Exchange Offer.

## 2.3 Waiver

- (a) The Issuer requests that the Bondholders waive (the "**Waiver**")
- (i) the events of defaults relating to non-payment of interest up until 10 Business Days after the Effective Date;
  - (ii) any right to default interest that accrues up until 10 Business Days after the Effective Date; and
  - (iii) any Event of Default that is not also an Event of Default under the Terms and Conditions as amended pursuant to the Proposal.
- (b) The Waiver becomes effective immediately when the Proposal has been adopted but shall lapse automatically if the Effective Date has not occurred on or before 16 December 2019.

## 2.4 Terms

Please note that although the Issuer intends to complete the Recapitalisation it has no obligation to do so even if the Proposal is approved by the Bondholders. However, the Issuer shall use its best efforts to complete the Recapitalisation on or before 31 December 2019, except for the Exchange Offer as set out in 1.3(vi) which is expected to be completed on or before 31 December 2020. It will constitute an Event of Default under the Terms and Conditions if the Issuer has not completed the conversion of debt into Preferential Shares of Series C, as set out in 1.3(vii) on or before 31 January 2020.

## 2.5 Approval of proposal

The Proposal shall be deemed to be approved:

- (a) immediately upon expiry of the voting period and receipt of the required majority as set forth in Section 4.6 below; or
- (b) if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent.

## 3 Non-reliance

The Proposal is presented to the Bondholders by the Issuer, without any evaluation, advice or recommendations from the Agent whatsoever. No independent advisor has been appointed to review and/or analyse the Proposal (and its effects) from the Bondholders' perspective. The Bondholders are recommended to seek legal advice to independently evaluate whether the Proposal from the Issuer (and its effects) is acceptable or not.

## 4 Written Procedure

The following instructions need to be adhered to under the Written Procedure.

### 4.1 Final date to participate in the Written Procedure

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 17:00 hours (CET), 12 November 2019. Votes received thereafter may be disregarded.

#### 4.2 Decision procedure

The Agent will determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Proposal shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision taken under the Written Procedure will: (a) be sent by notice to the Bondholders and (b) be published on the websites of (i) the Issuer and (ii) the Agent.

A matter decided under the Written Procedure will be binding for all Bondholders, irrespective of them responding in the Written Procedure.

#### 4.3 Voting rights and authorisation

Anyone who wishes to participate in the Written Procedure must on the Record Date:

- (a) be registered as a direct registered owner of one or several Bonds on a Securities Account in the debt register; or
- (b) be registered as an authorised nominee on a Securities Account, with respect to one or several Bonds in the debt register.

#### 4.4 Bonds registered with a nominee

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Bonds.

- (i) You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
- (ii) You can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as noteholder of the Securities Account, or from each intermediary in the chain of noteholders, starting with the intermediary that is registered in the debt register as a Bondholder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate. Bonds owned by the Issuer, another company directly or indirectly owned by the Issuer or an affiliate do not entitle to any voting rights.



#### 4.5 Quorum

To approve the Proposal, Bondholders representing at least fifty (50) per cent of the Adjusted Nominal Amount must reply to the request under the Written Procedure in order to form a quorum.

If a quorum does not exist, the Agent shall initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure.

#### 4.6 Majority

More than three quarters (3/4) of the Adjusted Nominal Amount for which Bondholders reply under the Written Procedure must consent to the Proposal.

#### 4.7 Address for sending replies

Return the Voting Form, as set out in Schedule 1, and, if applicable, the Power of Attorney/Authorisation set out in Schedule 2 or other sufficient evidence, if the Bonds are held in custody other than by Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

**By regular mail:**

Intertrust (Sweden) AB  
Attn: Written Procedure / Prime Living  
P.O. Box 16285  
103 25 Stockholm

**By courier:**

Intertrust (Sweden) AB  
Attn: Written Procedure/ Prime Living  
Sveavägen 9, 10th floor  
111 57 Stockholm

**By email:**

E-mail: [trustee@intertrustgroup.com](mailto:trustee@intertrustgroup.com)

## 5 Further Information

For further questions to the Issuer, regarding the request, please contact the CEO of the Issuer at [lars.wikstrom@primeliving.se](mailto:lars.wikstrom@primeliving.se) or +46-733-44 22 55.

For further questions to the Agent, regarding the administration of the Written Procedure, please contact Beatrice Gustafsson at [trustee@intertrustgroup.com](mailto:trustee@intertrustgroup.com) or +46 70 141 10 82

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**Stockholm, 24 October 2019**

**INTERTRUST (SWEDEN) AB**

**as Agent**

**Enclosed:**

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney/Authorisation
<b>Schedule 3</b>	Amended and Restated version of the Terms and Conditions

## Schedule 1 VOTING FORM

**For the Written Procedure in Prime Living AB (publ) - SEK 400,000,000 senior secured callable floating rate bonds ISIN: SE0009155286.**

The undersigned Bondholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Proposal by marking the applicable box below.

**NOTE:** If the Voting Person **is not directly registered as Bondholder** on the relevant Securities Account held with Euroclear Sweden (as defined in the Terms and Conditions), the Voting Person **must enclose a Power of Attorney/Authorisation**, see Schedule 2. Bondholders should note that a Voting Form given in respect of the Written Procedure shall remain valid for any second Written Procedure initiated, should the quorum requirement not be met.

**For** the Proposal

**Against** the Proposal

**Refrains** from voting

The undersigned hereby confirms that this voting form shall constitute a vote also for a second Written Procedure (if any) pursuant to Clause 17.9 of the Terms and Conditions with respect to the Proposal).

Name of the Voting Person: \_\_\_\_\_

Capacity of the Voting Person: Noteholder<sup>1</sup>:  authorised person<sup>2</sup>:

Voting Person's reg.no/id.no  
and country of incorporation/domicile: \_\_\_\_\_

Securities Account number at  
Euroclear Sweden:  
(if applicable) \_\_\_\_\_

<sup>1</sup> When voting in this capacity, no further evidence is required.

<sup>2</sup> When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (Schedule 2) from the Bondholder or other proof of authorisation showing the number of votes held on the Record Date.

Name and Securities Account  
number of custodian(s): \_\_\_\_\_  
(if applicable)

Nominal Amount voted  
for (in SEK): \_\_\_\_\_

Day time telephone number, e-mail address and contact person:

\_\_\_\_\_

\_\_\_\_\_  
Authorised signature and Name<sup>3</sup>

\_\_\_\_\_  
Place, date:

\_\_\_\_\_  
<sup>3</sup> If the undersigned is not a Bondholder according the Terms and Condition and has marked the box "authorised person", the undersigned – by signing this document – confirms that the Bondholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

## Schedule 2 POWER OF ATTORNEY/AUTHORISATION

**For the Written Procedure in Prime Living AB (publ) – SEK 400,000,000 senior secured callable floating rate bonds ISIN: SE0009155286.**

*NOTE: This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not directly registered as a Bondholder on the Securities Account, held with Euroclear Sweden. There must always be a coherent chain of powers of attorney derived from the Bondholder. In essence, if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Bondholder.*

Name of person/entity that is given authorisation (Sw. *Befullmäktigad*) to vote as per the Record Date:

Nominal Amount (in SEK) the person/entity is authorised to vote for as per the Record Date:

Name of Bondholder or other intermediary giving the authorisation (Sw. *Fullmaktsgivaren*):

We hereby confirm that the person/entity specified above (Sw. *Befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK \_\_\_\_\_

We are:

Registered as Bondholder on the Securities Account

Other intermediary and holds the Bonds through (specify below):

\_\_\_\_\_

Place, date: \_\_\_\_\_

\_\_\_\_\_

Name:

Authorised signature of Bondholder signature of Bondholder / other intermediary (Sw. *Fullmaktsgivaren*)

**Schedule 3**  
**AMENDED AND RESTATED VERSION OF THE TERMS AND**  
**CONDITIONS**

Following on the next page.

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**TERMS AND CONDITIONS FOR  
PRIME LIVING  
AB (PUBL)**

**SEK 400,000,000**

**SENIOR SECURED CALLABLE FLOATING RATE  
BONDS 2016/2020**

**ISIN: SE0009155286**

Issue Date: 29 September 2016

[As amended and restated pursuant to a Written Procedure for which notice was given on 24 October 2019.](#)

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

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

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**TERMS AND CONDITIONS FOR  
PRIME LIVING AB (PUBL)  
SEK 400,000,000**

**SENIOR SECURED CALLABLE FLOATING RATE  
BONDS 2016/2020**

**ISIN: SE0009155286**

**1. DEFINITIONS AND CONSTRUCTION**

**1.1 Definitions**

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

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

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

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

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

"**Agent**" means the Bondholders' agent and security agent under the Terms and Conditions, and if relevant, the Finance Documents from time to time; initially Intertrust (Sweden) AB (publ), reg.no. 556625-5476, Sveavägen 9, SE-111 57 Stockholm.

"**Agent Agreement**" means the agreement entered into on or about the Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the Issue Date between the Issuer and an Agent.

"**Bond**" means debt instruments (*Sw. skuldförbindelser*) of the type set forth in Chapter 1 Section 3 of the Swedish Financial Instruments Accounts Act (*Sw. lag (1998:1479) om kontoföring av finansiella instrument*), issued by the Issuer under these Terms and Conditions.

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

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 1 8 (*Bondholders' Meeting*).

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

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

"**Call Option Amount**" means:

- (a) The Make Whole Amount if the call option is exercised before the First Call Date;
- (b) 102.25 per cent. of the Nominal Amount if the Call Option is exercised on or after the First Call Date up to (but not including) the date falling 45 months after the Issue Date; or
- (c) 100.00 per cent. of the Nominal Amount if the Call Option is exercised on or after the date falling 45 months after the Issue Date up to (but not including) the Final Redemption Date.

"**Change of Control Event**" means the occurrence of events whereby:

- (a) any person or group of person acting together, acquire control over the Issuer and where "**control**" means (i) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (ii) 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; or
- (b) the shares of the Issuer ceases to be listed on a Regulated Market or any multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

"**Compliance Certificate**" means a certificate, in form and substance reasonably satisfactory to the Agent, signed by the Issuer certifying (a) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it; (b) if provided in connection with a financial statement being made available pursuant to Clause 12.9.1(c), that the financial covenants in Clause 12.1 are met. The first Compliance Certificate shall be delivered in connection with the financial statements for the period ending 30 June 2017 being made available.

"**Conditions Precedent Failure**" means that the conditions precedent set out in Clause 13.3 in relation to Tranche 3 has not been satisfied on or prior to 30 June 2017.

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

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

"**Downstream Loans**" means the downstream loans provided by the Issuer from the proceeds under Tranche 1 to:

- (a) TP6 Oxie AB in the amount of SEK 51,000,000;
- (b) TPL 1 Oxie AB in the amount of SEK 89,000,000; and
- (c) TP9 Oxie AB in the amount of SEK 125,000,000; and

the downstream loans provided by the Issuer from the proceeds under Tranche 2 and Tranche 3 to TP9 Oxie AB and any further downstream loans provided by the Issuer to a Property Company.

"**Downstream Loan Pledge Agreement**" means the pledge agreement entered into between the Issuer and the Agent on or about the Issue Date in relation to the Downstream Loans.

"**Escrow Account**" means a bank account of the Issuer held with the Escrow Account Bank (as defined in the Escrow Account Pledge Agreement), into which the proceeds under Tranche 2 and Tranche 3 will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Escrow Account Pledge Agreement.

"**Escrow Account Pledge Agreement**" means the pledge agreement entered into between the Issuer and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Bondholders) before the Issue Date in respect of a first priority pledge over the Escrow Account and all funds held on the Escrow Account from time to time, granted in favour of the Agent and the Bondholders (represented by the Agent).

"**Event of Default**" means an event or circumstance specified in Clause 15.1.

"**Existing Property Mortgages**" means (i) the property mortgages in Malmö Träpanelen 6 in the amount of SEK 45,000,000 (within SEK 45,000,000), (ii) the property mortgages in Malmö Träpanelen 8 in the amount of SEK 80,000,000 (within SEK 80,000,000), and (iii) the property mortgages in Malmö Träpanelen 1 in the amount of SEK 110,000,000 (within SEK 110,000,000).

"**Finance Documents**" means the Terms and Conditions, the Security Documents, the Escrow Account Pledge Agreement, the Agent Agreement, any Compliance Certificate and any other document designated by the Agent and the Issuer as a Finance Document.

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

- (a) monies borrowed or raised, including (including under any bank financing or Market Loan);
- (b) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (e) the marked-to-market value of derivative transactions entered into in connection with protection against, or in order to benefit from, the fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (g) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (f) above.

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

"**Final Redemption Date**" means 29 September ~~2020~~2022, at which date each Bond shall be redeemed at a price equal to 100.00 per cent. of the Nominal Amount.

"**First Call Date**" means the date falling 36 months after the Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

"**Force Majeure Event**" has the meaning set forth in Clause 27.1.

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

"**Initial Nominal Amount**" means the initial nominal amount of each Bond will be SEK 1,000,000.

"**Interest**" means the interest on the Bonds calculated in accordance with Clauses 10.1 to 10.3.

"**Interest Coverage Ratio**" means the ratio of Net Operating Income to Net Finance Costs in relation to the Property Companies.

"**Interest Payment Date**" means 29 March, 29 June, 29 September and 29 December each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date being 29 December 2016 and the last Interest Payment Date being the Final Redemption Date).

"**Interest Period**" means each period beginning on (but excluding) the Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

"**Interest Rate**" means a floating rate of STIBOR (3 months) + 4.5 per cent. per annum.

"**Issue Date**" means 29 September 2016.

"**Issuer**" means Prime Living AB (publ), reg. no. 556715-7929, having its registered address at Box 5317, 102 47 Stockholm, Sweden.

"**Listing Failure**" means the situation where the Bonds have not been listed on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market) within sixty (60) calendar days after the Issue Date.

"**Loan to Value**" means, expressed as a percentage, the ratio of:

- (a) the Net Interest Bearing Debt of the Property Companies; to
- (b) the aggregate market value of the Properties as set out in the latest valuations delivered under these Terms and Conditions; and
- (c) an amount equal to the costs and expenses paid in relation to any on-going value enhancing investments in the Properties and any costs and expenses paid in relation to any value enhancing investments in the Properties completed since the latest valuation.

"**Make Whole Amount**" means an amount equal to the sum of:

- (a) the present value on the date on which the applicable notice of redemption is given of 102.25 per cent. of the Nominal Amount as if such payment originally should have taken place on the First Call Date; and
- (b) the present value on the date on which the applicable notice of redemption is given of the remaining interest payments (excluding accrued but unpaid interest up to the relevant redemption date) up to and including the First Call Date (assuming that the

Interest Rate for the period from the relevant record date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders);

both calculated by using a discount rate of 50 basis points over the comparable Swedish Government Bond Rate (i.e. comparable to the remaining duration of the Bonds until the First Call Date).

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

**"Modules"** means the modules which are identified in a list provided to the Agent prior to the Issue Date.

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

**"Net Finance Costs"** means the aggregate of all financial expenses for the Property Companies minus all financial income.

**"Net Interest Bearing Debt"** means the Property Companies' aggregate interest bearing debt (excluding Subordinated Loans) less cash and cash equivalent investments (such cash equivalent investments to be calculated in accordance with the Accounting Principles from time to time of the Group).

**"Net Operating Income"** means the Operating Income less the Operating Costs.

**"Nominal Amount"** means the Initial Nominal Amount, less the aggregate amount by which each Bond has been redeemed.

**"Operating Costs"** means, for each calculation period,

- (a) utilities charges relating to the Properties (such as electricity, water, heating, oil, gas, sewerage, cleaning, snow clearance and sanding and other similar costs, as applicable);
- (b) costs for repair and maintenance not exceeding what is necessary to maintain the current quality of the Properties (excluding for the avoidance of doubt all capital expenditure);
- (c) taxes directly attributable to the Properties (including non-refundable VAT and excluding, for the avoidance of doubt, any taxes on the net profit of the Property Companies);
- (d) insurance premiums under insurance policies relating to the Properties;
- (e) any other operating cost relating to the day-to-day business of the Properties and incurred in accordance with prudent real property management to the extent they are not fully recovered from the relevant tenant; and
- (f) any general administration costs of the Property Companies not relating to the specific Property or specific Properties (for the avoidance of doubt excluding any costs associated with development).

"**Operating Income**" means, for each calculation period, the rental income in respect of the Properties.

"**Permitted Financial Indebtedness**" means Financial Indebtedness incurred under the Finance Documents, any Downstream Loans, any Subordinated Loans, any Refinancing Debt and a finance lease regarding certain equipment entered into by TPL 1 Oxie AB prior to the Issue Date.

"**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.

"**Properties**" means Malmö Träpanelen 1, Malmö Träpanelen 6 and Malmö Träpanelen 8.

"**Property Companies**" means TP6 Oxie AB (reg. no. 556921-5196), TPL 1 Oxie AB (reg. no. 556921-5204) and TP9 Oxie AB (reg. no. 559030-8051).

"**Property Pledge Agreement**" means the pledge over the Existing Property Mortgages entered into between the Property Companies and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Bondholders).

"**Quotation Day**" means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period (i.e., the day that period commences, even if no interest accrues on such day).

"**Refinancing Debt**" means any Financial Indebtedness which is incurred for the purpose of refinancing the Bonds.

"**Record Date**" means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 16 (*Distribution of proceeds*) or (iv) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

"**Redemption Date**" means the date on which the relevant Bonds are to be redeemed in accordance with Clause 11 (*Redemption and repurchase of the Bonds*).

"**Reference Date**" means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding. With reference to the Loan to Value ratio and the Interest Coverage Ratio, the first Reference Date shall be 30 June 2017.

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

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

"**Security Documents**" means the Share Pledge Agreement, the Property Pledge Agreement and the Downstream Loan Pledge Agreement.

"**Share Pledge Agreement**" means the share pledge agreement regarding a first priority pledge over all of the shares in the Property Companies, entered into between Prime Living Oxie AB and the Agent (acting on its own behalf and in its capacity as agent and security agent representing the Bondholders).

"**Sole Bookrunner and Issuing Agent**" means ABG Sundal Collier AB, (reg. no. 556538-8674), P.O. Box 7269 SE-103 89 Stockholm, Sweden and ABG Sundal Collier ASA, (reg. no. 883 603 362), P.O. Box 1444 Vika, 0115 Oslo, Norway.

"**STIBOR**" means:

- (a) the applicable percentage rate per annum displayed on Nasdaq Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in SEK and for a period comparable to the relevant Interest Period; or
- (b) if no rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, for deposits of SEK one hundred million (100,000,000) for the relevant period; or
- (c) if no quotation is available pursuant to item (b) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period; and
- (d) if any such rate is below zero (0), STIBOR will be deemed to be zero (0).

"**Subordinated Loan**" means any Financial Indebtedness due, owing or incurred by the Property Companies ) which according to its terms (or a subordination agreement on terms and conditions satisfactory to the Agent) is subordinated to any other Financial Indebtedness incurred by the Property Companies and according to its terms yield only payment-in-kind interest.

"**Subsidiary**" means, in relation to the Issuer, any legal entity (whether incorporated or not), in respect of which the Issuer, directly or indirectly, (i) owns shares or ownership rights representing more than 50 per cent. of the total number of votes held by the owners, (ii) otherwise controls more than 50 per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body or (iv) exercises control as determined in accordance with the Accounting Principles.

"**Swedish Government Bond Rate**" means the yield to maturity at the time of computation of direct obligations of Sweden, acting through the Swedish National Debt Office (a Swedish Government Bond; Sw. *statsobligation*) with a constant maturity (such yield to be the weekly average yield as officially compiled and published in the most recent financial statistics that has become publicly available at least two (2) Business Days (but not more than five (5) Business Days) prior to the relevant Record Date for the redemption date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Issuer in good faith)) most nearly equal to the period from the redemption date to the First Call Date; provided, however, that if the period from the redemption date to the First Call Date is not equal to the constant maturity of a direct obligation of Sweden, acting through the Swedish National Debt Office for which a weekly average yield is given, the Swedish Government Bond Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of direct obligations of Sweden, acting through the Swedish National Debt Office, for which such yields are given, except that if the period from such redemption date to the First Call Date is less than one year, the weekly average yield on actually traded direct obligations of Sweden, acting through the Swedish National Debt Office, adjusted to a constant maturity of one year shall be used.

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

"**Tranche 1**" means SEK 265,000,000.

"**Tranche 2**" means SEK 70,000,000.

"**Tranche 3**" means SEK 65,000,000 minus Transaction Costs.

"**Tranches**" means Tranche 1, Tranche 2 and Tranche 3, and "**Tranche**" means any of them.

"**Transaction Costs**" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or the Property Companies in connection with the Bond Issue and the listing of the Bonds.

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 19 (*Written Procedure*).

## 1.2 Construction

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

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

1.2.2 An Event of Default is continuing if it has not been remedied or waived.

1.2.3 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.

1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.

1.2.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

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

2.1 The aggregate amount of the bond loan will be an amount of SEK 400,000,000 which will be represented by Bonds, each of an initial nominal amount of SEK 1,000,000 or full multiples thereof (the "**Initial Nominal Amount**"). The nominal amount of each Bond will be the Initial Nominal Amount, less the aggregate amount by which each Bond has been redeemed in part pursuant to a partial prepayment by the Issuer (the "**Nominal Amount**"). The total nominal amount of the Bonds is SEK 400,000,000 ("**Bond Issue**"). All Bonds are issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount. The



ISIN for the Bonds is SE0009155286. The minimum permissible investment in connection with the Bond Issue is SEK 1,000,000.

- 2.2 The Issuer undertakes to repay the Bonds, to pay Interest and to otherwise act in accordance and comply with these Terms and Conditions.
- 2.3 The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions.
- 2.4 By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to these Terms and Conditions and by acquiring Bonds each subsequent Bondholder confirms these Terms and Conditions.

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

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

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

- 4.1 The Bond Issue shall be used (i) to refinance the Property Companies' existing financing in full, (ii) for general corporate purposes (including acquisitions) and (iii) Transaction Costs ("**Purpose of the Bond Issue**").
- 4.2 Upon fulfilment of the conditions precedents set out in Clause 13.1, the proceeds under Tranche 1 shall be disbursed to the Issuer by the Issuing Agent. The proceeds under Tranche 1 shall be on-lent by the Issuer to the Property Companies as Downstream Loans.
- 4.3 The Issuer shall establish the Escrow Account prior to the Issue Date. On the Issue Date, the Issuing Agent shall transfer the proceeds under Tranche 2 and Tranche 3 to the Escrow Account. For the purpose of securing that the Conditions Precedent for Disbursement have been fulfilled before the disbursement of Tranche 2 and Tranche 3, respectively, and for the purpose of securing that the proceeds under Tranche 2 and Tranche 3 will be used by the Issuer in accordance with the Purpose of the Bond Issue, the Escrow Account will be pledged in favour of the Agent and the Bondholders (represented by the Agent). The pledge over the Escrow Account shall be released when the Conditions Precedent for Disbursement in relation to Tranche 2 and Tranche 3 have been fulfilled. The proceeds under Tranche 2 and Tranche 3 shall be on-lent to TP9 Oxie AB in the form of Downstream Loans. With respect to Tranche 3 the Issuer shall ensure that an amount corresponding to the gross amount of the proceeds, before any deduction of Transaction Costs, i.e. SEK 65,000,000, is on-lent.

### **5. SECURITY**

- 5.1 As continuing security for the due and punctual fulfilment of the Issuer's obligations under the Finance Documents, the Issuer and the Property Companies shall pledge to the Agent and the Bondholders (represented by the Agent) as first ranking security;
  - (a) all shares in the Property Companies pursuant to the Share Pledge Agreement;
  - (b) the Existing Property Mortgages pursuant to the Property Pledge Agreement; and
  - (c) the Downstream Loans pursuant to the Downstream Loan Pledge Agreement.
- 5.2 The Issuer shall ensure that the Security Documents and all documents relating thereto are duly executed in favour of the Bondholders and the Agent (as represented by the Agent) and that such documents are legally valid, perfected, enforceable and in full force and effect

according to their terms. The Issuer shall execute and procure the execution of such further documentation as the Agent may reasonably require in order for the Bondholders and the Agent to at all times maintain the security position envisaged hereunder.

- 5.3 The Agent will hold the security created under the Security Documents on behalf of itself and the Bondholders in accordance with these Terms and Conditions and the Security Documents.
- 5.4 Except if otherwise decided by the Bondholders according to the procedures set out in Clauses 17 (*Decisions by Bondholders*), 18 (*Bondholder's Meeting*) and 19 (*Written procedures*), the Agent is, without first having to obtain the Bondholders' consent, entitled to enter into binding agreements with the Issuer, the Property Companies or other Subsidiaries, or third parties if it is, in the Agent's sole discretion, necessary for the purpose of establishing, maintaining, altering, releasing or enforcing the security created (or to be created) under the Security Documents or for the purpose of settling the various Bondholders' relative rights to the security created under the Security Documents, respectively. The Agent is entitled to take all measures available to it according to the Security Documents.
- 5.5 If the Bonds are declared due and payable according to Clause 15 (*Termination of the Bonds*) or following the Final Redemption Date, the Agent is entitled to enforce the security created under the Security Documents, in such manner and under such conditions that the Agent finds acceptable (if in accordance with the Security Documents, respectively).
- 5.6 If a Bondholders' Meeting has been convened, or a Written Procedure instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the security created under all or any of the Security Documents, the Agent is obligated to take actions in accordance with the Bondholders' decision regarding the security created under the Security Documents. However, if the Bonds are not terminated due to that the cause for termination has ceased or due to any other circumstance mentioned in these Terms and Conditions, the Agent shall not enforce any of the security created under the Security Documents. If the Bondholders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of any of the security created under the Security Documents in accordance with the procedures set out in Clauses 17 (*Decisions by Bondholders*), 18 (*Bondholder's Meeting*) and 19 (*Written procedures*), the Agent shall promptly declare the Bonds terminated and enforce the security created under the Security Documents. The Agent is, however, not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Bondholders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- 5.7 Funds that the Agent receives on account of the Bondholders in connection with the enforcement of any or all of the security created under the Security Documents constitute escrow funds (Sw. *redovisningsmedel*) according to the Escrow Funds Act (Sw. *lag (1944:181) om redovisningsmedel*) and must be held on a separate account on behalf of the Bondholders. The Agent shall promptly arrange for payments of such funds in accordance with Clause 16 (*Distribution of proceeds*). If the Agent deems it appropriate, it may, in accordance with Clause 5.8, instruct the CSD to arrange for payment to the Bondholders.
- 5.8 For the purpose of exercising the rights of the Bondholders and the Agent under these Terms and Conditions and for the purpose of distributing any funds originating from the enforcement of any security created under the Security Documents, the Issuer irrevocably authorises and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Bondholders in accordance with Clause 5.7. To the extent permissible by law, the powers set out in this Clause 5.8 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of

attorney (in form and substance to the Agent's satisfaction), which the Agent deems necessary for the purpose of carrying out its duties under Clause 5.7 (including as required by the CSD in order for the CSD to accept such payment instructions). Especially, the Issuer shall, upon the Agent's request, provide the Agent with a written power of attorney empowering the Agent to change the bank account registered with the CSD to a bank account in the name of the Agent and to instruct the CSD to pay out funds originating from an enforcement in accordance with Clause 5.7 to the Bondholders through the CSD.

## **6. THE BONDS AND TRANSFERABILITY**

- 6.1 Each Bondholder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Bonds are freely transferable. All Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfer.
- 6.3 Upon a transfer of Bonds, any rights and obligations under these Terms and Conditions relating to such Bonds are automatically transferred to the transferee.
- 6.4 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds, (due to, *e.g.*, its nationality, its residency, its registered address or its place(s) of business). Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 6.5 For the avoidance of doubt and notwithstanding the above, a Bondholder which allegedly has purchased Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under these Terms and Conditions and shall be entitled to exercise its full rights as a Bondholder hereunder in each case until such allegations have been resolved.

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

- 7.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical Bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*Sw. skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds. If the Agent does not otherwise obtain information from such debt register as contemplated under these Terms and Conditions, the Issuing Agent shall at the request of the Agent obtain information from the debt register and provide it to the Agent.

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- 7.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.
- 7.6 At the request of the Agent, the Issuer shall promptly instruct the Issuing Agent to obtain information from the debt register kept by the CSD in respect of the Bonds and provide it to the Agent.
- 7.7 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions 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**

- 8.1 If any Person other than a Bondholder wishes to exercise any rights under these Terms and Conditions, it must obtain a power of attorney (or, if applicable, a coherent chain of powers of attorney), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.
- 8.2 A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under these Terms and Conditions in relation to the Bonds for which such representative is entitled to represent the Bondholder.
- 8.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 8.1 and 8.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

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

- 9.1 Any payment or repayment under these Terms and Conditions, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 9.2 If a Bondholder has registered, through an Account Operator, that principal, Interest and any other payment that shall be made under these Terms and Conditions shall be deposited in a certain bank account; such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the 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.
- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 10.4 during such postponement.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer or the CSD (as

applicable) was aware of that the payment was being made to a Person not entitled to receive such amount.

- 9.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable law), and shall deduct at source any applicable withholding tax payable pursuant to law. The Issuer shall not be liable to reimburse any stamp duty or public fee or to gross-up any payments under these Terms and Conditions by virtue of any withholding tax.

## **10. INTEREST**

- 10.1 The Bonds will bear Interest at the Interest Rate applied to the Nominal Amount from, but excluding, the Issue Date up to and including the relevant Redemption Date.
- 10.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made quarterly in arrears to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- 10.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 10.4 If the Issuer fails to pay any amount payable by it under these Terms and Conditions on its due date, default interest shall accrue on the overdue amount from, but excluding, the due date up to and including the date of actual payment at a rate which is 200 basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

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

### **11.1 Redemption at maturity**

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

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

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

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

- 11.3.1 The Issuer may redeem all, but not only some, of the Bonds in full on any Business Day before the Final Redemption Date at the applicable Call Option Amount together with accrued but unpaid Interest.
- 11.3.2 Redemption in accordance with Clause 11.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

## 11.4 **Mandatory repurchase due to a Change of Control Event, a Listing Failure or a Conditions Precedent Failure (put option)**

11.4.1 Upon a Change of Control Event, a Listing Failure or a Conditions Precedent Failure occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest during a period of thirty (30) calendar days following receipt of a notice from the Issuer of the relevant event pursuant to Clause 12.9.1(d). The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Change of Control Event, the Listing Failure or the Conditions Precedent Failure.

11.4.2 The notice from the Issuer pursuant to Clause 12.9.1(d) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 12.9.1(d). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 11.4.1.

11.4.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 11.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 11.4 by virtue of the conflict.

11.4.4 Any Bonds repurchased by the Issuer pursuant to this Clause 11.4 may at the Issuer's discretion be disposed of in accordance with Clause 11.2 (*The Group Companies' purchase of Bonds*).

## 12. **SPECIAL UNDERTAKINGS**

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Clause 12.

### 12.1 **Financial covenants:**

12.1.1 The Issuer shall ensure that at any Reference Date:

- (a) the Loan to Value in the Property Companies does not exceed 80 per cent.; and
- (b) the Interest Coverage Ratio is not less than or equal to 1.3:1.

The Loan to Value shall be tested quarterly on each Reference Date and the Interest Coverage Ratio shall be tested quarterly for the preceding 12 months ending on each Reference Date, and shall be included in the Compliance Certificate delivered in connection therewith. The first test date for the Loan to Value ratio and Interest Coverage Ratio shall be 30 June 2017, and with respect to the Interest Coverage Ratio, the calculation period shall for the first test date be the period from the Issue Date until 30 June 2017.

The Issuer shall be entitled to cure any breach of the above financial covenants by contributing cash to the Property Companies (as capital contributions or Subordinated Loans).

Such cash shall, if received within fifteen (15) Business Days following delivery of the Compliance Certificate, (i) with respect to the Loan to Value ratio reduce the Net Interest Bearing Debt, and (ii) with respect to the Interest Coverage Ratio, be included in the calculation of the Net Operating Income, in respect of the last quarter of the calculation period during which the breach occurred (and may be used in the calculations for any calculation period which includes such calendar quarter).

## 12.2 **Listing of Bonds**

The Issuer shall ensure (i) that the Bonds are listed on the corporate bond list of Nasdaq Stockholm within sixty (60) days after the Issue Date (and with an intention to complete such listing within thirty (30) days after the Issue Date), and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market. Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Bonds are outstanding, but not longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

## 12.3 **Nature of business**

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

## 12.4 **Pari Passu ranking**

The Issuer shall ensure that at all times its obligations under this Term Sheet rank at least *pari passu* with all the claims of all its other unsubordinated and unsecured creditors, except those whose claims are mandatorily preferred by laws of general application.

## 12.5 **Valuation:**

The Issuer shall procure that a valuation of the Properties is prepared by a reputable external valuator each financial year. Such valuation shall also be delivered to the Agent upon its request if the Agent has reason to believe that the figures set out in the most recent Compliance Certificate are inaccurate.

## 12.6 **Financial indebtedness**

The Issuer shall procure that the Property Companies shall not incur any Financial Indebtedness, other than Permitted Financial Indebtedness.

## 12.7 **Negative Pledge**

The Issuer shall procure that the Property Companies do not grant any security over the Properties, other than the Property Pledge Agreement.

## 12.8 **Disposals of assets**

The Issuer shall not, and shall ensure that no Property Company will, sell or otherwise dispose of any shares in the Property Companies or of the Properties.

## 12.9 **Financial reporting etcetera**

12.9.1 The Issuer shall:

- (a) within 4 months after the expiry of each financial year, prepare and make available the annual audited consolidated financial statements of the Group for that financial year, prepared in accordance with the Accounting Principles;

- (b) within 2 months after the expiry of each quarter of its financial year, its unaudited consolidated financial statements or the year-end report (*Sw. bokslutskommuniké*) (as applicable) for such period, prepared in accordance with the Accounting Principles;
- (c) issue a Compliance Certificate to the Agent (A) when a financial statement is made available, and (B) at the Agent's request, within twenty (20) calendar days from such request;
- (d) immediately notify the Agent upon becoming aware of the occurrence of a Change of Control Event, an Event of Default, a Listing Failure or a Conditions Precedent Failure, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice; and
- (e) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on the website of the Group.

#### 12.10 Agent Agreement

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

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

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

#### 12.11 CSD related undertakings

The Issuer shall keep the Bonds affiliated with a CSD and comply with all CSD regulations applicable to the Issuer from time to time.

### 13. CONDITIONS PRECEDENT FOR DISBURSEMENT

13.1 Prior to the Issue Date and the disbursement of Tranche 1 to the Issuer, the Agent shall have received the following documents, in form and substance satisfactory to the Agent (acting reasonably):

- (a) duly executed copies of the Share Pledge Agreement, the Property Pledge Agreement, the Downstream Loan Pledge Agreement (with respect to the Downstream Loans in relation to Tranche 1) and the Escrow Account Pledge Agreement;
- (b) duly executed copies of the Terms and Conditions; and
- (c) evidence that the security over the Existing Property Mortgages provided in connection with the Property Companies' existing financing will be released upon disbursement of Tranche 1.

13.2 The Agent's approval of the disbursement from the Escrow Account of Tranche 2 is subject to the Agent having received, in form and substance satisfactory to the Agent (acting reasonably)



evidence that the Modules have been acquired (or will be in immediate connection with the disbursement of Tranche 2) by TP9 Oxie AB.

- 13.3 The Agent's approval of the disbursement from the Escrow Account of Tranche 3 is subject to the Agent having received, in form and substance satisfactory to the Agent (acting reasonably), evidence that the installation of the Modules on TP9 Oxie AB's Property have been finally inspected and accepted.
- 13.4 The Agent shall confirm to the Issuing Agent when the conditions in Clause 13.1 in relation to Tranche 1 have been fulfilled to the satisfaction of the Agent (acting reasonably) and the proceeds under Tranche 1 can be disbursed to the Issuer. When the conditions in relation to Tranche 2 and Tranche 3 above have been fulfilled to the satisfaction of the Agent (acting reasonably) or waived, the Agent shall, upon the Issuer's request, instruct the Escrow Account Bank to promptly release the proceeds under the relevant Tranche from the Escrow Account to be applied in accordance with the Purpose of the Bond Issue.

#### 14. CONDITIONS SUBSEQUENT

- 14.1 The Issuer shall provide evidence to the Agent, in form and substance satisfactory to the Agent, showing that the security interests under the Security Documents to be provided in relation to Tranche 1 have been duly perfected, such evidence to be provided as soon as possible after Tranche 1 has been disbursed.

#### 15. TERMINATION OF THE BONDS

- 15.1 The Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least 50.00 per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the second Business Day following the day on which the demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction or decision pursuant to Clause 15.6 or 15.7, on behalf of the Bondholders, terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration), if:

- (a) **Non-payment:** The Issuer fails to pay an amount on the date it is due in accordance with these Terms and Conditions unless its failure to pay is due to technical or administrative error and is remedied within five (5) Business Days of the due date;
- (b) **Conditions subsequent:** The Issuer has not provided the Agent with evidence, in form and substance satisfactory to the Agent, showing that the actions described under the Conditions Subsequent have been taken or that the events described therein have occurred as soon as possible after all the Conditions Precedent for Disbursement of Tranche 1 have been fulfilled or at the latest within ten (10) Business Days after the Conditions Precedent for Disbursement of Tranche 1 have been fulfilled (or such later date as the Agent may agree).
- (c) **Other obligations:** The Issuer or any Property Company does not comply with the Finance Documents in any other way than as set out under item (a) and (b) above, unless the non-compliance (i) is capable of being remedied and (ii) is remedied within thirty (30) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

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- (d) **Insolvency:**
- (i) The Issuer or any Property Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under the Finance Documents) with a view to rescheduling its Financial Indebtedness; or
  - (ii) a moratorium is declared in respect of the Financial Indebtedness of the Issuer or a Property Company.
- (e) **Insolvency proceedings:** Any corporate action, legal proceedings or other procedure or step is taken in relation to (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer or a Property Company; or (ii) the appointment of a liquidator, receiver, administrative receiver, administrator or other similar officer in respect of the Issuer or a Property Company or any of its assets, with the exception for any proceedings or petitions which are being disputed in good faith and which are discharged, stayed or dismissed within thirty (30) Business Days of commencement.
- (f) **Creditors' process:** Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Property Company having an aggregate value equal to or exceeding SEK 10,000,000 and is not discharged within thirty (30) Business Days.
- (g) **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.
- (h) **Continuation of the business:** The Issuer or any Property Company ceases to carry on its business.
- 15.2 The Agent may not terminate the Bonds in accordance with Clause 15.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, in accordance with these Terms and Conditions, to waive such Event of Default (temporarily or permanently). However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned under Clause 15.1(d).
- 15.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 15.4 The Issuer is obliged to inform the Agent immediately if any circumstance of the type specified in Clause 15.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligation to make any investigations relating to the circumstances specified in Clause 15.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Clause 15.1 and provide the Agent with all documents that may be of significance for the application of this Clause 15.
- 15.5 The Issuer is only obliged to inform the Agent according to Clause 15.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with Nasdaq

Stockholm (or any other Regulated Market or a Multilateral Trading Facility ("MTF"), as applicable). If such a conflict would exist pursuant to the listing contract with Nasdaq Stockholm (or any other Regulated Market or MTF, as applicable) or otherwise, the Issuer shall however be obliged to either seek the approval from Nasdaq Stockholm (or any other Regulated Market or MTF, as applicable) or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Clause 15.4.

- 15.6 If the Agent has been notified by the Issuer or has otherwise determined that there is a default under these Terms and Conditions according to Clause 15.1, the Agent shall (i) notify, within five (5) Business Days of the day of notification or determination, the Bondholders of the default and (ii) decide, within twenty (20) Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Bondholders that there exists a right of termination and obtain instructions from the Bondholders according to the provisions in Clause 17 (*Decisions by Bondholders*). If the Bondholders vote in favour of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Bondholders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 15.7 If the Bondholders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Clause 17 (*Decisions by Bondholders*) the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Bondholders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 15.8 If the Bonds are declared due and payable in accordance with the provisions in this Clause 15, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 15.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Clause 15 without relevant decision by the Agent or following instructions from the Bondholders' pursuant to Clause 17 (*Decisions by Bondholders*).
- 15.10 If the Bonds are declared due and payable in accordance with this Clause 15, the Issuer shall redeem all Bonds with an amount per Bond equal to the Call Option Amount for the relevant period.

## **16. DISTRIBUTION OF PROCEEDS**

- 16.1 If the Bonds have been declared due and payable in accordance with Clause 15 (*Termination of the Bonds*), all payments by the Issuer relating to the Bonds shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent, (ii) other costs, expenses and indemnities relating to the termination of the Bonds, the enforcement of the security interest created under the Security Documents, or the protection of the Bondholders' rights, (iii) any non-reimbursed costs incurred by the Agent for external

experts, and (iv) any non-reimbursed costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure;

- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under these Terms and Conditions.

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

- 16.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 16.1, such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 16.1.
- 16.3 Funds that the Agent receives (directly or indirectly) in connection with the termination of the Bonds constitute escrow funds according to the Escrow Funds Act and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 16 as soon as reasonably practicable.
- 16.4 If the Issuer or the Agent shall make any payment under this Clause 16, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 9.1 shall apply.

## **17. DECISIONS BY BONDHOLDERS**

- 17.1 A request by the Agent for a decision by the Bondholders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 17.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least 10 per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 17.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

- 17.4 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Bondholder*) from a Person who is, registered as a Bondholder:
- (a) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (b) on the Business Day specified in the communication pursuant to Clause 19.3, in respect of a Written Procedure,
- may exercise voting rights as a Bondholders at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- 17.5 The following matters shall require consent of Bondholders representing at least three quarters (3/4) 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 19.3:
- (a) waive a breach of or amend an undertaking set out in Clause 12 (*Special undertakings*);
  - (b) release any security provided under the Security Documents;
  - (c) reduce the principal amount, Interest Rate or Interest which shall be paid by the Issuer;
  - (d) amend any payment day for principal or Interest or waive any breach of a payment undertaking; or
  - (e) amend the provisions in this Clause 17.5 and Clause 17.6.
- 17.6 Any matter not covered by Clause 17.5 shall require the consent of Bondholders representing more than 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 19.3. This includes, but is not limited to, any amendment to or waiver of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 20.1 (a), (b) or (c)), a termination of the Bonds or the enforcement of any security under the Security Documents.
- 17.7 If the number of votes or replies are equal, the opinion which is most beneficial for the Issuer, according to the chairman at a Bondholders' Meeting or the Agent in a Written Procedure, will prevail. The chairman at a Bondholders' Meeting shall be appointed by the Bondholders in accordance with Clause 17.6.
- 17.8 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least 50 per cent. of the Adjusted Nominal Amount in case of matter pursuant to Clause 17.5 and otherwise 20 per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 17.9 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may

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be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for ' consent. The quorum requirement in Clause 17.8 shall not apply to such second Bondholders' Meeting or Written Procedure.

- 17.10 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.11 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.12 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholders 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.
- 17.13 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- 17.14 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.15 If a decision shall be taken by the Bondholders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies their Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company an Affiliate of a Group Company.
- 17.16 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **18. BONDHOLDERS' MEETING**

- 18.1 The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons). If the Bondholders' Meeting has been requested by the Bondholder(s), the Agent shall send a copy of the notice to the Issuer.
- 18.2 Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 18.1 with a copy to the Agent. After a request from the Bondholders pursuant to Clause 21.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18.1.

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- 18.3 The notice pursuant to Clause 18.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- 18.4 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 18.5 If the Agent, in breach of these Terms and Conditions, has not convened a Bondholders' Meeting within five (5) Business Days after having received such notice, the requesting Person may convene the Bondholders' Meeting itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD and, if no Person to open the Bondholders' Meeting has been appointed by the Agent, the meeting shall be opened by a Person appointed by the requesting Person.
- 18.6 At a Bondholders' Meeting, the Issuer, the Bondholders (or the Bondholders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Bondholders' Meeting. The Bondholders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Bondholders' Meeting instead of the Bondholder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Bondholder.
- 18.7 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **19. WRITTEN PROCEDURE**

- 19.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such Person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent. If the Written Procedure has been requested by the Bondholder(s), the Agent shall send a copy of the communication to the Issuer.
- 19.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19.1 to each Bondholder with a copy to the Agent.
- 19.3 A communication pursuant to Clause 19.1 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 (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 19.1), (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 but not more than twenty (20) Business Days from the communication pursuant to Clause 19.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

- 19.4 If the Agent, in breach of these Terms and Conditions, has not instigated a Written Procedure within five (5) Business Days after having received such notice, the requesting Person may instigate a Written Procedure itself. If the requesting Person is a Bondholder, the Issuer shall upon request from such Bondholder provide the Bondholder with necessary information from the register kept by the CSD.
- 19.5 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clause 17.5 and 17.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.5 or 17.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **20. AMENDMENTS AND WAIVERS**

- 20.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend these Terms and Conditions or waive any provision in these Terms and Conditions, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority;
  - (c) such amendment or waiver is necessary for the purpose of listing the Bonds on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable) provided such amendment or waiver does not materially adversely affect the rights of the Bondholders; or
  - (d) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*).
- 20.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment or waiver to these Terms and Conditions. It is sufficient if such consent approves the substance of the amendment or waiver.
- 20.3 The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 20.4 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Bondholders' Meeting, in the Written Procedure or by the Agent, as the case may be.

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

### **21.1 Appointment of Agent**

- 21.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and these Terms and Conditions, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such 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. By acquiring Bonds, each



subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.

- 21.1.2 Each Bondholder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 21.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions.
- 21.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and Conditions and the Agent Agreement, and the Agent's obligations as agent under these Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.
- 21.1.5 The Agent may act as agent for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## 21.2 **Duties of the Agent**

- 21.2.1 The Agent shall represent the Bondholders in accordance with these Terms and Conditions. However, the Agent is not responsible for the execution or enforceability of these Terms and Conditions. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available on the website of the Agent.
- 21.2.2 Upon request by a Bondholder, the Agent shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds (at the discretion of the Agent). The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Bondholder disclose the identity of any other Bondholder who has consented to the Agent in doing so.
- 21.2.3 When acting in accordance with these Terms and Conditions, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under these Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill.
- 21.2.4 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under these Terms and Conditions.
- 21.2.5 The Agent shall treat all Bondholders equally and, when acting pursuant to these Terms and Conditions, 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 these Terms and Conditions and the Agent Agreement.

- 21.2.6 The Agent shall be entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 21.2.7 The Agent is entitled to engage external experts when carrying out its duties under these Terms and Conditions. The Issuer shall on demand by the Agent pay all costs for external experts engaged (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under these Terms and Conditions or (iii) when the Agent is to make a determination under these Terms and Conditions. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under these Terms and Conditions shall be distributed in accordance with Clause 16 (*Distribution of proceeds*).
- 21.2.8 The Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under these Terms and Conditions.
- 21.2.9 Notwithstanding any other provision of these Terms and Conditions to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 21.2.10 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 21.2.11 The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under these Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement, or (ii) if it refrains from acting for any reason described in Clause 21.2.10.

### 21.3 **Limited liability for the Agent**

- 21.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 21.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 21.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to these Terms and Conditions to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the

regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

21.3.4 The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with Clause 17 (*Decisions by Bondholders*).

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

#### 21.4 **Replacement of the Agent**

21.4.1 Subject to Clause 21.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

21.4.2 Subject to Clause 21.4.6, if the Agent is insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

21.4.3 A Bondholder (or Bondholders) representing at least 10 per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.

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

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

21.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.

21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of these Terms and Conditions but shall remain entitled to the benefit of these Terms and Conditions and remain liable under these Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same

rights and obligations amongst themselves under these Terms and Conditions as they would have had if such successor had been the original Agent.

21.4.8 In the event that there is a change of the Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under these Terms and Conditions and the Agent Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

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

- 22.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- 22.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **23. APPOINTMENT AND REPLACEMENT OF THE CSD**

- 23.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.
- 23.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder or the listing of the Bonds listed on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Market Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

## **24. NO DIRECT ACTIONS BY BONDHOLDERS**

- 24.1 A Bondholder may not take any steps whatsoever against the Issuer or a Subsidiary to enforce or recover any amount due or owing to it pursuant to these Terms and Conditions, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*Sw. företagsrekonstruktion*) or bankruptcy (*Sw. konkurs*) (or its equivalent in any other jurisdiction) of the Issuer or a Subsidiary in relation to any of the liabilities of the Issuer under these Terms and Conditions. Such steps may only be taken by the Agent.
- 24.2 Clause 24.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with these Terms and Conditions to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 21.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agent Agreement or by any reason described in Clause 21.2.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.11 before a Bondholder may take any action referred to in Clause 24.1.

24.3 The provisions of Clause 24.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 11.4 (*Mandatory repurchase due to a Change of Control Event, Listing Failure or Conditions Precedent Failure (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## 25. TIME-BAR

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

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

## 26. NOTICES AND PRESS RELEASES

### 26.1 Notices

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

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

26.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 26.1.1.

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

## 26.2 Press releases

- 26.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 11.3, 11.4, 12.9.1(d), 15.6, 16.4, 17.16, 18.1, 19.1, 20.3, 21.2.11 and 21.4.1 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 26.2.2 In addition to Clause 26.2.1, if any information relating to the Bonds, the Issuer or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## 27. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 27.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "Force Majeure Event"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 27.2 The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 27.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 27.4 The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## 28. LISTING

The Issuer intends to list the Bonds within thirty (30) calendar days, and has undertaken to list the Bonds within twelve (12) months, after the Issue Date on the corporate bond list of Nasdaq Stockholm (or any other Regulated Market) in accordance with Clause 12.2 (*Listing of Bonds*). Further, if the Bonds have not been listed on the corporate bond list of Nasdaq Stockholm within sixty (60) calendar days after the Issue Date, each Bondholder has a right of repayment (put option) of its Bonds in accordance with Clause 11.4 (*Mandatory repurchase due to a Change of Control Event, Listing Failure or Conditions Precedent Failure (put option)*).

## 29. GOVERNING LAW AND JURISDICTION

- 29.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 29.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 29.3, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.

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29.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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

Place: \_\_\_\_\_

Date: \_\_\_\_\_

**PRIME LIVING AB (PUBL)**  
as Issuer

\_\_\_\_\_  
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 Agent

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

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