

Notice of Written Procedure for notes issued by DDM Treasury Sweden AB (publ)

To the noteholders of the up to SEK 500,000,000 Senior Secured Fixed Rate notes with ISIN SE0005280831 (the "Notes") issued by DDM Treasury Sweden AB (publ) (the "Issuer") on 27 June 2013

(For explanations of capitalized terms used but not defined below, reference is made to the terms and conditions for the Notes, hereinafter the "Terms and Conditions".)

This notice has been sent by the Agent to directly registered owners and registered authorized nominees (förvaltare) as of 8 May 2015 in the debt ledger produced by Euroclear Sweden. If you are an authorized nominee under the Swedish Financial Instruments Accounts Act or if you otherwise are holding Notes on behalf of someone else on a Securities Account, please forward this notice to the holder that you represent as soon as possible. See under *Voting rights in section B*, see section B. (*Decision procedure*) for further information.

CorpNordic Sweden AB (the "**Agent**") acting in its capacity as Agent for the Noteholders under the Terms and Conditions, hereby initiates a Written Procedure whereby the Noteholders can approve or reject a Request made by the Issuer. The Request is described in section A (*Request*) below.

Noteholders participate by completing and sending the voting form attached below to the Agent. The Agent must **receive the voting form no later than at 17.00 (CET) on 11 June 2015** by mail, via courier or e-mail to the addresses indicated below. Votes received thereafter will be disregarded. Please note that the Written Procedure may expire early if the requisite majority consents of the total Adjusted Nominal Amount have been received in advance of 11 June 2015.

To be eligible to participate in the Written Procedure a person must fulfill the formal criteria for being a Noteholder on 25 May 2015 (the "**Record Date**"). This means that the person must be registered on a Securities Account with Euroclear Sweden as a direct registered owner (*direktregistrerad ägare*) or authorized nominee (*förvaltare*) with respect to one or several Notes.

If you have an interest in a Note but are not registered as a direct registered owner or authorized nominee on a Securities Account, you need to obtain a power of attorney or other proof of authorization from the person who fulfils the formal criteria for being a Noteholder on the Record Date, to be able to participate. An alternative may be to ask the person that is registered as a Noteholder and holds the Notes on your behalf to vote in its own name as instructed by you. For further information on voting, please see under *Voting rights in section B. (Decision procedure)*.

Please contact the securities firm you hold your Notes through if you do not know how your Notes are registered or if you need authorization or other assistance to participate.

A. Request

Background

The Issuer is looking to come to an agreement with the Noteholders regarding an amendment and restatement of the Terms and Conditions (the "**Notes Exchange**"). The Notes Exchange aims to remove certain restrictions on the possibilities for growth and profitability of the Issuer and to extend the tenor of the Notes. The amended terms are structured so that the Issuer can continue its function as the primary source of funding, thus increasing transparency and the amount of assets within its secured structure.

The Issuer has prepared an information document containing important information about the Request. The information document is attached to this notice as Appendix 3 and Noteholders are urged to read it in its entirety. However, nothing in that information document shall be construed as amending the Request set out in this notice. In case of any inconsistency between the information contained in the information document and this notice, the information contained in this notice shall prevail.

A full version of:

- (i) the Terms and Conditions in the form of a mark-up showing the proposed amendments are attached as Appendix 1 (the "**Proposed Amended and Restated Terms and Conditions**"); and
- (ii) an intercreditor agreement, as it is proposed to be executed is attached as Appendix 2 (the "**Intercreditor Agreement**").

Request

The Issuer requests that the Noteholders approve the following:

- (i) to amend and restate the Terms and Conditions in the form set out in the Proposed Amended and Restated Terms and Conditions;
- (ii) to approve that the Agent enters into the Intercreditor Agreement as representative for the Noteholders;
- (iii) to authorise the Agent to do all such other acts and things and to execute such other agreements or documents as may be necessary or desirable to give effect to the substance of this Request.

The above is hereinafter referred to as the "**Request**". The Amended and Restated Terms and Conditions and the Intercreditor Agreement shall become effective on the

date falling seven (7) Business Days from a valid approval of the Request (the "**Effective Date**").

Consideration

Provided that the Request is approved in the Written Procedure, the Issuer will on the Effective Date:

- (i) make an extra cash payment equal to four (4) per cent. of the Nominal Amount for each Note (the "**Implementation Fee**") to each person who is registered as a Noteholder on the date falling five (5) Business Days prior to the Effective Date (the "**Implementation Fee Record Date**"); and
- (ii) procure that all shares in the following entities currently held by DDM Group AG on the Effective Date are transferred to the direct ownership of the Issuer and pledged to the Secured Parties in accordance with the Amended and Restated Terms and Conditions:

DDM Invest I AG;
DDM Invest II AG;
DDM Invest III AG;
DDM Invest IV AG; and
DDM Invest X AG.

See Section B. (*Decision procedure*) - *Notification of outcome in the Written Procedure* for the means of communication regarding the Effective Date and the Implementation Fee Record Date. See also Section C. (*Swedish tax treatment of the Implementation Fee*) for an explanation of the tax treatment of the Implementation Fee as deemed by the Issuer.

B. Decision procedure

The Agent will determine if received replies are eligible to participate and calculate the result.

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

Information about the decision taken in the Written Procedure will be sent by notice to the Noteholders, be published as a press release by the Issuer and the Agent and be published on the websites of the Group and the Agent.

The minutes from the Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

If the Request is approved, such approval will be binding on all Noteholders, irrespective of them responding in the Written Procedure.

Voting rights

Anyone who wishes to participate in the Written Procedure must on 25 May 2015 (the "**Record Date**"):

- (i) be registered on a Securities Account as a direct registered owner (*direktregistrerad ägare*); or
- (ii) be registered on a Securities Account as authorized nominee (*förvaltare*), with respect to one or several Notes.

If you are not registered as a direct registered owner, but your Notes are held through a registered authorized nominee (*förvaltare*) or another intermediary, you may have two different options to influence the voting for the Notes.

1. You can ask the authorized nominee or other intermediary that holds the Notes on your behalf to vote in its own name as instructed by you.
2. You can obtain a power of attorney or other authorization from the authorized nominee or other intermediary and send in your own voting form based on the authorization. If you hold your Notes through several intermediaries, you need to obtain authorization directly from the intermediary that is registered on the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered on the Securities Account as authorized nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorized nominee or other intermediary that holds the Notes 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 Notes on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Notes are registered or need authorization or other assistance to participate.

Notes owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

Quorum

Quorum only exists if Noteholders representing at least fifty (50) per cent. of the Adjusted Nominal Amount reply to the request in the Written Procedure.

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. At the option of each Noteholder, a voting form provided at or before 17.00 (CET) on 11 June 2015 in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

Majority

At least eighty (80) per cent. of the Adjusted Nominal Amount for which Noteholders reply in the Written Procedure must consent to the Issuer's Request in order for it to be approved since the Proposed Amended and Restated Terms and Conditions includes an extension of the tenor of the Notes.

Final date to vote in the Written Procedure

The Agent must have received the votes by mail, courier or e-mail to the address indicated below no later than at 17.00 (CET) on 11 June 2015. Votes received thereafter may be disregarded. Please note that the Written Procedure may expire early if the requisite majority consents of the total Adjusted Nominal Amount have been received in advance of 11 June 2015.

Notification of outcome in the Written Procedure

The outcome in the Written Procedure will be notified by the Issuer promptly following the expiry thereof by way of press release by the Issuer, publication on the webpages www.ddm-group.ch and www.corpnordic.com and by notice to the Noteholders. Such notification will specify the Implementation Fee Record Date and the Effective Date.

Address for sending replies

By regular mail:

CorpNordic Sweden AB
Attn: Anna Litewka
P.O. Box 162 85
103 25 Stockholm

By courier:

CorpNordic Sweden AB
Attn: Anna Litewka
Sergels Torg 12, 12th floor
111 57 Stockholm

By e-mail:

E-mail: trustee@corpnordic.com

C. Swedish tax treatment of the Implementation Fee

Swedish tax law generally provides for an obligation for Euroclear Sweden or a Swedish nominee to withhold Swedish preliminary income tax on payments of amounts that are considered to be interest for Swedish tax purposes and any other yield which is paid at the same time as interest to an individual (or an estate of a deceased individual) holder of Notes that is tax resident in Sweden. The position has been taken that the Implementation Fee should be treated as an interest payment for withholding

obligation purposes. Consequently, a preliminary tax of 30 per cent will be withheld by Euroclear Sweden or a nominee on the payment of the Implementation Fee to an individual (or the estate of a deceased individual) that is a Swedish tax resident holder of Notes but not for any other holders.

VOTING FORM

for the Written Procedure in the up to SEK 500,000,000 Senior Secured Fixed Rate Notes with ISIN SE0005280831 (the "Notes") issued by DDM Treasury Sweden AB (publ)

DDM Treasury Sweden AB (publ) requests the Noteholders to approve the Request set out in the notice for the Written Procedure.

The Agent is hereby empowered to enter into all necessary documentation required to implement the Request, in the event that the Request is approved.

Reply

Name of person/entity voting: _____

Nominal Amount voted for: _____

The undersigned hereby (put a cross in the appropriate box):

Approve

Reject

Refrain from voting

with respect to the Request.

The undersigned hereby confirms (put a cross in the appropriate box) that this voting form shall constitute a vote also for a second Written Procedure (if any) pursuant to clause 17.8 of the Terms and Conditions with respect to the Request:

Confirmed

Not confirmed

Signature

Name in print:

Contact information

Email:

Tel:

NOTE: Please attach a power of attorney/authorization if the person/entity voting is not registered on the Securities Account as a direct registered owner or authorized nominee. The voting form shall be signed by an authorized signatory. A certified copy of a registration certificate or a corresponding authorization document for the legal entity shall be appended to the voting form for any legal entity voting. The registration certificate, where applicable, may not be older than one year.

POWER OF ATTORNEY/AUTHORISATION¹

for the Written Procedure in the up to SEK 500,000,000 Senior Secured Fixed Rate Notes with ISIN SE0005280831 (the "Notes") issued by DDM Treasury Sweden AB (publ)

Authorized Person²: _____

Nominal Amount³: _____

Grantor of authority⁴: _____

We hereby confirm that the Authorized Person specified above has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of⁵: _____

We are (put a cross in the appropriate box):

Registered as authorized nominee on a Securities Account

Registered as direct registered owner on a Securities Account

Other intermediary and hold the Notes

through⁶ _____

Date:

Signature

Name in print:

¹ Use this form to confirm a person's/entity's authority to vote if the person/entity is not registered as a direct registered owner or authorized nominee.

² Insert the name of the person/entity that should be authorized to vote.

³ Insert the aggregate nominal amount the Authorized Person should be able to vote for.

⁴ Insert the name of entity/person confirming the authority.

⁵ The total Nominal Amount the undersigned represents

⁶ Mark this option if the undersigned is not registered as authorized nominee or direct registered owner in the Securities Account kept by Euroclear Sweden. Please insert the name of the firm the undersigned holds the Notes through.

For further questions please see below:

To the Agent: CorpNordic Sweden AB,
Anna Litewka, a.litewka@corpnordic.com, +46 8 402 72 11

To the Issuer: DDM Treasury Sweden AB (publ)
Gustav Hultgren, g.hultgren@ddm-group.ch, +46 8 4080 9030

Stockholm, 18 May 2015

**CorpNordic Sweden AB
as Agent**



**TERMS AND CONDITIONS FOR
DDM TREASURY SWEDEN AB (publ)
UP TO SEK ~~500,000,000~~ 700,000,000
SENIOR SECURED FIXED RATE NOTES
ISIN: SE0005280831**

Originally dated 20 June 2013 and consolidated as amended with effect from 18 February 2014 pursuant to resolutions passed in a written procedure for which notice was given on 22 January 2014 and as further amended with effect from [•] 2015 pursuant to resolutions passed in a written procedure for which notice was given on 18 May 2015.

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

TABLE OF CONTENTS

1.	DEFINITIONS AND CONSTRUCTION	1
2.	STATUS OF THE NOTES	6 <u>8</u>
3.	USE OF PROCEEDS	7 <u>9</u>
4.	CONDITIONS FOR DISBURSEMENT	7 <u>9</u>
5.	NOTES IN BOOK-ENTRY FORM	8 <u>10</u>
6.	RIGHT TO ACT ON BEHALF OF A NOTEHOLDER	8 <u>10</u>
7.	PAYMENTS IN RESPECT OF THE NOTES	9 <u>11</u>
8.	INTEREST	9 <u>11</u>
9.	REDEMPTION AND REPURCHASE OF THE NOTES	10 <u>12</u>
10.	TRANSACTION SECURITY	12 <u>14</u>
11.	INFORMATION TO NOTEHOLDERS	12 <u>14</u>
12.	GENERAL UNDERTAKINGS	14 <u>16</u>
13.	FINANCIAL UNDERTAKINGS <u>UNDERTAKING</u>	16 <u>21</u>
14.	ACCELERATION OF THE NOTES	17 <u>21</u>
15.	DISTRIBUTION OF PROCEEDS	18 <u>23</u>
16.	NOTEHOLDERS' COMMITTEE	19 <u>24</u>
17.	DECISIONS BY NOTEHOLDERS	20 <u>24</u>
18.	NOTEHOLDERS' MEETING	23 <u>27</u>
19.	WRITTEN PROCEDURE	23 <u>27</u>
20.	AMENDMENTS AND WAIVERS	24 <u>28</u>
21.	APPOINTMENT AND REPLACEMENT OF THE AGENT	24 <u>29</u>
22.	APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT	27 <u>32</u>
23.	NO DIRECT ACTIONS BY NOTEHOLDERS	27 <u>32</u>
24.	PRESCRIPTION	28 <u>32</u>
25.	NOTICES AND PRESS RELEASES	28 <u>33</u>
26.	FORCE MAJEURE AND LIMITATION OF LIABILITY	29 <u>34</u>
27.	GOVERNING LAW AND JURISDICTION	29 <u>34</u>

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

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

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

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

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

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

“**Applicable Premium**” means the higher of:

- (a) 1.00 per cent. of the Nominal Amount; and
- (b) an amount equal to
 - (i) 104 per cent. of the Nominal Amount; plus
 - (ii) all remaining scheduled Interest payments on the Note until the First Call Date (but excluding accrued but unpaid Interest up to the relevant Redemption Date), discounted (for the time period starting from the relevant Redemption Date to the First Call Date or the relevant Interest Payment Date, as the case may be) using a discount rate equal to the yield of the Swedish Government Bond with a maturity date on or about the First Call Date plus 0.50 per cent., minus
 - (iii) the Nominal Amount.

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

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

~~“**Cash Balance**” means the positive balance of cash held by DDM Invest XX on a SEK-denominated bank account.~~

~~“**Change of Control Event**” means, in relation to the Parent, (i) an event or series of events resulting in Mr. Kent Hansson and Dr. Manuel Vogel ceasing to, individually or jointly, own and control at least 51 per cent. of the votes and shares in the Parent, or (ii) ceasing to have the power to appoint and remove the majority of the board of directors of the Parent. that:~~

- ~~(a) Mr. Kent Hansson and Dr. Manuel Vogel cease to, individually or jointly, own and control at least forty (40) per cent. of the votes and shares in DDM Holding AG due to any act or circumstance other than a new issue of shares in DDM Holding AG;~~
- ~~(b) a person (or several persons who either (A) are, in respect of individuals, related, (B) are, in respect of legal entities, members of the same group or (C) who act or have agreed to act in concert), other than Mr. Kent Hansson and Dr. Manuel Vogel, establish ownership or control of more than fifty (50) per cent. of the votes and shares in DDM Holding AG; or~~
- ~~(c) shares in DDM Holding AG cease to be listed on a Regulated Market or an MTF.~~

~~“**Co-Investment**” means an Investment (i) made by a person other than an Issuer Group Company in an Issuer Group Company, (ii) for the purpose of co-investing with such Issuer Group Company in an Investment made by the Issuer Group Company, and (iii) pursuant to which such person will only be entitled to receive proceeds from the Investment made by the relevant Issuer Group Company in an amount not higher than the fraction of (A) such person’s Investment in the relevant Issuer Group Company to (B) the Investment made by the relevant Issuer Group Company.~~

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

“**DDM Invest XX**” means DDM Invest XX AG, a limited liability company ~~(De: (De:)~~*aktiengesellschaft*) incorporated under the laws of Switzerland with Reg. No. CH~~—170.3.037.020—6.~~170.3.037.020-6

“**Debt Instruments**” means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or an MTF.

“**Distribution**” has the meaning set forth in Clause 12.6.

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

“**Event of Default**” means an event or circumstance specified in Clause 14.1.

“**Equity**” means the ~~Total Assets minus the~~ sum of ~~all Financial Indebtedness owed by~~ the Issuer Group’s ~~(other than i)~~ restricted equity (*bundet eget kapital*), (ii) non-restricted equity (*fritt eget kapital*) and (iii) Financial Indebtedness ~~owed by of~~ the Issuer ~~and~~ which is subordinated to the Notes) (for the avoidance of doubt not taking into account the sum of any Co-Investments), on a consolidated basis, calculated in accordance with the Accounting Principles.

“**Final Maturity Date**” means 27 ~~June 2016~~ December 2018.

“**Finance Documents**” means these Terms and Conditions, the Intercreditor Agreement, the Security Documents, the Loan ~~Agreement~~ Agreements, each Structure Loan Note and any other document designated by the Issuer and the Agent as a Finance Document.

“**Financial Indebtedness**” means:

- (a) moneys borrowed (including under any bank financing);
- (b) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any amount raised pursuant to any note purchase facility or the issue of any bond or note or similar instrument;
- (e) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (f) the marked-to-market value of derivative transactions entered into in connection with protection against or benefit from fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (g) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (h) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

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

“**First Call Date**” means 27 ~~June 2015~~ November 2016.

“**First Issue Date**” means 27 June 2013.

“**Force Majeure Event**” has the meaning set forth in Clause 26.1.

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

“Hedge Counterparty” means any person who becomes a “Hedge Counterparty” pursuant to the [Intercreditor Agreement](#).

“Initial Notes” means the Notes issued on the First Issue Date.

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

“Intercreditor Agreement” means the [intercreditor agreement entered into between the Issuer and the Agent \(representing the Noteholders and the Secured Parties\) and to which creditors which benefit from the Security shall accede pursuant to Clause 12.5.1\(a\) or \(b\)](#).

“Interest” means the interest on the Notes calculated in accordance with Clauses 8.1 to 8.3.

“Interest Payment Date” means 5 January and 5 July of 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. The first Interest Payment Date for the Notes shall be 5 January [2014](#) and the last Interest Payment Date shall be the relevant Redemption Date.

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

“Interest Rate” means 13 per cent. *per annum*.

“Investment” means [the provision of, and/or investments in, loans, bonds, notes, debentures and any other form of debt and/or equity, other than common stock](#).

“Issuer” means DDM Treasury Sweden AB (publ), a public limited liability company (*publikt aktiebolag*) incorporated under the laws of Sweden with Reg. No. 556910-3053.

“Issuer Group” means the Issuer and its Subsidiaries from time to time [\(each an “Issuer Group Company”\)](#).

“Issuing Agent” means Nordic Fixed Income AB, Reg. No. 556545-0383, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“Loan Agreement” means the loan agreement in respect of loans provided by the Issuer to ~~DDM Invest XX~~ [any Subsidiary](#) and evidenced by Structure Loan Notes.

“Market Loans” means [bonds, notes or other debt securities \(however defined\), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market](#).

“**MTF**” means any multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

~~“**Net Collection**” means the gross collection in respect of the debt portfolios held by DDM Invest XX minus commission to collection agencies.~~

“**New Creditor**” means a provider of New Debt.

“**New Debt**” means Financial Indebtedness incurred by the Issuer in accordance with Clause 12.5.1(a) or (b).

“**New Debt Documents**” means all documents relating to any New Debt.

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

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

“**Noteholders’ Committee**” has the meaning set forth in Clause 16 (*Noteholders’ Committee*).

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 18 (*Noteholders’ Meeting*).

“**Note**” means a debt instrument (*skuldförbindelse*) with ISIN SE0005280831 for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions, including the Initial Notes and any Subsequent Notes.

“**Parent**” means DDM Group AG, a limited liability company (De: *aktiengesellschaft*) incorporated under the laws of Switzerland with Reg. No. CH - 170.3.034.050 - 0.

“**Permitted Costs**” means costs, fees and expenses relating to:

- (a) legal, audit, custodial, consulting, valuation and other professional services relating to the Issuer Group Companies and the Notes;
- (b) any Financial Indebtedness incurred by the Issuer Group Companies, including but not limited to, bank fees and interest payments;
- (c) hedging transactions;
- (d) transfer, capital and other taxes and duties;
- (e) the Issuer maintaining a permanent establishment in Sweden, as reasonably and properly incurred; and
- (f) acquiring, holding, selling or otherwise disposing of assets in accordance with the Finance Documents, as reasonably and properly incurred.

“**Record Date**” means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 15 (*Distribution of proceeds*), (iv) the date of a Noteholders’ Meeting, or (v)

another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and repurchase of the Notes*).

“**Reference Date**” means each of 31 March, 30 June, 30 September and 31 December in each year during the term of the Notes.

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

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

“**Secured Finance Documents**” means (i) the Finance Documents, (ii) the Agency Agreement, (iii) any and all currency or interest swaps and/or interest cap and/or other hedging agreements entered into or to be entered into between an Issuer Group Company and a Hedge Counterparty (as defined in the Intercreditor Agreement) and approved by the Agent in accordance with the Intercreditor Agreement, and (iv) any New Debt Documents.

“**Secured Obligations**” means all present and future payment obligations and liabilities of the Issuer to the Secured Parties under the (whether actual and contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Issuer Group Company or by some other person) of each Issuer Group Company under each of the Secured Finance Documents and the Agency Agreement.

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

“**Secured Party**” means each of the Agent, the Agent, the Noteholders, any New Creditor and any Hedge Counterparty.

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

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

“**Security Documents**” means ~~the pledge agreement(s) in respect of the shares in DDM Invest XX and any Structure Loan Note.~~

(a) the pledge agreement in respect of all shares in the Issuer;

(b) the pledge agreement(s) in respect of all shares in each direct Subsidiary to the Issuer, initially;

- (i) [DDM Invest I AG, a limited liability company incorporated under the laws of Switzerland with Reg. No. CHE-113.863.850;](#)
 - (ii) [DDM Invest II AG, a limited liability company incorporated under the laws of Switzerland with Reg. No. CHE-115.038.302;](#)
 - (iii) [DDM Invest III AG, a limited liability company incorporated under the laws of Switzerland with Reg. No. CHE-115.238.947;](#)
 - (iv) [DDM Invest IV AG, a limited liability company incorporated under the laws of Switzerland with Reg. No. CHE-317.413.116;](#)
 - (v) [DDM Invest X AG, a limited liability company incorporated under the laws of Switzerland with Reg. No. CHE-130.419.930; and](#)
 - (vi) [DDM Invest XX;](#)
- (c) [each pledge agreement in respect of one or several Structure Loan Notes; and](#)
- (d) [any other document entered into by the Agent which creates any Security for the Secured Obligations.](#)

“**Structure Loan Note**” ~~means a promissory note issued by DDM Invest XX to the Issuer~~ [has the meaning set out in Clause 12.10 \(Structure Loan Notes\).](#)

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

“**Subsidiary**” means, in relation to any person, any legal entity (whether incorporated or not), in respect of which such person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (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 international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

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

“**Total Assets**” means [the sum of](#) the total assets of the Issuer Group [on a consolidated basis, calculated](#) in accordance with the Accounting Principles, [minus the total sum of any Co-Investments.](#)

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

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

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders 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, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) a time of day is a reference to Stockholm time.

1.2.2 ~~1.2.1~~ When ascertaining whether a limit or threshold specified in ~~Swedish Kronor~~ Euro has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against ~~Swedish Kronor~~ Euro for the previous Business Day, as published by the ~~Swedish-European~~ Central Bank (~~Riksbanken~~) on its website (~~www.riksbank.se~~(www.ecb.europa.eu)). If no such rate is available, the most recently published rate shall be used instead.

1.2.3 ~~1.2.2~~ A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.

1.2.4 ~~1.2.3~~ No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

2. STATUS OF THE NOTES

2.1 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.

2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.

2.3 The nominal amount of each Initial Note is SEK 1,000,000 (the “**Nominal Amount**”). The total nominal amount of the Initial Notes ~~is on the First Issue Date was~~ SEK 200,000,000. All Initial Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.

2.4 Provided that no Event of Default is continuing or would result from such issue, the Issuer may, at one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit

from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The price of the Subsequent Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK ~~500,000,000~~ 700,000,000 unless a consent from the Noteholders is obtained in accordance with Clause 17.6. Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Notes.

- 2.5 The Notes constitute direct, unconditional, secured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and *pari passu* with any other Secured Debt in accordance with the Intercreditor Agreement.
- 2.6 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

3. USE OF PROCEEDS

The Issuer shall use the proceeds from each issue of Notes to ~~extend an intra-group loan to DDM Invest XX to~~ finance ~~its~~ the business of the Issuer Group as set out in Clause 12.3-2. ~~Such intra-group loan shall be evidenced by a Structure Loan Note (Business of the Issuer Group).~~

4. CONDITIONS FOR DISBURSEMENT

- 4.1 The Issuer shall provide to the Agent, prior to the issuance of the Initial Notes the following, in form and substance satisfactory to the Agent:
- (a) the Finance Documents and the Agency Agreement duly executed by the Issuer, the Agent and/or DDM Invest XX, as applicable;
 - (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial Notes, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
 - (c) a copy of a resolution from the board of directors of DDM Invest XX approving the terms of a Structure Loan Note in the form set out in Clause ~~12.8.1~~ 12.10.1 and resolving to issue such Structure Loan Note to the Issuer;
 - (d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement and any other documents in connection therewith on behalf of the Issuer or DDM Invest XX, as the case may be, is/are duly authorised to do so; and

- (e) such other documents and information as is specified in the Security Documents or otherwise agreed between the Agent and the Issuer.
- 4.2 The Issuer shall provide to the Agent, prior to the issuance of any Subsequent Notes the following, in form and substance satisfactory to the Agent:
- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Notes and resolving to enter into documents necessary in connection therewith;
- (b) a copy of a resolution from the board of directors of ~~DDM Invest XX~~ the relevant Subsidiary/Subsidiaries approving the terms of a Structure Loan Note in the form set out in Clause ~~12.8.1~~ 12.10.1 and resolving to issue such Structure Loan Note to the Issuer;
- (c) a certificate from the Issuer confirming that no Event of Default is continuing or would result from the issue of the Subsequent Notes; and
- (d) such other documents and information as is specified in the Security Documents or otherwise agreed between the Agent and the Issuer.
- 4.3 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 or 4.2 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.
- 4.4 The Agent shall confirm to the Issuing Agent when the conditions in Clause 4.1 or 4.2, as the case may be, have been satisfied.
- 5. NOTES IN BOOK-ENTRY FORM**
- 5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.
- 5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 5.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 5.4 For the purpose of or in connection with any Noteholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.
- 5.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The

Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

6. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

- 6.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 6.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

7. PAYMENTS IN RESPECT OF THE NOTES

- 7.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 If a Noteholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8.4 during such postponement.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

8. INTEREST

- 8.1 Each Initial Note carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date.
- 8.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 8.3 Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- 8.4 If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9. REDEMPTION AND REPURCHASE OF THE NOTES

9.1 Redemption at maturity

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

9.2 Issuer's purchase of Notes

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

9.3 Voluntary total redemption (call option)

- 9.3.1 The Issuer may redeem all, but not some only, of the outstanding Notes in full:
- (a) any time prior to the First Call Date, at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, plus the Applicable Premium;
 - (b) any time from and including the First Call Date to, but excluding, ~~the first Business Day falling three months prior to the Final Maturity Date~~ 27 June 2017 at an amount per Note equal to 104 per cent. of the Nominal Amount, together with accrued but unpaid Interest; ~~and~~
 - (c) any time from and including ~~the first Business Day falling three months prior to the Final Maturity Date~~ 27 June 2017 to, but excluding, ~~the Final Maturity Date,~~

27 December 2017 at an amount per Note equal to ~~100~~102.5 per cent. of the Nominal Amount, together with accrued but unpaid Interest;

(d) any time from and including 27 December 2017 to, but excluding, 27 June 2018 at an amount per Note equal to 101 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and

(e) any time from and including 27 June 2018 to, but excluding, the Final Maturity Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest.

9.3.2 Redemption in accordance with Clause 9.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amounts.

9.4 Early redemption due to illegality (call option)

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

9.4.2 The Issuer shall give notice of any redemption pursuant to Clause 9.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).

9.4.3 A notice of redemption in accordance with Clause 9.4.1 is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Notes in full at the applicable amounts.

9.5 Mandatory repurchase due to a Change of Control Event (put option)

9.5.1 Upon a Change of Control Event occurring, each Noteholder shall have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1.2 (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.

9.5.2 The notice from the Issuer pursuant to Clause 11.1.2 shall specify the repurchase date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1.2. The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.5.1.

9.5.3 If Noteholders representing more than 80 per cent. of the Total Nominal Amount have requested that Notes held by them are repurchased pursuant to this Clause 9.5, the Issuer shall send a notice to the remaining Noteholders giving them a further opportunity to request that Notes held by them be repurchased on the same terms during a period of

twenty (20) Business Days following such notice. Such notice shall specify the repurchase date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to this Clause 9.5.3. The repurchase date must fall no later than forty (40) Business Days after the end of the period of twenty (20) Business Days referred to in this Clause 9.5.3.

- 9.5.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.
- 9.5.5 Any Notes repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained, sold or cancelled.
- 9.5.6 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 9.5, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in this Clause 9.5 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If the Notes tendered are not purchased within the time limits stipulated in this Clause 9.5, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.

10. TRANSACTION SECURITY

- 10.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer ~~grants on each~~ granted on the First Issue Date the Transaction Security, ~~as relevant in relation to shares in DDM Invest XX and a Structure Loan Note in relation to DDM Invest XX~~, to the Secured Parties as represented by the Agent. As further continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall grant Security (i) over all shares in each directly held Subsidiary no later than on the date such entity becomes a Subsidiary and (ii) in accordance with Clause 12.10 (Structure Loan Notes).
- 10.2 The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents and the Intercreditor Agreement. The Issuer shall enter into the Security Documents and perfect the Transaction Security in accordance with the Security Documents ~~on or before each Issue Date~~, as relevant.
- 10.3 Unless and until the Agent has received instructions from the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*), the Agent and the Agent shall (without first having to obtain the Noteholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Noteholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents. The Agent and the Agent shall enter into the Intercreditor Agreement in order to regulate, inter alia, the Noteholders rights to

[the Transaction Security, including the sharing of the Transaction Security with the other Secured Parties.](#)

11. INFORMATION TO NOTEHOLDERS

11.1 Information from the Issuer

- 11.1.1 The Issuer will make the following information available to the Noteholders by way of press release and by publication on the website of the Group (www.ddm-group.ch):
- (a) as soon as the same become available, but in any event within five (5) months after the end of each financial year, its audited consolidated financial statements for that financial year;
 - (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year from the quarter ending 30 September 2013, its unaudited consolidated financial statements or the year-end report (*bokslutskommuniké*) (as applicable) for such period;
 - (c) as soon as practicable following an acquisition or disposal of Notes by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Notes cancelled by the Issuer; and
 - (d) any other information required by the Swedish Securities Markets Act (*lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.
- 11.1.2 The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- 11.1.3 When the financial statements and other information are made available to the Noteholders pursuant to Clause 11.1.1, the Issuer shall send copies of such financial statements and other information to the Agent. Together with the financial statements, the Issuer shall submit to the Agent a compliance certificate (i) containing a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it, and (ii) attaching copies of any notices sent to the Regulated Market on which the Notes are admitted to trading. The compliance certificate shall be in a form agreed between the Issuer and the Agent and include figures in respect of the financial ~~undertakings~~ undertaking set out in ~~Clauses 13.1~~ Clause 13 (*Equity to Total Assets*) and ~~13.2 (Cash Balance to Total Nominal Amount)~~ Financial undertaking) and the basis on which ~~they have it has~~ been calculated.
- 11.1.4 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or

circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

11.2 Information from the Agent

11.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 16.4, the Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

11.2.2 Notwithstanding Clause 11.2.1, the Agent shall comply with an agreement regarding the non-disclosure of information received from the Issuer, which is entered into with the members of a Noteholders' Committee and the Issuer pursuant to Clause 16.4.

11.3 Publication of Finance Documents

11.3.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.

11.3.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

12. GENERAL UNDERTAKINGS

12.1 Compliance with laws

The Issuer shall comply, and shall procure that ~~DDM Invest XX~~ each other Issuer Group Company complies, in all material respects with all laws and regulations to which it may be subject and its articles of association and other constitutional documents.

12.2 Mergers

12.2.1 The Issuer shall not, ~~and shall procure that DDM Invest XX does not,~~ enter into any merger unless where it is the surviving entity.

12.2.2 The Issuer shall procure that none of its Subsidiaries enters into any merger except in mergers with another Issuer Group Company, provided that if the shares in the transferor company but not the transferee company are pledged subject to the Transaction Security, the shares in the transferee company are pledged to the Secured Parties on terms satisfactory to the Agent in accordance with the Intercreditor Agreement.

12.3 Business of the Issuer Group

12.3.1 The Issuer shall not carry out any other business than ~~issuing bonds on the capital market~~ financing the Issuer Group Companies, lending the proceeds from such ~~bonds to DDM Invest XX~~ financing to any or all of the Issuer Group Companies, owning the shares in ~~DDM Invest XX~~ the Issuer Group Companies other than the Issuer, and any business incidental thereto.

12.3.2 The Issuer shall procure that none of its Subsidiaries conducts any business other than:

- (a) ~~12.3.2~~ ~~The Issuer shall procure that DDM Invest XX does not conduct any other business than~~ (i) acquiring and managing, and (ii) making Investments in funding vehicles acquiring, distressed ~~consumer debt assets~~ where the debtors and originators in respect ~~of the consumer debt thereof~~ are domiciled in the jurisdictions of ~~Russia, Romania, the Republic of Croatia, the Republic of Slovenia, the Republic of Serbia, the Republic of Montenegro, Hungary~~ what is commonly referred to as Europe (including Cyprus and Turkey) and Russia, or any other jurisdictions approved by the Noteholders, ~~and any business incidental thereto;~~
- (b) owning the shares in any Issuer Group Company which conducts business as set out in paragraph (a); or
- (c) any business incidental to what is set out in paragraphs (a) and (b).

12.4 Financial Indebtedness

12.4.1 The Issuer shall not ~~incur or allow to subsist any Financial Indebtedness, except:~~ issue any Market Loans with a scheduled final redemption before the Final Maturity Date.

12.4.2 The Issuer shall procure that none of its Subsidiaries issues any Market Loans.

12.4.3 The Issuer shall procure that none of its Subsidiaries incurs or allows to subsist any Financial Indebtedness, except:

- (a) ~~the Notes;~~
- (b) ~~Financial Indebtedness that is subordinated to, or ranked *pari passu* with, the Notes and with a maturity after the Final Maturity Date;~~
- (c) ~~any Financial Indebtedness not permitted by paragraphs (a) or (b) above, provided that the aggregate amount of such indebtedness does not exceed SEK 2,000,000.~~

~~12.4.2 The Issuer shall procure that DDM Invest XX does not incur or allow to subsist any Financial Indebtedness, except:~~

- (a) ~~where DDM Invest XX is~~ when borrowing from ~~the another~~ Issuer Group Company;
- (b) amounts to be paid as deferred consideration to a seller of distressed consumer debt; ~~or~~
- (c) hedging transactions or other derivatives transactions for the purpose of hedging currency or interest rates, unless for speculative purposes;
- (d) incurred for the purpose of financing the purchase of distressed assets, provided that such Financial Indebtedness is outstanding only for a period of six (6) months following the date of its incurrence;
- (e) amounts owed pursuant to Co-Investments;
- (f) for the purpose of refinancing the Notes in full; and

- (g) ~~(e)~~ any Financial Indebtedness not permitted by paragraphs (a) ~~or (b) to (f)~~ above, provided that the aggregate amount of such indebtedness does not exceed ~~SEK 2,000,000~~ EUR 500,000.

12.5 Negative pledge

12.5.1 The Issuer shall not ~~, and shall procure that DDM Invest XX does not,~~ create or allow to subsist any Security over its assets for any Financial Indebtedness, except:

~~(a) the Security pursuant to the Security Documents; or~~

- (a) in the Transaction Security for Secured Debt provided that a New Creditor accedes to the Intercreditor Agreement as a Secured Party, subject to and in accordance with the Intercreditor Agreement;
- (b) any Security which is not Transaction Security provided that the New Creditor accedes to the Intercreditor Agreement as a Secured Party and that such Security is also granted to the Secured Parties (including the New Creditor) as Transaction Security, in each case on a *pro rata* basis and on the same terms, including ranking, and any such new Security shall constitute Transaction Security, subject to and in accordance with the Intercreditor Agreement;
- (c) for any hedging transactions or other derivatives transactions for the purpose of hedging currency or interest rates, unless for speculative purposes (in which case paragraph (b) not shall apply);
- (d) any Security provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Notes in full are intended to be received;
- (e) any Security agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Notes in full, however provided that any perfection requirements in relation thereto are satisfied only after repayment of the Notes in full; or
- (f) ~~(b)~~ any Security arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by the Issuer.

12.5.2 The Issuer shall procure that none of its Subsidiaries creates or permits to subsist any Security over its assets for any Financial Indebtedness, except:

- (a) for amounts to be paid as deferred consideration to a seller of distressed consumer debt;
- (b) for hedging transactions or other derivatives transactions for the purpose of hedging currency or interest rates, unless for speculative purposes;
- (c) for Financial Indebtedness incurred for the purpose of financing the purchase of distressed assets, provided that such Financial Indebtedness is outstanding only for a period of six (6) months following the date of its incurrence and that such Security only is (i) in respect of a pledge over an escrow account (with no other amounts on such account than proceeds from the relevant lender) or (ii) the assets purchased with the proceeds from such Financial Indebtedness;

- (d) any Security provided in the form of a pledge over an escrow account to which the proceeds from a refinancing of the Notes in full are intended to be received;
- (e) any Security agreed to be provided for the benefit of the financing providers in relation to a refinancing of the Notes in full, however provided that any perfection requirements in relation thereto are satisfied only after repayment of the Notes in full; or
- (f) any Security arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any Issuer Group Company.

12.6 Distributions

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

- (a) make any dividend payment, distribution out of reserves from capital contributions or distribution based upon a reduction of its nominal share capital;
- (b) repurchase any of its own shares;
- (c) redeem any of its share capital or other restricted equity (*bundet eget kapital*) with repayment to shareholders; or
- (d) make other similar distributions or transfers of value (*värdeöverföringar*) to its, or its subsidiaries', direct or indirect shareholders or an affiliate of such direct or indirect shareholder or to the creditors of any subordinated debt,

(items (a) to (d) together and individually referred to as a “Distribution”).

Notwithstanding the foregoing, a Distribution may be made:

- (a) by a Subsidiary of the Issuer to another Issuer Group Company;
- (b) by the Issuer if:
 - (i) the First Call Date has occurred;
 - (ii) no Event of Default is continuing or would result from such Distribution;
 - (iii) the sum of all Distributions made in the relevant financial year (including the Distribution in question) does not exceed fifty (50) per cent. of the net profit of the Issuer pursuant to the most recent consolidated annual report of the Issuer;
 - (iv) when deducting the amount of Equity subject to the Distribution, Equity is not less than twenty-five (25) per cent. of Total Assets pursuant to the most recent consolidated annual report of the Issuer; and
 - (v) such distribution is permitted by law.

12.7 **12.6 Disposals**

The Issuer shall not, and shall procure that ~~DDM Invest XX does not~~ no other Issuer Group Company will, enter into a single transaction or a series of transactions (whether related or not) to sell, lease, transfer or otherwise dispose of any asset, except:

- (a) in transactions between Issuer Group Companies and provided that, in case of a share disposal:
 - (i) the shares are subject to the Transaction Security, the transfer is made subject to any Security over such shares and the acquiring Issuer Group Company enters into any agreements, execute any documents and take all actions requested by the Agent for the purpose of maintaining the Transaction Security in respect of such shares, in accordance with the Intercreditor Agreement; and
 - (ii) the shares are not subject to the Transaction Security and the transferee is the Issuer, Transaction Security is granted over such shares pursuant to Clause 10.1;
- (b) by Subsidiaries of the Issuer in transaction other than pursuant to paragraph (a) where:
 - (i) the assets disposed of are not any of those listed in paragraphs (a) or (b) of Clause 12.3.2; and
 - (ii) such disposal is made at conditions not less favourable than market terms and for fair market value; or
- (c) in transactions other than in accordance with paragraphs (a) or (b), where the higher of the market value and the consideration receivable in respect of assets disposed of during a single calendar year does not in aggregate exceed five (5) per cent. of the Total Assets pursuant to the most recent published consolidated annual report of the Issuer.

12.8 **Transactions at arm's length terms**

The Issuer shall, and shall procure that each other Issuer Group Company will, conduct all dealings with persons, other than in transactions between Issuer Group Companies, at arm's length terms or better.

12.9 **12.7 Dealings between Group Companies and Affiliates**

12.9.1 ~~12.7.1~~ The Issuer shall not, and shall procure that DDM Invest XX does not no other Issuer Group Company will, pay any fees or commissions to any person other than on open-market terms and for the purpose of and in the ordinary course of business and, in any case, not pay any management or operating fees, royalty or similar fees to, or any costs incurred by, ~~the shareholders of any Group Company or any Group Company and/or~~ any Affiliates.

~~12.7.2~~ — ~~The Issuer shall not make any dividend or other distribution in relation to its share capital or make any transfer of value (värdeöverföring).~~

12.9.2 ~~12.7.3~~ Notwithstanding Clauses 12.7.1 and 12.7.2 Clause 12.9.1 above, the Issuer Group may pay an operating fee to ~~a Group Company an Affiliate~~ an Affiliate for the management of the debt

portfolios owned by the ~~DDM Invest XX~~ Issuer Group. In respect of each calendar year, such management fee may not exceed ~~two (2)~~ the lower of (i) EUR 3,000,000 plus three (3) per cent. of the ~~Net Collection for~~ aggregate amounts paid by Issuer Group Companies in that calendar year as purchase price for assets listed in Clause 12.3.2 (a) and (b) (excluding any such assets purchased from a Group Company); and (ii) EUR 6,000,000.

12.9.3 The Issuer shall procure that all costs, fees and expenses, directly or indirectly, incurred in relation to the administration and business of the Issuer Group, other than Permitted Costs, are paid, directly or indirectly, by Group Companies which are not part of the Issuer Group.

12.10 ~~12.8~~ Structure Loan Notes

12.10.1 ~~12.8.1~~ The Issuer shall lend all proceeds from each issuance of Notes to ~~DDM Invest XX~~ against a Structure Loan Note issued by DDM Invest XX to the Issuer pursuant to the ~~terms of the Loan Agreement and which is~~ any or all of its direct Subsidiaries. All such loans as well as any other material and long term intra-group loans from the Issuer to its direct Subsidiaries shall be documented as follows (the “Structure Loan Notes”):

- (a) documented in the form of a promissory note ~~for the aggregate Nominal Amount of the relevant Notes;~~
- (b) payable on demand in the case of an Event of Default;
- (c) non-amortising and containing a provision that no payment of interest may be made following an Event of Default; and
- (d) governed by Swiss law.

12.10.2 ~~12.8.2~~ The Issuer shall grant Security over each Structure Loan under the Security Documents and it is noted that ~~DDM Invest XX~~ no Subsidiary may ~~not~~ make any repayment of principal under such loans (other than to the Agent) until the Notes have been duly repaid in full and the Security has been released.

12.11 ~~12.9~~ Admission to trading

12.11.1 ~~12.9.1~~ The Issuer shall use its best efforts to ensure that the loan constituted by these Terms and Conditions and evidenced by the Notes is admitted to trading on a Regulated Market within twelve (12) months from the First Issue Date, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

12.11.2 ~~12.9.2~~ Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

12.12 ~~12.10~~ Undertakings relating to the Agency Agreement

12.12.1 ~~12.10.1~~ The Issuer shall, in accordance with the Agency Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;

- (c) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent; and
- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

12.12.2 ~~12.10.2~~ The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders.

13. FINANCIAL ~~UNDERTAKINGS~~ UNDERTAKING

13.1 The Issuer undertakes for so long as any amount is outstanding under the Notes to comply or, as relevant, procure the compliance with the financial ~~covenants~~ covenant set out in ~~this~~ Clause 13.2 based on the consolidated financial statements for the Issuer most recently delivered under Clause 11.1.1.

~~13.1~~ Equity to Total Assets

13.2 Equity shall not be less than 15 per cent. of the Total Assets on each Reference Date.

~~13.2~~ Cash Balance to Total Nominal Amount

~~Cash Balance to the Total Nominal Amount shall on each Reference Date:~~

- ~~(a) from and including the Business Day falling 24 months after the First Issue Date to, but excluding, the Business Day falling 30 months after the First Issue Date, not be less than 25 per cent.; and~~
- ~~(b) from and including the Business Day falling 30 months after the First Issue Date not be less than 50 per cent.~~

14. ACCELERATION OF THE NOTES

14.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 14.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
 - (i) is caused by technical or administrative error; and
 - (ii) is remedied within five (5) Business Days from the due date;

- (b) the Issuer does not comply with ~~any of the financial undertakings~~ undertaking set out in Clause 13 (*Financial ~~undertakings~~undertaking*);
- (c) ~~the any~~ Issuer ~~or DDM Invest XXX Group Company~~ does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in paragraphs (a) or (b) above), unless the non-compliance:
- (i) is capable of remedy; and
 - (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance;
- (d) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;
- (e) ~~the any~~ Issuer ~~or DDM Invest XX Group Company~~ is, or is deemed for the purposes of any applicable law to be, Insolvent;
- (f) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer or ~~DDM Invest XX~~ any of its Subsidiaries and is not discharged within sixty (60) Business Days;
- (g) (i) any Financial Indebtedness of ~~a member of the an~~ Issuer Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), (ii) any commitment for any Financial Indebtedness of ~~a member of the an~~ Issuer Group Company is cancelled or suspended by a creditor as a result of an event of default (however described), or (iii) any creditor of ~~a member of the an~~ Issuer Group Company becomes entitled to declare any Financial Indebtedness of ~~a member of the an~~ Issuer Group Company due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (g) ~~if the aggregate amount in respect of~~ Financial Indebtedness other than Secured Debt if the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than ~~SEK 10,000,000~~ EUR 1,000,000; ~~or~~
- (h) the Issuer ceases to be, directly or indirectly, wholly owned by the Parent; ~~or,~~
- ~~(i) — DDM Invest XX ceases to be, directly or indirectly, wholly owned by the Issuer.~~
- 14.2 The Agent may not accelerate the Notes in accordance with Clause 14.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 14.3 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the

Noteholders in accordance with Clause 17 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

- 14.4 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 14.5 If the right to accelerate the Notes is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 14.6 In the event of an acceleration of the Notes in accordance with this Clause 14, up to, but excluding, the First Call Date the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent. of the Nominal Amount plus the Applicable Premium and thereafter, as applicable considering when the acceleration occurs, the redemption amount specified in Clause 9.3 (*Voluntary total redemption*).

15. DISTRIBUTION OF PROCEEDS

- 15.1 All payments by the Issuer relating to ~~the Notes and the Finance Documents~~ Secured Debt following an acceleration of the Notes in accordance with Clause 14 (*Acceleration of the Notes*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent and subject to the Intercreditor Agreement:
- (a) first, in or towards payment pro rata of all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in its role as security agent pursuant to the Intercreditor Agreement;
- (b) ~~(a)first~~secondly, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, the enforcement of the Transaction Security or the protection of the Noteholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 21.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 17.13;
- (c) ~~(b)secondly~~thirdly, in or towards payment *pro rata* of any cost and expenses incurred by a Noteholders' Committee in accordance with an agreement with the Issuer pursuant to Clause 16.5 that have not been reimbursed by the Issuer;
- (d) ~~(c)thirdly~~fourthly, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes and any other Secured Debt (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (e) ~~(d)fourthly~~fifthly, in or towards payment *pro rata* of any unpaid principal under the Notes and any other Secured Debt; and

(f) ~~(e)~~fifteenthly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the ~~Finance~~ Terms and Conditions and the New Debt Documents.

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

- 15.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1(a), (b) or ~~(bc)~~, such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1(a), (b) or ~~(bc)~~.
- 15.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes or from the enforcement of the Transaction Security constitute escrow funds (*redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.
- 15.4 If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7.1 shall apply.

16. NOTEHOLDERS' COMMITTEE

- 16.1 The Noteholders may appoint a committee (a “**Noteholders’ Committee**”) to represent the interests of the Noteholders. A Noteholders’ Committee shall consist of no less than three (3) natural persons. All members of a Noteholders’ Committee shall be elected at a Noteholders’ Meeting.
- 16.2 Each Noteholder is entitled to nominate candidates to the Noteholders’ Committee by notice to Agent no later than two (2) Business Days prior to the Noteholders’ Meeting. At the Noteholders Meeting all candidates so nominated shall be presented to the Noteholders. Each Noteholder that is entitled to vote shall for such election have the same number of votes to cast for each Note as the total number of persons to be elected. A Noteholder may cast its votes for one or several of the candidates. The candidates that receive the most votes shall be elected to the Noteholders’ Committee.
- 16.3 A Noteholders’ Committee may enter into discussions with the Issuer and other creditors of the Issuer and by majority decision among its members (i) adopt such procedural rules as it considers appropriate and (ii) prepare proposals and recommendations to the Noteholders. A Noteholders’ Committee may not bind the Noteholders to any agreement or decision. The Agent shall provide reasonable assistance to the Noteholders’ Committee and participate in its meetings.
- 16.4 The Noteholders’ Committee may agree with the Issuer not to disclose information received from the Issuer provided that it, in the reasonable opinion of the Noteholders’ Committee, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the Noteholders’ Committee.

16.5 The Noteholders' Committee and the Issuer may agree that the Issuer shall pay certain costs and expenses incurred by the Noteholders' Committee. Otherwise the Noteholders' Committee is not entitled to be reimbursed for any costs or expenses.

17. DECISIONS BY NOTEHOLDERS

17.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.

17.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting. Notwithstanding the foregoing, the appointment of a Noteholders' Committee shall always be dealt with at a Noteholders' Meeting.

17.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

17.4 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is, registered as a Noteholder:

- (a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 19.3, in respect of a Written Procedure,

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

17.5 The following matters shall require the consent of Noteholders representing at least eighty (80) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3:

- (a) the issue of any Subsequent Notes after the Issue Date, if the total nominal amount of the Notes exceeds, or if such issue would cause the total nominal amount of the Notes to at any time exceed, SEK ~~500,000,000~~ 700,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Notes are issued);

- (b) a change to the terms of any of Clause 2.1, and Clauses ~~2.5 to 2.7~~ 2.4 to 2.6;
 - (c) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 9 (*Redemption and repurchase of the Notes*);
 - (d) a change to the Interest Rate or the Nominal Amount;
 - (e) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of proceeds*);
 - (f) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 17;
 - (g) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
 - (h) a release of the Transaction Security, except in accordance with the terms of the ~~Security~~ Finance Documents;
 - (i) a mandatory exchange of the Notes for other securities; and
 - (j) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 14 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.
- 17.6 Any matter not covered by Clause 17.5 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 20.1(a) or (b)), an acceleration of the Notes, the appointment of a Noteholders' Committee or the enforcement of any Transaction Security.
- 17.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.5, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 17.8 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 17.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 17.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.

Any decision which relates to the Intercreditor Agreement may be subject to the consent of other Secured Parties or their representatives.

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

18. NOTEHOLDERS' MEETING

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

- 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 Noteholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 18.4 The Noteholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- 18.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

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 Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Noteholder on the Record Date prior to the date on which the communication is sent.
- 19.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19.1 to each Noteholder 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 Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 19.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 19.4 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 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 Noteholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Noteholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or

- (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*).
- 20.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- 20.3 The Agent shall promptly notify the Noteholders 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 the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 20.4 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

21. APPOINTMENT AND REPLACEMENT OF THE AGENT

21.1 Appointment of Agent

- 21.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder including any legal or arbitration proceedings relating to the perfection, preservation, protection or enforcement of the Transaction Security. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 21.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- 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 the Finance Documents.
- 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 the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 21.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

21.2 Duties of the Agent

- 21.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents, including *inter alia*, holding the Transaction Security pursuant to the Security Documents

on behalf of the Noteholders and any other Secured Parties as security agent and, where relevant, enforcing the Transaction Security on behalf of the ~~Noteholders~~ Secured Parties. Except as specified in Clause 4 (*Conditions for disbursement*), the Agent is not responsible for the execution or enforceability of the Finance Documents or the perfection of the Transaction Security.

- 21.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 21.2.3 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 21.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Intercreditor Agreement and the other Finance Documents.
- 21.2.5 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or the Transaction Security which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).
- 21.2.6 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 21.2.7 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 21.2.8 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 21.2.7.

21.3 Limited liability for the Agent

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

- 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 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 the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 21.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 17 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 14.1.
- 21.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

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 Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 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 Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 21.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 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 the Finance Documents.

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

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 Notes.
- 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. NO DIRECT ACTIONS BY NOTEHOLDERS

- 23.1 A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- 23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 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 the Finance Documents or the Agency Agreement or by any reason described in Clause 21.2.7, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.8 before a Noteholder may take any action referred to in Clause 23.1.

23.3 The provisions of Clause 23.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Noteholders.

24. PRESCRIPTION

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

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

25. NOTICES AND PRESS RELEASES

25.1 Notices

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

- (a) if to the Agent, shall be given at the address specified on its website (www.corpnordic.se) on the Business Day prior to dispatch;
- (b) if to the Issuer, shall be given at the address specified on the website of the Group (www.ddm-group.ch) on the Business Day prior to dispatch; and
- (c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the Record Date prior to dispatch, and by either courier delivery or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Group and the Agent.

25.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1.

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

25.2 Press releases

- 25.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 9.3 (*Voluntary total redemption (Call option)*), 9.4 (*Early redemption due to illegality (call option)*), 11.1.2, 14.3, 17.15, 18.1, 19.1 and 20.3 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 25.2.2 In addition to Clause 25.2.1, if any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to issue such press release.

26. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 26.1 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.
- 26.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 26.3 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.
- 26.4 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

27. GOVERNING LAW AND JURISDICTION

- 27.1 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.
- 27.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Stockholms tingsrätt*).

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

Place:

Date:

DDM TREASURY SWEDEN 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:

CORPNORDIC SWEDEN AB
as Agent

Name:

INTERCREDITOR AGREEMENT

dated [date] 2015

DDM TREASURY SWEDEN AB (publ)

as Company

and

CORPNORDIC SWEDEN AB

as Notes Agent and Security Agent

relating, *inter alia*, to Senior Notes

TABLE OF CONTENTS

1.	DEFINITIONS AND INTERPRETATION	1
2.	SUPERIORITY OF INTERCREDITOR AGREEMENT	5
3.	RANKING	6
4.	HEDGE COUNTERPARTIES	6
5.	TURNOVER OF NON-PERMITTED PAYMENTS	8
6.	EFFECT OF INSOLVENCY	8
7.	TRANSACTION SECURITY	9
8.	ENFORCEMENT AND CONSULTATION	9
9.	APPOINTMENT OF AGENTS	11
10.	SHARING AMONG THE SECURED PARTIES	12
11.	APPLICATION OF RECOVERIES	12
12.	RELEASE OF SECURITY	13
13.	ROLE OF THE SECURITY AGENT	14
14.	THE NOTES AGENT	16
15.	RESPONSIBILITY OF THE AGENTS	17
16.	INFORMATION	20
17.	CHANGES TO THE PARTIES	20
18.	NOTICES	22
19.	EXPENSES AND INDEMNITIES	23
20.	AMENDMENTS AND WAIVERS	24
21.	PARTIAL INVALIDITY	25
22.	REMEDIES AND WAIVERS	25
23.	FORCE MAJEURE AND LIMITATION OF LIABILITY	25
24.	COUNTERPARTS	25
25.	GOVERNING LAW AND JURISDICTION	25

SCHEDULES

1.	FORM OF ACCESSION AGREEMENT	27
----	-----------------------------------	----

This **INTERCREDITOR AGREEMENT** (this “**Agreement**”) is dated 2015 and made between:

- (1) **DDM TREASURY SWEDEN AB (publ)**, a public limited liability company incorporated under the laws of Sweden with Reg. No. 556910-3053 (the “**Company**”); and
- (2) **CORPNORDIC SWEDEN AB (publ)**, as original notes agent (the “**Original Notes Agent**”); and
- (3) **CORPNORDIC SWEDEN (publ)** as security agent (the “**Security Agent**”)

It is agreed as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

“**Accession Agreement**” means an agreement substantially in the form set out in Schedule 1 (*Form of Accession Agreement*).

“**Agents**” means the Security Agent and the Creditor Agents.

“**Creditor**” means any creditor under any Secured Debt.

“**Creditor Agent**” means the Notes Agent, any New Creditor Agent, the Secured Debt Agent and any Hedge Counterparty Agent.

“**Default**” means a default (however described) under any of the Secured Finance Documents.

“**Early Termination Date**” means an Early Termination Date (as defined in the relevant Hedging Agreement).

“**Enforcement Action**” means any action of any kind to:

- (a) demand payment which has fallen due, declare prematurely due and payable or otherwise seek to accelerate payment of or place on demand all or any part of any Secured Debt (other than as a result of it becoming unlawful for a Secured Party to perform its obligations under, or of any voluntary or mandatory prepayment under, the Secured Finance Documents);
- (b) recover all or any part of any Secured Debt (including by exercising any set-off, save as required by law and normal netting and set-off transactions in the ordinary course of business);
- (c) exercise or enforce any enforcement right under the Transaction Security, in each case granted in relation to (or given in support of) all or any part of any Secured Debt;
- (d) petition for (or take or support any other step which may lead to) the Insolvency of the Company;

- (e) sue, claim or bring proceedings against the Company in respect of recovering any Secured Debt; or
- (f) in relation to any Hedging Debt only, designate an Early Termination Date under any Hedging Agreement, or terminate, or close out any transaction under, any Hedging Agreement, prior to its stated maturity, or demand payment of any amount which would become payable on or following an Early Termination Date or any such termination or close-out, unless voluntary or in accordance with a partial termination in accordance with the terms of the Secured Finance Documents and not related to any Default.

“**Enforcement Instruction**” means a notice sent by a Creditor Agent other than the Hedge Counterparty Agent to the Security Agent pursuant to Clause 8.2 (*Enforcement and Consultation*) requesting the Security Agent to take Enforcement Actions (including the manner and timing of enforcement), including enforcement of any Transaction Security, provided that instructions not to take Enforcement Actions or the absence of instructions as to enforcement shall not constitute “Enforcement Instructions”.

“**Event of Default**” means a Notes Event of Default, an event of default (as defined in any Hedging Agreement) or an event of default (however described) under any New Debt.

“**Final Discharge Date**” means the time when the Security Agent (acting reasonably) is satisfied that all Secured Obligations have been fully and irrevocably paid and discharged and all commitments of the Secured Parties in respect of the Secured Debt have expired or been cancelled.

“**Hedge Counterparty**” means any person who is or becomes a Hedge Counterparty pursuant to Clause 4.1 (*Hedge Counterparties*).

“**Hedge Counterparty Agent**” means a Hedge Counterparty agent appointed by a Hedge Counterparty in accordance with Clause 9 and which has delivered to the Security Agent a duly completed and signed Accession Agreement.

“**Hedging Agreement**” means any and all currency or interest swaps and/or interest cap and/or other hedging agreements entered into or to be entered into between the Company and a Hedge Counterparty and approved by the Security Agent under Clause 4.2 (*Hedging Agreements*).

“**Hedging Debt**” means, subject to Clause 4.2 (*Hedging Agreements*), all present and future moneys, debts and liabilities due, owing or incurred from time to time by the Company to any Hedge Counterparty under or in connection with any Hedging Agreement.

“**Insolvency Event**” means, in relation to an Issuer Group Company, any corporate action, legal proceedings or other procedure or step that is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, bankruptcy, administration or corporate reorganisation (Sw. *företagsrekonstruktion*) of any Issuer Group Company (other than a solvent liquidation that is permitted under the Secured Finance Documents); or
- (b) corporate actions, legal proceedings or other procedures (other than (A) proceedings which is not vexatious or frivolous or are being disputed in good faith and are discharged within ninety (90) calendar days, and (B), in relation to any Issuer Group Company, solvent liquidations that is permitted under the Secured

Finance Documents) in relation to (A) the suspension of payments, winding-up, reorganisation (Sw. *företagsrekonstruktion*) or similar (by way of voluntary arrangement or otherwise) of any Issuer Group Company, and (B) the appointment of a liquidator, administrator, or other similar officer in respect of any Issuer Group Company or any of its assets or any analogous procedure.

“**ISDA Master Agreement**” means the 1992 Multicurrency Cross-Border Master Agreement or the 2002 Master Agreement as published by the International Swaps and Derivatives Association Inc.

“**Issuer Group**” means the Company and its Subsidiaries for the time being (each an “**Issuer Group Company**”).

“**New Creditor**” means a provider of New Debt which has delivered to the Security Agent a duly completed and signed Accession Agreement.

“**New Creditor Agent**” means a New Creditor agent appointed by a New Creditor in accordance with Clause 9 which has delivered to the Security Agent a duly completed and signed Accession Agreement.

“**New Debt**” has the meaning ascribed to it in the Terms and Conditions.

“**New Debt Documents**” has the meaning ascribed to it in the Terms and Conditions.

“**Noteholders**” has the meaning ascribed to it in the Terms and Conditions.

“**Notes**” means the senior secured Notes issued by the Company from time to time in accordance with the Terms and Conditions.

“**Notes Agent**” means the Original Notes Agent or any new agent replacing the Original Notes Agent in accordance with Clause 21 (*Appointment and Replacement of the Agent*) of the Terms and Conditions.

“**Notes Debt**” means all present and future moneys, debts and liabilities due, owing or incurred from time to time by any Issuer Group Company to any Noteholder under or in connection with the Terms and Conditions and the Notes.

“**Notes Documents**” means the “Finance Documents” as defined in the Terms and Conditions.

“**Notes Event of Default**” shall have the meaning ascribed to the term “Event of Default” in the Terms and Conditions.

“**Party**” means a party to this Agreement.

“**Pledged Group Companies**” means each Issuer Group Company whose shares are subject to Transaction Security.

“**Recovering Creditor**” has the meaning ascribed to it in Clause 10.1.

“**Recovery**” means the aggregate of all moneys and other assets received or recovered (whether by way of payment, repayment, prepayment, distribution, redemption or purchase, in cash or in kind, or the exercise of any set-off or otherwise, including as a result of any Enforcement Action) from time to time by any Party under or in connection

with any Secured Debt, but excluding any amount received from a person other than a Party or an Issuer Group Company under a credit derivative or sub-participation arrangement.

“**Secured Debt**” means all present and future moneys, debts and liabilities due, owing or incurred from time to time by any Issuer Group Company to any Secured Party under the Notes Documents, any Hedging Agreement and any New Debt Documents, and all available commitments of any Secured Party, under or in connection with any Notes Documents and the New Debt Documents (as applicable).

“**Secured Debt Acceleration Date**” means the date (if any) on which a Creditor Agent exercises a right under Secured Financing Documents (other than any Hedging Agreement) to demand payment of any sum payable or cash cover in respect of any contingent sum.

“**Secured Debt Agent**” means, at any time the Creditor Agent of those Secured Parties who's Secured Debt at that time aggregate more than 50 per cent. of the total Secured Debt at that time, where the Notes Agent shall represent all Noteholders and act on the instructions of and on behalf of the Noteholders in accordance to the Terms and Conditions.

“**Secured Finance Documents**” means the Notes Documents, the Agency Agreement, the Hedging Agreements and the New Debt Documents.

“**Secured Obligations**” means all present and future payment obligations and liabilities (whether actual and contingent, whether owed jointly, severally or in any other capacity whatsoever and whether originally incurred by an Issuer Group Company or by some other person) of each Issuer Group Company under each of the Secured Finance Documents.

“**Secured Party**” means each of the Security Agent, the Notes Agent, the Noteholders (represented by the Notes Agent), any New Creditor and the Hedge Counterparties.

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

“**Security Documents**” has the meaning ascribed to it in the Terms and Conditions.

“**Security Enforcement Objective**” means using reasonable endeavours to maximise, so far as is consistent with prompt and expeditious realisation of value from enforcement of the Transaction Security, the Recovery by the Secured Parties, always provided that such enforcement is made in compliance with the fiduciary duties (Sw. *vårdplikt*) of the Security Agent.

“**Terms and Conditions**” means the terms and conditions of the Notes with ISIN SE0005280831, as amended or amended and restated.

“**Transaction Security**” means the Security created or expressed to be created in favour of the Secured Parties pursuant to the Security Documents.

1.2 Incorporation of defined terms

Unless a contrary indication appears, terms defined in the Terms and Conditions have the same meaning in this Agreement.

1.3 Construction

1.3.1 Unless a contrary indication appears, any reference in this Agreement to:

- (a) any “**Agent**”, the “**Company**”, any “**Creditor**”, any “**Finance Party**”, any “**Hedge Counterparty**”, any “**New Creditor**”, any “**Noteholder**”, the “**Notes Agent**”, any “**Party**”, any “**Recovering Creditor**”, any “**Secured Party**” or any “**Security Agent**” shall be construed so as to include its successors in title, assigns and transferees permitted under this Agreement;
- (b) “**assets**” includes present and future properties, revenues and rights of every description;
- (c) “**consent**” means any consent, approval, release or waiver or agreement to any amendment;
- (d) any “**Document**”, any “**Hedging Agreement**”, a “**New Debt Document**”, a “**Notes Document**”, any “**Secured Finance Document**”, the “**Terms and Conditions**”, a “**Security Document**” or any other document, agreement or instrument, other than a reference to a document or other agreement or instrument as originally entered into, is a reference to that document, agreement or instrument as amended, supplemented or restated (however fundamentally) as permitted by this Agreement;
- (e) “**indebtedness**” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (f) a “**person**” includes any person, firm, company, corporation, government, state or agency of a state or any association, or partnership (whether or not having separate legal personality) or two or more of the foregoing;
- (g) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (h) “**set-off**” includes combining accounts and payment netting except that, in relation to any Hedging Debt, "set-off" does not include payment netting or close-out netting;
- (i) a provision of law is a reference to that provision as amended or re-enacted; and
- (j) a time of day is a reference to Stockholm time.

2. SUPERIORITY OF INTERCREDITOR AGREEMENT

The Secured Finance Documents are subject to this Agreement. In the event of any inconsistency between any Secured Finance Document and this Agreement, this Agreement shall prevail.

3. RANKING

3.1 Ranking of Secured Debt

Unless expressly provided to the contrary in this Agreement, the Secured Debt shall rank *pari passu* in priority between the Notes Debt, any Hedging Debt and any New Debt.

3.2 Ranking of interest in the Security Documents

Except if otherwise provided in this Agreement, all Security created pursuant to any Secured Finance Document will be provided with first priority in respect of Secured Debt (*pari passu* between the Notes Debt, any New Debt and the Hedging Debt), subject to Clause 3.1 (*Ranking of Secured Debt*) and the other terms of this Agreement.

3.3 Registration and notice

The Parties will co-operate with each other with a view to reflecting the priority of the Security created pursuant to any Security Document in any register or with any filing or registration authority and in giving notice to any person of any of the Security created pursuant to any Security Document.

4. HEDGE COUNTERPARTIES

4.1 Hedge Counterparties

A person is a Hedge Counterparty and is entitled to share in any Transaction Security in respect of any Hedging Debt only if that party delivers to the Security Agent a duly completed and signed Accession Agreement and the Security Agent executes such Accession Agreement.

4.2 Hedging Agreements

4.2.1 Liabilities under a Hedging Agreement will only be treated as Hedging Debt if the Hedging Agreement complies with this Clause 4.2.

4.2.2 Each Hedging Agreement shall:

- (a) be based on the 1992 or 2002 ISDA Master Agreement;
- (b) in the event of termination of a transaction whether upon a Termination Event or an event of default (each as defined in the relevant Hedging Agreement) provide for payments under the “Second Method” (in the case of the 1992 ISDA Master Agreement) or two way payments (in the case of any other form of Hedging Agreement);
- (c) specify “Automatic Early Termination” as applicable where an Issuer Group Company is the “Defaulting Party”, each as defined in the relevant ISDA Master Agreement, or similar in the case of any other form of Hedging Agreement, only if appropriate in view of the relevant ISDA netting opinion; and
- (d) Each Hedge Counterparty shall promptly upon request supply the Security Agent with a copy of any Hedging Agreement to which it is a party.

4.3 Restrictions on payment and security

4.3.1 No Hedge Counterparty shall demand or receive, and the Company shall not (and the Company shall ensure that no other Issuer Group Company will) make, any payment in respect of any Hedging Debt or apply any money or property in or towards discharge of any Hedging Debt (including by way of set-off) except:

- (a) for a payment or discharge made in accordance with scheduled payments under that Hedging Agreement and this Agreement;
- (b) for a payment or discharge made in accordance with Clause 4.4 (*Closing out of hedging transactions*);
- (c) payments or deductions arising as a result of:
 - (i) any of sections 2(d) (Deduction or Withholding for Tax), 2(e) (Default Interest; Other Amounts), 8(a) (Payment in the Contractual Currency), 8(b) (Judgments) and 11 (Expenses) of the 1992 ISDA Master Agreement (if the Hedging Agreement is based on a 1992 ISDA Master Agreement);
 - (ii) any of sections 2(d) (Deduction or Withholding for Tax), 8(a) (Payment in the Contractual Currency), 8(b) (Judgments), 9(h)(i) (Prior to Early Termination) and 11 (Expenses) of the 2002 ISDA Master Agreement of that Hedging Document (if the Hedging Document is based on a 2002 ISDA Master Agreement); or
 - (iii) any provision of a Hedging Document which is similar in meaning and effect to any provision listed in paragraphs (i) or (ii) above (if the Hedging Document is not based on an ISDA Master Agreement),

for the avoidance of doubt, application by a Hedge Counterparty in the order permitted by Clause 11 (*Application of Recoveries*) of proceeds received by a Hedge Counterparty in connection with the enforcement of any Transaction Security.

4.3.2 No Hedge Counterparty shall permit to subsist or receive, and the Company shall not (and the Company shall ensure that no other Issuer Group Company will) create or permit to subsist, any Security for or in respect of any Hedging Debt, other than under any Security Document in the form originally entered into or if permitted by the Security Agent.

4.4 Closing out of hedging transactions

4.4.1 A Hedge Counterparty and the Company may not terminate or close out any hedging transaction under a Hedging Agreement prior to its originally stated maturity or rely on automatic early termination or on any other provision in the relevant Hedging Agreement so as not to make a payment under the Hedging Agreement unless:

- (a) any Hedging Debt has not been paid on the due date and the non-payment has not been remedied within 30 days after the Hedge Counterparty has given notice to the Security Agent of the non-payment and of its intention to terminate or close out that hedging transaction;
- (b) the Secured Debt Acceleration Date has occurred;

- (c) an Illegality, Tax Event, Tax Event Upon Merger or a Credit Event Upon Merger (each as defined in the relevant ISDA Master Agreement), or similar event in the case of any other form of Hedging Agreement, has occurred;
- (d) any Event of Default has occurred under Clause 14.1(e) under the Terms and Conditions; or
- (e) the termination or closing out is carried out only to the extent required to reflect any repayment or prepayment of Secured Debt which was hedged by the hedging transaction, and the Security Agent is notified accordingly.

4.4.2 Promptly following a Secured Debt Acceleration Date each Hedge Counterparty shall:

- (a) exercise any rights it may have to terminate or close out any hedging transactions under a Hedging Agreement;
- (b) pay to the Security Agent any amount owed by it and any close out amount received under a Hedging Agreement for application in accordance with Clause 11.1 (*Order of Application*); and
- (c) exercise any right of set off or take or receive any payment in respect of any Hedging Debt of that Issuer Group Company.

5. TURNOVER OF NON-PERMITTED PAYMENTS

A Secured Party that receives any Recovery (including by way of set-off) in excess of what it is permitted to receive pursuant to this Agreement shall not be entitled to retain such amount and shall notify the Security Agent and forthwith pay such amount to the Security Agent for application in accordance with Clause 11.1 (*Order of Application*). Should such amount not be paid by the relevant Secured Party to the Security Agent for application in accordance with Clause 11.1 (*Order of Application*), such amount shall be considered in any application of proceeds in accordance with Clause 11.1 (*Order of Application*) and such Secured Party's share in any such application may be reduced accordingly.

5.1 Turnover by the Company

If the Company receives or recovers any amount which, under the terms of the Secured Finance Documents, should have been paid to a Secured Party or a Subordinated Party, the Company will promptly pay that amount to the Security Agent for application in accordance with Clause 11.1 (*Order of Application*).

5.2 Protection of Secured Debt upon Turnover

If a Party is obliged to pay an amount to the Security Agent in accordance with this Clause 5, the relevant Secured Debt in respect of which the Party made such payment to the Security Agent will be deemed not to have been reduced or discharged in any way or to any extent by the relevant payment.

6. EFFECT OF INSOLVENCY

6.1 The Secured Debt will rank *pari passu* and without any preference between them in case of the Insolvency of the Company.

- 6.2 The intercreditor provisions, to the extent permitted under the applicable law, in this Agreement shall remain in full force and effect and shall not be affected in any way by any intermediate payment or discharge in whole or in part of any Secured Debt.

7. TRANSACTION SECURITY

7.1 Additional Security

If the Company or an Issuer Group Company provides any additional Security for any Secured Debt, the Company shall ensure, and shall ensure that such Issuer Group Company ensures, that such additional Security is provided on the same terms as the Security Documents and in accordance with the terms (including ranking) set out in the Secured Finance Documents.

7.2 Sharing of Transaction Security with New Debt

- 7.2.1 An Issuer Group Company may grant Security for New Debt to a New Creditor provided that:

- (a) the existing Transaction Security shall secure the New Debt on the same terms, including ranking, (without limiting the application of Clause 12 (*Release of Security*)), *mutatis mutandis*, as it secures the existing Secured Debt;
- (b) any Security which are not Transaction Security are granted also to the Secured Parties (including the New Creditor), in each case on a *pro rata* basis and on the same terms, including ranking, (without limiting the application of Clause 12 (*Release of Security*)), and any such new Security shall constitute Transaction Security;
- (c) the Security Agent (as representative for the Secured Parties) shall be a party to the Security Documents;
- (d) the Security Agent shall hold the Transaction Security on behalf of the New Creditor on the same terms, *mutatis mutandis*, as the Transaction Security is held by the Security Agent on behalf of the Secured Parties;
- (e) the New Creditor shall accede to this Agreement as a Secured Party;
- (f) the New Creditor shall have the same right to the Transaction Security and the proceeds pertaining thereto as the existing Secured Parties.

- 7.2.2 Subject to the fulfilment of the conditions set out in Clause 7.2.1 above and the Terms and Conditions, the Security Agent may from time to time, at the request of the Company, amend vary and/or restate the Transaction Security on behalf of itself and the Secured Parties in order to create Security in favour of a New Creditor or a Hedge Counterparty.

8. ENFORCEMENT AND CONSULTATION

8.1 Enforcement Instructions

- 8.1.1 Until the Final Discharge Date, the Security Agent shall:

- (a) exercise any right, power, authority or discretion vested in it as Security Agent in accordance with Clause 8.2 (*Enforcement and Consultation*) (or, if so instructed

pursuant to that Clause, refrain from exercising any right, power, authority or discretion vested in it as Security Agent); and

- (b) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction given to it under this Agreement.
- 8.1.2 Other than as expressly permitted under this Agreement, no Secured Party may independently accelerate, seek payment and exercise other rights or powers to take Enforcement Actions under the Secured Finance Documents.
- 8.1.3 The Security Agent may refrain from enforcing the Transaction Security or from taking other Enforcement Actions unless instructed otherwise in accordance with Clause 8.2 (*Enforcement and Consultation*).
- 8.1.4 Subject to the Transaction Security having become enforceable in accordance with their respective terms and subject to Clause 8.2 (*Enforcement and Consultation*), any Creditor Agent other than the Hedge Counterparty Agent may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as they see fit, provided that the instructions are consistent with the Security Enforcement Objective.
- 8.1.5 The Security Agent is entitled to rely on and comply with instructions given in accordance with this Clause 8.

8.2 Enforcement and Consultation

- 8.2.1 Any Creditor Agent, other than the Hedge Counterparty Agent, may issue Enforcement Instructions. If such person wishes to issue Enforcement Instructions, it shall deliver a copy of those proposed Enforcement Instructions to the Security Agent.
- 8.2.2 If a Creditor Agent (acting reasonably) considers that the Security Agent is enforcing the Security in a manner which is not consistent with the Security Enforcement Objective, such Secured Party shall give notice to the other Secured Parties after which the Secured Debt Agent and the Security Agent shall consult for a period of twenty (20) days (or such lesser period that the Secured Parties may agree) with a view to agreeing on the manner of enforcement.

8.3 Miscellaneous

- 8.3.1 Upon an enforcement of the Transaction Security, the proceeds shall be distributed in accordance with Clause 11.1 (*Order of Application*).
- 8.3.2 All Security or arrangement having similar effects may be released by the Security Agent, without the need for any further referral to or authority from anyone, upon any enforcement provided that the proceeds are distributed in accordance with the provisions set out in this Agreement.
- 8.3.3 Funds that the Security Agent receives (directly or indirectly) in connection with the enforcement of the Transaction Security constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate account on behalf of the Secured Parties or the Company as the case may be. The Security Agent may hold those funds on the separate account until it has determined (in its own discretion) that the funds can be applied and how it shall be applied in accordance with the application of proceeds set forth in this Agreement.

8.3.4 Nothing herein shall preclude the rights of the Notes Agent or the New Creditors to join or intervene in or otherwise support any proceedings arising from insolvency proceedings or do such other things as may be necessary to maintain a claim or security, always as long as such action does not adversely affect the rights of the other Secured Parties or the Security Agent and is not inconsistent with its obligations under this Agreement and the Notes Agent shall give prompt notice to the other of any action taken by it to join, intervene or otherwise support any such proceedings.

8.4 Disposal and Releases

8.4.1 If in connection with any Enforcement Action the Security Agent sells or otherwise disposes of (or proposes to sell or otherwise dispose of) any asset under any Security Document, or an Issuer Group Company sells or otherwise disposes of (or proposes to sell or otherwise dispose of) any asset at the request of the Security Agent, the Security Agent may, and is hereby irrevocably authorised on behalf of each Party to release the Security created pursuant to the Security Documents over the relevant asset and apply the net proceeds of sale or disposal in or towards payment of Secured Debt in accordance with Clause 11.1 (*Order of Application*).

8.4.2 Each Party shall execute any assignments, transfers, releases or other documents and grant any consents and take any actions that the Security Agent may reasonably consider necessary to give effect to any release or disposal pursuant to this Clause 8.4 or for the purpose of any Enforcement Action taken (or to be taken) by the Security Agent in accordance with this Agreement or a transaction otherwise permitted by the Secured Finance Documents.

8.5 Exercise of voting rights

8.5.1 Each Creditor Agent agrees with the Security Agent that it will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any Issuer Group Company as instructed by the Security Agent.

8.5.2 The Security Agent shall give instructions for the purposes of Clause 8.5.1 above as directed by the Secured Debt Agent.

9. APPOINTMENT OF AGENTS

9.1.1 For as long as the Redemption of the Notes not has occurred, the Notes Agent shall remain to be the Security Agent.

9.1.2 Each New Creditor and Hedge Counterparty will appoint upon accession to this Agreement:

(a) (subject to the written consent of the Notes Agent) the Notes Agent, or

(b) (subject to the written consent of the Company) itself or a third party,

to act as its representative and give instructions to the Security Agent in accordance with this Agreement, provided that, with respect to paragraph (b) above, the Parties prior to such appointment shall negotiate and agree in good faith the necessary amendments to this Agreement for the inclusion of a new agent for such New Creditor or Hedge Counterparty.

10. SHARING AMONG THE SECURED PARTIES

10.1 Payments to Secured Parties

If a Secured Party (a “**Recovering Creditor**”) makes a Recovery in respect of any amounts owed by the Company other than in accordance with Clause 11.1 (*Order of Application*) such Recovering Creditor shall not be entitled to retain such amount and shall notify the Security Agent and forthwith pay such amount to the Security Agent for application in accordance with Clause 11.1 (*Order of Application*). Should such amount not be paid by the relevant Recovering Creditor to the Security Agent for application in accordance with Clause 11.1 (*Order of Application*) and the relevant Recovering Creditor applies that amount towards payment of indebtedness owing under the Secured Finance Documents to which it is a party then:

- (a) the relevant Secured Party shall notify each Agent thereof and the Security Agent shall, using reasonable efforts, determine whether the Recovery is in excess of the amount that the Recovering Creditor would have been paid had the Recovery been made by the Security Agent and distributed in accordance with Clause 11.1 (*Order of Application*), without taking account of any Tax which would be imposed on any Agent in relation to the Recovery; and
- (b) if the Recovery is higher than the amount which the Security Agent determines may be retained by the Recovering Creditor as its share of any payment to be made in accordance with Clause 11.1 (*Order of Application*), such excess amount shall be considered in any application of proceeds in accordance with Clause 11.1 (*Order of Application*) and the Recovering Creditor's share in the application may be reduced accordingly.

10.2 Exceptions

10.2.1 This Clause 10 shall not apply to the extent that the Recovering Creditor would not, after making any payment pursuant to this Clause, have a valid and enforceable subrogation claim against the Company.

10.2.2 This Clause 10 shall not apply to any amount which the Recovering Creditor has received or recovered as a result of taking legal or arbitration proceedings, if:

- (a) it notified the other Secured Parties of the legal or arbitration proceedings; and
- (b) all other Secured Parties had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

11. APPLICATION OF RECOVERIES

11.1 Order of Application

Subject to the rights of creditors mandatorily preferred by law applying to companies generally, the proceeds of enforcement of the Security conferred by the Security Documents and all other amounts paid to the Security Agent pursuant to this Agreement (including proceeds received in connection with bankruptcy or other insolvency proceedings or other Enforcement Actions) shall be applied in the following order:

- (a) *first*, in or towards payment *pro rata* of unpaid fees, costs, expenses and indemnities payable by the Company to the Security Agent;
- (b) *secondly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Company to the Notes Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, the enforcement of the Transaction Security or the protection of the Noteholders' rights as may have been incurred by the Notes Agent, (iii) any costs incurred by the Notes Agent for external experts that have not been reimbursed by the Company in accordance with the Terms and Conditions, and (iv) any costs and expenses incurred by the Notes Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Company in accordance with the Terms and Conditions;
- (c) *thirdly*, in or towards payment *pro rata* of any cost and expenses incurred by a Noteholders' Committee in accordance with an agreement with the Issuer pursuant to the Terms and Conditions that have not been reimbursed by the Company;
- (d) *fourthly*, towards payment *pro rata* of accrued interest unpaid under the Secured Debt (interest due on an earlier date to be paid before any interest due on a later date);
- (e) *fifthly*, towards payment *pro rata* of principal under the Secured Debt;
- (f) *sixthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Terms and Conditions and the New Debt Documents;
- (g) *seventhly*, after the Final Discharge Date, in payment of the surplus (if any) to the Issuer.

11.2 Non-Cash Distributions

If the Security Agent or any Secured Party receives any distribution otherwise than in cash in respect of any Secured Debt, such distribution will not be applied pursuant to Clause 11.1 (*Order of Application*) and reduce the relevant Secured Debt until cash proceeds from realisation of such distribution have been received and applied by the Security Agent.

12. RELEASE OF SECURITY

12.1 General

12.1.1 The Security Agent is authorised and may execute on behalf of any Secured Party, in each case without any need for further deferral to or authority from such Secured Party, any release of the Security created by any Security Document, to the extent that such release is made in accordance with the terms and conditions of the Secured Finance Documents.

12.1.2 Each Party acknowledges and agrees that it will execute such releases as the Security Agent may request in order to give effect to this Clause 12. No such release will affect the obligations and liabilities of the Company under any Secured Finance Document.

12.1.3 Any Transaction Security to be released in accordance with this Clause 12 will always be released with effect for all the Secured Parties and the remaining Transaction Security will continue to rank between the Secured Parties in accordance with Clause 3 (*Ranking*).

12.1.4 The Security Agent shall facilitate a restructuring as set out in Clauses 12.2 (*Intra-group restructurings*) without any authorisation from any Secured Party being required.

12.2 Intra-group restructurings

12.2.1 Subject to the terms of the Secured Finance Documents, a Group Company shall be entitled to make disposals of shares in Issuer Group Companies which are subject to the Transaction Security (a “**Share Disposal**”) to another Issuer Group Company, or merge with another Issuer Group Company (a “**Merger**”), provided that:

- (a) in case of a Share Disposal, the transfer shall be made subject to the Security over such shares and the acquiring Issuer Group Company shall enter into any agreements, execute any documents and take all actions requested by the Security Agent for the purpose maintaining Security over such shares; and
- (b) in case of a Merger, if the shares in the transferor company but not the shares in the transferee company are subject to the Transaction Security, the shares in the transferee company are pledged to the Secured Parties on terms satisfactory to the Security Agent.

12.2.2 Notwithstanding anything to the contrary in Clause 12.2.1, the Company may not enter into a Merger as a transferor company.

12.2.3 The Security Agent may in connection with a Share Disposal or Merger made pursuant to Clause 12.2.1, release the Transaction Security for the purpose of enabling such disposal.

13. ROLE OF THE SECURITY AGENT

13.1 Appointment of the Security Agent

Each Secured Party hereby irrevocably:

- (a) appoints the Security Agent to act as security agent under and in connection with the relevant Secured Finance Documents and this Agreement;
- (b) authorises the Security Agent on its behalf to sign, execute and enforce the Security Documents;
- (c) authorises the Security Agent to enter into agreements with the Company or a third party or take such other actions, as is, in the Security Agent’s opinion, necessary for the purpose of maintaining, releasing or enforcing the Transaction Security or for the purpose of settling the Secured Parties’ or the Company’s rights to the Transaction Security, in each case in accordance with the terms of the Secured Finance Documents and provided that such agreements or actions are not in the sole opinion of the Security Agent detrimental to the interests of the Secured Parties (for the avoidance of doubt, a release in accordance with Clause 12.2 (*Intra-group restructurings*) shall for the purpose of this Clause 13.1 not be deemed detrimental to the Secured Parties); and

- (d) authorises the Security Agent on its behalf to perform the duties and to exercise the rights, powers, authorities and discretions specifically given to it under or in connection with the relevant Secured Finance Documents and this Agreement, together with any other incidental rights, powers, authorities and discretions.

13.2 Duties of the Security Agent

- 13.2.1 The duties of the Security Agent under the Secured Finance Documents and this Agreement are solely mechanical and administrative in nature. Except as specifically provided in the Secured Finance Documents to which the Security Agent is a party, the Security Agent has no obligations of any kind to any other Party under or in connection with the Secured Finance Documents.
- 13.2.2 The Security Agent is not responsible for (i) the adequacy, accuracy or completeness of any information supplied by any Party in connection with the Secured Finance Documents or (ii) the legality, validity or enforceability of any Document or any agreement or document relating thereto or whether a Secured Party has recourse against any Party or any of its respective assets. Each Secured Party confirms to the Security Agent that it has made and will continue to make its own independent appraisal and investigation of all risks arising under or in connection with the Secured Finance Documents including with respect to the financial condition and status of the Company or any other Issuer Group Company.
- 13.2.3 The Security Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any Issuer Group Company or any other person.
- 13.2.4 Notwithstanding any other provision of any Secured Finance Document or this Agreement to the contrary, the Security 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 or a breach of a fiduciary duty or duty of confidentiality.

13.3 Exclusion of Liability

- 13.3.1 Without limiting Clause 13.2.2 below, the Security Agent will not be liable for any damages occurred as a result of any action taken by it under or in connection with any Secured Finance Document or this Agreement, unless directly caused by its gross negligence or wilful misconduct.
- 13.3.2 No Party (other than the Security Agent) may take any proceedings against any officer, employee or agent of the Security Agent in respect of any claim it might have against the Security Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Secured Finance Document or this Agreement and any officer, employee or agent of the Security Agent may rely on this Clause 13.3.
- 13.3.3 The Security Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Secured Finance Documents or this Agreement to be paid by it if it 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 it for that purpose.

13.4 Confidentiality

- 13.4.1 The Security Agent (in acting as security agent for the Secured Parties) shall be regarded as acting through its respective security agency division which shall be treated as a separate entity from any other of its divisions or departments.

- 13.4.2 If information is received by another division or department of the Security Agent, it may be treated as confidential to that division or department and the Security Agent shall not be deemed to have notice of it.

14. THE NOTES AGENT

14.1 Liability

- 14.1.1 It is expressly understood and agreed by the Parties that this Agreement is executed and delivered by the Notes Agent not individually or personally but solely in its capacity as agent in the exercise of the powers and authority conferred and vested in it under the relevant Notes Documents for and on behalf of the Noteholders only for which the Notes Agent acts as agent and it shall have no liability for acting for itself or in any capacity other than as agent and nothing in this Agreement shall impose on it any obligation to pay any amount out of its personal assets. Notwithstanding any other provision of this Agreement, its obligations hereunder (if any) to make any payment of any amount or to hold any amount on behalf of any other party shall be only to make payment of such amount to or hold any such amount to the extent that (i) it has actual knowledge that such obligation has arisen and (ii) it has received and, on the date on which it acquires such actual knowledge, has not distributed to the Noteholders for which it acts as agent in accordance with the Terms and Conditions any such amount.
- 14.1.2 It is further understood and agreed by the Parties that in no case shall any Notes Agent be (i) personally responsible or accountable in damages or otherwise to any other party for any loss, damage or claim incurred by reason of any act or omission performed or omitted by that Notes Agent in good faith in accordance with this Agreement or any of the Notes Documents in a manner that such Notes Agent believed to be within the scope of the authority conferred on it by this Agreement or any of the Notes Documents or by law, or (ii) personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any other Party, all such liability, if any, being expressly waived by the Parties and any person claiming by, through or under such Party; provided however, that each Notes Agent shall be personally liable under this Agreement for its own gross negligence or wilful misconduct. It is also acknowledged and agreed that no Notes Agent shall have any responsibility for the actions of any individual Noteholder (save in respect of its own actions).
- 14.1.3 The Notes Agent is not responsible for the appointment, or for monitoring the performance, of the Security Agent.
- 14.1.4 The Security Agent agrees and acknowledges that it shall have no claim against the Notes Agent in respect of any fees, costs, expenses and liabilities due and payable to, or incurred by, the Security Agent.
- 14.1.5 The Notes Agent shall be under no obligation to instruct or direct the Security Agent to take any Security Enforcement Action unless it shall have been instructed to do so by the Noteholders and if it shall have been indemnified and/or secured to its satisfaction.
- 14.1.6 The provisions of this Clause 14.1 shall survive the termination of this Agreement.

14.2 Instructions

In acting under this Agreement, the Notes Agent is entitled to seek instructions from the Noteholders at any time and, where it acts on the instructions of the Noteholders, the Notes Agent shall not incur any liability to any person for so acting. The Notes Agent is not liable

to any person for any loss suffered as a result of any delay caused as a result of it seeking instructions from the Noteholders.

14.3 Notes Agent's assumptions

14.3.1 The Notes Agent is entitled to assume that:

- (a) any payment or other distribution (other than payments or distributions made by the Notes Agent) made pursuant to this Agreement in respect of the Notes has been made in accordance with the ranking in Clause 3 (*Ranking*) and is not prohibited by any provisions of this Agreement and is made in accordance with these provisions;
- (b) the proceeds of enforcement of any Security conferred by the Security Documents have been applied in the order set out in Clause 11.1 (*Order of Application*);
- (c) any Notes issued comply with the provisions of this Agreement.

14.3.2 The Notes Agent shall not have any obligation under Clause 6 (*Effect of Insolvency*) in respect of amounts received or recovered by it unless (i) it has actual knowledge that the receipt or recovery falls within Clauses (a) above, and (ii) it has not distributed to the relevant Noteholders in accordance with the Terms and Conditions any amount so received or recovered.

14.3.3 The Notes Agent shall not be obliged to monitor performance by the Company, the Security Agent or any other Party to this Agreement or the Noteholders of their respective obligations under, or compliance by them with, the terms of this Agreement.

15. RESPONSIBILITY OF THE AGENTS

15.1 No action

15.1.1 Notwithstanding any other provision of this Agreement, no Agent shall have any obligation to take any action under this Agreement unless it is indemnified and/or secured to its satisfaction in respect of all costs, expenses and liabilities which it would in its opinion thereby incur (together with any associated VAT). No Agent shall have an obligation to indemnify (out of its personal assets) any other person, whether or not a Party, in respect of any of the transactions contemplated by this Agreement. In no event shall the permissive rights of an Agent to take action under this Agreement be construed as an obligation to do so.

15.1.2 Prior to taking any action under this Agreement any Agent may request and rely upon an opinion of counsel or opinion of another qualified expert, at the expense of the Company.

15.1.3 Notwithstanding any other provisions of this Agreement or any other Secured Finance Document to which an Agent is a party, in no event shall an Agent be liable for special, indirect, punitive or consequential loss or damages of any kind whatsoever (including but not limited to loss of business, goodwill, opportunity or profits) whether or not foreseeable, even if such Agent has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise.

15.2 Reliance on certificates

The Agents shall at all times be entitled to and may rely on any notice, consent or certificate given or granted by any Party without being under any obligation to enquire or otherwise determine whether any such notice, consent or certificate has been given or granted by such Party properly acting in accordance with the provisions of this Agreement.

15.3 No fiduciary duty

No Agent shall be deemed to owe any fiduciary duty to any Creditor (other than if expressly stated) and shall not be personally liable to any Creditor if it shall in good faith mistakenly pay over or distribute to any Creditor or to any other person cash, property or securities to which any other Creditor shall be entitled by virtue of this Agreement or otherwise.

15.4 Debt assumptions

15.4.1 Each Agent may rely on:

- (a) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and
- (b) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.

15.4.2 Each Agent may assume, unless it has received notice to the contrary in its capacity as agent, that:

- (a) no event of default or potential event of default, however described, has occurred (unless it has actual knowledge of a failure by the Company to pay on the due date an amount pursuant to a Secured Finance Document);
- (b) no Secured Debt has been accelerated;
- (c) any instructions or Enforcement Instructions received by it from a Creditor Agent are duly given in accordance with the terms of the Secured Finance Documents, and, unless it has received actual notice of revocation, that those instructions or directions have not been revoked; and
- (d) any right, power, authority or discretion vested in any Party or any group of Secured Parties has not been exercised.

15.4.3 Each Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.

15.4.4 Each Agent may disclose to any other Party any information it reasonably believes it has received as Agent.

15.4.5 No Agent is obliged to monitor or enquire whether any Event of Default has occurred.

15.5 Provisions survive termination

The provisions of this Clause 15 shall survive any termination of this Agreement.

15.6 Other Parties not affected

This Clause is intended to afford protection to the Agents only. No provision of this Clause 15 shall alter or change the rights and obligations as between the other Parties in respect of each other.

15.7 Confirmation

Without affecting the responsibility of the Company for information supplied by it or on its behalf in connection with any Secured Finance Document, each Secured Party (other than the Notes Agent (in its personal capacity) and the Security Agent) confirms that it:

- (a) has made, and will continue to make, its own independent appraisal of all risks arising under or in connection with the Secured Finance Documents or any Hedging Agreement (including the financial condition and affairs of the Issuer Group and the nature and extent of any recourse against any Party or its assets); and
- (b) has not relied on any information provided to it by the Agents in connection with any Secured Finance Document.

15.8 Provision of information

No Agent is obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party. No Agent is responsible for:

- (a) providing any Secured Party with any credit or other information concerning the risks arising under or in connection with the Secured Finance Documents (including any information relating to the financial condition or affairs of the Company or the nature or extent of recourse against any Party or its assets) whether coming into its possession before, on or after the date of this Agreement; or
- (b) obtaining any certificate or other document from the Company.

15.9 Disclosure of information

The Company irrevocably authorises any Agent to disclose to any Secured Party any information that is received by the Agent in its capacity as Agent.

15.10 Illegality

15.10.1 Each Agent may refrain from doing anything (including disclosing any information) which might, in its opinion, constitute a breach of any law or regulation and may do anything which, in its opinion, is necessary or desirable to comply with any law or regulation.

15.10.2 Furthermore, each Agent may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

16. INFORMATION

16.1 Defaults

16.1.1 The Notes Agent will promptly notify the other Agents of the occurrence of an Event of Default under or breach of the Finance Documents (as defined in the Terms and Conditions) of which it has actual knowledge.

16.1.2 Any New Creditor Agent will promptly notify each Agent of the occurrence of an event of default (however described) under or breach of the relevant New Debt Documents of which it has actual knowledge.

16.2 Amounts of Secured Debt

Each Creditor Agent will on written request by any of the others or the Security Agent from time to time notify the others Creditor Agents and the Security Agent in writing of details of the amount of its outstanding Secured Debt.

16.3 Final Discharge Date

16.3.1 The Notes Agent shall promptly notify the other Agents of the occurrence of a Redemption under the Terms and Conditions.

16.3.2 Any New Creditor Agent and Hedging Counterparty Agent (as the case may be) shall promptly notify the other Agent of the occurrence of the Final Discharge Date under the relevant New Debt Documents or Hedging Agreement (as the case may be).

16.4 Hedge Counterparty

16.4.1 Each Hedge Counterparty shall on request by any Secured Debt Agent or the Security Agent from time to time notify the Secured Debt Agent and the Security Agent of the Notional Amount (as defined in the relevant Hedging Agreement) of each Hedging Agreement to which it is a party and the residual maturity of each such Hedging Agreement.

16.4.2 If any Hedge Counterparty does not promptly on request notify the Secured Debt Agent and the Security Agent of any matter pursuant to Clause 16.4.1 above, the Secured Debt Agent and the Security Agent may assume that the Notional Amount (as defined in the relevant Hedging Agreement) of each relevant Hedging Agreement is that set out in that Hedging Agreement and may calculate the residual maturity of each relevant Hedging Agreement by reference to that Hedging Agreement.

17. CHANGES TO THE PARTIES

17.1 Assignments and Transfers by Creditors

17.1.1 No Secured Party, or Creditor Agent if the Secured Party is represented by such, may assign or transfer any of its rights or obligations under this Agreement or any Document to, or in favour of, any person unless such assignment or transfer is made in accordance with the terms of the relevant Secured Finance Document and, as applicable, provided that such person executes and delivers a duly completed and signed Accession Agreement to the Security Agent. Such assignment or transfer will not be effective unless and until the Security Agent executes an Accession Agreement duly completed and signed on behalf of that person.

17.1.2 When an assignment is made by a Secured Party in accordance with Clause 17.1.1, all rights of such Secured Party under this Agreement and the Security Documents shall automatically be transferred to the new Secured Party.

17.2 Assignment and Transfer by the Company

The Company may not assign or transfer any of its rights or obligations under this Agreement or any Secured Finance Document other than pursuant to Clause 12 (*Release of security*).

17.3 Resignation of Agents

17.3.1 An Agent may resign and appoint one of its Affiliates acting through an office in Sweden as successor by giving notice to the other Agents and the Company..

17.3.2 Alternatively an Agent may resign by giving notice to the other Agents and the Company, in which case the other Agents (after consultation with the Company) may appoint a successor Agent.

17.3.3 If the Agents have not agreed upon and appointed a successor Agent in accordance with Clause 17.3.2 above within 30 days after notice of resignation was given, the retiring Agent (after consultation with the Company) may appoint a successor Agent.

17.3.4 The retiring Agent shall, at its own cost, make available to its successor such documents and records and provide such assistance as its successor may reasonably request for the purposes of performing its functions as Agent under the Secured Finance Documents and this Agreement.

17.3.5 The resignation notice of an Agent shall only take effect upon the appointment of a successor.

17.3.6 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of this Agreement provided however that a retiring Security Agent shall remain entitled to the benefit of Clause 13 (*Role of the Security Agent*) and 19.5 (*Indemnity to the Security Agent*).

17.3.7 A successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

17.3.8 Notwithstanding Clause 17.3.1 to 17.3.8 above:

- (a) for as long as any Notes are outstanding, resignation and appointment of the Security Agent is subject to the approval by the Secured Debt Agent (in its sole discretion without any approval or consent from the other Creditor Agents (if any));
- (b) resignation and appointment of an Agent shall always be made in accordance with the Secured Finance Documents; and
- (c) a Secured Debt Agent may only resign if the new Secured Debt Agent accedes to this Agreement.

17.4 Execution and Notification by Security Agent

- 17.4.1 Each Party (other than the relevant acceding person) irrevocably authorises the Security Agent to execute on its behalf any Accession Agreement which has been duly completed and signed on behalf of the relevant acceding person in accordance with this Agreement.
- 17.4.2 The Security Agent shall notify the other Parties promptly of the receipt and execution by it on their behalf of any Accession Agreement.

18. NOTICES**18.1 Communications in Writing**

Any communication or document to be made or delivered under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made or delivered by email or letter.

18.2 Addresses

The address and email (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

- (a) in the case of the Company, that identified in accordance with the Terms and Conditions;
- (b) the Security Agent, that identified with its name below;
- (c) in the case of the Notes Agent, that identified in accordance with the Terms and Conditions; and
- (d) in the case of any other Secured Party or a Creditor Agent, that notified in writing to the Security Agent on or prior to the date on which it becomes a Party,

or any substitute address or email or department or officer as the Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five Business Days' notice.

18.3 Delivery

Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- (a) if by way of email, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or three Business Days after being deposited post postage prepaid in an envelope addressed to the address specified,

and, if a particular department or officer is specified as part of its address details provided under Clause 18.2 (*Addresses*), if addressed to that department or officer.

18.4 Notification of Address and Email Address

Promptly upon receipt of notification of an email address and postal address or change thereof pursuant to Clause 18.2 (*Addresses*) or changing its own email address and postal address, the Security Agent shall notify the other Parties.

18.5 English Language

18.5.1 Any notice given under or in connection with this Agreement must be in English.

18.5.2 All other documents provided under or in connection with this Agreement must be in English.

19. EXPENSES AND INDEMNITIES**19.1 Security Agent Expenses**

The Company shall promptly on demand pay the Security Agent the amount of all reasonable costs and expenses (including external legal fees) incurred by it in connection with the preservation, enforcement or release of any Security created pursuant to any Security Document.

19.2 Secured Parties' Indemnity to the Security Agent

Each Creditor Agent shall (in proportion to the Secured Parties share of the Secured Debt then outstanding to all the Secured Debt then outstanding and/or available for drawing under the relevant Secured Finance Documents) indemnify the Security Agent, within three Business Days of demand, against any cost, loss or liability incurred by the Security Agent (otherwise than by reason of its gross negligence or wilful misconduct) in acting as Security Agent under the Secured Finance Documents (unless it has been reimbursed by the Company pursuant to a Secured Finance Document).

19.3 Deduction from Amounts Payable by the Security Agent

If any Party owes an amount to the Security Agent under the Secured Finance Documents or this Agreement, the Security Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Security Agent would otherwise be obliged to make under the Secured Finance Documents or this Agreement and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Secured Finance Documents or this Agreement that Party shall be regarded as having received any amount so deducted.

19.4 Indemnity to the Security Agent

The Company shall on demand indemnify the Security Agent against any cost, loss or liability incurred by the Security Agent (acting reasonably) as a result of:

- (a) investigating any event which it reasonably believes is an event of default or potential event of default, however described;
- (b) acting or relying on any notice, request or instruction which it believes to be genuine, correct and appropriately authorised;
- (c) the protection or enforcement of the Transaction Security,

- (d) the exercise of any of the rights, powers, discretions and remedies vested in the Security Agent by the Secured Finance Documents or by law; or
- (e) any default by any Issuer Group Company in the performance of any of the obligations expressed to be assumed by it in the Secured Finance Documents.

19.5 Currency Indemnity

19.5.1 If any Recoveries or any other payment required to be paid by the Company under this Agreement (a “**Sum**”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the “**First Currency**”) in which that Sum is payable into another currency (the “**Second Currency**”) for the purpose of:

- (a) making or filing a claim or proof against the Company; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Company shall as an independent obligation, within three Business Days of demand, indemnify the Security Agent and, until the Final Discharge Date, the Secured Debt Agent and each Hedge Counterparty against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

19.5.2 The Company waives any right it may have in any jurisdiction to pay any amount under this Agreement in a currency or currency unit other than that in which it is expressed to be payable.

20. AMENDMENTS AND WAIVERS

20.1 Required Consents

20.1.1 Each Creditor Agent may amend or waive the terms of the Secured Finance Documents (other than the Intercreditor Agreement or any Security Documents) in accordance with their terms at any time, provided that the obligations under such Secured Finance Document are owed only to such Secured Party.

20.1.2 No amendment or waiver may be made or given that has the effect of changing or which relates to an amendment to any material term of the Intercreditor Agreement (including to the order of priority or subordination under the Intercreditor Agreement) without the prior written consent of the Agents (until the Final Discharge Date), such consent to be provided in accordance with and subject to any relevant provisions of the Secured Finance Documents in relation to majority requirements or otherwise.

20.1.3 The prior consent of the Creditor Agents, such consent to be provided in accordance with and subject to any relevant provisions of the Secured Finance Documents in relation to majority requirements or otherwise, is required to authorise any amendment or waiver of, or consent under, any Transaction Security which would affect the nature or scope of the security assets or the manner in which the proceeds of enforcement of the Transaction Security are distributed.

- 20.1.4 The consent of a Hedge Counterparty is not required for any amendment or waiver of a term of this Agreement which does not directly affect the rights or obligations of that Hedge Counterparty.
- 20.1.5 The consent of the Company is not required for any amendment or waiver of a term of this Agreement except if the amendment or waiver may impose new or additional obligations on or withdraw or reduce the rights of the Company.
- 20.1.6 Any amendment or waiver made in accordance with this Clause 20.1 will be binding on all Parties and the Security Agent may effect, on behalf of any other Agent, Secured Party or Hedge Counterparty, any amendment or waiver permitted by this Clause 20.1.

21. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

22. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Secured Party any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

23. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 23.1.1 A Secured Party shall not be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Lender takes such measures, or is subject to such measures.
- 23.1.2 Any damage that may arise in other cases shall not be indemnified by the Secured Parties if it has observed normal care. The Secured Parties shall not in any case be held responsible for any indirect damage. Should there be an obstacle as described above for the Secured Parties to take any action in compliance with this Agreement, such action may be postponed until the obstacle has been removed.

24. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

25. GOVERNING LAW AND JURISDICTION

- 25.1.1 This Agreement is governed by Swedish law.
- 25.1.2 Subject to Clause 25.1.3 below, the courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute

regarding the existence, validity or termination of this Agreement). The City Court of Stockholm (*Stockholms tingsrätt*) shall be court of first instance.

- 25.1.3 Clause 25.1.2 above is for the benefit of the Security Agent and the Secured Parties only. As a result the Secured Parties shall not be prevented from taking proceedings in any other courts with jurisdiction over the Company or any of its assets. To the extent allowed by law, the Security Agent and the Secured Parties may take concurrent proceedings in any number of jurisdictions.
-

Schedule 1

FORM OF ACCESSION AGREEMENT

To: [●] as Security Agent
 From: [Notes Agent/Hedge Counterparty/New Creditor/[*Other*]]
 Dated: [●]

Dear Sirs,

DDM Treasury Sweden AB (publ) - Intercreditor Agreement dated [●] 2015 (the “Agreement”)

We refer to the Agreement. This is an Accession Agreement. Terms defined in the Agreement have the same meaning in this Accession Agreement unless given a different meaning in this Accession Agreement.

- (1) [Notes Agent/Hedge Counterparty /New Creditor/[*other*]] agrees to be bound by the terms of the Agreement [and, in the case of a Hedge Counterparty] as a [Secured Party/Hedge Counterparty].
- (2) [Notes Agent/Hedge Counterparty/New Creditor/[*other*]]'s administrative details are as follows:
- Address: [●]
- Attention: [●]
- (3) [Details of the Hedging Agreement are as follows:
- Date: [●]
- Parties: [Proposed Hedge Counterparty] and [the Company].
- Terms: [Insert brief summary of type of contract].
- [A copy of the Hedging Agreement is attached to this Accession Agreement.]
- (4) This Accession Agreement is governed by Swedish law.

[NAME]
 As the [Notes Agent/Hedge Counterparty/[*other*]]

 Name:

 Name:

This Accession Agreement is accepted by the Security Agent.

[NAME]
As the Security Agent

Name:

Name:

This Agreement has been signed in three (3) originals, of which the parties have received one each.

DDM TREASURY SWEDEN AB (publ)
as the Company

Name:

Name:

CORPNORDIC SWEDEN AB
as the Original Notes Agent

Name:

Name:

CORPNORDIC SWEDEN AB
as the Security Agent

Name:

Name:



Information Document relating to an Amendment & Restatement proposal of Senior Secured Notes of SEK 300,000,000 (Notes Exchange)

18 May 2015





ddm

Disclaimer

This investor presentation (the "Presentation") has been produced by DDM Treasury Sweden AB (publ) (the "Issuer") solely for use in connection with a potential amendment by the Issuer of its senior secured notes with ISIN SE0005280831 (the "Notes" and the "Notes Exchange"). The Presentation is provided to the Noteholders of the existing Notes (the "Noteholders") and others for information purposes only and is not to be relied upon in substitution for the exercise of independent analysis and judgement. By reading the Presentation, you will be deemed to have (i) agreed to all of the following restrictions and made the following undertakings and (ii) acknowledged that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of the Presentation.

Neither the information nor any opinion which may be expressed in this Presentation is intended as an offer to sell or issue or the solicitation of an offer to purchase or subscribe for Notes, or a recommendation to enter into any transaction. Although the information in this Presentation is based on sources which the Issuer deems to be reliable, no guarantee is given by the Issuer as to this Presentation's accuracy or completeness, or for any costs or loss that may arise from reliance on it. Opinions contained in this Presentation represent the Issuer's current opinions as of the date of the Presentation only. This Presentation is being provided solely for general information, without consideration to any particular objectives, situation or needs. The information contained in this Presentation has not been independently verified. This Presentation is not a prospectus for the purposes of the Prospectus Directive (2003/71/EC) as amended by Directive 2010/73/EC and has not been prepared, approved or registered in accordance with the Swedish Financial Instruments Trading Act (Sw. lagen (1991:980) om handel med finansiella instrument) or any other Swedish or foreign law. Accordingly, this Presentation has not been subject to review or approval by the SFSA or any other competent authority.

All statements other than statements of historical fact included in this Presentation including, without limitation, those regarding the Issuer's or DDM Holding AG's financial position, budgets, business strategy, management plans and objectives for future operations may be forward-looking statements. Such forward-looking statements reflect the current views with respect to future events and are subject to certain risks, uncertainties and assumptions. No assurance as to the correctness of such forward-looking statements can be given. Many factors could cause the actual results, performances and achievements to be materially different from any future results, performances or achievements that may be expressed or implied by such forward-looking statements, including, but not limited to, the risks or uncertainties discussed in more detail in the separate Risk factors section of this Presentation and other factors referenced in this document and in other publicly available sources. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results, performances, achievements or industry results may vary materially from those described or implied in this document as anticipated, believed, estimated or expected. Further, any forward-looking statements speak only as of the date of this Presentation. Any obligation or undertaking to release any update of, or revisions to, any forward-looking statements in this Presentation as a result of any changes is expressly disclaimed.

The Issuer is not responsible for any costs or loss that may arise from reliance on this Presentation or any information or opinion herein. None of the Issuer or any of its respective subsidiaries or affiliates or any of such person's directors, officers, employees, advisors or other representatives shall have any liability whatsoever (whether in negligence or otherwise) arising directly or indirectly from the use of this Presentation, its contents or otherwise arising in connection with the presentation of this Presentation.

Neither this Presentation nor any copy of it nor the information contained herein may be taken, transmitted or distributed directly or indirectly, to or into Canada, Australia, Hong Kong, Italy, Japan, New Zealand, South Africa, the Republic of Cyprus, the United Kingdom or the United States (or to any U.S. person), or to any other jurisdiction in which such distribution would be unlawful, except as set forth herein and pursuant to appropriate exemptions under the laws of any such jurisdiction. This Presentation is being distributed and directed only to persons who are (i) outside the United Kingdom, (ii) investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"), (iii) persons falling within Article 49(2)(a) to (d) of the Order, or (iv) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Notes may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as "Relevant Persons"). This document is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents. Neither Nordic Fixed Income, nor any of their Representatives, have taken any actions to allow the distribution of this Presentation in any jurisdiction where action would be required for such purposes. The distribution of this Presentation and any purchase of or application/subscription for Notes or other securities of Nordic Fixed Income may be restricted by law in certain jurisdictions, and persons into whose possession this Presentation comes should inform themselves about, and observe, any such restriction. Any failure to comply with such restrictions may constitute a violation of the applicable securities laws of any such jurisdiction.

This Presentation does not constitute or form part of, and shall not be construed as, an offer to sell or issue or the solicitation of an offer to purchase or subscribe for notes issued by the Issuer or an inducement to enter into investment activity in the United States or in any other jurisdiction in which any such offer, solicitation, inducement or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of such jurisdiction. No part of the Presentation nor the fact of its distribution should form the basis of or be relied on in connection with any contract, commitment or investment decision whatsoever.

AFTER A RESOLUTION ON THE NOTE EXCHANGE IN A WRITTEN PROCEDURE IN ACCORDANCE WITH THE TERMS AND CONDITIONS FOR THE EXISTING NOTES, ALL NOTEHOLDERS WILL BE BOUND BY THE FINAL TERMS AND CONDITIONS, THE INTERCREDITOR AGREEMENT AND THE OTHER FINANCE DOCUMENTS IN RESPECT OF THE NOTES. THE NOTEHOLDERS ACKNOWLEDGES THAT SUCH DOCUMENTS WILL BE MADE AVAILABLE UPON REQUEST.

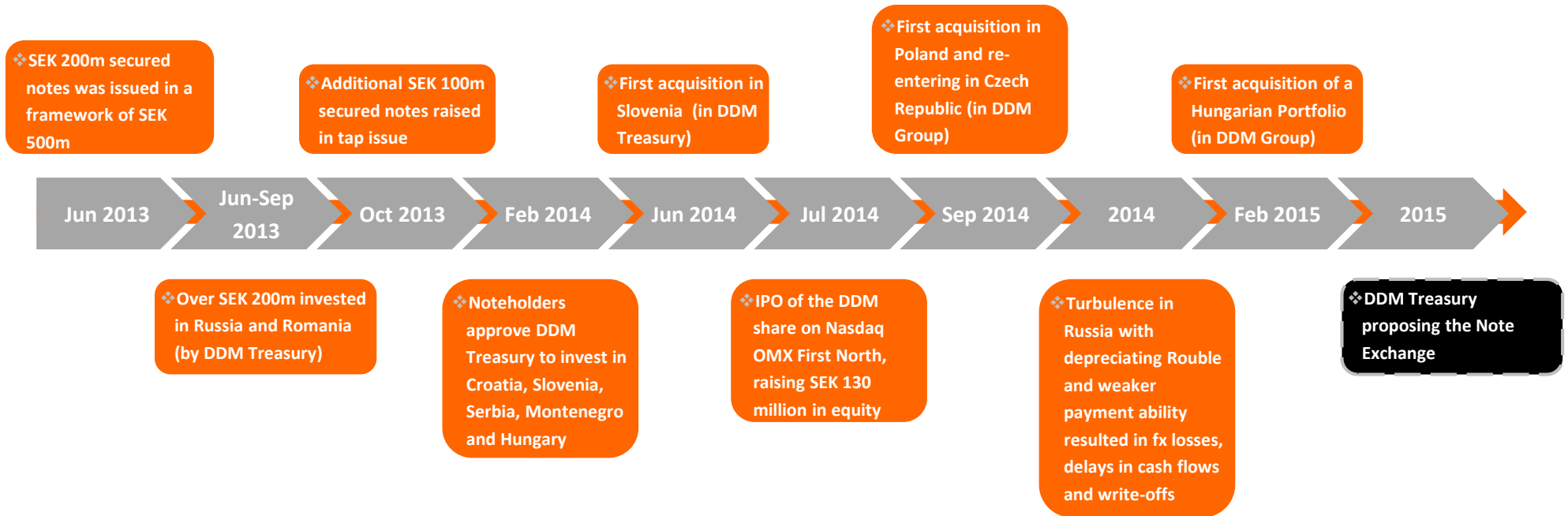
Before participating in the Note Exchange each Noteholder should make sure that they understand the transaction. They should also make sure that they have performed an independent evaluation of the suitability of the Note Exchange in light of their own objectives and circumstances, including the potential risks and benefits thereof. When participating in the Note Exchange, it is important to note that past performance is no guarantee of future results and that the value of and income from financial instruments may rise or fall. Changes in exchange rates may affect the development of investments made in foreign countries or currencies. There is a risk that the Noteholder may lose the entire invested amount.

This Presentation as well as any other information provided by the Issuer in relation to the Note Exchange is governed by Swedish law, and any claims or disputes in relation thereto shall be interpreted under Swedish law with the City Court of Stockholm (Sw. Stockholms tingsrätt) as the court of first instance.

Executive summary

- DDM Holding AG (“DDM” or incl subsidiaries “DDM Group”) and DDM Treasury Sweden AB (publ) (“DDM Treasury” or the “Issuer”) is looking to come to an agreement with its senior note investors regarding an amendment and restatement (the “Note Exchange”) of its existing SEK 300m Senior Secured Notes maturing June 2016
- The Note Exchange aims to remove certain restrictions on the possibilities for growth and profitability of DDM Treasury and to extend the tenor. The amended terms are structured so that the DDM Treasury structure can continue its function as the primary source of funding, thus increasing transparency and the amount of assets within the secured structure.
- **Key benefits to noteholders:**
 - Additional portfolio assets, acquired post IPO of DDM in August 2014, currently held outside of DDM Treasury will be transferred to the DDM Treasury structure increasing the Equity Ratio from 15% year-end 2014 to 25%+ (pro forma Q1 2015). The transfer of the portfolios to DDM Treasury will be financed by way of a non-interest bearing inter-company subordinated loan
 - Increased diversity in the portfolio of DDM Treasury with no one country representing more than approximately 44% of book value and Russia representing approximately 20% of book value pro forma*
 - A cash payment equal to 4% of the nominal amount of each Note will be made provided that the Note Exchange is approved
 - The existing fixed rate coupon of 13% per annum will remain
- **Selected additional flexibility after the Note Exchange:**
 - Cash position covenant will be removed
 - More flexible geographical investment restrictions (Europe (incl Turkey and Cyprus) and Russia)
 - Hedging restrictions removed
 - Note framework will be increased to SEK 700m and additional secured market loans (with longer maturities) as well as other additional secured debt will be allowed in the Issuer (Intercreditor Agreement introduced)
 - Limitation on management fee increased to EUR 3m per annum plus 3% origination fee on new investments made during the year (the combined amount of both fees may not exceed EUR 6m per annum). This increase is to compensate for the fact that virtually all cash generating assets of the DDM Group are now in DDM Treasury
 - Modification of Change of Control and dividends restrictions to reflect DDM’s status as a listed company
- The Note Exchange will be carried out through an amendment and restatement of the current terms and conditions. This will allow for a simple process where the only action necessary for the noteholders is to vote in the written procedure

Please see the mark-up of the full Terms & Conditions and the Intercreditor Agreement distributed together with this presentation for full details on all changes proposed therein.





Selected historical returns

The entire DDM Group portfolios

2008-2009

Start-up phase for DDM

2010-2011

Successful establishment in the Russian and Romanian markets

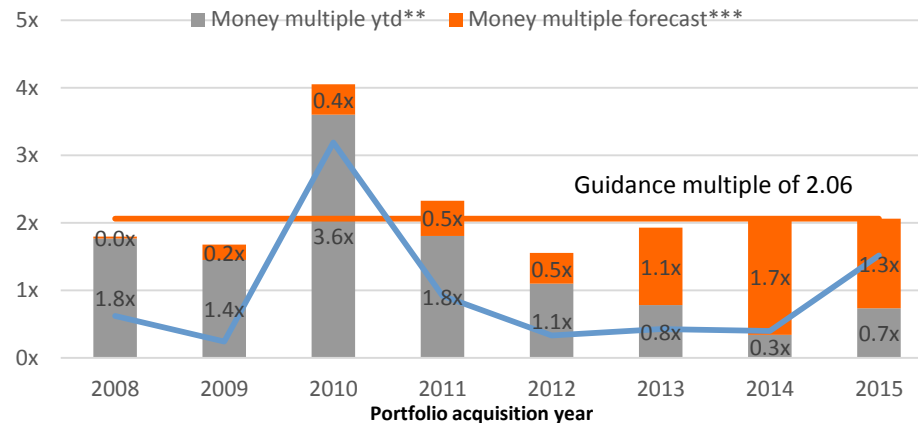
2014

Crisis in Russia leading to fx losses, delays in cash flows and write-offs

2014-2015

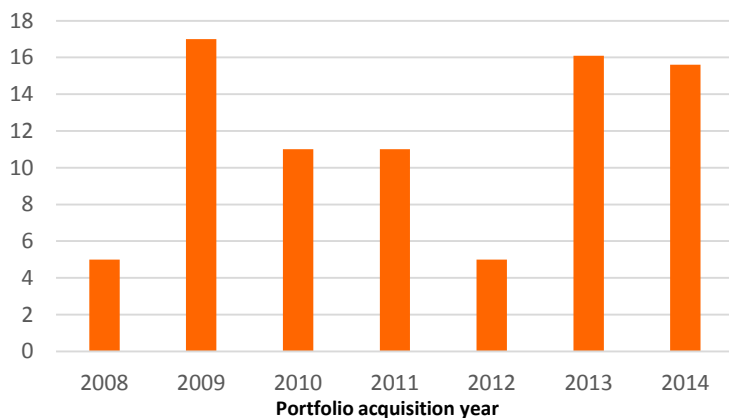
Expansion to new geographical markets with the objective to increase diversification and market depth

Money multiples* – actual year to date and forecasted money multiple



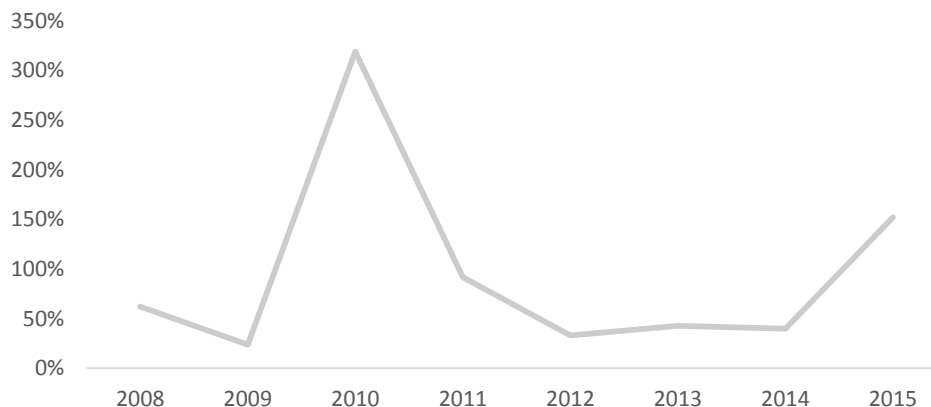
*Gross collections divided by invested amount per investment year. **Collections as per end of March 2015. ***Forecasted collections still to collect as per end of March 2015. Source: DDM

Investments per year, EURm



Source: DDM

36m gross IRR*

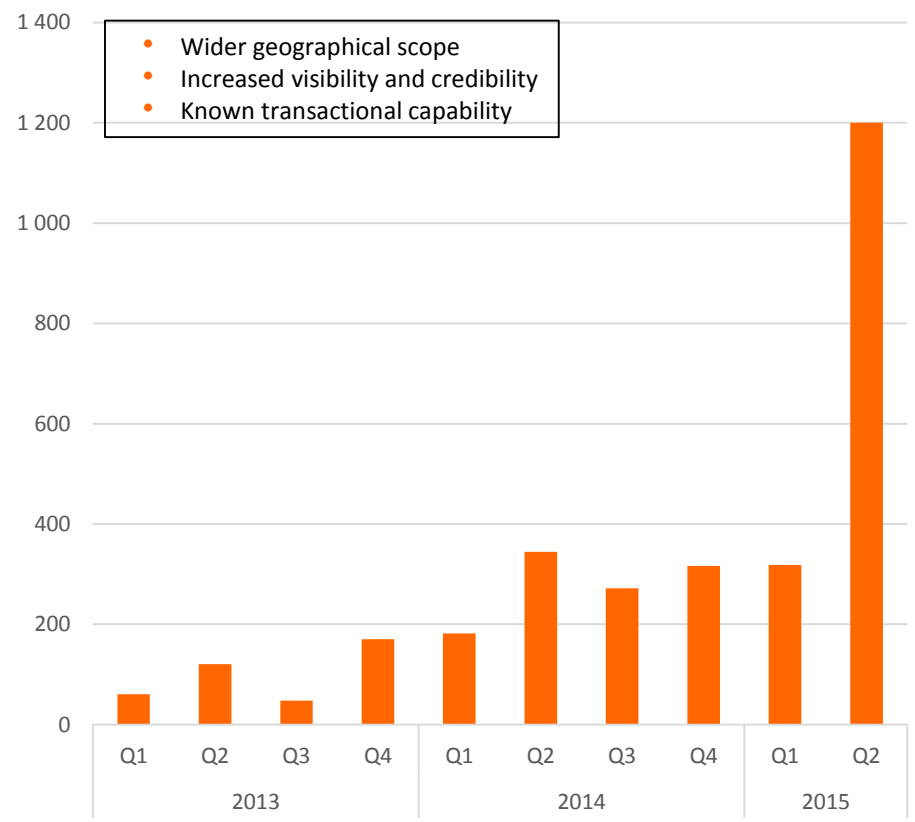


*Internal rate of return based on initial investment (portfolio purchase price) and actual and/or forecasted, as applicable, gross collections over the initial 36-month period from the investment, not reflecting changes in foreign exchange rates. Source: DDM

Business opportunities | Large pipeline

- Banks are in the process of improving capital ratios and downsizing their balance sheets, driven by regulations. This includes divestments of non-performing assets providing companies like DDM with great opportunities to expand its business
- DDM is looking at a wider geographic area and consequently a greater selection on investment opportunities, thus enabling DDM to cherry-pick portfolios with the highest estimated returns. The total amount of potential deals that DDM have identified on the market in Q2 2015 amounts to a nominal value equivalent to more than EUR 28bn
 - Current supply of investment opportunities identified by DDM includes a total of 70 portfolios with an approximate investment value (estimated acquisition price) equivalent to approximately EUR 1,200m
 - Deal size varies between EUR 250,000 and EUR 100m+

Investment opportunities per quarter, converted into EURm (investment value)



Current investment opportunities (# of deals)

	<5 EURm	5-10 EURm	>10 EURm
Current markets	46	7	14
New markets	-	1	2

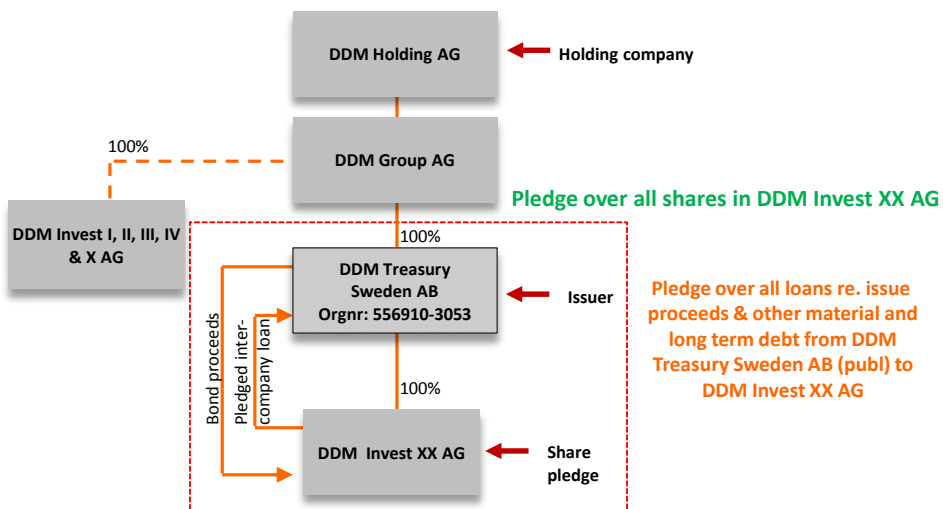
Source: DDM

Source: DDM

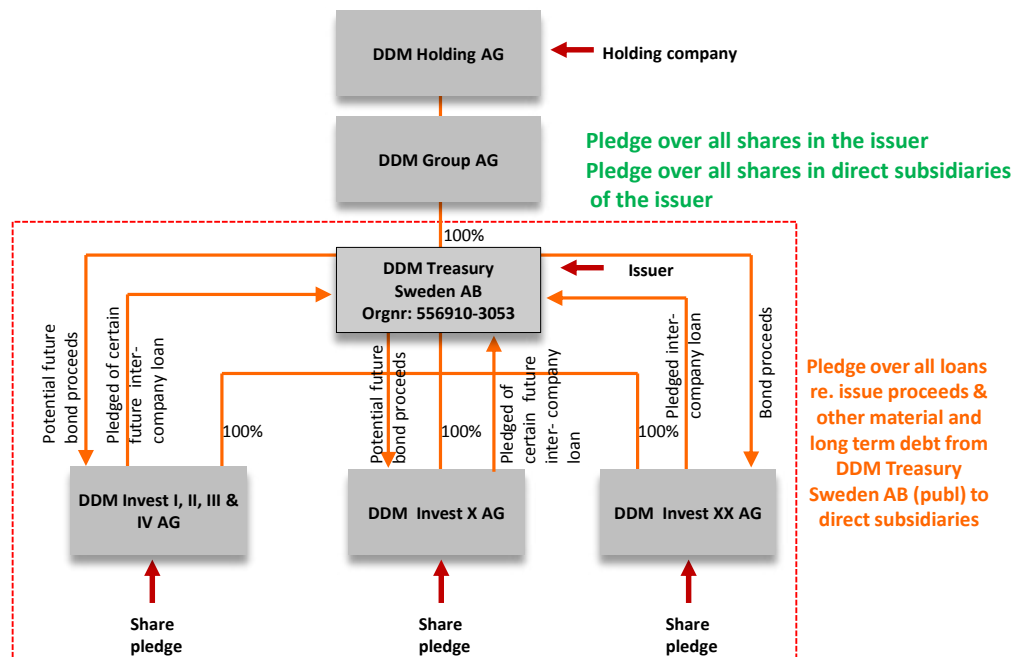
Proposed new structure

- In the proposed new structure, most of the portfolios currently owned directly by DDM Group AG will be transferred to the DDM Treasury structure. These portfolios consist of distressed assets with debtors from Poland, the Czech Republic and Slovakia
- The transfer of the portfolios to DDM Treasury will be financed by way of a non-interest bearing inter-company subordinated loan

Old structure in summary



Proposed new structure in summary



Some of DDM Invest X AG's portfolio investment is made via an investment certificate in a close-end securitization fund. This transaction structure is commonly used on the Polish market as it creates favourable taxation environment for both selling banks and investors. The investment certificate is directly linked to the portfolio acquired by DDM Invest X AG via the securitization fund. DDM may make similar investments in other subsidiaries going forward.



Select Key Terms

Summary comparison between proposed and existing note terms

	Proposed New Senior Secured Notes	Existing Senior Secured Notes dated June 27, 2013
Issuer	DDM Treasury Sweden AB (publ)	DDM Treasury Sweden AB (publ)
Secured assets	Share pledge in (i) Issuer, (ii) Issuer subsidiaries and (iii) certain inter-company loans	Share pledge in subsidiary and certain inter-company loans
Volume	SEK 300m (framework 700m)	SEK 300m (framework 500m)
Geographic restriction	Europe (including Turkey and Cyprus) and Russia	Russia, Romania, Croatia, Slovenia, Serbia, Montenegro and Hungary
Business Issuer Group	Acquiring & managing distressed assets	Acquiring & managing distressed consumer debt
Maturity	December 27, 2018	June 27, 2016
Coupon	Fixed Rate of 13%	Fixed Rate of 13%
Financial covenants	Equity ratio of minimum 15%	- Equity ratio of minimum 15% - Minimum cash on account: 25% of nominal amount after 24 mths, 50% after 30 mths
Dividend restriction	No dividends until first call date, thereafter up to 50% of net profit subject to pro forma equity ratio of 25%	No dividends allowed
Management fee	EUR 3m per year + 3% origination fee on new investments (total maximum fee of EUR 6m p.a.)	Maximum 2% of Net Collections
Hedging restriction	Hedging allowed for the purpose of hedging currency or interest rates (not for speculative purposes)	No hedging allowed in Group
Financial indebtedness	- Issuer: Subject to financial maintenance covenant. No market loans with shorter tenor than the Senior Notes - Subsidiaries: Exceptions include deferred consideration, hedging, refinancing and a EUR500k basket - Bridge financing for up to 6 months allowed for new portfolio acquisitions	<i>Pari passu</i> and with a maturity after the final maturity date
Negative pledge	- Issuer: Exceptions include security shared <i>pari passu</i> with Noteholders subject to the Intercreditor Agreement, hedging and refinancing - Subsidiaries: Exceptions include deferred consideration, hedging, acquisition debt for a max. of 6 mths and refinancing	Negative pledge on Group with limited carve-outs
Intercreditor Agreement	All <i>pari passu</i> financial indebtedness of the Issuer to be subject to the Intercreditor Agreement which regulate enforcement rights (possible for Agent without consent from other secured creditors), turnover, sharing and other intercreditor matters due to the possibility of other creditors sharing into the transaction security	No intercreditor due to no possibility for sharing transaction security.
Reporting currency	EUR	SEK
Early call	Until 27 December 2016: Make-whole From 27 December 2016: 104% From 27 June 2017: 102.5% From 27 December 2017: 101% From 27 June 2018: 100%	0-24 months: Make-whole 25-36 months: 104% Last 3 months: 100%
Change of control	Delisting of shares, other party control in excess of 50% and Mr. Kent Hansson and Dr. Manuel Vogel controlling less than 40%, although not as a result of dilution from a new equity issue	Mr. Kent Hansson and Dr. Manuel Vogel ceasing to, individually or jointly, own and control at least 51 per cent

The above tables represent a summary of select key terms and does not purport to provide a complete description of the changes to the Terms & Conditions and the introduced Intercreditor Agreement. Please see the mark-up of the full Terms & Conditions and the Intercreditor Agreement distributed together with this presentation for full details on all changes therein.



Capitalised terms used but not defined herein shall have the same meaning as in the Amended and Restated Terms and Conditions.

*Risk and risk-taking are inevitable parts of investing in the Notes. There are risks both regarding circumstances linked to the Issuer and the Issuer Group and those which bear no specific relation to the Issuer or the Issuer Group. There are also risks regarding the proposed note exchange where it is proposed that the current Terms and Conditions are amended and restated (the “**Amended and Restated Terms and Conditions**”) and that certain other structural measures are made (the “**Note Exchange**”). In addition to the other information in the presentation relating to the Note Exchange as well as a general evaluation of external factors, Noteholder’s should carefully consider the following risk factors when considering how to vote in the Written Procedure for the Note Exchange. The occurrence of any of the events discussed below could materially adversely affect the Issuer’s and/or the Issuer Group’s operations, financial position and results of operations. Moreover, the trading price of the Notes could decline and the Issuer may not be able to pay Interest or principal on Notes when due, and Noteholders could lose all or part of their investment. The risks described below are not the only ones the Issuer and the Issuer Group is exposed to. The risks described below are not intended to be exhaustive and additional risks that are not currently known to, or identified as risks by, the Issuer could have a material adverse effect on the Issuer’s and or the Issuer Group’s business and the Issuer’s ability to fulfil its obligations under the Notes and in addition there may be other risks not listed here which may apply to a particular Noteholder’s circumstances. The order in which the risks are presented is not intended to provide an indication of the likelihood of their occurrence or of their relative significance. Noteholders should also consider other information concerning the DDM group published by the Issuer’s ultimate parent company, DDM Holding AG.*

Risks relating to the Note Exchange

New asset portfolios will be transferred to the Issuer Group

If the Note Exchange is approved by the requisite majority of the Noteholders, Swiss entities held by DDM outside of the Issuer Group will be transferred to the direct ownership of the Issuer. These entities own distressed assets in multiple jurisdictions. Although these assets are currently held within the DDM group and the managing and collections in relation to the portfolios will remain unchanged after the transfer to the Issuer Group, certain assets and jurisdictions might nevertheless be new to the Issuer Group. There is a risk that new counterparties to the Issuer Group not will live up to their contractual obligations, e.g. by debtors failing to make required payments, collection agencies failing to collect payments or portfolio sellers not honouring representations and warranties in relation to portfolios sold to DDM. Such counterparties’ inability to honour obligations may have a negative effect on the Issuer Group’s business, financial condition and results of operations.

Certain other Financial Indebtedness may share in the Transaction Security and certain hedges may be secured by Security which is not also offered to the Noteholders

Even though the Secured Obligations under the Notes will be secured by (i) a share pledge over the shares in the Issuer, (ii) share pledges over all directly held Subsidiaries of the Issuer, and (iii) pledges over all loans from the Issuer to its directly held Subsidiaries relating to issue proceeds and other material and long term loans, there is no certainty that the proceeds of any sale of the Transaction Security following an enforcement would be sufficient to satisfy all amounts owed at the time to the Noteholders.

According to the Amended and Restated Terms and Conditions, the Issuer may issue other Market Loans and incur other New Debt and any such creditors may share in the Transaction Security that has or will be granted to the existing Noteholders. Moreover, a provider of certain hedges may be granted Security which is not also granted to the Noteholders with the effect that the hedge provider have a super senior ranking in relation to such security. There is a risk that the granting of Security for other Market Loans and other New Debt will have an adverse effect on the value of the Security that has been granted to the Noteholders.

The relationship and ranking between the Noteholders, the Security Agent, any Hedge Counterparty and any other New Creditor will be governed by the Intercreditor Agreement. Enforcement of the Transaction Security will be taken by the Security Agent in accordance with the terms of the Intercreditor Agreement and the proceeds will be applied in accordance with the Intercreditor Agreement.

The Noteholders and the other Secured Parties will be represented by the Security Agent in all matters relating to the Transaction Security. Subject to the terms of the Intercreditor Agreement, the Security Agent is entitled to enter into agreements with the Issuer or a third party or take any other action necessary for the purpose of maintaining, releasing or enforcing the Transaction Security, or for the purpose of settling, among other things, the Noteholders’ rights to the Security. There is a risk that the Security Agent, or any party appointed by the Security Agent, will fail to fully perform its obligations in terms of perfection, maintenance, enforcement or other necessary action in relation to the Transaction Security. If any of the foregoing risk factors were to materialize it may have a negative effect on the Issuer Group’s business, financial condition and results of operations.



The Transaction Security value may not be sufficient to repay amounts due under the Notes

If any Subsidiary of the Issuer, including a Subsidiary incorporated in Switzerland, is subject to foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative proceedings or other bankruptcy or insolvency proceedings, all of that Subsidiary's obligations must first be satisfied, potentially leaving few or no remaining assets in the Subsidiary. As a result, the Secured Parties may not be able to recover the full value (or any value in the case of an enforcement sale) of such pledged shares. Moreover, the value of the Transaction Security may decline over time. If the proceeds of an enforcement sale are not sufficient to repay all amounts due on or in respect of the Notes, the Noteholders will only have an unsecured claim against the remaining assets (if any) in the Issuer for the amounts which remain outstanding on or in respect of the Notes. In relation to unsecured claims, under bankruptcy law, certain debts and claims must be paid in priority to other debts and claims (for example, costs and expenses of a liquidator and certain payments to employees).

The value of any Structure Loan Notes that are subject to Security in favour of the Secured Parties is largely dependent on the relevant Subsidiary's ability to repay such loan. Should the relevant Subsidiary be unable to repay debt obligations upon enforcement of pledge over the Structure Loan Note, the Secured Parties may not recover the full value of the Security granted thereunder.

Transaction Security will be subject to late perfection, which will increase the risk for recovery in an insolvency

Certain bankruptcy limitations could apply to the Transaction Security under Swedish law. In particular, under the Swedish Bankruptcy Act (*konkurslagen (1987:672)*), in a bankruptcy or in a company reconstruction where a composition among creditors has been approved by the court, any security granted may be recovered if (a) it was not provided for at the time the debt it secured arose or if it was not perfected without delay following the coming into existence of such debt, unless in the circumstances it was nevertheless ordinary, and (b) it was granted later than three months before the "relevant date" (broadly, the date when the petition for bankruptcy or company reconstruction was lodged). Such security may also be recovered if provided to a related party earlier than three months but later than two years before the relevant date, unless it can be shown that the debtor was not insolvent at the time of the action and did not become insolvent as a result of it. All Transaction Security which was not provided on the Issue Date could be subject to the risk of recovery described. Such recovery could have a material adverse effect on the possibility to enforce the Transaction Security.

Pursuant to articles 285 et seq. of the Swiss Debt Enforcement and Bankruptcy Act a creditor, the trustee in bankruptcy, or the liquidator under a composition agreement may challenge an action of the debtor during the suspect period (which is a one year or a five year period, respectively, calculated backwards in time as from either (i) the seizure of assets, (ii) the opening of bankruptcy (*Konkurs*) proceedings, or (iii) the granting of a composition moratorium *Nachlassstundung*) or a postponement of bankruptcy (*Konkursaufschub*)) if the action was to the detriment of the creditors and, in particular, if the transaction was at an undervalue, or if collateral is granted for existing obligations which the debtor was hitherto not bound to secure.

The Issuer is not subject to any restrictions on Financial Indebtedness other than a financial maintenance covenant

Pursuant to the Amended and Restated Terms and Conditions of the Notes, there will be no direct debt incurrence limitations for the Issuer. Although there will be a financial maintenance covenant stating that Equity on each Reference Date shall not be less than 15 per cent. of Total Assets, such restriction does not directly limit the Issuer's ability to incur new Financial Indebtedness in between Reference Dates as long as the financial maintenance covenant is met on the Reference Date. The incurrence of new or additional Financial Indebtedness in the Issuer could have a negative impact on the Issuer's business, results of operations and financial position.

The trading price of the Notes may decrease as a result of the Note Exchange

If the Note Exchange is approved by the requisite majority of the Noteholders, the Final Maturity Date will be extended by approximately two years and six months. Noteholders may for various reasons need or otherwise want to exit their Notes investments prior the Final Maturity Date. There is a risk that the price of the Notes decrease, or that it becomes impossible to sell Notes at all, if Noteholders simultaneously should sell their Notes.

Risks relating to the Issuer Group

Risks relating to the Issuer Group's business

The Issuer Group may acquire portfolios that contain accounts which are not eligible to be collected and the Issuer Group could be the subject of fraud when purchasing asset portfolios

In the ordinary course of the Issuer Group's portfolio acquisitions, some assets may be included in the portfolios that fail to conform to the terms of the acquisition agreements and it may seek to return these assets to the seller for payment or replacement. However, the Issuer Group cannot guarantee that the seller will be able to meet its obligations or that the Issuer Group will identify non-conforming accounts soon enough to qualify for recourse. Each acquisition agreement specifies which accounts are eligible and which are not. Accounts that would be eligible for recourse if discovered in a timely fashion but that the Issuer Group is unable to return to sellers are likely to yield no return. If the Issuer Group acquires portfolios containing too many accounts that do not conform to the terms of the acquisition agreements or contain accounts that are otherwise uncollectible, it may be unable to recover a sufficient amount and the portfolio acquisition could be unprofitable, which would have a material adverse effect on its financial condition, financial returns and results of operations. In addition, because of fraud by a seller or by one of the Issuer Group's employees, the Issuer Group could acquire so-called "phantom portfolios" that have been sold to more than one person or where the assets are not valid, existing and enforceable or the debtor is not an existing person. The Issuer Group would not be able to collect on a portfolio to which someone else held legal ownership, or would need to spend time and resources establishing its own legal ownership of the portfolio if such ownership was unclear. The internal controls the Issuer Group has in place to detect such types of fraud may fail. If the Issuer Group is the victim of fraud, it could lose cash or reduce its collections, in either case potentially adversely impacting the Issuer Group's operations, financial position and results.



The Issuer Group's collections may decrease if the number of debtors becoming subject to personal insolvency procedures increases, if debtors have set-off rights related to the collected claims or if the Issuer Group fails to comply with applicable requirements related to the assignment of purchased claims

The Issuer Group recovers on assets that become subject to insolvency procedures under applicable laws, and it also acquires accounts that are currently subject to insolvency proceedings. Various economic trends and potential changes to existing legislation may contribute to an increase in the number of debtors subject to personal insolvency procedures. Under some insolvency procedures a person's assets may be sold to repay creditors, but since the distressed assets are generally unsecured, the Issuer Group would often not be able to collect on those assets. The Issuer Group's ability to successfully collect on its asset portfolios may decline with an increase in personal insolvency procedures or a change in insolvency laws, regulations, practices or procedures. If its actual collections with respect to a distressed asset portfolio are significantly lower than projected when the Issuer Group acquired the portfolio, its financial condition, financial returns and results of operations could be adversely affected.

In certain of the Issuer Group's markets, a debtor may have a right to set-off a claim that it has against the counterparty seeking to enforce a debt against the debtor. Subject to the relevant requirements being met, each debtor may be entitled to set off amounts due by the relevant seller to the debtor (if any) against amounts the debtor owes in respect of the relevant purchased claims prior to notification of the assignment thereof to us having been made. Such amount can be owed on the basis of contract or tort. As a result of such set-off, a purchased claim may, partially or fully, be extinguished. After assignment of a purchased claim to the Issuer Group and notification thereof to one of the Issuer Group's debtors, such debtor will also have set-off rights vis-à-vis us, provided that the legal requirements for set-off are met and further provided that (i) the counterclaim of the debtor results from the same legal relationship as the relevant purchased claim, or (ii) the counterclaim of the debtor has been originated and become due prior to the assignment of the purchased claim and notification thereof to the relevant debtor.

The transfer of ownership of purchased claims may require certain assignment procedures, for example by means of a deed of assignment executed between the debt originator and DDM and a notification of the assignment to the relevant debtor, or a notarial deed, a registered deed of assignment or similar procedure, without notification of the assignment to the relevant debtor being required. Should the transfer of a claim not meet applicable requirements, legal title to the relevant claim will not pass to the Issuer Group, which may result in the loss of such claim. The Issuer Group's ability to successfully collect on portfolios may decline or the timing on when the Issuer Group collect on portfolios may be delayed with an increase in personal insolvency procedures, if debtor have set-off rights related to the collected claims or if the Issuer Group fail or is unable to comply with applicable transfer requirements, which could have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

The Issuer Group may not be able to collect sufficient amounts on its asset portfolios to fund its operations

Because of the length of time involved in collecting distressed asset on acquired portfolios, the Issuer Group may not be able to identify economic trends or make changes in its acquiring strategies in a timely manner. This could result in a loss of value in a portfolio after acquisition. Analytical models may not identify changes that originators make in the quality of the asset portfolios that they sell. If the Issuer Group overpays for asset portfolios, and thus the value of acquired assets and cash flows from operations are less than anticipated, it may have difficulty servicing its own debt obligations and may not be able to acquire new asset portfolios, and the Issuer Group's operations, financial position and results will be adversely impacted.

The Issuer Group's financial performance is affected by debtor credit quality which is influenced by general economic conditions

Risks arising from changes in credit quality and the recoverability of loans are inherent in the Issuer Group's business. Adverse changes in the credit quality of the Issuer Group's debtors arising from a general deterioration in economic conditions or interest rates, unemployment or changes in house prices, could affect the recoverability and value of the Issuer Group's assets and require an increase in the Issuer Group's loan loss charge and other provisions in relation to acquired assets.

There may not be a sufficient supply of assets, or appropriately priced assets, to acquire

The Issuer Group operates in a fragmented and highly competitive industry. The availability of asset portfolios at prices that generate profits depends on a number of factors, many of which are outside of the Issuer Group's control. If originators choose to rely more heavily on debt collection agencies, there would be a reduction in the availability of assets that is early in the collection cycle and has had little or no exposure to collection activity. These "fresher" assets typically has higher collection expectations. If originators were to perform more of their own collections, or were to further outsource collections to debt collection agencies, the volume of asset sales or the quality of assets sold could decrease and consequently, the Issuer Group may not be able to buy the type and quantity of assets at prices consistent with its historic return targets. If the Issuer Group is unable to acquire distressed asset portfolios from originators at appropriate prices, or if one or more originators stop or decrease their sale of distressed asset portfolios, the Issuer Group could lose a potential source of income and its business may be harmed. If the Issuer Group does not continually replace serviced asset portfolios with additional portfolios, its operations, financial position and results will be adversely impacted.

It can take several years to realise cash returns on investments in asset portfolios

It is not unusual to take several years for entities of the Issuer Group to recoup the original acquisition price of investment in asset portfolios after taking into consideration direct and indirect operating costs, financing costs, taxes and other factors. During this period, significant changes may occur in the economy, the regulatory environment, the Issuer's and the Issuer Group's business or markets, which could lead to a substantial reduction in expected returns or reduce the value of the asset portfolios that have been acquired.

Acquiring patterns and the seasonality of the Issuer Group's business may lead to volatility in cash flow

The Issuer Group's business depends on the ability to collect on asset portfolios. Collections within portfolios tend to be seasonal. Conversely, collections within portfolios tend to be lower in months where there are fewer working days, for example months with public holidays. Operating expenses are higher following months where there are more volumes of accounts acquired. Furthermore, the acquisition of asset portfolios is likely to be uneven over the course of a year due to the fluctuating supply and demand within the market. The combination of seasonal collections and uneven servicing costs and acquisitions of asset portfolios may result in low cash flow at a time when portfolios appropriate for acquisition become available. A lack of cash flow could prevent the Issuer Group from acquiring asset portfolios that it would otherwise acquire as they become available, which could adversely impact the Issuer Group's operations, financial position and result.

There is generally a gap between the point in time when the Issuer Group purchase an asset portfolio and the point in time when the Issuer Group begin earning returns on the purchased portfolio as the Issuer Group does not always have control over when a deal to purchase a portfolio will close and will also need to locate debtors, build a consolidated profile of each such debtor's circumstances and formulate an appropriate repayment solution before the Issuer Group can start to collect on a purchased asset portfolio. In addition, the time it takes to begin earning returns on a purchased asset portfolio could vary from the initial estimates. As a result, the Issuer Group may experience difficulties in projecting cash flows and delays in generating income from purchased portfolios. Any of the foregoing factors could have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

Historical operating results and quarterly cash collections may not be indicative of future performance

The future operating results may not reflect past performance of the Issuer Group. The Issuer Group's results of operations and financial condition are dependent on the Issuer Group's ability to generate collections from purchased asset portfolios, which in turn is impacted by Issuer Group's ability to continue to purchase debt portfolios and the ability of debtors to pay. The ability of debtors to refinance their existing debt could result in the reduction in the volume of portfolios available for purchase. Further, changing interest rates or foreign exchange rates may impact the ability of debtors to pay claims that the Issuer Group own, resulting in an adverse effect in the ability to collect on Issuer Group's purchased asset portfolios. Any of the foregoing factors could have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

The models the Issuer Group uses to assess the price to be paid for the asset portfolios may be incorrect and a portfolio may lose value and does not yield as expected

The price attributed to a portfolio depends on its specific characteristics and composition with respect to, for instance, the size, age and type of assets. The models the Issuer Group uses to assess the price to be paid for these portfolios may be incorrect which can lead to the Issuer Group purchasing portfolios at excessive prices. While the Issuer Group believes that the recoveries on these portfolios will be in excess of the amount paid for them, amounts recovered may be less than expected and may even be less than the total amount paid for such portfolios. A portfolio may lose value and not yield as expected after purchase as actual collections can deviate significantly from the collection estimates produced by the Issuer Group's pricing model and the Issuer Group is not able to achieve the levels of forecasted collections, amortisations, revenue and returns on the portfolio purchases. In addition, the statistical models and analytical tools assess information to some extent provided by third parties, such as credit agencies and other mainstream or public sources, or generated by software products. The Issuer Group only have limited control over the accuracy of such information received from third parties. If such information is not accurate, portfolios may be incorrectly priced at the time of purchase, the recovery value for the asset portfolios may be calculated inaccurately, the wrong collection strategy may be adopted and lower collection rates or higher operating expenses may be experienced. Any of these events could have a materially adverse effect on the Issuer Group's business, financial condition and results of operations.

The Issuer Group may not be able to collect debts contained in its acquired portfolios The Issuer Group acquires asset portfolios at a deep discount to face value and collects the outstanding debt. There is a risk that future debts contained in the Issuer Group's portfolios cannot eventually be collected by the Issuer Group. The risk in this business is that the Issuer Group upon acquisition would overestimate its ability to collect amounts or underestimate the costs of collection or misjudge whether the acquired assets are valid, existing and enforceable.

When the Issuer Group commences enforcement actions through legal proceedings, courts may require a copy of the account statements or credit agreement to be attached to the pleadings in order to obtain a judgment against a particular debtor. Where the Issuer Group is unable to produce account documents in response to a court's request, that claim would be legally unenforceable. Furthermore, if any of the account documents the Issuer Group do have were found to be legally unenforceable, courts may deny that claims. Any changes to laws, regulations or rules that affect the manner in which the Issuer Group initiate enforcement proceedings, including rules affecting documentation, could result in increased administration costs or limit the availability of litigation as a collection tool, which could have a material adverse effect on the Issuer Group's business and results of operations. Additionally, the Issuer Group's ability to collect by means other than legal proceedings may be impacted by laws that require that certain types of account documentation be in the Issuer Group's possession prior to the institution of any collection activities. If the Issuer Group were to become unable to collect the expected amounts contained in its portfolios, the Issuer Group's operations, financial position and results may be adversely impacted.

The Group may not be able to successfully maintain and develop its IT or data analysis systems The Group's IT System provides possibilities to analyse and price new investments and managing current assets and is essential for the Group to carry out its business. IT and telecommunications technologies are evolving rapidly and are characterised by short product life cycles. The Group may not be successful in anticipating, managing or adopting technological changes on a timely basis and may not be successful in implementing improvements of its IT or data analysis systems. The costs for such improvements could be higher than anticipated or result in management not being able to devote sufficient attention to other areas of the Group's business. Also, any security breach in the Group's IT system, or any temporary or permanent failure in the system or loss of data, could disrupt the Issuer Group's operation and have a material adverse effect on its business, results of operations or financial condition.

Geographical risk

Even though the aim of the Issuer Group is to diversify its portfolio, there is a risk that the Issuer Group purchases portfolios concentrated within certain geographic areas. Such concentration of portfolios makes the investments more vulnerable to changes on regional markets and foreign governments that significantly alter its policies or other regulations so that it negatively impacts the business climate in that country or region. If the Issuer Group fails to continuously monitor market conditions, it may have a negative effect on the Issuer Group's business, financial condition and results of operations.

Financial risks

The Issuer Group may be exposed to foreign exchange risk

The Issuer Group's income from its portfolios will, following the implementation of the Amended and Restated Terms and Conditions be denominated in a multitude of currencies while the Issuer reports its financial results in Swedish kronor and is contemplating to convert its reporting currency to Euro. The Issuer Group may be exposed to additional currencies as a consequence of geographically expanding its business operations. Any change in the exchange rate between these currencies will affect the Issuer's Financial Statements when the results of its portfolios are translated into Swedish kronor or Euro for reporting purposes. The exchange rate between these currencies may fluctuate substantially, which could materially and adversely affect the Issuer Group's financial condition, financial returns and results of operations.

Hedges may be ineffective, implemented incorrectly or not at all

The Issuer Group is subject to the risk of interest and foreign exchange rate exposures. Although the Issuer Group, following the implementation of the Amended and Restated Terms and Conditions, may hedge its interest and foreign exchange rate exposures, such hedges could be implemented incorrectly or not at all. Any of these events could cause losses and have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

Operational risks

Dependency on the Group

The Issuer is dependent upon the other entities within the Issuer Group in order to conduct its business. If the Issuer would cease to be assisted by the other entities within the Issuer Group in its business, the Issuer's operations, financial position and results could be adversely impacted.

The Issuer Group is dependent on the employees of the Group

The Issuer Group's future development depends largely on the skills, experience and commitment of the Group's employees. Therefore it is important for the Issuer Group's future business activities and development that the Group is able to retain and, where necessary, also recruit suitable employees. If the Group should become unable to retain or recruit suitable employees it could adversely impact the Issuer Group's operations, financial position and results.

The parent company may have interests which conflict with those of the Issuer Group

The interests of the ultimate parent company DDM Holding AG could conflict with those of the Noteholders and/or those of the Issuer Group, particularly if the Issuer Group encounters difficulties or is unable to pay its debts as they fall due. DDM Holding AG may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgement, could enhance their equity investments, although such transactions might involve risks to the Noteholders. In addition, there is nothing that prevents DDM Holding AG, the Parent or any other member of the Group from running businesses that directly compete with that of the Issuer Group. Such competing business could be implemented within the DDM group, although outside of the Issuer Group. If such an event were to arise this may adversely impact the Issuer's operations, financial position and results.

It may not be possible to protect debtor data from unauthorised use

Failure to protect, monitor and control the use of the Issuer Group's debtor data could cause the Issuer Group to lose a competitive advantage. The debtor data could be subject to unauthorised use, misappropriation, or disclosure. Policing unauthorised use of such rights can be difficult and expensive and adequate remedies may not be available or available in an acceptable time frame. A failure to protect the debtor data from unauthorised use, or to comply with current applicable or future laws or regulations, could have a material adverse effect on the Issuer's operations, financial position and results.

Negative attention and news regarding the debt collection industry and individual debt collectors may have a negative impact on a debtor's willingness to pay debt owed to the Issuer Group and on the access to funding

Debtors may become more reluctant to pay their debts in full or at all or more willing to pursue legal actions against the Issuer Group. Print and television media, from time to time, may publish stories about the debt collection or debt purchasing industry that may cite specific examples of real or perceived abusive collection practices. These stories are also published on websites, which can lead to the rapid dissemination of the story and increase the exposure to negative publicity about the Issuer Group or the industry. The internet has websites where debtors list their concerns about the activities of debt collectors and seek guidance from other website posters on how to handle the situation. These websites are providing debtors with legal forms and other strategies to protest collection efforts and to try to avoid their obligations. To the extent that these forms and strategies are based upon erroneous legal information, the cost of collection is increased. Debtor blog sites and claims management companies are becoming more common and add to the negative attention given to the industry. Certain of these organisations may also enable debtors to negotiate a larger discount on their payments than the Issuer Group would otherwise agree to. As a result of this negative publicity, debtors may be more reluctant to pay their debts or could pursue legal action against the Issuer Group regardless of whether those actions are warranted. The collection of debt, particularly historic debt, involves complex interpretations and calculations of contractual terms that may vary by debt originator and/or country, which may impact the calculation of debtors' resulting payment obligations and the collection strategies the Issuer Group employ. The Issuer Group may be subject to claims and inquiries from debtors and regulators regarding the collection processes/strategies. Such complaints or inquiries could result in financial liability and could jeopardize the relationships with the Issuer Group's debt originator clients, the ability to establish new relationships, have a negative impact on a debtor's willingness to pay their debt, diminish the Issuer Group's attractiveness as a counterparty or lead to increased regulations of the debt purchasing industry.

Negative publicity could also adversely affect investors in the capital markets and other providers of financing. Any of these events may have a negative effect on the Issuer Group's access to funding, which may impair its ability to purchase debt portfolios and have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

The Issuer Group rely on third-party collection providers

The collection operations of the Issuer Group are conducted by third-party collection providers. Any failure by these third parties to adequately perform such services could materially reduce the Issuer Group's cash flow, income and profitability and affect the reputation in the countries where they operate. Any violation of laws or other regulatory requirements by these third parties in their collection efforts could negatively impact the Issuer Group's business and reputation or result in penalties being directly imposed on the Issuer Group, as industry regulators generally expect businesses to carefully select such third parties and to take responsibility for any compliance violations. The failure of the third-party debt collectors to perform their services to the Issuer Group's standards and any deterioration in or loss of any key relationships may have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

Third-party collection providers could commit fraud with respect to the claims that the Issuer Group engage them to service, fail to comply with applicable laws and regulations, such as data protection requirements, or fail to provide the Issuer Group with accurate data on the claims they are servicing. To the extent these third parties violate, or is unable to comply with, laws, other regulatory requirements or their contractual obligations to the Issuer Group, or act inappropriately in the conduct of their business, the Issuer Group's business and reputation could be negatively affected or penalties could be directly imposed on the Issuer Group. The Issuer Group may also suffer losses pursuant to the agreements with debt originators who have required, and may require, us to ensure compliance by sub-contractors with applicable laws or other regulatory requirements. Furthermore, the Issuer Group may not become aware of the occurrence of any such violations for a substantial period of time, which could magnify the effect of such violations.

In addition, financially weak third-party collection providers may be unable to continue to fund their activities, including taking steps to actively service claims assigned to them, or continue to build their operations and systems in line with the Issuer Group's expectations and servicing volumes, without the Issuer Group's support. Any underperformance on the part of third-party collection providers and other counterparties, whether as a result of failing to meet financial targets required by the Issuer Group or otherwise, could have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

Regulatory and legal risks**The Issuer Group is subject to risks of legal and regulatory claims**

In the ordinary course of business, the Issuer Group is subject to regulatory oversight and the risk of claims being brought against the Issuer Group by debtors from which the Issuer Group collect debt as well as national and international authorities. The Issuer Group carry out operations in a number of jurisdictions and is therefore subject to regulation in each such jurisdiction. Such regulation may relate to economic or other sanctions, both on a national and international level. It cannot be ruled out that material litigations, disputes or regulatory investigations may occur in the future and that the Issuer Group may in the future be named as defendants in litigation, including under debtor credit, tax, collections, employment, competition and other laws. An unfavourable imposition of sanctions directed at any of the jurisdictions in which the Issuer Group operates could have a material adverse effect on the Issuer Group's business, results of operations or financial condition. In addition, claims management companies and debtor rights groups could increase their focus on the debt collection industry and, in particular, the collection of debts owed under credit agreements. Such negative publicity or attention could result in increased regulatory scrutiny and increased litigation against the Issuer Group, including class action suits.

These types of claims and proceedings may expose the Issuer Group to monetary damages, direct or indirect costs, direct or indirect financial loss, civil and criminal penalties, loss of licenses or authorizations, or loss of reputation, as well as the potential for regulatory restrictions on the businesses, all of which could have a material adverse effect on the Issuer Group's business, earnings and financial position. Claims against the Issuer Group, regardless of merit, could subject the Issuer Group to costly litigation or proceedings and divert the Issuer Group's management personnel from their regular responsibilities. Adverse regulatory actions against the Issuer Group or adverse judgments in litigation to which the Issuer Group is party may lead to the Issuer Group being forced to suspend certain collection efforts or pay damages, being subject to enforcement orders or having the registration with a particular regulator revoked. If any of the foregoing occurs, it may have a material adverse effect on the Issuer Group's business, results of operations or financial condition.

**Tax related risks**

The business of the Issuer Group, including transactions between Issuer Group companies and transactions between Group Companies and Issuer Group Companies, is operated according to the Issuer Group's understanding or interpretation of current tax laws, tax treaties and other tax law stipulations and in accordance with the Issuer Group's understanding and interpretation of the requirements of the tax authorities concerned. However, it cannot be ruled out that the Issuer Group's understanding or interpretation of the above mentioned laws, treaties and other regulations is not correct in every aspect. Nor can it be ruled out that the tax authorities of the countries concerned will make assessments and take decisions which deviate from the Issuer Group's understanding or interpretation of the abovementioned laws, treaties and other regulations. The Issuer Group's tax position both for previous years and the present year may change as a result of the decisions of the tax authorities concerned or as a result of changed laws, treaties and other regulations. Such decisions or changes, possibly retroactive, may have an adverse impact on the Issuer Group's business, financial position and profits in the future.

Risks relating to the Notes**Credit risk**

A potential investor should assess the credit risks associated with the Issuer, the Issuer Group and the Notes. As there is a credit risk associated with the Issuer and the Issuer Group, events that reduce the creditworthiness of the Issuer or the Issuer Group should be considered. If the Issuer's or the Issuer Group's financial position should decline, there is a risk that the Issuer will not be able to fulfil its obligations under the Notes. A decrease in the Issuer's or the Issuer Group's creditworthiness could also lead to a decrease in the market value of the Notes.

Interest rate risk

The Notes' value is dependent on several factors, one of the most significant over time being the level of market interest rates. Investments in the Notes involve a risk that the market value of the Notes may be adversely affected by changes in market interest rates.

Refinancing risk

The Group's business will immediately following the implementation of the Amended and Restated Terms and Conditions to a large extent be funded by the Notes with Final Maturity Date in 2018. The Notes may, however, under certain circumstances be redeemed by the Issuer Group or accelerated by the Noteholders prior to such final maturity (including in the event of a Change of Control as defined in the Amended and Restated Terms and Conditions). There is not necessarily any correlation in time between collecting on sufficient assets under the Issuer Group's asset portfolios and the maturity of the Notes or any other of the Issuer Group's funding. A deterioration in the financial position of the Issuer may reduce the Issuer's ability to obtain any debt financing required to repay the Notes or any other debt at the time of its maturity. As a result, the Issuer's access to financing sources at a particular time may not be available on favourable terms, or at all. All of the above could have materially adverse effect on the Issuer's business, financial condition and profits and the Issuer's ability to repay amounts due under the Notes.

Risk of early repayment of the Notes

The Issuer has, under the Terms and Conditions, reserved the possibility to repay the Notes before the Final Maturity Date. If the Notes are repaid before the Final Maturity Date, the Noteholders have the right, in most cases, to receive an early repayment amount which exceeds the Nominal Amount. There is, however, a risk that the market value of the Notes may be higher than the early repayment amount.

Noteholder representation

In accordance with the Terms and Conditions, the Agent represents each Noteholder in all matters relating to the Notes. The Terms and Conditions contain provisions to the effect that a Noteholder is prohibited from taking actions of its own against the Issuer. To enable the Agent to represent the Noteholders in court, the Noteholders may have to submit a written power of attorney for legal proceedings. The failure of all Noteholders to submit such a power of attorney could negatively impact the enforcement options available to the Agent on behalf of the Noteholders. Additionally, under the Terms and Conditions the Agent has the right in some cases to make decisions and take measures that bind all Noteholders without first obtaining the prior consent of the Noteholders including: (a) the right to agree to amendments to finance documents provided such amendments do not adversely affect the interest of the Noteholders or such amendments are made solely for the purpose of rectifying obvious errors and mistakes; and (b) the right to accelerate the Notes and exercise any right, remedies, powers or discretions under finance documents upon the occurrence of an Event of Default.

Noteholders' meetings

Pursuant to the Terms and Conditions, certain majorities of Noteholders have the right to make decisions and take measures that bind all Noteholders, including those who vote in a manner contrary to the majority. Consequently, the actions of the majority and the Agent in such matters could impact the Noteholders' rights under finance documents in a manner that would be undesirable for some of the Noteholders.

Clearing and settlement

The Notes are affiliated to Euroclear Sweden's account-based system. Clearing and settlement as well as payment of interest and the repayment of principal are carried out within this system. The Issuer will discharge its payment obligations under the Notes by making payments to Euroclear Sweden for distribution to the applicable account holders. Investors are therefore dependent on the functionality of Euroclear Sweden's system in order to receive payments under the Notes.

Change of law

The Notes are subject to Swedish and applicable European laws and administrative practice in effect as at the date of this presentation. No assurance can be given as to the impact of any possible judicial decision, change to Swedish or European law or administrative practice after the date of this presentation, nor can any assurance be given as to whether any such change could adversely impact the ability of the Issuer to make payments under the Notes.