



## Terms and Conditions

**Jefast Holding AB (publ)**

**Up to SEK 500,000,000**

**Senior Secured Floating Rate Bonds**

**ISIN: SE0007186085**

19 November 2015

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

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## 1. Definitions and Construction

### 1.1 Definitions

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

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

"**Accounting Principles**" means (i) until conversion to IFRS, the generally accepted accounting principles, standards and practices in Sweden and (ii) following conversion, 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 Bonds owned by a Group Company or an Affiliate, irrespective of whether such person is directly registered as owner of such Bonds.

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

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

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

"**Agent**" means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

"**Ambolt Amendments**" means the contemplated amendments to the Ambolt Loan Agreement whereby such loan agreement is amended so that *inter alia* paragraph (a) of Clause 16.6 (*Dividends*) of the loan agreement is excluded in its entirety or amended so that there are no restrictions on value transfers (*Sw. värdeöverföringar*) (including profit/dividends) from Jefast USA AB to Jefast AB.

"**Ambolt Downstream Loans**" means the downstream loans in an aggregate amount of SEK 49,005,376 already made or to be made by Jefast USA AB to Jefast Hotel LLC in accordance with the Ambolt Loan Agreement.

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"**Ambolt Loan Agreement**" means the SEK 49,005,376 loan agreement dated 12 May 2015 between Jefast USA AB, Jefast AB and Ambolt S.A. SICAV-SIF Ambolt Mezzanine Fund.

"**Applicable Premium**" means the sum of:

- (a) the present value on the relevant record date of 3.00 per cent. of the Nominal Amount as if such payment originally should have taken place on the First Call Date; plus
- (b) the present value on the relevant record date of all remaining scheduled Interest payments (less any accrued but unpaid interest) on the Bond until the First Call Date,

both calculated by using a discount rate of 50 basis points over the comparable Swedish Government Bond Rate (i.e. comparable to the remaining duration of the Bonds until the First Call Date) (plus accrued interest on redeemed amount) and where "relevant record date" shall mean a date agreed upon between the Agent, the CSD and the Issuer in connection with such repayment.

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

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

"**Bond Proceeds Loan**" mean the Initial Bond Proceeds Loan and the Future Bond Proceeds Loan.

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

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

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

"**Call Option**" means the Issuer's right to redeem outstanding Bonds in full in accordance with Clause 10.3 (*Voluntary Total Redemption*).

"**Call Option Amount**" means:

- (a) 100.00 per cent. of the Nominal Amount plus the Applicable Premium, if the Call Option is exercised anytime before the First Call Date;

- (b) 103.00 per cent. of the Nominal Amount, if the Call Option is exercised on or after the First Call Date to, but not including, the date falling 30 months after the First Issue Date;
- (c) 101.50 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 30 months after the First Issue Date to, but not including, the date falling 34 months after the First Issue Date; and
- (d) 100.00 per cent. of the Nominal Amount, if the Call Option is exercised on or after the date falling 34 months after the First Issue Date to, but not including, the Final Maturity Date.

"Cash" means, at any time, cash in hand or at bank and (in the latter case) credited to an account in the name of a Group Company with a bank and to which a Group Company is alone (or together with other Group Companies) beneficially entitled and for so long as:

- (a) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any Group Company or of any other person whatsoever or on the satisfaction of any other condition;
- (b) there is no Security over that cash except for any Permitted Security constituted by a netting or set-off arrangement entered into by Group Companies in the ordinary course of their banking arrangements; and
- (c) the cash is freely and (except as mentioned in paragraph (a) above) immediately available to be applied in repayment or prepayment of the of the indebtedness incurred under the Finance Documents.

"Cash Equivalent Investments" means, in respect of any member of the Group, and at any time, (i) immediately available funds at bank or postal accounts and (ii) marketable debt securities held for cash management purposes that can be realised promptly and which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investor Services Limited, or, if no rating is available in respect of the commercial paper or debt securities, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating.

"Change of Control Event" means the occurrence of an event or series of events whereby:

- (a) the Investors ceases to control and own, directly or indirectly, on a fully diluted basis at least fifty-one (51) per cent of the issued share capital, voting rights or the economic interest of the Issuer; or
- (b) the Investors ceases to have the ability to determine the composition of the majority of the board of directors of the Issuer.

"Compliance Certificate" means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying (i) the satisfaction of the Maintenance Test, the LTV Incurrence Test or the Incurrence Test (as applicable) (including figures in respect

of the relevant financial covenant(s) and the basis on which they/it has/have been calculated), and (ii) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it.

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

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

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

"Environmental Law" means any applicable law or regulation which relates to:

- (a) the pollution or protection of the environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the environment, including, without limitation, any waste.

"**Environmental Permits**" means any permit and other authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Group conducted on or from the real properties owned or used by any member of the Group.

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

"**Final Maturity Date**" means 24 January 2019.

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

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is treated as a finance lease in accordance with the Accounting Principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).

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

"**Financial Report**" means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available in accordance with Clause 12.1 (*Information from the Issuer*).

"**First Call Date**" means 24 November 2017.

"**First Issue Date**" means 24 November 2015.



"**Floating Rate Margin**" means 6.50 per cent.

"**Future Bond Proceeds Loan**" means any loan provided by the Issuer to Jefast AB in connection with the issuance of Subsequent Bonds in an amount equivalent to the Net Proceeds from the issuance of such Subsequent Bonds.

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

"**Incurrence Test**" means the test of the financial incurrence covenants as set out in Clause 13.2 (*Incurrence Test*).

"**Initial Bond Proceeds Loan**" means the loan provided by the Issuer to Jefast AB in connection with the issuance of the Initial Bonds in an amount equivalent to the Net Proceeds from the Initial Bonds.

"**Initial Bonds**" means the Bonds 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 (*Sw. konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Bondholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*Sw. lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

"**Interest**" means the interest on the Bonds calculated in accordance with Clauses 9(a) to 9(d).

"**Interest Coverage Ratio**" means the ratio of EBITDA to Net Finance Charges.

"**Interest Payment Date**" means 10 January, 10 April, 10 July and 10 October 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 Bonds shall be 10 January 2016 and the last Interest Payment Date shall be the relevant Redemption Date.

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

"**Interest Rate**" means STIBOR (3 months) plus the Floating Rate Margin *per annum*.

"**Investors**" means Bo Jertshagen, ID No. 511202-3998, and any spouse, child, parent, brother or sister of Bo Jertshagen.



"**Issuer**" means Jefast Holding AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556721-2526.

"**Issuing Agent**" means Danske Bank A/S, Danmark, Sverige Filial, Swedish Reg. No. 516401-9811, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

"**Jefast AB**" means Jefast AB, Reg. No. 556311-1409.

"**Jefast USA AB**" means Jefast USA AB, Reg. No. 556847-9835.

"**LTV Incurrence Test**" means the test as set out in Clause 13.2(b) and Clause 13.2(c).

"**LTV Ratio**" means at any time in relation to the Group, the aggregate of the Net Interest Bearing Debt of the Group as a percentage of the aggregate Value of all Properties.

"**Maintenance Test**" means the test of the financial maintenance covenants as set out in Clause 13.1 (*Maintenance Test*).

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

"**Material Adverse Effect**" means a material adverse effect on:

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

"**Net Disposal Proceeds**" means the proceeds received in cash from a disposal of the Pelican Grand less any costs relating to such disposal (including, but not limited to, repayment of any financing relating to the Pelican Grand), any fees and any tax relating to such disposal.

"**Net Disposal Proceeds Account**" means a bank account of the Issuer held with a reputable bank, into which the Net Disposal Proceeds will be transferred in accordance with item (b)(ii) of Clause 14.7 (*Divestment of the Pelican Grand*) and which will be pledged in favour of the Agent and the Bondholders (represented by the Agent).

"**Net Finance Charges**" means, for the Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid or payable by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction Costs, after deducting any interest payable for that Relevant Period to any member of the Group and any interest income relating to cash.

"**Net Interest Bearing Debt**" means the aggregate interest bearing debt (including also debt instruments with payment in kind interest) less Cash and Cash Equivalent Investments of the Group in accordance with the applicable Accounting Principles of the Group from time to time (for the avoidance of doubt, excluding loans between members of the Group).

"**Net Proceeds**" means the proceeds from the issuance of the Bonds which after deduction has been made for the Transaction Costs, including fees, payable by the Issuer to Danske Bank A/S, Danmark, Sverige Filial as bookrunner for the services provided in relation to the placement and issuance of the Bonds.

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

"**Pelican Grand**" means all of the Group's operations, assets and business relating to the Pelican Grand Beach Resort located at 2000 N. Ocean Blvd. Fort Lauderdale, Florida US.

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

- (a) incurred under the Bonds, other than Subsequent Bonds;
- (b) taken up from a Group Company, provided that other than the Ambolt Downstream Loans no Financial Indebtedness may be taken up by a U.S. Group Company from a Swedish Group Company and vice versa;
- (c) incurred in the ordinary course of business under Advance Purchase Agreements;
- (d) incurred as a result of any Group Company (other than the Issuer) acquiring another entity and which is due to that such acquired entity holds indebtedness, provided that the LTV Incurrence Test is met, tested *pro forma* including the acquired entity in question;
- (e) incurred by the Issuer if such Financial Indebtedness meets the LTV Incurrence Test tested *pro forma* including such incurrence, and (i) is incurred as a result of a Subsequent Bond Issue by the Issuer under the Terms and Conditions, or (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, and has a final maturity date or a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date;
- (f) any Financial Indebtedness provided by a third party finance provider and incurred by a Group Company (other than the Issuer) either existing on the date hereof or incurred in the future and, in each case for the purpose of financing investments in Properties and real property transactions normal for the business carried on by the Group, provided that the LTV Incurrence Test is met (for which purpose the LTV Incurrence Test shall be tested *pro forma* including such incurrence);
- (g) under hedging transactions in the ordinary course of business or in respect of payments to be made under these Terms and Conditions or any debt

permitted under paragraph (f) above, but not for investment or speculative purposes; and

- (h) incurred by any Group Company (other than the Issuer) for the purpose of financing investments in the Söderpunkten Project, provided that the aggregate amount of Financial Indebtedness permitted to be outstanding under this paragraph (h) shall not at any time exceed SEK 100,000,000.

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

- (a) created in accordance with these Terms and Conditions;
- (b) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (c) provided by any entity that has been acquired pursuant to item (d) of the definition of "Permitted Debt"; and
- (d) provided by the Group for any Financial Indebtedness permitted under paragraphs (f), (g) and (h) in the definition of "Permitted Debt".

**"Person"** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

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

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

**"Property"** means any real property owned by a member of the Group from time to time, jointly referred to as the **"Properties"**.

**"Quotation Day"** means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

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

"**Redemption Date**" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and Repurchase of the Bonds*).

"**Reference Dates**" means the last day of the period covered by the most recent Financial Report (being 31 March, 30 June, 30 September and 31 December each year).

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

"**Reinvestment Period**" shall have the meaning as set out in Clause 14.7 (*Divestment of the Pelican Grand*).

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

"**Secured Creditors**" means the Bondholders and the Agent.

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

"**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.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**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:

- (a) the share pledge agreement, dated on or about First Issue Date, between the Issuer and the Agent with respect to the shares in Jefast AB;
- (b) the share pledge agreement, dated on or about First Issue Date, between Jefast AB and the Agent with respect to the shares in;
  - (i) Jefast i Helsingborg AB;
  - (ii) Jefast Specialfastigheter AB;
  - (iii) Jefast Långaröd Holding AB;
  - (iv) Jefast Långaröd AB;
  - (v) Miscere AB;
  - (vi) Jefast Belgien Västra AB;

- (vii) Jefast Parkering AB;
  - (viii) Jefast Byggservice AB;
  - (ix) Struere AB;
  - (x) Jefast Citygalleria Holding AB;
  - (xi) Jefast Fastigheter Holding AB;
  - (xii) Manere AB;
  - (xiii) Jefast i Ängelholm AB;
  - (xiv) Jefasthuset Holding AB;
  - (xv) Jefast USA AB;
- (c) the intercompany loan pledge agreement dated on or about the First Issue Date between the Issuer and the Agent with respect to the Initial Bond Proceeds Loan and any Future Bond Proceeds Loan; and
- (d) any other security document that may be required to be entered into by any Group Company pursuant to these Terms and Conditions or any other Finance Document.

"**STIBOR**" means:

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

if any such rate is below zero, STIBOR will be deemed to be zero.

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

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

"**Swedish Government Bond Rate**" means:

- (a) the interpolated SGB rate between the SGB 12 August 2017 (series 1051) and the SGB 12 March 2019 (series 1052) (mid rates), as determined by the Issuing Agent on or about 11.00 am on the date of the notification of redemption; or
- (b) if no quotation is available pursuant to paragraph (a), the SGB rate which the Issuing Agent deems appropriate for the purpose of the calculation set out in this definition (acting reasonably); and

if any such rate is below zero, the Swedish Government Bond Rate will be deemed to be zero.

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

"**Söderpunkten Project**" means the Group's project in respect of the urban shopping and entertainment centre located at the real property Helsingborg Holland 25, including *inter alia* reconstruction and development of the existing building on the real property for shopping, entertainment and housing purposes.

"**Total Assets**" means, in respect of the Group, the book value of the total consolidated assets as shown in the most recent annual consolidated financial statements of the Group.

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

"**Transaction Costs**" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with the issuance of the Bonds.

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

"**U.S. Group Companies**" means Jefast Hotel LLC, Reg. No. 75-3269387, Jefast Pelican Grand I LLC, Reg. No. 35-2344083, Jefast Manager LLC, Reg. No. 45-4908005, Jefast Real Estate LLC, Reg. No. 68-0676594, and Properties in Fort Lauderdale LLC, Reg. No. 46-5554841 (each a "**U.S. Group Company**").

"**Valuation**" means a valuation report in relation to a Property specifying the Value of the Property, delivered in accordance with Clause 14.14 (*Valuations of the Properties*).

"**Value**" means the market value of a Property as set out in the most recent Valuation which must not be older than twelve months and which shall be prepared by a reputable appraiser (appointed by the Issuer).

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

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "**assets**" includes present and future real properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "**regulation**" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (iv) a provision of law is a reference to that provision as amended or re-enacted; and
  - (v) a time of day is a reference to Stockholm time.
- (b) An Event of Default is continuing if it has not been remedied or waived.
- (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- (d) When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Riksbanken) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- (e) No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.



- (c) The Nominal Amount of each Bond is SEK 1,000,000 (the "**Nominal Amount**"). The minimum Total Nominal Amount of the Initial Bonds is SEK 200,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- (d) Provided that the LTV Incurrence Test is met and that no Event of Default is continuing or would result from such issue, the Issuer may at one or more occasions issue Subsequent Bonds. Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the applicable ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum Total Nominal Amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed SEK 500,000,000.
- (e) Except as set out in Clause 5 (*Transfer Restrictions*) below, and subject to any restrictions to which a Bondholder may be subject due to local law or otherwise, the Bonds are freely transferrable. Each Bondholder must ensure compliance with local laws and regulations applicable at their own cost and expense.
- (f) Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.
- (g) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

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

The Net Proceeds from the issuance of the Bonds (the Initial Bonds and all Subsequent Bonds) shall be applied towards on-lending to Jefast AB by way of the Bond Proceeds Loan for the purpose of financing general corporate purposes of the Group and future acquisitions and investments.

### **4. Conditions Precedent**

- (a) The payment of the Net Proceeds to the Proceeds Account is subject to the Agent having received documents and evidence of the Proceeds Account Pledge Agreement being duly executed and perfected.
- (b) The Issuer shall provide, or procure the provision of, to the Agent, in form and substance satisfactory to the Agent (acting reasonably):

- (i) copies of constitutional documents of the Issuer;
  - (ii) copies of necessary corporate resolutions (including authorisations) from each Group Company to execute the relevant Finance Documents to the extent that Group Company is a party to a relevant Finance Document;
  - (iii) confirmation from the Issuing Agent that the Issuer has issued a completeness certificate and a statement of responsibility;
  - (iv) evidence that the amounts to be released from the Proceeds Account shall be applied towards payments in accordance with Clause 3 (*Use of Proceeds*);
  - (v) Valuations for all Properties other than the Danish Property located at 2 f Ålsgårde Hellebaek, Denmark and the two American Properties located at Coral Ridge Galt Add 27-46 B Lot 13 BLK 30, Fort Lauderdale Florida United States of America and Coral Ridge Galt Add 27-46 B Lot 12 BLK 30 Fort Lauderdale Florida United States of America;
  - (vi) duly executed copies of the Finance Documents and evidence of duly perfected security interests; and
  - (vii) evidence that all documentation relating to the Ambolt Amentments have been entered into and that such amendments have come in into full force and effect.
- (c) When the conditions precedent for disbursement set out in Clause 4(b) have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Proceeds Account) to transfer the funds from the Proceeds Account for the purpose of payments in accordance with Clause 3 (*Use of Proceeds*), and the Agent shall thereafter or in connection therewith release the pledge over the Proceeds Account.
- (d) If the conditions precedent for disbursement set out in Clause 4(b) have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within thirty (30) Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with Clause 3(b)(ii) of the Proceeds Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4(d). The repurchase date shall fall no later than thirty (30) Business Days after the ending of the thirty (30) Business Days period referred to above.

## 5. Transfer Restrictions

- (a) No Bondholder may offer, sell, pledge or otherwise transfer any Bond except:
  - (i) to the Issuer;

- (ii) to a person who the seller reasonably believes is a QIB within the meaning of Rule 144A under the Securities Act purchasing for its own account or for the account or benefit of a QIB in a transaction meeting the requirements of Rule 144A;
- (iii) outside the United States in compliance with Rule 903 or Rule 904, as applicable, of Regulation S under the Securities Act;
- (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available);
- (v) pursuant to any other available exemption from registration under the Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require confirming that such sale or transfer is in compliance with the Securities Act; or
- (vi) pursuant to an effective registration statement under the Securities Act,

provided however that in each case a transfer is made in accordance with all applicable securities laws of the states of the United States and any other jurisdiction.

- (b) The Bonds may not, subject to applicable Canadian laws, be traded in Canada for a period of more than four (4) months and a day from the date the Bonds were originally issued.
- (c) The Issuer makes no representation as to the availability of an exemption from registration provided by Rule 144 of the Securities Act.

## 6. Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.

- (d) For the purpose of or in connection with any Bondholders' Meeting under Clause 18 (*Bondholders' Meeting*) or any direct communication to the Bondholders under Clause 19 (*Written Procedure*), the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

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

- (a) If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.
- (b) A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 7(b) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **8. Payments in Respect of the Bonds**

- (a) Any payment or repayment under the Finance Documents shall be made to such person who is registered as a Bondholder on a Securities Account on the Record Date immediately preceding the relevant payment date.
- (b) If a Bondholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect the payment of amounts according to the aforesaid, the CSD will pay such amount to the relevant Bondholder being registered as such on the Record Date as soon as possible after such obstacle has been removed.

- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 9(c) during such postponement.
- (d) If payment or repayment is made in accordance with this Clause 8, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount, unless the Issuer or the CSD (as applicable) was aware of that the payment was being made to a person not entitled to receive such amount.

## **9. Interest**

- (a) Each Initial Bond carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- (d) 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 hundred (200) basis points higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

## **10. Redemption and Repurchase of the Bonds**

### **10.1 Redemption at maturity**

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

### **10.2 Issuer's purchase of Bonds**

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

### 10.3 Voluntary Total Redemption

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full with an amount per Bond equal to the Call Option Amount applicable to the relevant period for the repayment of the Nominal Amount together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 10.3(a) shall be made by the Issuer giving not less than twenty (20) Business Days' notice prior to the relevant Redemption Date to the Bondholders and the Agent and in accordance with the instructions of the Issuer or the Issuing Agent, as applicable. Any such notice is irrevocable and, upon expiry of such notice, the Issuer is bound to redeem the Bonds in full with the applicable amounts.

### 10.4 Mandatory Repurchase due to a Change of Control Event

- (a) Upon a Change of Control Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds be repurchased at a price per Bond equal to 101.00 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of sixty (60) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 12.1(b) (after which time period such right shall lapse).
- (b) The notice from the Issuer pursuant to Clause 12.1(b) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 12.1(b). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause 10.4(a).

### 10.5 Mandatory Redemption due to a Disposal of the Pelican Grand

A repayment in accordance with item (b)(i) of Clause 14.7 (*Divestment of the Pelican Grand*) shall be made within 30 days following the end of the Reinvestment Period. The Issuer shall within such period repay the Total Nominal Amount with an amount equal to one hundred (100) per cent of the Net Disposal Proceeds (the "**Redemption Amount**") plus a premium of:

- (a) 3.00 per cent. of the Redemption Amount, if repayment is made prior to the First Call Date; or
- (b) the relevant redemption premium applicable to the relevant period for the repayment of the Redemption Amount as set out in the definition of Call Option Amount, if repayment is made after the First Call Date.

together with accrued but unpaid interest on the repaid amount.



## 10.6 General

- (a) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 10, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 10 by virtue of the conflict.
- (b) Any Bonds repurchased by the Issuer pursuant to this Clause 10 may at the Issuer's discretion be retained, sold or cancelled.

## 11. Transaction Security

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

## 12. Information to Bondholders

### 12.1 Information from the Issuer

- (a) The Issuer shall make the following information available in the English language to the Bondholders by publication on the website of the Issuer:
  - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly



- interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
- (iii) the year-end report (*Sw. bokslutskommuniké*) for such period; and
  - (iv) any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Bonds are listed.
- (b) The Issuer shall immediately notify the Agent when the Issuer is or becomes aware of the occurrence of a Change of Control Event or upon the occurrence of a divestment of the Pelican Grand.
- (c) The Issuer shall at the first date falling after the end of the Reinvestment Period;
- (i) supply to the Agent information of all acquisitions and investments (if any) made pursuant to Clause 14.7 (*Divestment of the Pelican Grand*) during the Reinvestment Period;
  - (ii) if relevant, notify the Agent of any amounts of the Net Disposal Proceeds not applied towards acquisitions and investments during the Reinvestment Period and, hence, subject to repayment in accordance with Clause 10.5 (*Mandatory Redemption due to a Disposal of the Pelican Grand*); and
  - (iii) if relevant, notify the Agent of the amount of the Net Disposal Proceeds to be transferred to the Net Disposal Proceeds Account in accordance with item (b)(ii) of Clause 14.7 (*Divestment of the Pelican Grand*).
- (d) When the financial statements and other information are made available the Bondholders pursuant to paragraph (a) above, the Issuer shall send copies of such financial statements and other information to the Agent.
- (e) The Issuer shall:
- (i) supply to the Agent, with each set of its financial statements, delivered pursuant to paragraph (a)(ii) above, for a period ending on a Reference Date, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with the Maintenance Test as at the relevant Reference Date;
  - (ii) supply to the Agent;
    - (A) in connection with the incurrence of new Financial Indebtedness incurred pursuant to paragraph (d), (e) or (f) of the definition of "Permitted Debt" or the making of a

Restricted Payment in accordance with item (b)(ii) of Clause 14.2 (*Distributions*), a Compliance Certificate which shall contain computations as to the LTV Incurrence Test or the Incurrence Test (as applicable); and

- (B) within twenty (20) Business Days from the Agent's request a Compliance Certificate which shall contain computations as to the relevant test requested by the Agent, and
- (iii) supply to the Agent together with its annual financial statements, delivered pursuant to paragraph (a)(i) above, Valuations for all Properties (if not already provided).
- (f) The first Compliance Certificate in relation to the Maintenance Test to be delivered by the Issuer in accordance with paragraph (e)(i) above shall be delivered by the Issuer to the Agent for the period ending on the Reference Date falling 31 March 2016.
- (g) The Issuer shall immediately notify the Agent (with full particulars) when the Issuer is or becomes aware of the occurrence of any event or circumstance which constitutes an Event of Default, 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.
- (h) The Issuer is only obliged to inform the Agent according to this Clause 12.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 12.1.
- (i) When and for as long as the Bonds are listed, the Issuer shall also make the information set out in paragraph 12.1(a) above available by way of press releases.

## 12.2 Information from the Agent

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

### 12.3 Publication of Finance Documents

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

## 13. Financial Testing

### 13.1 Maintenance Test

The Issuer shall ensure that the LTV Ratio, in respect of any Relevant Period following and including the Relevant Period ending on 31 March 2016, at all times does not exceed 80 per cent., calculated in accordance with the calculation principles set out in Clause 13.4 (*Calculation Adjustments*), on a consolidated basis and based on the most recently delivered Financial Report and Valuations.

### 13.2 Incurrence Test

The Incurrence Test is met if, at the relevant time;

- (a) the Interest Coverage Ratio is at least 1.50:1;
- (b) the LTV Ratio does not exceed 75 per cent; and
- (c) no Event of Default is continuing or would occur upon the incurrence,

calculated in accordance with the calculation principles set out in Clause 13.4 (*Calculation Adjustments*), on a consolidated basis and based on the most recently delivered Financial Report and Valuations.

### 13.3 Testing

- (a) The calculation of the LTV Ratio for the Maintenance Test shall be made for the Relevant Period ending on the relevant Reference Date.
- (b) The calculation of the LTV Incurrence Test or the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no more than two months prior to the incurrence of the new Financial Indebtedness or the distribution of the Restricted Payment. The Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include the new Financial Indebtedness provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce the Net Interest Bearing Debt) or the distribution (as applicable). The Value shall be calculated based on the most recently delivered Valuations.
- (c) When the Interest Coverage Ratio is measured under the Incurrence Test the calculation of the Interest Coverage Ratio shall be made for the Relevant Period

ending on the relevant Reference Date and calculated based on the most recently delivered Financial Report.

### 13.4 Calculation Adjustments

- (a) The figures for EBITDA and Net Finance Charges for the Relevant Period ending on the relevant Reference Date shall be used, but adjusted so that entities acquired or disposed of by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be included or excluded (as applicable), pro forma, for the entire Relevant Period.
- (b) The figures for Net Interest Bearing Debt for the Relevant Period ending on the relevant Reference Date (including when necessary, Financial Reports published before the First Issue Date), shall be used, but adjusted so that Net Interest Bearing Debt for such period shall be:
  - (i) reduced by an amount equal to the Net Interest Bearing Debt directly attributable to any Financial Indebtedness of the Issuer or of any other Group Company repaid, repurchased or otherwise discharged with respect to the Issuer and the continuing Group Companies with the proceeds from disposals of entities referred to under the adjustment to EBITDA above (or, if the Financial Indebtedness is owed by a Group Company that is sold, the Net Interest Bearing Debt for such period directly attributable to the Financial Indebtedness of such Group Company to the extent the Issuer and the continuing Group Companies are no longer liable for such Financial Indebtedness after such sale);
  - (ii) increased on a *pro forma* basis by an amount equal to the Net Interest Bearing Debt directly attributable to (i) any Financial Indebtedness owed by acquired entities referred to under the adjustment to EBITDA above, and (ii) any Financial Indebtedness incurred to finance the acquisition of such entities, in each case calculated as if all such debt had been incurred at the beginning of the relevant test period; and
  - (iii) increased on a *pro forma* basis by an amount equal to the Net Interest Bearing Debt directly attributable to any Financial Indebtedness incurred under any Subsequent Bonds and/or Financial Indebtedness incurred under item (f) under "Permitted Debt", calculated as if such debt had been incurred at the beginning of the Relevant Period.

## 14. General Undertakings

### 14.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 14 for as long as any Bonds remain outstanding.

### 14.2 Distributions

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries:

- (i) pay any dividend in respect of its shares (other than to the Issuer and any wholly-owned Subsidiary of the Issuer);
- (ii) repurchase or redeem any of its own shares;
- (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to shareholders;
- (iv) repay any loans granted by its direct or indirect shareholders or pay interest thereon (other than to the Issuer and any wholly-owned Subsidiary of the Issuer (other than to any U.S. Group Company));
- (v) make any prepayments or repayments under any long-term debt ranking junior or *pari passu* with the Bonds;
- (vi) grant any loans except to Group Companies;
- (vii) grant any group contributions to any U.S. Group Company; or
- (viii) make any other similar distribution or transfers of value to the Issuer's, or the Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders (other than to the Issuer and any wholly-owned Subsidiary of the Issuer (other than to any U.S. Group Company)),

(items (i)-(vii) above are together and individually referred to as a "**Restricted Payment**").

- (b) Notwithstanding the above the Issuer may make:
  - (i) dividend distributions in a maximum aggregate amount per financial year of SEK 3,000,000, provided that no Event of Default is continuing or would result from such distribution; and
  - (ii) any additional Restricted Payments up to an annual aggregate maximum amount of SEK 12,000,000, provided that:
    - (A) the Incurrence Test is fulfilled (calculated on a *pro forma* basis including the relevant Restricted Payment); and
    - (B) the aggregate amount of all Restricted Payments per financial year of the Group does not exceed 50 per cent. of the Group's profit for the previous financial year.

### 14.3 Nature of Business

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group as of the First Issue Date if such change is reasonably likely to have a Material Adverse Effect, however provided that a divestment of the Pelican Grand shall not be considered as a substantial change to the general nature of the business carried on by the Group.

#### 14.4 Financial Indebtedness

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

#### 14.5 Dealings with Related Parties

- (a) The Issuer shall, and shall procure that its Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies (other than U.S. Group Companies)) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.
- (b) No value transfers may be made from any Swedish Group Company to any U.S. Group Company.

#### 14.6 Disposal of Assets

- (a) Subject to paragraph (b) below, the Issuer shall not, and shall procure that none of its Subsidiaries, sell or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or that Subsidiary's assets, or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, however provided that no Swedish Group Company may make a disposal to a U.S. Group Company.
- (b) Notwithstanding paragraph (a) above, the Group may sell or otherwise dispose of;
  - (i) in each calendar year;
    - (A) assets which, in aggregate during a calendar year, has a value less than seven point five (7.5) per cent. of the Total Assets (excluding all non-Swedish Properties/assets); and
    - (B) Group Companies (other than any Group Companies subject to the Security Documents) which, in aggregate during a calendar year, together with its Subsidiaries on a consolidated basis (i) contributes to less than five (5) per cent. of the EBITDA of the Group and/or (ii) has turnover representing less than five (5) per cent. of the consolidated turnover of the Group;
  - (ii) the Danish Property located at 2 f Ålsgårde Hellebaek; or
  - (iii) the Pelican Grand, provided that the Group complies with the provisions set out in Clause 14.7 (*Divestment of the Pelican Grand*) below.

to any person not being the Issuer or any of its wholly-owned Subsidiaries, provided that such transaction is carried out at arm's length terms.

#### 14.7 Divestment of the Pelican Grand

- (a) Upon a divestment of the Pelican Grand the Issuer shall procure that the Net Disposal Proceeds from such divestment are applied towards:
  - (i) capital expenditure investments in the Group's Swedish Properties; or
  - (ii) acquisitions of new real properties from a person not being an Affiliate, provided that such new real properties are located in Sweden.
- (b) If the Net Disposal Proceeds have not been invested in accordance with paragraph (a) above within a period of twelve (12) months of the completion of the divestment of the Pelican Grand (the "**Reinvestment Period**") the Issuer shall:
  - (i) repay the Total Nominal Amount in accordance with Clause 10.5 (*Mandatory Redemption due to a Disposal of the Pelican Grand*); or
  - (ii) transfer an amount equivalent to the Net Disposal Proceeds reduced with any amount invested in accordance with paragraph (a) above to the Net Disposal Proceeds Account and within thirty (30) days from the end of the Reinvestment Period pledge the Net Disposal Proceeds Account and all funds standing on such account to the Bondholders represented by the Agent, on terms and conditions equivalent (with necessary adjustments) to the terms and conditions of the share pledge agreements entered into on or about the First Issue Date.
- (c) The Agent shall upon the Issuer's request release funds from the Net Disposal Proceeds Account to the Issuer, provided that (i) the Issuer presents evidence to the Agent that the funds will be used for the purpose set forth in paragraph (a) above, and (ii) the funds will be applied against investments in or acquisition of real properties directly or indirectly owned by companies which shares are pledged to the Agent and the Bondholders represented by the Agent.

#### 14.8 Negative Pledge

- (a) Subject to paragraph (b) below, the Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any guarantee or security over any of its/their assets (present or future) to secure any Financial Indebtedness.
- (b) Notwithstanding paragraph (a) above the Issuer and its Subsidiaries may provide, prolong and renew any Permitted Security, however provided that no Swedish Group Company may provide any guarantee or security to secure Financial Indebtedness incurred by a U.S. Group Company other than security or guarantees provided to secure or guarantee Financial Indebtedness incurred by the U.S. Group Companies in a maximum aggregate amount of USD 42,000,000.





#### 14.9 Loans Out

The Issuer shall not, and shall procure that none of its Subsidiaries, provide any loan to any third party outside the Group and no Swedish Group Company may extend any loan to a U.S. Group Company other than the Ambolt Downstream Loans.

#### 14.10 Listing of the Bonds

The Issuer shall ensure that the Bonds are listed at the corporate bond list on NASDAQ Stockholm, or if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market, within twelve (12) months after the First Issue Date and shall take all measures required to ensure that the Bonds, once listed on NASDAQ Stockholm (or any other Regulated Market, as applicable), continue being listed on NASDAQ Stockholm (or any other Regulated Market, as applicable) for as long as any Bond is outstanding (however, subject to and taking into account the rules and regulations of NASDAQ Stockholm (or any other Regulated Market, as applicable) and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

#### 14.11 Insurances

The Issuer shall (and shall ensure that each member of the Group will) maintain full value insurances and loss of rent insurances with reputable independent insurance companies on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

#### 14.12 Environmental compliance and claims

- (a) The Issuer shall (and shall ensure that each member of the Group will):
  - (i) comply with all Environmental Laws, including in relation to human health and conditions on workplace;
  - (ii) obtain, maintain and ensure compliance with all requisite Environmental Permits; and
  - (iii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law, in each case where failure to do so has or is reasonably likely to have a Material Adverse Effect.
- (b) The Issuer shall, promptly upon becoming aware of the same, inform the Agent of any claim, proceeding or investigation in respect of any such Environmental Law against any member of the Group which is current, pending or threatened where which, if determined against that member of the Group, has or is reasonably likely to have a Material Adverse Effect.

#### 14.13 Holding company

The Issuer shall not trade, carry on any business, own any assets or incur any liabilities other than:

- (a) the provision of management services to other Group Companies of a type customarily provided by a holding company to its Subsidiaries (including retaining employees for such purpose);
- (b) ownership of shares in Jefast AB, intra-Group debit and credit balances in bank accounts and debit and credit balances held in bank accounts, provided, however, that the Issuer may not be a party to any cash pool arrangements;
- (c) as permitted or required by the Finance Documents; and
- (d) incurring liability to pay tax.

#### **14.14 Valuations of the Properties**

- (a) The Issuer shall once in every twelve-month period deliver a Valuation for all Properties, prepared and issued by an independent and reputable appraiser and addressed to the Agent. In addition the Agent may at anytime request a Valuation if the Agent has reason to believe that the LTV Ratio is breached.
- (b) All costs for the Valuation referred to in paragraph (a) above shall be borne by the Issuer.

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

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

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

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless the non-payment:

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

#### **15.2 Other Obligations**

The Issuer or any other person (other than the Agent) does not comply with any provision under the Finance Documents, in any other way than as set out in Clause 15.1 (*Non-Payment*), provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

#### **15.3 Cross-Acceleration**

Any Financial Indebtedness of any Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided

that no Event of Default will occur under this Clause 15.3 if the aggregate amount of Financial Indebtedness is less than SEK 5,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

#### **15.4 Insolvency**

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

#### **15.5 Insolvency Proceedings**

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

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

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

A decision is made that any Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect.

#### **15.7 Creditors' Process**

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

#### **15.8 Impossibility or Illegality**

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

## 15.9 Continuation of the Business

The Issuer or any other Group Company ceases to carry on its business or in the case of a merger or demerger as stipulated Clause 15.6 (*Mergers and Demergers*).

## 15.10 Acceleration of the Bonds

- (a) If an Event of Default has occurred and is continuing, the Agent is entitled to, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not only some, of the Bonds due for payment together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines (but such date may not fall after the Final Maturity Date), and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.
- (b) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as, in the opinion of the Agent, may be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (c) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (d) In the event of an acceleration of the Bonds in accordance with this Clause 15, the Issuer shall redeem all Bonds with an amount equal to the redemption amount specified in Clause 10.3 (*Voluntary Total Redemption*), as applicable considering when the acceleration occurs.

## 16. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 15 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be applied in the following order of priority, in accordance with the instructions of the Agent:
  - (i) *first*, in or towards payment pro rata of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights as may have been incurred by the 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(e) or paid to the Agent, and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a

Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 17(c);

- (ii) *secondly*, in or towards payment pro rata of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (iii) *thirdly*, in or towards payment pro rata of any unpaid principal under the Bonds; and
- (iv) *fourthly*, in or towards payment pro rata of any other costs or outstanding amounts unpaid under the Finance Documents.

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

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

## 17. Decisions by Bondholders

- (a) Any decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a person who is, or who has been provided with a power of attorney pursuant to Clause 7 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:

- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
  - (ii) on the Business Day specified in the communication pursuant to Clause 19(c), in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19(c):
    - (i) a change to the terms of any of Clauses 2(a), 2(f) and 2(g);
    - (ii) a change to the terms for the distribution of proceeds set out in Clause 16 (*Distribution of Proceeds*);
    - (iii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 17;
    - (iv) a change to the definition "Interest Payment Date" or the definition "Interest Rate" set out in Clause 1.1 (*Definitions*);
    - (v) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
    - (vi) an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
    - (vii) a mandatory exchange of the Bonds for other securities;
    - (viii) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 15 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
  - (f) Any matter not covered by Clause 17(e) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 20(a)(i) or 20(a)(ii)) or the enforcement of any Transaction Security.
  - (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent.



of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18(a)) or initiate a second Written Procedure (in accordance with Clause 19(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 17(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All reasonable costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies, irrespective of whether such person is directly registered as



owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company.

- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **18. Bondholders' Meeting**

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 18(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 21.4(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18(a).
- (c) The notice pursuant to Clause 18(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **19. Written Procedure**

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

Bondholder on the Business Day prior to the date on which the communication is sent.

- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 19(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 19(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 17(e) and 17(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17(e) or 17(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 20. Amendments and Waivers

- (a) The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*).
- (b) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 20(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 12.3 (*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.
- (c) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

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

### **21.1 Appointment of Agent**

- (a) By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent to act on its behalf as set out in paragraph (a).
- (c) Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

### **21.2 Duties of the Agent**

- (a) The Agent shall represent the Bondholders in accordance with the Finance Documents, and, where relevant, in relation to instructions to the Agent to enforce the Transaction Security on behalf of the Bondholders.
- (b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) The Agent is entitled to delegate its duties to other professional parties, provided that such professional parties are selected with due care.
- (d) The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or

comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

- (e) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all reasonable costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 16 (*Distribution of Proceeds*).
- (f) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (g) If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such indemnities (or adequate Security has been provided therefore) as it may reasonably require.

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

- (a) The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- (d) The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with Clause 17 (*Decisions by Bondholders*) or a demand by Bondholders given pursuant to Clause 15.10(a).

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

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

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

under the Finance Documents as they would have had if such successor had been the original Agent.

- (h) In the event that there is a change of the Agent in accordance with this Clause 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.

## 22. Appointment and Replacement of the Issuing Agent

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

- (a) A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 23(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with these Terms and Conditions to take certain actions but is legally unable to take such actions.

## 24. Prescription

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



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

## 25. Notices

- (a) Subject to Clause 25(d), any notice or other communication to be made under or in connection with the Finance Documents:
- (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch;
  - (ii) if to the Issuer, to the following address:  
  
Jefast Holding AB (publ)  
Att: Board of directors, CFO, CEO  
Norregatan 2  
263 39 Höganäs  
Sweden
  - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders.
- (b) Any notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- (c) 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(a) or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25(a).
- (d) If an Event of Default is continuing, any notice or other communication made by the Agent to the Issuer under or in connection with the Finance Documents may, provided that the Agent deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Agent), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Agent to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Agent.



## 26. Governing Law and Jurisdiction

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- (b) The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Stockholms tingsrätt*).
- (c) Paragraphs (a) and (b) above shall not limit the right of the Agent (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

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

Place: Fort Lauderdale

Date: 19 November 2015

For and behalf of

**Jefast Holding AB (publ)**

as Issuer



Title: MGR

Name: Bo Jertshagen

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

Place: Stockholm, Sweden

Date: \_\_\_\_ November 2015

**Nordic Trustee & Agency AB (publ)**

as Agent

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

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

Date: \_\_\_ November 2015

For and behalf of

**Jefast Holding AB (publ)**

as Issuer

\_\_\_\_\_  
Title:

Name:

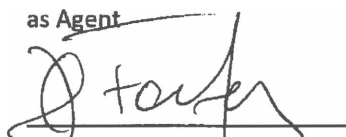
We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

Place: Stockholm, Sweden

Date: 19 November 2015

**Nordic Trustee & Agency AB (publ)**

as Agent



Name: J F F A S C