

TERMS AND CONDITIONS OF THE NOTES

**TERMS AND CONDITIONS FOR
STOCKMANN PLC
EUR 250,000,000
SENIOR SECURED FIXED RATE NOTES
ISIN: FI4000292719**

TABLE OF CONTENTS

1.	Definitions and Construction.....	3
2.	Issuance, Subscription and Status of the Notes	18
3.	Use of Proceeds	19
4.	Conditions for Disbursement.....	19
5.	Notes in Book-Entry Form	20
6.	Payments in Respect of the Notes	20
7.	Interest.....	21
8.	Redemption and Repurchase of the Notes.....	21
9.	Common Transaction Security	23
10.	Information to Noteholders	27
11.	Undertakings	28
12.	Acceleration of the Notes	32
13.	Distribution of Proceeds.....	33
14.	Right to Act on Behalf of a Noteholder.....	34
15.	Decisions by Noteholders.....	35
16.	Noteholders' Meeting.....	36
17.	Written Procedure.....	37
18.	Amendments and Waivers.....	37
19.	Appointment and Replacement of the Agents.....	38
20.	No Direct Actions by Noteholders	41
21.	Prescription.....	42
22.	Notices and Press Releases.....	42
23.	Force Majeure and Limitation of Liability	42
24.	Governing Law and Jurisdiction	43

1. Definitions and Construction

1.1 Definitions

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

“**Acceleration Event**” means a Notes Acceleration Event, a Pari Passu Notes Acceleration Event or a Credit Facility Acceleration Event.

“**Acceleration Notice**” means an acceleration notice issued pursuant to these Terms and Conditions, Pari Passu Notes Terms and Conditions or a Credit Facility Agreement.

“**Acceptable Bank**” means:

- (a) an Original Lender as defined in the Initial Credit Facility Agreement or a bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of BBB+ or higher by Standard & Poor’s Rating Services or Fitch Ratings Ltd or Baa1 or higher by Moody’s Investor Services Limited or a comparable rating from an internationally recognised credit rating agency;
- (b) Raiffeisen Bank (in the Russian Federation and Czech Republic) and Tatra Bank (in Slovak Republic); or
- (c) any other bank or financial institution approved by the Noteholders’ Agent.

“**Act on Noteholders’ Agent**” means the Finnish Act on Noteholders’ Agent (Fin: *Laki joukkolainanhaltijoiden edustajasta 574/2017*, as amended).

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

“**Affiliate**” means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

“**Agency Agreement**” means the agency agreement entered into on or before the Issue Date, between the Issuer and Nordic Trustee Oy, or any replacement agency agreement entered into after the Issue Date between the Issuer and a replacing Noteholders’ Agent.

“**Agent**” means the Noteholders’ Agent and the Security Agent, as applicable.

“**Applicable Premium**” means, in relation to a Note, the higher of:

- (a) 1.00 per cent of the principal amount of such Note; and
- (b) the excess (to the extent positive) of:
 - (i) the present value at relevant Redemption Date of (i) the redemption price of such Note at the First Call Date (such redemption price expressed in percentage of principal amount and as set out in Clause 8.8.2) plus (ii) all required interest payments due on such Note to and including the First Call Date (excluding accrued but unpaid Interest to the Redemption Date) computed using (a) a rate per annum equal to the annual yield to maturity of the Comparable Bond, assuming a price equal to the Comparable Bond Price for the Calculation Date plus (b) 0.50 per cent; over
 - (ii) the outstanding principal amount of such Note, as calculated by the Issuer or on behalf of the Issuer by such person as the Issuer shall designate.

The Applicable Premium shall be calculated and determined by the Issuer or on behalf of the Issuer by such person as the Issuer shall designate. For the avoidance of doubt, calculation of the Applicable Premium shall not be an obligation or duty of the Noteholders’ Agent or any Issuing Agent.

“**Book House Property**” means the freehold with property number 91-2-8-5 where the so-called book house building in Helsinki is located together with all the buildings and constructions as well as furnishings, fixtures, fittings and appurtenances (Fin: *ainesosat ja tarpeisto*) located thereon.

“**Book-Entry Securities System**” means the Infinity system being part of the book-entry register maintained by the CSD or any other replacing book-entry securities system.

“**Book-Entry System Act**” means the Finnish Act on Book-Entry System and Clearing Operations (Fin: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* 348/2017, as amended).

“**Business Day**” means a day on which the deposit banks are generally open for business in Helsinki.

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

“**Calculation Date**” means the fifth Business Day prior to the Redemption Date.

“**Cash**” means, at any time, cash in hand, in transit or at bank and (in the latter case) credited to an account in the name of a member of the Group with an Acceptable Bank and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

- (a) that cash is repayable on demand within thirty (30) days after the relevant date of calculation;
- (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;
- (c) there is no Security over that cash except for any Permitted Security constituted by a netting or set-off arrangement entered into by members of the Group in the ordinary course of their banking arrangements; and
- (d) the cash is freely and (except as mentioned in paragraph (a) above) immediately available to be applied in repayment or prepayment of the Notes.

“**Cash Equivalent Investments**” means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State (excluding Greece, Italy, Ireland, Portugal and Spain) or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable to any other security:
 - (i) for which a recognised trading market exists;
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State (excluding Greece, Italy, Ireland, Portugal and Spain);
 - (iii) which matures within one year after the relevant date of calculation; and
 - (iv) 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, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (d) any investment in money market funds which:
 - (i) have 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;
 - (ii) invest substantially all their assets in securities of the types described in paragraphs (a) to (d) above,
to the extent that investment can be turned into cash on not more than thirty (30) days’ notice; or
- (e) any other debt security approved by the Noteholders,

in each case, to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security.

“**Cash Proceeds**” has the meaning set forth in Clause 11.4.3.

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more persons, acting in concert (Fin: *yksissä tuumin toimiminen*), acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than 50 per cent of the total voting rights represented by the shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), or (b) the right to, directly or indirectly, appoint or remove at least a majority of the members of the board of directors of the Issuer.

“**Common Transaction Security**” means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Common Transaction Security Documents.

“**Common Transaction Security Documents**” means:

- (a) the Finnish law security agreement entered into by and between the Issuer and the Security Agent on or about the date of the Intercreditor Agreement, creating a security interest over the Disposal Proceeds Account and the following real estate properties for the benefit of all the Secured Parties:
 - (i) the Helsinki Department Store Property; and
 - (ii) the Book House Property;
- (b) the Estonian law security agreement entered into by and between the Issuer and the Security Agent on or about the date of the Intercreditor Agreement, creating a security interest over the Tallinn Department Store Property for the benefit of all the Secured Parties;
- (c) the Latvian law security agreement entered into by and between the Issuer and the Security Agent on or about the date of the Intercreditor Agreement, creating a security interest over all shares currently and in future owned by the Issuer in the Riga Holding Company for the benefit of all the Secured Parties; and
- (d) any other document entered into by the Issuer creating or expressed to create any Security over all or any part of its assets in respect of the obligations of the Issuer under any of the Secured Debt Documents for the benefit of all the Secured Parties.

“**Comparable Bond**” means Bundesobligation OBL 0.000 per cent due 4/2022 #175.

“**Comparable Bond Price**” means (a) the average of five Reference Bond Dealer Quotations, after excluding the highest and lowest of such Reference Bond Dealer Quotations; or (b) if the Issuer obtains fewer than five such Reference Bond Dealer Quotations, the average of all such Reference Bond Dealer Quotations.

“**Consolidated Assets**” means the Issuer’s consolidated assets less any advance payments received by any member of the Group, calculated on the basis of GAAP as in force on the Issue Date.

“**Consolidated Equity**” means the aggregate of the Group’s paid share capital, any fund of invested unrestricted equity (Fin: *sijoitetun vapaan oman pääoman rahasto*), share premium account, legal reserve, retained earnings and profit for the financial year, and minority interest. Notes issued according to IFRS equity consideration (such as hybrid bonds) shall be included in equity.

“**Credit Facility**” means:

- (a) the Initial Credit Facility; and
- (b) any other credit facility made available to the Issuer where:
 - (i) the Issuer designates that credit facility as a Credit Facility and confirms in writing to each Creditor Representative that the establishment of that credit facility will not breach the terms of any of its existing Notes Documents, Pari Passu Notes Documents or Credit Facility Documents;
 - (ii) any agent of the lenders in respect of the credit facility becomes a Party as a Creditor Representative;

- (iii) any arranger of the credit facility becomes a Party as a Credit Facility Arranger; and
- (iv) any lender in respect of the credit facility becomes a Party as a Credit Facility Lender, in accordance with the Intercreditor Agreement.

“Credit Facility Acceleration Event” means:

- (a) the Initial Credit Facility Agent exercising any of its rights under clause 23.14 of the Initial Credit Facility Agreement; and
- (b) the Creditor Representative in relation to any Credit Facility exercising any of its rights under any Equivalent Provision(s) of the relevant Credit Facility Agreement.

“Credit Facility Agent” means:

- (a) the Initial Credit Facility Agent; and
- (b) any facility agent of any other Credit Facility which becomes a Party pursuant to the Intercreditor Agreement.

“Credit Facility Agreement” means:

- (a) the Initial Credit Facility Agreement; and
- (b) in relation to a Credit Facility, the facility agreement documenting that Credit Facility.

“Credit Facility Arranger” means:

- (a) the Initial Credit Facility Arrangers; and
- (b) any arranger of any other Credit Facility which becomes a Party pursuant to the Intercreditor Agreement.

“Credit Facility Commitment” means **“Commitment”** under and as defined in:

- (a) the Initial Credit Facility Agreement; and
- (b) the relevant other Credit Facility Agreement.

“Credit Facility Creditors” means each Credit Facility Agent, each Credit Facility Arranger and each Credit Facility Lender.

“Credit Facility Documents” means:

- (a) the “Finance Documents” under and as defined in the Initial Credit Facility Agreement; and
- (b) the “Finance Documents” under and as defined in any other Credit Facility Agreement.

“Credit Facility Event of Default” means an **“Event of Default”** as defined under any Credit Facility Documents.

“Credit Facility Lenders” means:

- (a) the Initial Credit Facility Lenders; and
- (b) each **“Lender”** and **“Ancillary Lender”** (under, and as defined in the relevant Credit Facility Agreement).

“Credit Facility Liabilities” means the Liabilities owed by the Issuer as the borrower to the Credit Facility Creditors under or in connection with the Credit Facility Documents.

“Credit Facility Participation” means, in relation to a Credit Facility Lender, its aggregate Credit Facility Commitments, if any.

“Credit Facility Standstill Period” means:

- (a) a period of 60 days in respect of any Credit Facility Acceleration Event arising due to non-payment under any Credit Facility Documents; and

(b) a period of 120 days in respect of any other Credit Facility Acceleration Event.

“Creditor Representative” means:

- (a) in relation to the Initial Credit Facility Lenders, the Initial Credit Facility Agent;
- (b) in relation to the Credit Facility Lenders under any other Credit Facility, the facility agent in respect of that Credit Facility which has acceded to the Intercreditor Agreement as the Creditor Representative of those Credit Facility Lenders pursuant to the Intercreditor Agreement;
- (c) in relation to the Noteholders, the Noteholders’ Agent; and
- (d) in relation to any Pari Passu Noteholders under the Pari Passu Notes, each person(s) which has acceded to the Intercreditor Agreement as the Creditor Representative of those Pari Passu Noteholders pursuant to the Intercreditor Agreement.

“Creditor Representative Amounts” means fees, costs and expenses of a Creditor Representative payable by the Issuer to a Creditor Representative for its own account pursuant to the relevant Secured Debt Documents or any engagement letter between a Creditor Representative and the Issuer (including any amount payable by the Issuer to a Creditor Representative by way of indemnity, remuneration or reimbursement for expenses incurred), and the costs incurred by a Creditor Representative in connection with any actual or attempted Enforcement Action (as defined in the Intercreditor Agreement) which is permitted by the Intercreditor Agreement which are recoverable from the Issuer pursuant to the terms of the Secured Debt Documents.

“CSD” means Euroclear Finland Oy, business identity code 1061446-0, Urho Kekkosen katu 5 C, P.O. Box 1110, FI-00101 Helsinki, Finland or any entity replacing the same as a central securities depository.

“CSD Business Day” means a day on which the Book-Entry Securities System is open in accordance with the regulations of the CSD.

“Delegate” means any delegate, agent, attorney or co agent appointed by the Security Agent.

“Department Store Property Disposal Event” means a sale or other disposal (or any other transaction or arrangement having the same effect) of the Helsinki Department Store Property by the Issuer to a person not directly or indirectly wholly-owned by the Issuer.

“Department Store Property Disposal Repurchase Date” means the date falling thirty (30) Business Days after the publication of any notice referred to in Clause 8.5.1.

“Disposal” means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

“Disposal Proceeds” means the proceeds of a Non-Distressed Disposal.

“Disposal Proceeds Account” means a blocked interest bearing account (Fin: *sulkutilit*) of the Issuer and subject to Common Transaction Security in favour of the Security Agent in accordance with the relevant Common Transaction Security Document and in relation to which the Security Agent has the sole signing rights (as the same may be redesignated, substituted or replaced from time to time).

“Distress Event” means any of:

- (a) an Acceleration Event;
- (b) an Insolvency Event; or
- (c) the enforcement of any Common Transaction Security.

“Distressed Disposal” means a disposal of any Security Assets which is:

- (a) being effected at the request of the Instructing Group (or, in circumstances set out in Clause 9.5.5, the relevant Creditor Representative representing the relevant Noteholders, Pari Passu Noteholders or Credit Facility Creditors, as applicable) in circumstances where the Common Transaction Security has become enforceable;
- (b) being effected by enforcement of the Common Transaction Security; or

- (c) being effected, after the occurrence of a Distress Event, by the Issuer to a person or persons which is, or are, not a member, or members, of the Group.

“**EBITDA**” means, in relation to any Relevant Period, the consolidated operating profit of the Group for such period before interest, direct taxes arising as a result of profit, depreciation and intangible amortization, excluding Exceptional Items.

“**Enforcement**” means the enforcement of any Common Transaction Security, the requesting of a Distressed Disposal and/or the release or disposal of Common Transaction Security on a Distressed Disposal under the Intercreditor Agreement, the giving of instructions as to actions with respect to the Common Transaction Security and/or the Security Assets following an Insolvency Event under the Intercreditor Agreement and the taking of any other actions consequential on (or necessary to effect) any of those actions (but excluding the delivery of a Primary Enforcement Notice or a Secondary Enforcement Notice).

“**Enforcement Instructions**” means instructions as to Enforcement (including the manner and timing of Enforcement) given by the Instructing Group (or, in circumstances set out in Clause 9.5.5, the relevant Noteholders’ Agent, Pari Passu Noteholders’ Agent(s) or Credit Facility Agent(s), as applicable) to the Security Agent provided that instructions not to undertake Enforcement or an absence of instructions as to Enforcement shall not constitute “Enforcement Instructions”.

“**Enforcement Principles**” means the principles set out in Appendix 1 (*Enforcement Principles*).

“**Equity Ratio**” means the ratio of Consolidated Equity to Consolidated Assets, calculated on the basis of GAAP as in force on the Issue Date.

“**Equivalent Provision**” means:

- (a) with respect to a Credit Facility Agreement, in relation to a provision or term of the Initial Credit Facility Agreement, any equivalent provision or term in the Credit Facility Agreement which is similar in meaning and effect; and
- (b) with respect to the Pari Passu Notes, in relation to a provision or term of the Notes, any equivalent provision or term in the Pari Passu Notes which is similar in meaning and effect.

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

“**Event of Default**” means an event or circumstance specified in paragraphs (a) to (g) of Clause 12.1.

“**Exceptional Items**” means any exceptional, one off, non-recurring or extraordinary items relating to:

- (a) restructuring costs or provisions or other extraordinary provisions or non-capitalised investment planning costs up to an aggregate amount of EUR 10,000,000 for any Financial Year; and
- (b) capital gains or losses from disposals, asset writedowns and impairment losses (impacting EBITDA) up to an aggregate amount of EUR 20,000,000 for any Financial Year.

“**Existing 2018 Notes**” means the EUR 150,000,000 senior unsecured notes due in March 2018 issued by the Issuer.

“**Final Maturity Date**” means 11 January 2022.

“**Finance Lease**” means any lease or hire purchase contract which would, in accordance with GAAP, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with GAAP in force prior to the Issue Date, have been treated as an operating lease).

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any Finance Lease;

- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 120 days after the date of supply;
- (g) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any currency, rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close out of that derivative transaction, that amount) shall be taken into account);
- (i) 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
- (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above.

“**Financial Quarter**” means the period commencing on the day after one Quarter Date and ending on the next Quarter Date.

“**Financial Year**” means the annual accounting period of the Group ending on 31 December in each year.

“**Finnish Companies Act**” means the Finnish Companies Act (Fin: *Osakeyhtiölaki* 624/2006, as amended).

“**Finnish Securities Market Act**” means the Finnish Securities Markets Act (Fin: *Arvopaperimarkkinalaki* 746/2012, as amended).

“**First Call Date**” means 11 July 2019.

“**Force Majeure Event**” has the meaning set forth in Clause 23.1.

“**GAAP**” means:

- (a) in relation to the Issuer, generally accepted accounting principles in Finland, including IFRS; and
- (b) in relation to any other member of the Group, either IFRS or the general accepted accounting principles, standards and practices in its jurisdiction of incorporation.

“**Group**” means the Issuer and each of its Subsidiaries from time to time.

“**Hedge Counterparty**” means a Credit Facility Lender or an Affiliate of a Credit Facility Lender which is a party to or has acceded to the Intercreditor as a Hedge Counterparty.

“**Hedging Agreement**” means any agreement entered into by and between a Hedge Counterparty and the Issuer for the purpose of hedging interest rate or exchange rate risk (but not for speculative purposes) which, at the time of such Hedging Agreement is entered into, is not prohibited under the terms of any Secured Debt Document and not prohibited under the terms of any Secured Debt Document to share in the Common Transaction Security.

“**Hedging Liabilities**” means the Liabilities owed by the Issuer to the Hedge Counterparties under or in connection with the Hedging Agreements.

“**Helsinki Department Store Property**” means the freehold with property number 91-2-7-1 where the flagship department store of the Issuer in Helsinki is located together with all the buildings and constructions as well as furnishings, fixtures, fittings and appurtenances (Fin: *ainesosat ja tarpeisto*) located thereon.

“**Holding Company**” means, in relation to a person, any other person in respect of which it is a Subsidiary.

“**Hybrid Bond**” means the EUR 85,000,000 hybrid bond issued by the Issuer in December 2015.

“**IFRS**” means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

“**Incurrence Test**” means the test set forth in Clause 11.7 (*Financial Covenant*).

“**Initial Credit Facility**” means a Facility as defined in the Initial Credit Facility Agreement.

“**Initial Credit Facility A**” means the EUR 150,000,000 term loan facility made available under the Initial Credit Facility Agreement.

“**Initial Credit Facility Agent**” means Danske Bank A/S.

“**Initial Credit Facility Agreement**” means the multicurrency term and revolving credit facilities agreement made between the Issuer, the Initial Credit Facility Lenders and others dated 16 November 2017.

“**Initial Credit Facility Arrangers**” mean Danske Bank A/S, Nordea Bank AB (publ), Finnish Branch, OP Corporate Bank plc, DNB Bank ASA, Handelsbanken Capital Markets, Svenska Handelsbanken AB (publ) and Swedbank AB (publ).

“**Initial Credit Facility B**” means the EUR 200,000,000 term loan facility made available under the Initial Credit Facility Agreement.

“**Initial Credit Facility Lenders**” means the “**Lenders**” under and as defined in the Initial Credit Facility Agreement.

“**Initial Credit Facility Transaction Security**” means the Security created or evidenced or expressed to be created or evidenced under or pursuant to the Initial Credit Facility Transaction Security Document.

“**Initial Credit Facility Transaction Security Document**” means the Finnish law security agreement entered into by and between the Issuer and the Security Agent on or about the date of the Intercreditor Agreement, creating a security interest over the shares in Nevsky Holding Company for the benefit of the Initial Credit Facility Lenders.

“**Initial Revolving Credit Facility**” means the EUR 300,000,000 revolving credit facility made available under the Initial Credit Facility Agreement.

“**Insolvency Event**” means in relation to the Issuer,

- (a) any resolution is passed or order made for the winding up, dissolution, administration or reorganisation of the Issuer (other than as result of a merger or demerger that triggers a Merger or Demerger Event), a moratorium is declared in relation to any indebtedness of the Issuer or an administrator is appointed to the Issuer;
- (b) any composition, compromise, assignment or arrangement is made with its creditors generally; or
- (c) the appointment of any liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Issuer or any of its assets;
- (d) any analogous procedure or step analogous to any of those set out under paragraphs (a), (b) and (c) above is taken in respect of the Issuer in any jurisdiction.

“**Insolvent**” means, in respect of a relevant person, that it (i) is deemed to be insolvent within the meaning of Section 1 of Chapter 2 of the Finnish Bankruptcy Act (Fin: *Konkurssilaki* 120/2004, as amended) (or its equivalent in any other jurisdiction), (ii) admits inability to pay its debts as they fall due, (iii) suspends making payments on any of its debts, (iv) by reason of actual financial difficulties commences negotiations with its creditors (other than the Noteholders in their capacity as such) with a view to rescheduling and conversion to equity (or any other unusual discharge) of any of its indebtedness (including company reorganisation under the Finnish Act on Company Reorganisation (Fin: *Laki yrityksen saneerausesta* 47/1993, as amended) (or its equivalent in any other jurisdiction)) or (v) is subject to involuntary winding-up, dissolution or liquidation.

“**Instructing Group**” means at any time:

- (a) when the aggregate Credit Facility Participations represent 35 per cent or more of the Total Debt Participations, the Credit Facility Agent(s) representing the Majority Credit Facility Lenders (each Credit Facility Agent acting upon the instructions of the requisite majority of Credit Facility Lenders determined in accordance with the Credit Facility Agreement in respect of which it is the Creditor Representative); and

- (b) when the Credit Facility Lenders' aggregate Credit Facility Participations represent less than 35 per cent of the Total Debt Participations:
- (i) the Credit Facility Agent(s) representing the Majority Credit Facility Lenders (each Credit Facility Agent acting upon the instructions of the requisite majority of Credit Facility Lenders determined in accordance with the Credit Facility Agreement in respect of which it is the Creditor Representative); together with
 - (ii) the Noteholders' Agent(s) representing the Majority Noteholders (each Noteholders' Agent acting upon the instructions of the requisite majority of Noteholders determined in accordance with these Terms and Conditions and any other Pari Passu Notes Terms and Conditions in respect of which it is the Creditor Representative).

“**Intercreditor Agreement**” means the intercreditor agreement dated on or about 11 December 2017 and made between, among others, the Issuer, the Initial Credit Facility Agent, the Security Agent, the Initial Credit Facility Lenders, the Initial Credit Facility Arrangers and the Noteholders' Agent.

“**Interest**” means the interest on the Notes calculated in accordance with Clauses 7.1 to 7.3.

“**Interest Payment Date**” means 11 January and 11 July in each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from the application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 11 July 2018 and the last Interest Payment Date shall be the relevant Redemption Date.

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

“**Interest Rate**” means 4.750 per cent per annum.

“**Issue Date**” means 11 December 2017.

“**Issuer**” means Stockmann plc, a public limited liability company incorporated under the laws of Finland with business identity code 0114162-2.

“**Issuing Agency Agreement**” means the agreement dated 15 November 2017 regarding services related to the Notes entered into by and between the Issuer and the Issuing Agent in connection with the issuance of the Notes (as amended and restated from time to time).

“**Issuing Agent**” means OP Corporate Bank plc acting as issuing agent (Fin: *liikkeeseenlaskijan asiamies*) and paying agent of the Notes for and on behalf of the Issuer, or any other party replacing the same as Issuing Agent in accordance with the regulations of the CSD.

“**Leverage Ratio**” means, in respect of any Relevant Period, the ratio of Net Debt on the last day of that Relevant Period to EBITDA in respect of that Relevant Period, calculated on the basis of GAAP as in force on the Issue Date.

“**Liabilities**” means all present and future liabilities and obligations at any time, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;
- (c) any claim for damages or restitution; and
- (d) any claim as a result of any recovery by the Issuer of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

“**Majority Credit Facility Lenders**” means, at any time, those Credit Facility Lenders whose Credit Facility Participations at that time aggregate more than 50 per cent of the total Credit Facility Participations of all Credit Facility Lenders at that time.

“**Majority Noteholders**” means, at any time, those Noteholders and Pari Passu Noteholders whose Notes Debt Participations at that time aggregate more than 50 per cent of the total Notes Debt Participations of all Noteholders and Pari Passu Noteholders at that time.

“**Merger or Demerger Event**” means a publication of a notice regarding a merger or a demerger to creditors of the Issuer in the Finnish Official Gazette following the execution and registration with the Finnish Trade Register of a merger plan or a demerger plan with respect to a merger or a demerger involving the Issuer as a merging or demerging company (or any other transaction or arrangement having the same effect).

“**Merger or Demerger Repurchase Date**” means the date falling one (1) Business Days before the registration with the Finnish Trade Register of the completion of a merger or a demerger involving the Issuer as a merging or demerging company.

“**Net Debt**” means all interest bearing liabilities (excluding liabilities under hybrid bonds) of the Group minus Cash and Cash Equivalent Investments.

“**Nevsky Centre**” means the freehold property, with property number 78:31:0001130:3035, where a department store in Saint Petersburg is located together with all the buildings and constructions as well as furnishings, fixtures, fittings and appurtenances (Fin: *ainesosat ja tarpeisto*) located thereon.

“**Nevsky Holding Company**” means Stockmann Security Services Oy Ab, a private liability company existing under the laws of Finland with business identity code 0723064-2, indirectly owning 100 per cent of the Nevsky Centre.

“**Nominal Amount**” has the meaning set forth in Clause 2.4.

“**Non-Distressed Disposal**” means a disposal of an asset which is subject to the Common Transaction Security, to a person or persons outside the Group where:

- (a) each Creditor Representative notifies to the Security Agent in relation to the Secured Debt Documents to which it is a party (or in respect of which it is otherwise authorised to act as Creditor Representative) that such disposal is:
 - (A) permitted under the Credit Facility Documents; and
 - (B) not prohibited under the Notes Documents or the Pari Passu Notes Documents; and
- (b) such disposal is not a Distressed Disposal, and

provided that the Disposal Proceeds (less any amounts permitted under the Credit Facility Agreements to be deducted from such Disposal Proceeds) are deposited to the Disposal Proceeds Account.

“**Noteholder**” means the person who is registered in the register maintained by the CSD pursuant to paragraph 2 of Section 3 of Chapter 4 of the Book-Entry System Act as direct registered owner (Fin: *omistaja*) or nominee (Fin: *hallintarekisteröinnin hoitaja*) with respect to a Note.

“**Noteholders’ Agent**” means Nordic Trustee Oy, incorporated under the laws of Finland with corporate registration number 2488240-7, acting for and on behalf of the Noteholders in accordance with these Terms and Conditions, or another party replacing it, as Noteholders’ Agent, in accordance with these Terms and Conditions.

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 16 (*Noteholders’ Meeting*).

“**Notes**” means debt instruments, each for the Nominal Amount and of the type referred to in paragraph 1 of Section 34 of the Act on Promissory Notes (Fin: *Velkakirjalaki 622/1947*, as amended) (Fin: *joukkovelkakirja*) and which are governed by and issued under these Terms and Conditions.

“**Notes Acceleration Event**” means the Noteholders’ Agent (or the requisite Noteholders under these Terms and Conditions) exercising any of its or their rights under Clause 12 (*Acceleration of the Notes*) of these Terms and Conditions.

“**Notes Creditors**” means the Noteholders and the Noteholders’ Agent.

“**Notes Debt Participation**” means the aggregate outstanding principal amount of the Notes and Pari Passu Notes held by a Noteholder or Pari Passu Noteholders, as applicable.

“**Notes Documents**” means these Terms and Conditions, the Common Transaction Security Documents, the Intercreditor Agreement, the Agency Agreement and the Paying Agent Agreement.

“**Notes Liabilities**” means the Liabilities owed by the Issuer to the Notes Creditors under or in connection with the Notes Documents.

“**Notes Standstill Period**” means:

- (a) a period of 90 days in respect of any Notes Acceleration Event arising due to non-payment under these Notes or of any Pari Passu Notes Acceleration Event arising due to non-payment under any Pari Passu Notes; and
- (b) a period of 180 days in respect of any other Notes Acceleration Event or Pari Passu Notes Acceleration Event.

“**Pari Passu Notes**” means any other secured notes issued by the Issuer where:

- (a) the Issuer designates those secured notes as Pari Passu Notes and confirms in writing that the issuance of those notes will not breach the terms of any of its existing Credit Facility Documents, these Terms and Conditions or any other Pari Passu Notes Terms and Conditions; and
- (b) the noteholders’ agent in respect of such notes becomes a Party as a Creditor Representative in accordance with the Intercreditor Agreement.

“**Pari Passu Notes Acceleration Event**” means a Pari Passu Noteholders’ Agent (or the requisite Pari Passu Noteholders under the Pari Passu Notes Terms and Conditions) exercising any of its or their rights or any acceleration provisions being automatically invoked in each case under an Equivalent Provision of the relevant Pari Passu Notes Terms and Conditions.

“**Pari Passu Notes Creditors**” means the Pari Passu Noteholders and the Pari Passu Noteholders’ Agent.

“**Pari Passu Notes Documents**” means the relevant Pari Passu Notes Terms and Conditions, the Common Transaction Security Documents, the Intercreditor Agreement, the Pari Passu Noteholders’ Agency Agreement and any related Paying Agent Agreement.

“**Pari Passu Notes Liabilities**” means the Liabilities owed by the Issuer to the Pari Passu Notes Creditors under or in connection with the Pari Passu Notes Documents.

“**Pari Passu Notes Terms and Conditions**” means the terms and conditions governing any Pari Passu Notes.

“**Pari Passu Noteholders**” means the holders from time to time of any Pari Passu Notes.

“**Pari Passu Noteholders’ Agency Agreement**” means an agency agreement entered into between the Issuer and a Pari Passu Noteholders’ Agent regarding issuance of Pari Passu Notes.

“**Pari Passu Noteholders’ Agent**” means any noteholders’ agent in respect of any Pari Passu Notes which has acceded to the Intercreditor Agreement as a Creditor Representative pursuant to the Intercreditor Agreement.

“**Party**” means a party to the Intercreditor Agreement.

“**Paying Agent**” means:

- (a) the “Issuing Agent” as defined in these Terms and Conditions; and
- (b) each party appointed as paying agent in respect of any Pari Passu Notes, acting as issuer agent (in Finnish: *liikkeeseenlaskijan asiamies*) and paying agent of Pari Passu Notes for and on behalf of the Issuer, or any other party replacing it as Paying Agent in accordance with the relevant Pari Passu Notes Documents, in each case, only if it has acceded to the Intercreditor Agreement, as a Paying Agent pursuant to the Intercreditor Agreement.

“**Paying Agent Agreement**” means:

- (a) the “Issuing Agency Agreement” as defined in these Terms and Conditions; and

(b) any equivalent document as defined in any other Pari Passu Notes Terms and Conditions.

“**Paying Agent Amounts**” means all unpaid fees, costs, expenses and indemnities payable by the Issuer to a Paying Agent in accordance with any Paying Agent Agreement.

“**Payment**” means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, repurchase, defeasance or discharge of those Liabilities (or other liabilities or obligations).

“**Permitted Financial Indebtedness**” means Financial Indebtedness:

- (a) arising under the Initial Credit Facility A, the Initial Credit Facility B or any refinancing thereof, the aggregate amount of which does not exceed EUR 400,000,000 (or its equivalent) at any time;
- (b) arising under the Existing 2018 Notes until their original maturity date or any amended maturity date;
- (c) arising under the Notes and any subsequent refinancing thereof up to the original issue amount with maturity extending beyond the Final Maturity Date;
- (d) arising under any counter indemnities for bank guarantees and letters of credit to third parties for commercial liabilities of Group companies incurred in the ordinary course of their business and the amount of which does not exceed EUR 10,000,000 (or its equivalent) at any time;
- (e) of any person acquired through an acquisition not prohibited under these Terms and Conditions which is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or having its maturity date extended in contemplation of, or since, that acquisition, and outstanding only for a period of three (3) months following the date of acquisition;
- (f) any Finance Lease (other than property lease) and other Financial Indebtedness incurred in the ordinary course of business, the aggregate amount of which does not exceed EUR 5,000,000 (or its equivalent) at any time;
- (g) arising under any Finance Lease with respect to machinery or equipment that have been subject to a sale and lease back transaction in the aggregate maximum amount of EUR 30,000,000;
- (h) arising under any intra-group loan granted to a member of the Group or any guarantee granted for the obligations of a member of the Group;
- (i) arising under any derivative transactions entered into in connection with protection against fluctuation in any currency, rate or price where exposure to the relevant currency, rate or price arises in the ordinary course of business, but not derivative transactions for investment or speculative purposes; and
- (j) arising under commercial paper issuances by the Issuer or under the Initial Revolving Credit Facility or any refinancing thereof, the aggregate amount of which does not exceed EUR 350,000,000 (or its equivalent) at any time;
- (k) arising under the Hybrid Bond and any new hybrid bonds with a first reset date occurring after the Final Maturity Date;
- (l) arising under or in respect of intraday credit of any member of the Group;
- (m) in the form of any supply chain finance arrangement and/or warehouse financing where the aggregate amount of financing does not exceed EUR 40,000,000 (or its equivalent) when aggregated with certain sold short term receivables of any member of the Group for cash on non-recourse basis; and
- (n) arising under or in respect of any financing the aggregate amount of which does not exceed EUR 75,000,000 (or its equivalent) for all members of the Group at any time.

“**Permitted Security**” means:

- (a) the Transaction Security;
- (b) any Security over any asset acquired by a member of the Group if (i) the Security was not created in contemplation of the acquisition, (ii) the principal amount secured has not been increased in contemplation or since the acquisition of that asset, and (iii) the Security is removed or discharged within three (3) months of the acquisition;

- (c) any customary netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group;
- (d) any payment or close out netting or set off arrangement pursuant to any hedging transaction entered into in connection with protection against fluctuation in any currency, rate or price where exposure to the relevant currency, rate or price arises in the ordinary course of business, but not derivative transactions for investment or speculative purposes;
- (e) any cash provided as security for rental agreements of any member of the Group in the ordinary course of business of the Group the aggregate amount of which does not exceed EUR 10,000,000 (or its equivalent) at any time;
- (f) any lien arising by operation of law;
- (g) a property mortgage over the Helsinki Department Store Property up to EUR 1,681,800 in favour of the Finnish Customs Authority;
- (h) security over assets subject to a warehouse financing arrangement referred to in paragraph (m) of definition of “Permitted Financial Indebtedness” to the extent such security is granted as security for the said warehouse financing arrangement; and
- (i) any Security securing indebtedness incurred in the ordinary course of business by any member of the Group the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any member of the Group other than any permitted under paragraphs (a) to (h) above) does not exceed five (5) per cent of the Consolidated Assets at any given time.

“**Permitted Transaction**” means:

- (a) incorporation of any new wholly-owned Subsidiary for the purposes of owning any Property or Properties provided that new Common Transaction Security over 100 per cent of the shares in such Subsidiary is granted in form and substance satisfactory to the Security Agent prior to the relevant Property or Properties being released from the Common Transaction Security; and
- (b) incorporation of the real estate business into a wholly-owned Subsidiary provided that new Common Transaction Security over 100 per cent of the shares in such Subsidiary is immediately granted in form and substance satisfactory to the Security Agent in connection with the relevant Property, Properties or shares being released from the Common Transaction Security.

“**Primary Enforcement Notice**” has the meaning given to such term in Clause 9.5.4.

“**Properties**” means:

- (a) the Helsinki Department Store Property;
- (b) the Book House Property;
- (c) the Tallinn Department Store Property; and
- (d) the Riga Department Store Property.

“**Quarter Date**” means each of 31 March, 30 June, 30 September and 31 December.

“**Quasi Security**” means an arrangement or transaction described in paragraph (b) of Clause 11.2 (*Negative Pledge*).

“**Record Time**” means:

- (a) in relation to a payment of Interest, default interest and/or redemption of the Notes when such payment is made through the Book-Entry Securities System, the end of the first CSD Business Day prior to, as applicable, (i) an Interest Payment Date, (ii) the day on which default interest is paid, (iii) a Redemption Date or (iv) a date on which a payment to the Noteholders is to be made under Clause 13 (*Distribution of Proceeds*); and
- (b) in relation to a Noteholders’ Meeting and Written Procedure, the end of the CSD Business Day specified in the communication pursuant to Clause 16.3 or Clause 17.3, as applicable; and

(c) otherwise, the end of the fifth CSD Business Day prior to another relevant date.

“**Redemption Date**” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 8 (*Redemption and Repurchase of the Notes*).

“**Reference Bond Dealer**” means any primary bond dealer selected by the Issuer.

“**Reference Bond Dealer Quotations**” means the arithmetic average, as determined by the Issuer, of the bid and offer prices for the Comparable Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by any Reference Bond Dealer at 11.00 a.m. (Brussels) on the Calculation Date.

“**Relevant Market**” means the Helsinki Stock Exchange maintained by Nasdaq Helsinki Ltd.

“**Relevant Period**” means each period of twelve months ending on the last day of the Financial Year and each period of twelve months ending on the last day of each Financial Quarter.

“**Relevant Secured Party Groups**” means:

- (a) each Credit Facility Agent (acting upon the instructions of the requisite majority of Credit Facility Lenders determined in accordance with the Credit Facility Agreement in respect of which it is the Creditor Representative); and
- (b) the Noteholders’ Agent and each Pari Passu Noteholders’ Agent (acting upon the instructions of the requisite majority of Noteholders or Pari Passu Noteholders, as applicable, determined in accordance with these Terms and Conditions or the Pari Passu Notes Terms and Conditions in respect of which it is the Creditor Representative).

“**Riga Department Store Property**” means the building with cadastral number 0100 504 0007 and the land plots with cadastral numbers 0100 004 0170, 0100 004 0171, 0100 004 0172 and 0100 004 2020 and the connected, leased land plots 0100 004 2016 and 0100 004 2017 (and, after the Riga Holding Company Restructuring, the designated share of such land plots as per the agreement on common usage of property) where the department store in Riga is located together with all the buildings and constructions as well as furnishings, fixtures, fittings and appurtenances (Fin: *ainesosat ja tarpeisto*) located thereon.

“**Riga Holding Company**” means SIA Stockmann Centrs, a private limited liability company existing under the laws of Latvia with registration number 40003398708, owing 100 per cent of the Riga Department Store Property.

“**Riga Holding Company Restructuring**” means the demerger of the Riga Holding Company as a result of which the Issuer will own 100 per cent of the Riga Holding Company.

“**Secondary Enforcement Notice**” has the meaning given to that term in Clause 9.5.5.

“**Secured Creditors**” means the Credit Facility Creditors, the Notes Creditors, the Pari Passu Notes Creditors and the Hedge Counterparties.

“**Secured Debt Document**” means each of the Credit Facility Documents, the Notes Documents, the Pari Passu Notes Documents and the Hedging Agreements.

“**Secured Obligations**” means, in relation to the Common Transaction Security, the Credit Facility Liabilities (including, for the avoidance of doubt, the Creditor Representative Amounts owing to any Credit Facility Agent), the Hedging Liabilities, the Notes Liabilities (including, for the avoidance of doubt, the Creditor Representative Amounts owing to the Noteholders’ Agent), the Pari Passu Notes Liabilities (including, for the avoidance of doubt, the Creditor Representative Amounts owing to any Pari Passu Noteholders’ Agent) and in each case, including any amounts owed to the Security Agent under any parallel debt, joint and several creditorship or equivalent structure for the benefit of all the Secured Parties, the Security Agent Amounts and the Paying Agent Amounts.

“**Secured Parties**” means, in relation to the Common Transaction Security, the Security Agent, any Delegate and each of the Credit Facility Creditors, the Notes Creditors, the Pari Passu Notes Creditors and the Hedge Counterparties from time to time but, in the case of each Creditor, only if it (or, in the case of a Noteholder or Pari Passu Noteholder, its Creditor Representative) is a Party or has acceded to the Intercreditor Agreement in the appropriate capacity pursuant to the Intercreditor Agreement.

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

“**Security Agent**” means Intertrust (Finland) Oy or any successor, transferee, replacement or assignee thereof, which has become the Security Agent in accordance with the Intercreditor Agreement.

“**Security Agent Amounts**” means any sums (including but not limited to any fees, remuneration, costs, charges, liabilities, indemnity payments and expenses (and including any taxes (including value added tax) required to be paid)) owing to the Security Agent by the Issuer under or in relation to any Secured Debt Documents (in each case excluding any amount owing to the Security Agent under any parallel debt, joint and several creditorship or equivalent structure for the benefit of all the Secured Parties).

“**Security Assets**” means all of the assets which from time to time are, or are expressed to be, the subject of the Common Transaction Security.

“**Stockmann Delicatessen**” means the Stockmann grocery store business operations of the Issuer in Finland.

“**Subsidiary**” means in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) 50 per cent or more of the issued share capital of which is beneficially owned, directly or indirectly by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another company or corporation if that other company or corporation has the power to direct its management and policies and/or to control the composition of its board of directors or equivalent body.

“**Tallinn Department Store Property**” means the registered immovable located at (i) Liivalaia Street 49 // 53 // Maakri Street 25 // 27 (78401:104: 0050) real estate number 15601, where the department store in Tallinn is located, and (ii) Liivalaia Street 51 (78401:104:0020) real estate number 5301, and a right of superficies with the term of 60 years located at Liivalaia Street 49 // 53 // Maakri Street 25 // 27 (78401:104: 0050) real estate number 24101, and a right of superficies with the term of 36 years located at Liivalaia Street 51 (78401:104:0020) real estate number 11501.

“**Total Debt Participations**” means the aggregate of the Credit Facility Participations and the Notes Debt Participations.

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

“**Transaction Security**” means the Common Transaction Security and the Initial Credit Facility Transaction Security.

“**Transaction Security Release Compliance Certificate**” means a certificate substantially in the form set out in Appendix 2 (*Form of Transaction Security Release Compliance Certificate*).

“**Transaction Security Release Event**” means:

- (a) an event where:
 - (i) the Noteholders’ Agent has notified the Security Agent that:
 - (A) the Issuer’s Leverage Ratio has been less than 4.00 for at least two (2) consecutive testing periods (each lasting three months) as evidenced by the Transaction Security Release Compliance Certificates delivered to the Noteholders’ Agent pursuant to these Terms and Conditions; and
 - (B) the Issuer’s Equity Ratio has exceeded 38 per cent for at least two (2) consecutive testing periods (each lasting three months) as evidenced by the Transaction Security Release Compliance Certificates delivered to the Noteholders’ Agent pursuant to these Terms and Conditions; and
 - (ii) each Credit Facility Agent and each Pari Passu Noteholders’ Agent has notified the Security Agent that the criteria for the Transaction Security Release Event under the Credit Facility Agreement and Pari Passu Notes Terms and Conditions in respect of which it is the Creditor Representative have been satisfied or that the Secured Debt Documents in respect of which it is the Creditor Representative no longer otherwise require the Common Transaction Security

to exist or such Creditor Representative has otherwise been instructed under the Secured Debt Documents in respect of which it is the Creditor Representative to instruct the Security Agent to release the Common Transaction Security; or

(b) where the Relevant Secured Party Groups agree to release all of the Common Transaction Security,

in each case, provided that each Creditor Representative has confirmed in writing to the Security Agent that no Default (as defined in the relevant Secured Debt Document) has occurred and is continuing or would be occurring as a result of such release under its respective Secured Debt Documents.

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 17 (*Written Procedure*).

1.2 Construction

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

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a provision of law is a reference to that provision as amended or re-enacted;
- (d) words denoting the singular number shall include the plural and vice versa; and
- (e) a time of day is a reference to Helsinki time.

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

1.2.3 When ascertaining whether a limit or threshold specified in Euro has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Euro for the previous Business Day, as published by the European Central Bank on its website (www.ecb.int). If no such rate is available, the most recent rate published by the European Central Bank shall be used instead.

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

1.2.5 For the purposes of a calculation relating to the definition of Majority Credit Facility Lenders, Majority Noteholders or Instructing Group,

- (a) Credit Facility Lenders under one Credit Facility Agreement may only provide one vote (acting by its respective Creditor Representative on instructions of the requisite proportion of the relevant Credit Facility Lenders required under the relevant Credit Facility Agreement and which condition the Security Agent may assume is satisfied without enquiry) in an amount equal to their total Credit Facility Participations under the relevant Credit Facility Agreement; and
- (b) Noteholders of Notes or Pari Passu Notes issued pursuant to these Terms and Conditions or Pari Passu Notes Terms and Conditions, as the case may be, may only provide one vote (acting by its respective Creditor Representative on instructions of the requisite proportion of the relevant Noteholders required under these Terms and Conditions or of the relevant Pari Passu Noteholders under the relevant Pari Passu Notes Terms and Conditions and which condition the Security Agent may assume is satisfied without enquiry) in an amount equal to their total Note Participations under the relevant Notes or Pari Passu Notes.

2. Issuance, Subscription and Status of the Notes

2.1 The Notes are denominated in Euro and each Note is constituted by these Terms and Conditions.

2.2 The Notes are offered for subscription in a minimum amount of EUR 100,000 mainly to domestic and international institutional investors outside of the United States of America through a book-building procedure (private placement). The subscription period shall commence and end on 29 November 2017. Bids for subscription shall be submitted to Danske Bank Oyj, Debt Capital Markets, Hiililaiturinkuja 2, FI-00180 Helsinki, Finland, telephone: +358 10 513 8793; Nordea Bank AB (publ), Finnish Branch, Nordea Markets / Institutional Sales, Aleksis Kiven katu 9, Helsinki, FI-00020 NORDEA, Finland, telephone: +358 9 369 50880; OP Corporate Bank plc, Debt Capital Markets, Gebhardinaukio 1, FI-00510 Helsinki, Finland, telephone: +358 10 252 7970; DNB Bank ASA, Sweden Branch, Regeringsgatan 59, SE-105 88 Stockholm, Sweden,

telephone: +46 8 473 41 00; Svenska Handelsbanken AB (publ), Branch Operation in Finland, Handelsbanken Capital Markets, Fixed Income Sales, Itämerenkatu 11-13, FI-00180 Helsinki, Finland, Tel. +358 10 444 6243 / +358 10 444 6236; and Swedbank AB (publ), through Swedbank AB (publ), Finnish Branch, Debt Capital Markets, Mannerheimintie 14 B, FI-00101 Helsinki, Finland, telephone +358 20 746 9166. Subscriptions made are irrevocable. All subscriptions remain subject to the final acceptance by the Issuer. The Issuer may, in its sole discretion, reject a subscription in part or in whole. The Issuer shall decide on the procedure in the event of over-subscription. After the final allocation and acceptance of the subscriptions by the Issuer each investor that has submitted a subscription shall be notified by the Issuer whether and, where applicable, to what extent such subscription is accepted. Subscriptions notified by the Issuer as having been accepted shall be paid for as instructed in connection with the subscription. Notes subscribed and paid for shall be entered by the Issuing Agent to the respective book-entry accounts of the subscribers on a date advised in connection with the issuance of the Notes in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as regulations and decisions of the CSD.

- 2.3 By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder (i) agrees that the Notes shall benefit from and be subject to the Notes Documents and (ii) agrees to be bound by these Terms and Conditions, the Intercreditor Agreement and the other Notes Documents. These Terms and Conditions are subject to the Intercreditor Agreement. In the event any discrepancy between these Terms and Conditions and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.
- 2.4 The nominal amount (Fin: *arvo-osuuden yksikkökoko*) of each Note is EUR 1,000 (the “**Nominal Amount**”). The aggregate nominal amount of the Notes is EUR 250,000,000. All Notes are issued on the Issue Date on a fully paid basis at an issue price of 100 per cent of the Nominal Amount.
- 2.5 The Notes constitute direct, unconditional, unsubordinated obligations of the Issuer, except in respect of obligations which have priority pursuant to Clause 13.1, and shall at all times rank *pari passu* and without any preference among them. Until the occurrence of the Transaction Security Release Event the Notes constitute secured obligations of the Issuer secured by the Common Transaction Security. The Common Transaction Security also secures a major part of the other borrowings of the Issuer. The priority in respect of enforcement proceeds from the Common Transaction Security is referred to in Clause 9.1.5 and includes certain liabilities that have better priority than the Notes to such enforcement proceeds.
- 2.6 Each Note is freely transferable after it has been registered into the respective book-entry account of a Noteholder but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

3. Use of Proceeds

The Issuer shall use the proceeds from the issue of the Notes, less the costs and expenses incurred by the Issuer in connection with the issue of the Notes, primarily for the redemption of the Existing 2018 Notes and for the refinancing of other existing financial indebtedness of the Group.

4. Conditions for Disbursement

- 4.1 The Issuing Agent shall pay the net proceeds from the issuance of the Notes to the Issuer on the later of (i) the Issue Date and (ii) the day on which the Noteholders’ Agent notifies the Issuing Agent as agreed in the Agency Agreement that it has received the following:
- (a) these Terms and Conditions;
 - (b) the Issuing Agency Agreement, the Agency Agreement, the Common Transaction Security Documents and the Intercreditor Agreement duly executed by the parties thereto;
 - (c) an extract of a resolution from the board of directors of the Issuer, approving (or authorising the approval of) the issue of the Notes and authorising specified person(s) to approve and execute any documents and take any other action necessary to consummate such issue;
 - (d) a Finnish law legal opinion issued by Asianajotoimisto White & Case Oy as the counsel to the lead managers of the issuance of the Notes regarding the Common Transaction Security and the Intercreditor Agreement addressed to the Issuing Agent, the Noteholders’ Agent, the Security Agent and the lead managers of the issuance of the Notes;
 - (e) an Estonian law legal opinion issued by Advokaadibüroo SORAINEN AS as the counsel to the lead managers of the issuance of the Notes regarding the Common Transaction Security and the

Intercreditor Agreement addressed to the Issuing Agent, the Noteholders' Agent, the Security Agent and the lead managers of the issuance of the Notes;

- (f) a Latvian law legal opinion issued by ZAB Sorainen as the counsel to the lead managers of the issuance of the Notes regarding the Common Transaction Security and the Intercreditor Agreement addressed to the Issuing Agent, the Noteholders' Agent, the Security Agent and the lead managers of the issuance of the Notes;
- (g) evidence that the person(s) who has/have signed the Intercreditor Agreement and the Agency Agreement on behalf of the Issuer is/are duly authorised to do so;
- (h) evidence that holders of the Existing 2018 Notes have passed a resolution that allows the early repayment of such Existing 2018 Notes; and
- (i) evidence that the net proceeds from the issuance of the Notes will be used towards full repayment of the 2018 Notes and thereafter applied towards other existing Financial Indebtedness.

4.2 The Noteholders' Agent may assume that the documentation delivered to it pursuant to Clause 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Noteholders' Agent does not have to verify the contents of any such documentation. The Noteholders' Agent does not review the documents and evidence referred to above from a legal or commercial perspective of the Noteholders.

4.3 The Noteholders' Agent shall confirm to the Issuing Agent when it has received the documents and evidence referred to in Clause 4.1.

5. Notes in Book-Entry Form

5.1 The Notes will be issued in dematerialised form in the Book-Entry Securities System in accordance with the Book-Entry System Act and regulations of the CSD and no physical notes will be issued.

5.2 Each Noteholder consents to the Issuer having a right to obtain information on the Noteholders, their contact details and their holdings of the Notes registered in the Book-Entry Securities System, such as information recorded in the lists referred to in paragraphs 2 and 3 of Section 3 of Chapter 4 of the Book-Entry System Act kept by the CSD in respect of the Notes and the CSD shall be entitled to provide such information upon request. At the request of the Noteholders' Agent or the Issuing Agent, the Issuer shall (and shall be entitled to do so) promptly obtain such information and provide it to the Noteholders' Agent or the Issuing Agent, as applicable.

5.3 The Noteholders' Agent and the Issuing Agent shall have the right to obtain information referred to in Clause 5.2 from the CSD in respect of the Notes if so permitted under the regulation of the CSD. The Issuer agrees that each of the Noteholders' Agent and the Issuing Agent is at any time on its behalf entitled to obtain information referred to in Clause 5.2 from the CSD in respect of the Notes.

5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Noteholders' Agent as are notified by the Noteholders' Agent, in order for such individuals to independently obtain information referred to in Clause 5.2 directly from the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Noteholders' Agent or unless consent thereto is given by the Noteholders.

5.5 The Issuer, the Noteholders' Agent and the Issuing Agent may use the information referred to in Clause 5.2 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions with respect to the Notes or to fulfil any requirement of law or regulation and shall not disclose such information to any Noteholder or third party unless necessary for the before-mentioned purposes.

6. Payments in Respect of the Notes

6.1 Any payments under or in respect of the Notes pursuant to these Terms and Conditions shall be made to the person who is registered as a Noteholder at the Record Time prior to an Interest Payment Date or other relevant due date in accordance with the Finnish legislation governing the Book-Entry Securities System and book-entry accounts as well as the regulations of the CSD.

6.2 If, due to any obstacle affecting the CSD, the Issuer cannot make a payment, such payment may be postponed until the obstacle has been removed. Any such postponement shall not affect the Record Time.

6.3 The Issuer is not liable to gross up any payments under the Notes Documents by virtue of any withholding tax, public levy or similar tax or duty.

- 6.4 All payments to be made by the Issuer pursuant to these Terms and Conditions shall be made without (and free and clear of any deduction for) set-off or counterclaim.
- 7. Interest**
- 7.1 Each Note carries Interest at the applicable Interest Rate from (and including) the Issue Date up to (but excluding) the relevant Redemption Date.
- 7.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 7.3 Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360 day basis).
- 7.4 If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is one (1) percentage point 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 Noteholders' Agent, the Issuing Agent or the CSD, in which case the Interest Rate shall apply instead.
- 8. Redemption and Repurchase of the Notes**
- 8.1 *Redemption at Maturity***
- The Issuer shall redeem all of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a CSD Business Day, then the redemption shall occur on the CSD Business Day determined by application of the Business Day Convention.
- 8.2 *Issuer's Purchase of Notes***
- The Issuer may at any time and at any price purchase any Notes on the market or in any other manner, provided that if purchases are made through a tender offer, the possibility to tender must be made available to all Noteholders on equal terms subject only to the potential restrictions arising from applicable securities laws. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.
- 8.3 *Mandatory Repurchase due to a Change of Control Event (Put Option)***
- 8.3.1 Upon the occurrence of a Change of Control Event, each Noteholder shall have the right to request that all, or only some, of its Notes be repurchased at a price per Note equal to 101 per cent of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 10.1.3 (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- 8.3.2 The notice from the Issuer pursuant to Clause 10.1.3 shall specify the repurchase date that is a CSD Business Day and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 10.1.3. The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 8.3.1.
- 8.3.3 The Issuer shall comply with the requirements of any applicable securities laws and regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 8.3, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 8.3 by virtue of such conflict.
- 8.3.4 Any Notes repurchased by the Issuer pursuant to this Clause 8.3 may at the Issuer's discretion be retained, sold or cancelled.
- 8.3.5 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 8.3, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in this Clause 8.3 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If the Notes tendered are not purchased within the time limits stipulated in this Clause 8.3, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit. The Issuer shall not be required to repurchase any Notes pursuant to this Clause 8.3.5 if

it has exercised its right to redeem all of the Notes in accordance with Clause 8.8 (*Voluntary Total Redemption*) prior to the occurrence of the Change of Control Event.

8.3.6 If Notes representing more than 75 per cent of the Nominal Amount of the Notes have been repurchased pursuant to this Clause 8.3, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price stated in Clause 8.3.1 above by notifying the remaining Noteholders of its intention to do so no later than fifteen (15) Business Days after the latest possible repurchase date pursuant to Clause 8.3.2. Such repurchase may occur at the earliest on the tenth CSD Business Day following the date of such notice.

8.4 *Mandatory Repurchase due to a Merger or Demerger Event (Put Option)*

8.4.1 Upon occurrence of a Merger or Demerger Event, the Issuer shall notify the Noteholders in accordance with Clause 10.1.4 of the Merger or Demerger Event.

8.4.2 On the Merger or Demerger Repurchase Date, the Issuer shall prepay a price per Note equal to 101 per cent of the Nominal Amount together with accrued but unpaid Interest on the Notes held by the Noteholders who have required repurchase of Notes held by them by a written notice to be given to the Issuer no later than twenty (20) Business Days after the delivery of the notification referred to in Clause 8.4.1. Interest on the Notes accrues until the Merger or Demerger Repurchase Date (excluding the Merger or Demerger Repurchase Date).

8.4.3 Any Noteholder whether or not it elects to exercise the right to require repurchase due to a Merger or Demerger Event is deemed to have waived any and all statutory rights under Finnish law to oppose the merger or the demerger in its capacity as a Noteholder.

8.4.4 In the event that any Noteholder opposes a merger or a demerger of the Issuer (which, for the avoidance of doubt, is not permitted by these Terms and Conditions), the Issuer may, by giving not less than ten (10) days' notice to the Noteholders (which notice shall be irrevocable and specify the Redemption Date), redeem the Notes held by the Noteholders who have opposed or shall oppose the merger or demerger. In such case the redemption shall take place at a price per Note equal to 101 per cent of the Nominal Amount together with accrued but unpaid Interest. Each such Noteholder is obliged to withdraw any notice of opposing the merger or demerger on the Redemption Date specified in the Issuer's notice at the latest, provided that the Issuer has paid the relevant redemption amount on such Redemption Date. Further, without prejudice to the Noteholders' primary obligation to withdraw any notices opposing the merger or demerger, the Noteholders have by these Terms and Conditions irrevocably authorised the Issuer to represent them with respect to the Finnish Trade Register in order to withdraw the notices opposing the merger or demerger following the payment of the relevant redemption amount.

8.4.5 Any Notes repurchased by the Issuer pursuant to this Clause 8.4 may at the Issuer's discretion be retained, sold or cancelled.

8.4.6 If Notes representing more than 75 per cent of the Nominal Amount of the Notes have been repurchased pursuant to this Clause 8.4, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price stated in Clause 8.4.2 above by notifying the remaining Noteholders of its intention to do so no later than fifteen (15) Business Days after the Merger or Demerger Repurchase Date. Such repurchase may occur at the earliest on the tenth CSD Business Day following the date of such notice.

8.5 *Mandatory Repurchase due to a Department Store Property Disposal Event (Put Option)*

8.5.1 Upon occurrence of a Department Store Property Disposal Event, the Issuer shall notify the Noteholders in accordance with Clause 10.1.4 of the Department Store Property Disposal Event.

8.5.2 On the Department Store Property Disposal Repurchase Date, the Issuer shall prepay a price per Note equal to 101 per cent of the Nominal Amount together with accrued but unpaid Interest on the Notes held by the Noteholders who have required repurchase of Notes held by them by a written notice to be given to the Issuer no later than twenty (20) Business Days after the delivery of the notification referred to in Clause 8.5.1. Interest on the Notes accrues until the Department Store Property Disposal Repurchase Date (excluding the Department Store Property Disposal Repurchase Date).

8.5.3 Any Notes repurchased by the Issuer pursuant to this Clause 8.5 may at the Issuer's discretion be retained, sold or cancelled.

8.5.4 If Notes representing more than 75 per cent of the Nominal Amount of the Notes have been repurchased pursuant to this Clause 8.5, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price stated in Clause 8.5.2 above by notifying the remaining Noteholders of its intention to do so no later than fifteen

(15) Business Days after the Department Store Property Disposal Repurchase Date. Such repurchase may occur at the earliest on the tenth CSD Business Day following the date of such notice.

8.6 Special Redemption due to a Merger or Demerger Event (Call Option)

8.6.1 In case a Merger or Demerger Event occurs and the merger or demerger is subsequently approved at a general meeting of shareholders of the Issuer, the Issuer may, at any time prior to the First Call Date, redeem all but not part of the Notes at a price per Note equal to 103 per cent of the Nominal Amount together with accrued but unpaid Interest, provided that the redemption takes place no later than six months from the registration with the Finnish Trade Register of the completion of a merger or a demerger involving the Issuer.

8.6.2 Redemption in accordance with this Clause 8.6. shall be made by the Issuer giving not less than 30 nor more than 60 days' notice to the Noteholders. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amounts.

8.7 Special Redemption due to a Department Store Property Disposal Event (Call Option)

8.7.1 Following the occurrence of the Department Store Property Disposal Event, the Issuer may decide, within fifteen (15) Business Days but in any event prior to the First Call Date, to redeem all but not part of the Notes at a price per Note equal to 103 per cent of the Nominal Amount together with accrued but unpaid Interest.

8.7.2 If the Issuer uses its special redemption right pursuant to Clause 8.7.1 above, Notes held by Noteholders who have required repurchase in accordance with Clause 8.5.2 (if any) shall be redeemed in accordance with Clause 8.7.1 above.

8.7.3 The issuer shall notify Noteholders of the use of its special redemption right immediately after the decision in accordance with Clause 8.7.1 above has been made. Any such notice is irrevocable. The Issuer is bound to redeem the Notes in full at the applicable amounts no earlier than fifteen (15) Business Days and no later 30 days after such notice but in any event on or before the Department Store Property Disposal Repurchase Date.

8.8 Voluntary Total Redemption

8.8.1 At any time prior to the First Call Date, the Issuer may redeem all but not part of the Notes (make-whole call), at a redemption price equal to 100 percent of the principal amount of the Notes redeemed, plus the Applicable Premium as of the Redemption Date, and accrued and unpaid Interest to the Redemption Date, subject to the rights of Noteholders on the relevant Record Time to receive Interest due on the relevant Interest Payment Date.

8.8.2 On or after the First Call Date, the Issuer may on any one occasion redeem all but not only part of Notes at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid Interest to the Redemption Date, subject to the rights of Noteholders on the relevant Record Time to receive Interest due on the relevant Interest Payment Date.

<i>Redemption Date</i>	<i>Redemption Price</i>
on or after 11 July 2019 but prior to 11 January 2020	103.5625 per cent
on or after 11 January 2020 but prior to 11 January 2021	102.375 per cent
on or after 11 January 2021	101.1875 per cent

8.8.3 The Issuer shall give the Noteholders' Agent notice of any contemplated redemption at least five (5) Business Days prior to the notice being given to the Noteholders.

8.8.4 Redemption in accordance with this Clause 8.8 shall be made by the Issuer giving not less than 30 nor more than 60 days' notice to the Noteholders. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amounts.

9. Common Transaction Security

9.1 Common Transaction Security

9.1.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, Common Transaction Security has been provided in accordance with the terms of the Common Transaction Security Documents entered into by and between the Issuer and the Security Agent as agent acting on behalf of the Secured Parties.

- 9.1.2 The Common Transaction Security will be held and administered by the Security Agent. The Common Transaction Security Documents evidencing such Common Transaction Security have been and in the future will be executed, by the Security Agent for and on behalf of all the Secured Parties in accordance with the Intercreditor Agreement to which the Noteholders' Agent is a party as an agent and representative of the Noteholders.
- 9.1.3 The Security Agent shall (without first having to obtain the consent of Noteholders) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, releasing or enforcing the Common Transaction Security or for any other purposes in accordance with the terms of the Intercreditor Agreement.
- 9.1.4 The Noteholders' Agent shall be entitled to give instructions (on behalf of the Noteholders) relating to the Common Transaction Security to the Security Agent in accordance with the Intercreditor Agreement.
- 9.1.5 The Common Transaction Security are shared among the Secured Parties. All the Secured Obligations secured by the Common Transaction Security shall rank in right and priority of payment and the Common Transaction Security shall secure the Secured Obligations, *pari passu* and *pro rata* without preference between them, except for liabilities owed to the Security Agent and certain costs incurred by the certain creditor representatives (including the Noteholders' Agent) which have priority to enforcement proceeds relating to Common Transaction Security in accordance with Clause 13 (*Distribution of Proceeds*).
- 9.1.6 A creditor, that receives or recovers (including by way of set-off) any amount in excess of what it is permitted to receive pursuant to the Intercreditor Agreement, shall not be entitled to retain such amount and shall promptly pay such amount to the Security Agent for application in accordance with Clause 13 (*Distribution of Proceeds*).

9.2 Release of Common Transaction Security upon Non-Distressed Disposals

- 9.2.1 If a disposal of an asset subject to Common Transaction Security is a Non-Distressed Disposal, the Security Agent is irrevocably authorised (at the request and cost of the Issuer and without any consent, sanction, authority or further confirmation from any Secured Creditor or the Issuer) but subject to Clause 9.2.2 below:
- (a) to release the Common Transaction Security or any other claim (relating to a Secured Debt Document) over that asset; and
 - (b) to execute and deliver or enter into any release of the Common Transaction Security or any claim described in paragraph (i) above and issue any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable,

provided that the release of such Common Transaction Security is effected simultaneously with respect to all the Secured Obligations.

- 9.2.2 Each release of Common Transaction Security described in Clause 9.2.1 above shall become effective only on the making of the relevant Non-Distressed Disposal.
- 9.2.3 As long as no Distress Event has occurred, if any Disposal Proceeds are required to be applied in mandatory prepayment of any Financial Indebtedness under any Secured Obligation or, where no mandatory prepayment obligation applies (or does not cover all such proceeds), the Issuer otherwise wishes to prepay any of its Financial Indebtedness under any Secured Obligation and such prepayment is permitted under the Secured Debt Documents, then those Disposal Proceeds shall be released by the Security Agent from the Disposal Proceeds Account to the relevant Creditor Representatives to be applied in accordance with the relevant Secured Debt Documents and the consent of any other Party shall not be required for that application. Any surplus after such release can be released to the Issuer to be applied towards general corporate purposes of the Group subject to the Secured Debt Documents and no further consent is required from a Secured Creditor. In the event that the Issuer wishes to apply any such Disposal Proceeds towards prepayment of any Notes Liabilities (and is not prohibited from doing so under any other Secured Debt Documents), Clause 11.4 (*Disposals*) of these Terms and Conditions shall apply.

9.3 Release of Common Transaction Security upon Transaction Security Release Event

- 9.3.1 Upon the occurrence of a Transaction Security Release Event, the Security Agent is irrevocably authorised (at the request and cost of the Issuer and without any consent, sanction, authority or further confirmation from any Secured Creditor or the Issuer) to:
- (a) release all Common Transaction Security over all the Security Assets; and

- (b) execute and deliver or enter into any release of the Common Transaction Security and issue any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable,

provided that the release of the Common Transaction Security is effected simultaneously with respect to all the Secured Obligations.

- 9.3.2 If the Issuer wishes to invoke the occurrence of a Transaction Security Release Event, the Issuer may in its discretion deliver Transaction Security Release Compliance Certificates to the Noteholders' Agent.

9.4 Release of Common Transaction Security upon Permitted Transaction

Upon the occurrence of a Permitted Transaction, the Security Agent is irrevocably authorised (at the request and cost of the Issuer and without any consent, sanction, authority or further confirmation from any Secured Creditor or the Issuer) to:

- (a) release the Common Transaction Security over the relevant Security Assets; and
- (b) execute and deliver or enter into any release of the Common Transaction Security and issue any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable.

9.5 Enforcement of Common Transaction Security

- 9.5.1 Only the Security Agent may exercise the rights under the Common Transaction Security Documents and only the Security Agent has the right to enforce the Common Transaction Security.

- 9.5.2 The Noteholders shall not be entitled, individually or collectively, to take any direct action to enforce any rights in their favour under the Common Transaction Security Documents.

- 9.5.3 The Security Agent shall enforce the Common Transaction Security in accordance with the terms of the Common Transaction Security Documents and the Intercreditor Agreement.

- 9.5.4 If the Instructing Group wishes to issue Enforcement Instructions, the Creditor Representative(s) representing the Secured Creditors comprising the Instructing Group shall deliver Enforcement Instructions (a "**Primary Enforcement Notice**") to the Security Agent and the Security Agent shall promptly forward such Primary Enforcement Notice to each Creditor Representative and each Hedge Counterparty which did not deliver such Primary Enforcement Notice.

- 9.5.5 If the Common Transaction Security has become enforceable in accordance with its terms but:

- (a) the Instructing Group has refrained from giving instructions to the Security Agent to enforce the Common Transaction Security;
- (b) the Instructing Group has instructed the Security Agent not to enforce the Common Transaction Security; or
- (c) otherwise no Enforcement in relation to the Common Transaction Security has been initiated,

then if:

- (i) an Insolvency Event has occurred and is continuing; or
- (ii) in case of any instruction by the Noteholders' Agent or a Pari Passu Noteholders' Agent, a Notes Acceleration Event or a Pari Passu Notes Acceleration Event, as applicable, has occurred and:

- (A) that Noteholders' Agent or Pari Passu Noteholders' Agent has delivered to each other Creditor Representative and the Security Agent a copy of an Acceleration Notice by that Noteholders' Agent or Pari Passu Noteholders' Agent, as applicable, to the Issuer concerning such Note Acceleration Event or Pari Passu Notes Acceleration Event, as applicable; and

- (B) the Notes Standstill Period has expired and at the end of the Noteholders' Standstill Period, the Event of Default giving rise to that Notes Acceleration Event or Pari Passu Notes Acceleration Event, as applicable, is continuing; or

- (iii) in case of any instruction by a Credit Facility Agent, a Credit Facility Acceleration Event has occurred and:
 - (A) that Credit Facility Agent has delivered to each other Creditor Representative and the Security Agent a copy of an Acceleration Notice by that Credit Facility Agent to the Issuer concerning such Credit Facility Acceleration Event; and
 - (B) the Credit Facility Standstill Period has expired and at the end of the Credit Facility Standstill Period, the Credit Facility Event of Default giving rise to that Credit Facility Acceleration Event is continuing,

the Creditor Representative representing the Noteholders, the Pari Passu Noteholders or the Credit Facility Lenders on behalf of which such Acceleration Notice has been delivered, may deliver Enforcement Instructions (a “**Secondary Enforcement Notice**”) to the Security Agent and the Security Agent shall promptly forward such Secondary Enforcement Notice to each Creditor Representative and each Hedge Counterparty which did not deliver such Secondary Enforcement Notice and the Security Agent shall give effect to any instructions to enforce the Common Transaction Security which such Creditor Representative (acting upon the instructions of the requisite majority of Noteholders, Pari Passu Noteholders or Credit Facility Lenders determined in accordance with relevant Secured Debt Document in respect of which it is the Creditor Representative), is then entitled to give to the Security Agent under this Clause 9.5.5.

In the event that the Security Agent receives Secondary Enforcement Notices from several Creditor Representatives under this Clause 9.5.5, it shall act in accordance with the Secondary Enforcement Notice delivered first or, if several Secondary Enforcement Notices are delivered simultaneously, in accordance with the Secondary Enforcement Notices delivered by the Creditor Representative(s) representing the Majority Noteholders and the Creditor Representative(s) representing the Majority Credit Facility Lenders, as applicable.

9.5.6 The Security Agent may refrain from enforcing the Common Transaction Security or taking any other action as to Enforcement unless instructed otherwise by:

- (a) the Instructing Group; or
- (b) to the extent permitted to require the enforcement of the Common Transaction Security under Clause 9.5.5, the Noteholders, the Pari Passu Noteholders or the Credit Facility Lenders, as applicable, on behalf of which the Secondary Enforcement Notice has been delivered.

9.5.7 Subject to the Common Transaction Security having become enforceable in accordance with its terms:

- (a) the Instructing Group; or
- (b) to the extent permitted to require the enforcement of the Common Transaction Security under Clause 9.5.5, the relevant Creditor Representative(s),

may give or refrain from giving instructions to the Security Agent to take action as to Enforcement in accordance with the Enforcement Principles as they see fit by way of the issuance of Enforcement Instructions.

9.5.8 If the Common Transaction Security is being enforced or other action as to Enforcement is being taken pursuant to Clauses 9.5.4 or 9.5.5, the Security Agent shall enforce the Common Transaction Security or take other action as to the Enforcement in such manner (including, without limitation, the selection of any administrator or any analogous officer in any jurisdiction of the Issuer to be appointed by the Security Agent) as:

- (a) the Instructing Group; or
- (b) if:
 - (A) the Security Agent has, pursuant to Clause 9.5.5, given effect to instructions given by any Creditor Representative to enforce the Common Transaction Security; and
 - (B) the Instructing Group has not given instructions as to the manner of enforcement of the Common Transaction Security,

that or those Creditor Representative(s),

shall instruct, provided that such instructions are consistent with the Enforcement Principles or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate and consistent with the Enforcement Principles.

9.5.9 The Security Agent is entitled to rely on and comply with instructions given in accordance with Clauses 9.5.6 and 9.5.7.

10. Information to Noteholders

10.1 Information from the Issuer

10.1.1 The Issuer will make the following information available to the Noteholders by publication on the website of the Issuer:

- (a) as soon as the same become available, but in any event by the relevant date (prescribed under the Finnish Securities Markets Act and the rules and regulations of the Relevant Market) after the end of each financial year, its audited consolidated financial statements for that financial year and annual report;
- (b) as soon as the same become available, but in any event by the relevant date (prescribed under the rules and regulations of the Relevant Market) after the end of each quarter of its financial year, its consolidated financial statements or the year-end report (Fin: *tilinpäätöstiedote*) (as applicable) for such period;
- (c) as soon as practicable following an acquisition or disposal by a member of the Group of Notes in an amount exceeding 10 per cent of the aggregate Nominal Amount of the Notes, the aggregate Nominal Amount of the Notes held by the Group Companies and the amount of Notes cancelled by the Issuer (if any);
- (d) any other information required to be disclosed under the Market Abuse Regulation (EU No 596/2014) and the Finnish Securities Markets Act and the rules and regulations of the Relevant Market; and
- (e) any other information that would, if the Notes were as of the Issue Date listed on the Relevant Market, be required pursuant to the Rules of the Exchange of Nasdaq Helsinki Ltd (as in force from time to time and on the Issue Date being Rules 5.3.2.3 (Auditor's report) and 5.3.3 (Other disclosure requirements)).

10.1.2 The Issuer will inform as soon as practicable at the request of the Noteholders' Agent, the aggregate Nominal Amount of the Notes held by the Group Companies and the amount of Notes cancelled by the Issuer.

10.1.3 The Issuer shall immediately notify the Noteholders and the Noteholders' Agent upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of such Change of Control Event if a definitive agreement is in place providing for a Change of Control Event.

10.1.4 The Issuer shall immediately notify the Noteholders and the Noteholders' Agent upon becoming aware of the occurrence of a Merger or Demerger Event or a Department Store Property Disposal Event.

10.1.5 The Issuer shall immediately notify the Noteholders' Agent upon the release of any Common Transaction Security, unless published in accordance with Clause 10.1.1 or unless the Noteholders' Agent has been notified thereof pursuant to the Intercreditor Agreement.

10.1.6 The Issuer shall upon:

- (a) the incurrence of Financial Indebtedness other than Permitted Financial Indebtedness;
- (b) the investment made in properties and/or assets that will be used in the Group in accordance with Clause 11.4.3;
- (c) the payment of a dividend or other distribution of funds;
- (d) the repayment of all or part of the principal amount of the Hybrid Bond requiring the satisfaction of the Incurrence Test pursuant to Clause 11.5.3;
- (e) a member of the Group merging with a person other than another member of the Group requiring the satisfaction of the Incurrence Test pursuant to Clause 11.3.1; or
- (f) a member of the Group demerging, if as a result of such demerger or reorganisation any assets and/or operations would be transferred to a person not being a member of the Group and where the satisfaction of the Incurrence Test pursuant to Clause 11.3.1 is required,

submit to the Noteholders' Agent a compliance certificate in the form of Appendix 3 (*Form of Compliance Certificate*) hereto setting out calculations and figures as to whether the Incurrence Test referred to in Clause 11.7 (*Financial Covenant*) is met and, in each case containing a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it).

- 10.1.7 The Issuer shall immediately notify the Noteholders' Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Noteholders' Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Noteholders' Agent not receive such information, the Noteholders' Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Noteholders' Agent does not have actual knowledge of such event or circumstance.

10.2 Information from the Noteholders' Agent

Subject to the restrictions of a non-disclosure agreement entered into by the Noteholders' Agent with the Issuer, the Noteholders' Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Noteholders' Agent shall notify the Noteholders of the occurrence of an Event of Default in accordance with Clause 12.3.

10.3 Publication of Notes Documents

The latest version of these Terms and Conditions shall be available on the websites of the Issuer and the Noteholders' Agent. The other Notes Documents shall be available for review to the Noteholders and prospective Noteholders at the office of the Issuer and Noteholders' Agent during normal business hours.

11. Undertakings

11.1 General

The Issuer undertakes to (and shall, where applicable, procure that the other members of the Group will) comply with the undertakings set forth in this Clause 11 for so long as the Notes remain outstanding.

11.2 Negative Pledge

- (a) Except as provided under paragraph (c), the Issuer shall not (and the Issuer shall ensure that no other member of the Group will) create or permit to subsist any Security over any of its assets.
- (b) Except as provided under paragraph (c), the Issuer shall not (and the Issuer shall ensure that no other member of the Group will):
- (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Issuer or any other member of the Group;
 - (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts; or
 - (iv) enter into any other preferential arrangement having a similar effect,
- in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.
- (c) Paragraphs (a) and (b) above do not apply to any Security or (as the case may be) any Quasi Security that is Permitted Security.

11.3 Mergers and Demergers

11.3.1 The Issuer shall not (and shall procure that no other member of the Group will) carry out:

- (a) any merger (or other business combination or corporate reorganisation involving the consolidation of assets and obligations) of the Issuer or such other member of the Group with any other person (other than (i) a member of the Group provided that the Issuer (if involved) is the surviving entity or (ii) a person other than a member of the Group but then provided that (A) if that member of the Group is the surviving entity, the Incurrence Test is met and (B) if that member of the Group (other than the Issuer)

is not the surviving entity, the Incurrence Test is met and the merger consideration, to the extent payable in cash, is applied in accordance with Clause 11.4.3 (if such application would be required if the merger would have been carried out as a disposal) or (iii) a person other than a member of the Group when the Issuer is the merging company but then provided that the merger is executed in compliance with the provisions of Clause 8.4. (*Mandatory Repurchase due to a Merger or Demerger Event (Put Option)*));

- (b) any demerger (or a corporate reorganisation having the same or equivalent effect) of the Issuer other than a demerger of the Issuer that is executed in compliance with the provisions of Clause 8.4 (*Mandatory Repurchase due to a Merger or Demerger Event (Put Option)*);
- (c) any demerger (or a corporate reorganisation having the same or equivalent effect) of a member of the Group other than the Issuer, (i) other than a Riga Holding Company Restructuring or (ii) if as a result of such demerger or reorganisation any assets and/or operations would be transferred to a person not being a member of the Group, unless the Incurrence Test is met and the demerger consideration, to the extent in cash, is applied in accordance with Clause 11.4.3 (if such application would be required if the merger would have been carried out as a disposal); or
- (d) any liquidation of the Issuer.

11.3.2 Each Noteholder agrees, with respect to the Notes it holds, not to exercise, and hereby waives in advance, its right in accordance with the Finnish Companies Act to object to any merger or demerger if (and only if) such merger or demerger (as applicable) (a) is not prohibited under these Terms and Conditions or (b) has been consented to by the Noteholders in a Noteholders' Meeting or by way of a Written Procedure. In the event that any Noteholder has opposed a merger or a demerger that has later been consented to by the Noteholders in a Noteholders' Meeting or by way of a Written Procedure, each such Noteholder is obliged to promptly withdraw any notice of opposing the merger or demerger. Further, without prejudice to the Noteholders' primary obligation to withdraw any notices opposing the merger or demerger, the Noteholders have by these Terms and Conditions irrevocably authorised the Issuer to represent them with respect to the Finnish Trade Register in order to withdraw the notices opposing the merger or demerger that has been consented to by the Noteholders in a Noteholders' Meeting or by way of a Written Procedure.

11.3.3 Each noteholder authorises the Noteholders' Agent to confirm their consent to the Riga Holding Company Restructuring.

11.4 Disposals

11.4.1 Except as provided under Clauses 11.4.2 and 11.4.3, the Issuer shall not (and the Issuer shall ensure that no other member of the Group will), enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset (other than lease of premises in the ordinary course of business of the Issuer) to a person or persons other than wholly-owned members of the Group.

11.4.2 Clause 11.4.1 above does not apply to the following Disposals on arms' length terms:

- (a) of Stockmann Delicatessen as a whole, provided that the net disposal proceeds are applied towards mandatory prepayment of the Credit Facilities in accordance with the relevant Credit Facility Agreement(s);
- (b) of Nevsky Centre as a whole (or all the shares in the Subsidiary directly or indirectly owning the Nevsky Centre), provided that the net disposal proceeds are applied towards mandatory prepayment of the Credit Facilities in accordance with the relevant Credit Facility Agreement(s) subject to certain agreed amounts to be retained by the Issuer in accordance with the Credit Facility Agreement;
- (c) of any real estate property (as a whole) (or all the shares in the Subsidiary directly or indirectly owning such real estate property) subject to Common Transaction Security, provided that the net disposal proceeds are used towards prepayment of Financial Indebtedness of the Issuer under Credit Facilities, Notes or Pari Passu Notes in a manner required under the Secured Debt Documents or where such Secured Debt Documents do not impose any payment obligations in relation to any such proceeds, in the manner determined by the Issuer (and, in case of the Department Store Property Disposal Event, provided that provisions of Clause 8.5 are complied with);
- (d) of assets not referred to above where the net disposal proceeds do not exceed EUR 10,000,000 (or its equivalent) for any such single transaction or a series of transactions,

in each case, provided that no Event of Default (as defined in these Terms and Conditions) has occurred and is continuing or would be occurring as a result of such Disposal.

11.4.3 Clause 11.4.1 above does not apply to any sale, lease, transfer or other disposal for cash consideration made at arms' length terms if:

- (a) all cash proceeds (net of transaction costs and taxes) from such sale, lease, transfer or other disposal (such cash proceeds, the "**Cash Proceeds**") are applied by the Issuer and/or any member of the Group at its option within six (6) months after receipt thereof only (i) to make an investment in properties and/or assets that will be used in the business of the Group provided that (A) no Event of Default is continuing or would occur as a result thereof; and (B) the Incurrence Test is met; or (ii) in repayment or discharge of any Financial Indebtedness; and
- (b) the Issuer shall, to the extent the Cash Proceeds are not applied in accordance with paragraph (a) above, apply the remaining Cash Proceeds towards repayment or discharge of any Financial Indebtedness without delay after the expiry of the six (6) month period referred to in (a) above,

or as an alternative way to fulfil the requirement under paragraphs (a) and (b) the Issuer may during such six (6) month period make an unconditional and irrevocable tender offer to repurchase the Notes at a price per Note equal to 101 per cent of the Nominal Amount together with accrued and unpaid Interest, in which case the requirement under paragraphs (a) and (b) shall be deemed fulfilled irrespective of whether any Notes are so repurchased.

11.5 Equity Distributions and Hybrid Repayment

11.5.1 The Issuer shall not pay any dividends or otherwise distribute funds to its shareholders, provided that the Issuer may pay dividends or otherwise distribute funds if:

- (a) no Event of Default is continuing or would occur as a result thereof; and
- (b) the Incurrence Test is met.

11.5.2 Clause 11.5.1 above does not apply to a minority dividend in accordance with Section 7, Chapter 13 of the Finnish Companies Act.

11.5.3 Other than refinancing of the Hybrid Bond with a new hybrid bond with a first reset date occurring after the Final Maturity Date or with one or more issuances of share capital by the Issuer the aggregate proceeds of which (net of commissions) is equal to or greater than the amount of the repayment of the Hybrid Bond, the Issuer shall not repay all or part of the principal amount of the Hybrid Bond, provided, however, that the Issuer may repay all or part of the principal amount of the Hybrid Bond if:

- (a) no Event of Default is continuing or would occur as a result thereof; and
- (b) the Incurrence Test is met.

11.6 Financial Indebtedness

11.6.1 Except as provided under Clause 11.6.2, the Issuer shall not (and the Issuer shall ensure that no other member of the Group will) incur any Financial Indebtedness, provided that the Issuer and such other member of the Group may incur Financial Indebtedness if:

- (a) no Event of Default is continuing or would occur as a result thereof;
- (b) the Incurrence Test is met; and
- (c) the maturity date of such Financial Indebtedness is after the Final Maturity Date.

11.6.2 Clause 11.6.1 above does not apply to Permitted Financial Indebtedness.

11.7 Financial Covenant

11.7.1 The Incurrence Test for the purposes of Clauses 11.3.1, 11.4.3, 11.5.1 and 11.6.1 is met if the Equity Ratio exceeds 35 per cent.

11.7.2 The Incurrence Test for the purposes of Clause 11.5.3 is met if the Equity Ratio exceeds 38 per cent.

11.7.3 The Equity Ratio for purposes of the Incurrence Test shall be calculated and interpreted on a consolidated basis in accordance with GAAP and by reference to the latest financial statements published pursuant to paragraphs (a) and (b) of Clause 10.1.1 and using end of the period values for balance sheet items but the Equity Ratio shall in respect of an Incurrence Test include the pro forma effect of (a) the new Financial Indebtedness incurred (including a pro forma application of the net proceeds therefrom); (b) dividends paid or funds otherwise distributed and (c) any repayment of the principal amount of the Hybrid Bond.

11.8 *Subsidiary Guarantees*

The Issuer shall procure that none of its Subsidiaries grant guarantees in respect of the Financial Indebtedness of the Issuer or any other member of the Group, except for:

- (a) guarantees by such Subsidiaries for the obligations of their Subsidiaries;
- (b) guarantees by such Subsidiaries for the obligations of any other member of the Group in favour of another member of the Group;
- (c) the endorsement of negotiable instruments in the ordinary course of trade;
- (d) any guarantee given in respect of the cash pooling, netting or set-off arrangements permitted under these Terms and Conditions including any overdraft, intra-day limit and other credit facility granted for any such arrangement;
- (e) any counter-indemnity in respect of any guarantee issued by the Issuer in respect of any indebtedness of such Subsidiary; and
- (f) any guarantee guaranteeing Financial Indebtedness (not permitted pursuant to paragraphs (a) - (e)) that in aggregate does not exceed five (5) per cent of the Consolidated Assets at any given time unless the granting of such guarantee is required by law.

11.9 *Compliance with Laws*

The Issuer shall (and the Issuer shall ensure that each member of the Group will) comply with all laws and regulations to which it may be subject from time to time, if failure so to comply would materially impair its ability to perform its payment obligations under the Notes.

11.10 *Related Party Transactions*

The Issuer shall (and the Issuer shall ensure that each member of the Group Company will) conduct all dealings with the direct and indirect shareholders of any members of the Group at arm's length.

11.11 *Change of Business*

The Issuer shall procure that no substantial change is made to the general nature of the business of the Issuer or the Group from that carried on by the Group on the Issue Date, except by way of disposals, mergers and demergers (including a merger or demerger that triggers a Merger or Demerger Event) not prohibited by these Terms and Conditions.

11.12 *Admission to Trading*

11.12.1 The Issuer shall use its best efforts to ensure that the loan constituted by these Terms and Conditions and evidenced by the Notes is admitted to trading on the Relevant Market, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading or traded on another regulated market or multilateral trading facility (each as defined in Directive 2004/39/EC on markets in financial instruments).

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

11.13 *Undertakings Relating to the Agency Agreement*

11.13.1 The Issuer shall, in accordance with the Agency Agreement:

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

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

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

12. Acceleration of the Notes

12.1 The Noteholders' Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least 25 per cent of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder at the end of the Business Day on which the demand is received by the Noteholders' Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 12.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not only some, of the outstanding Notes due and payable together with any other amounts payable under the Notes Documents, immediately or at such later date as the Noteholders' Agent determines, and/or (ii) exercise any or all of its rights, remedies, powers and discretions under the Notes Documents, if:

- (a) the Issuer does not pay on the due date any amount payable by it under the Notes Documents, unless the non-payment:
 - (i) is caused by technical or administrative error; and
 - (ii) is remedied within three (3) Business Days from the due date;
- (b) the Issuer does not comply with any material terms and conditions of the Notes Documents to which it is a party (other than those terms referred to in paragraph (a) above), unless the non-compliance:
 - (i) is capable of remedy; and
 - (ii) is remedied within ten (10) Business Days of the earlier of the Noteholders' Agent giving notice and the Issuer becoming aware of the non-compliance;
- (c) any Notes Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Notes Documents), and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;
- (d) the Issuer or any member of the Group is, or is deemed for the purposes of any applicable law to be, Insolvent;
- (e) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset in excess of EUR 5,000,000 of the Issuer or any member of the Group and is not discharged within fourteen (14) Business Days; or
- (f) any Financial Indebtedness of a member of the Group is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (f) if (i) any relevant payment to be made is contested in good faith and as long as it has not resulted in a payment obligation of the relevant member of the Group (confirmed by a court, arbitral tribunal or a government authority, subject to Clause 12.5) or (ii) the aggregate amount of Financial Indebtedness referred to herein is less than EUR 15,000,000 (or its equivalent in other currencies); or
- (g) the Issuer or members of the Group, taken as a whole, ceases or threatens to cease all or substantially all of its business within any of its three business segments other than as a result of a sale, transfer or other disposal of assets by a member of the Group not prohibited under these Terms and Conditions or a merger, demerger, corporate reorganisation (having the same or equivalent effect as a merger or demerger) (including a merger or demerger that triggers a Merger or Demerger Event) or solvent liquidation of or by a member of Group not prohibited under these Terms and Conditions.

12.2 The Noteholders' Agent may not accelerate the Notes in accordance with Clause 12.1 by reference to a specific Event of Default if it is no longer continuing.

- 12.3 The Noteholders' Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Noteholders' Agent received actual knowledge of that an Event of Default has occurred and is continuing, except if the Event of Default does not relate to a payment failure in respect of the Notes and the Noteholders' Agent considers that withholding the notice is not detrimental to the interests of the Noteholders. The Noteholders' Agent shall, within twenty (20) Business Days of the date on which the Noteholders' Agent received actual knowledge of that an Event of Default has occurred and is continuing (and if the Event of Default does not relate to a payment failure in respect of the Notes, within sixty (60) Business Days), decide if the Notes shall be so accelerated. If the Noteholders' Agent decides not to accelerate the Notes, the Noteholders' Agent shall promptly seek instructions from the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*). The Noteholders' Agent shall always be entitled to take the time necessary to consider carefully whether an occurred event or circumstance constitutes an Event of Default.
- 12.4 If the Noteholders instruct the Noteholders' Agent to accelerate the Notes, the Noteholders' Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Noteholders Agent, be necessary or desirable to enforce the rights of the Noteholders under the Notes Documents, subject to the terms of the Intercreditor Agreement, unless the relevant Event of Default is no longer continuing.
- 12.5 If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 12.6 In the event of an acceleration of the Notes in accordance with this Clause 12, the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent of the Nominal Amount.

13. Distribution of Proceeds

- 13.1 All amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Secured Debt Document (other than, for the avoidance of doubt, under any Initial Credit Facility Transaction Security Document but including, upon occurrence of a Distress Event and as long as the same is continuing, any amounts standing to the credit of the Disposal Proceeds Account) or in connection with the realisation or enforcement of all or any part of the Common Transaction Security shall be held by the Security Agent as agent in escrow to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of the Intercreditor Agreement), and any proceeds received from an enforcement of the Common Transaction Security shall be distributed as set out in the Intercreditor Agreement in the following order of priority towards satisfaction of the Secured Obligations:
- (a) *firstly*, to the Security Agent or any Delegate towards the discharge of the Security Agent Amounts;
 - (b) *secondly*, on a *pro rata* and *pari passu* basis, to each Creditor Representative and Paying Agent towards discharge of the Creditor Representative Amounts and Paying Agent Amounts;
 - (c) *thirdly*, in payment or distribution to:
 - (i) each Creditor Representative in respect of a Credit Facility on behalf of the Credit Facility Creditors for which it is the Creditor Representative; and
 - (ii) the Noteholders' Agent on behalf of the Noteholders and each *Pari Passu* Noteholders' Agent on behalf of the *Pari Passu* Noteholders for which it is the Creditor Representative; and
 - (iii) the Hedge Counterparties,for application towards the discharge of:
 - (A) the Credit Facility Liabilities (in accordance with the terms of the Credit Facility Documents) on a *pro rata* basis between Credit Facility Liabilities incurred under separate Credit Facility Agreements (excluding any amounts owing to any Credit Facility Agent and discharged under paragraph (b) above);
 - (B) the Note Liabilities (in accordance with these Terms and Conditions) and the *Pari Passu* Note Liabilities on a *pro rata* basis between the Note Liabilities and the *Pari Passu* Note Liabilities (excluding any amounts owing to any Paying Agent and any Noteholders' Agent and discharged under paragraph (b) above); and
 - (C) the Hedging Liabilities on a *pro rata* basis between the Hedging Liabilities of each Hedging Counterparty,

on a *pro rata* basis and ranking *pari passu* between paragraphs (A), (B) and (C) above;

- (d) *fourthly*, if the Issuer is under no further actual or contingent liability under any Credit Facility Document, any Hedging Agreement, the Notes or any Pari Passu Notes, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to the Issuer; and
- (e) *fifthly*, the balance, if any, in payment to the Issuer.

13.2 Any amount which in compliance with the Intercreditor Agreement (if applicable) is payable in respect of the Notes shall be applied in the following order of priority, in accordance with the instructions of the Noteholders' Agent:

- (a) *firstly*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Noteholders' Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders) and/or the Issuing Agent in accordance with the Issuing Agency Agreement, (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, exercising rights for the enforcement of Common Transaction Security or the protection of the Noteholders' rights in each case as may have been incurred by the Noteholders' Agent, (iii) any costs incurred by the Noteholders' Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 19.3.8, and (iv) any costs and expenses incurred by the Noteholders' Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15.12;
- (b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date) and default interest payable pursuant to Clause 7.4;
- (c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Notes Documents.

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

13.3 If a Noteholder or another party has with the consent of the Noteholders' Agent paid any fees, costs, expenses or indemnities referred to in Clause 13.2(a), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 13.2(a).

13.4 Funds that the Noteholders' Agent receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Common Transaction Security constitute escrow funds and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Noteholders' Agent shall arrange for payments of such funds in accordance with this Clause 13 as soon as reasonably practicable.

13.5 If the Issuer or the Noteholders' Agent shall make any payment under this Clause 13, the Issuer or the Noteholders' Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Time, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Time specified in Clause 6.1 shall apply.

14. Right to Act on Behalf of a Noteholder

14.1 If any person other than a Noteholder wishes to exercise any rights specifically allocated to Noteholders under the Notes Documents, it must obtain a power of attorney from the Noteholder or a successive, coherent chain of powers of attorney starting with the Noteholder and authorising such person or provide other evidence of ownership or authorisation satisfactory to the Noteholders' Agent.

14.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Notes Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.

14.3 The Noteholders' Agent shall only have to examine the face of a power of attorney or other evidence of authorisation that has been provided to it pursuant to Clause 14.1 and may assume that it has been duly

authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or is otherwise notified to the Noteholders' Agent.

15. Decisions by Noteholders

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

15.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least 10 per cent of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately preceding the day on which the request is received by the Noteholders' Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Notes Documents shall be directed to the Noteholders' Agent and dealt with at a Noteholders' Meeting or by way of a Written Procedure, as determined by the Noteholders' Agent. The person requesting the decision may suggest the form for decision making, but if it is in the opinion of the Noteholders' Agent more appropriate that a matter is dealt with at a Noteholders' Meeting or by way of a Written Procedure, as the case may be, the Noteholders' Agent shall have the right to decide the decision making form for such matter.

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

15.4 Only a person who is, or who, directly or indirectly, has been provided with a power of attorney pursuant to Clause 14 (*Right to Act on Behalf of a Noteholder*) from a person who is registered as a Noteholder:

- (a) at the Record Time on the CSD Business Day specified in the communication pursuant to Clause 16.3, in respect of a Noteholders' Meeting, or
- (b) at the Record Time on the CSD Business Day specified in the communication pursuant to Clause 17.3, in respect of a Written Procedure,

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

15.5 The following matters shall require the consent of Noteholders representing at least 75 per cent of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3:

- (a) a change to the terms of any of Clause 2.1, and Clauses 2.5 and 2.6;
- (b) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 8 (*Redemption and Repurchase of the Notes*);
- (c) a change to the Interest Rate or the Nominal Amount;
- (d) a change to the terms for the distribution of proceeds set out in Clause 13 (*Distribution of Proceeds*);
- (e) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 15;
- (f) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (g) a release of the Common Transaction Security provided under the Intercreditor Agreement (except in accordance with the Intercreditor Agreement, Clause 9.2 (*Release of Common Transaction Security upon Non-Distressed Disposals*) or Clause 9.3 (*Release of Common Transaction Security upon Transaction Security Release Event*));
- (h) any amendment of the Intercreditor Agreement whereby the ranking of external debt of the Group and the priority of payments among such debt becomes less beneficial to the Noteholders than under the Intercreditor Agreement in force on the Issue Date;
- (i) any amendment or release of any Common Transaction Security Document (subject to the terms of the Intercreditor Agreement and not covered by Clause 18 (*Amendment and Waivers*));

- (j) a mandatory exchange of the Notes for other securities; and
 - (k) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 12 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.
- 15.6 Any matter not covered by Clause 15.5 shall require the consent of Noteholders representing more than 50 per cent of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Notes Document that does not require a higher majority (other than an amendment or waiver permitted pursuant to Clause 18.1(a), (b), (d), (e), (f) or (g) which does not require any further consent of the Noteholders) or an acceleration of the Notes or the exercise of the rights of the Noteholders to enforce any Common Transaction Security.
- 15.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least 50 per cent of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15.5, and otherwise 20 per cent of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 15.8 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Noteholders' Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 16.1) or initiate a second Written Procedure (in accordance with Clause 17.1), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 15.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 15.9 Any decision which extends or increases the obligations of the Issuer or the Noteholders' Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Noteholders' Agent, under the Notes Documents shall be subject to the Issuer's or the Noteholders' Agent's consent, as applicable.
- 15.10 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting 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.
- 15.11 A matter decided at a duly convened and held Noteholders' Meeting or by way of a Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure.
- 15.12 All costs and expenses incurred by the Issuer or the Noteholders' Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Noteholders' Agent, shall be paid by the Issuer.
- 15.13 If a decision is to be taken by the Noteholders on a matter relating to the Notes Documents, the Issuer shall promptly at the request of the Noteholders' Agent provide the Noteholders' Agent with a certificate specifying the number of Notes owned by Group Companies, irrespective of whether such person is directly registered as owner of such Notes. The Noteholders' Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a member of the Group.
- 15.14 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Issuer and the Noteholders' Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Noteholders' Agent, as applicable.
- 16. Noteholders' Meeting**
- 16.1 The Noteholders' Agent shall convene a Noteholders' Meeting by sending a notice thereof to the CSD and each Noteholder no later than five (5) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 16.2 Should the Issuer want to replace the Noteholders' Agent, it may convene a Noteholders' Meeting in accordance with Clause 16.1 with a copy to the Noteholders Agent. After a request from the Noteholders pursuant to Clause

19.5.4, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 16.1.

- 16.3 The notice pursuant to Clause 16.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), (iv) a specification of the CSD Business Day at the end of which a person must be registered as a Noteholder in order to be entitled to exercise voting rights at the meeting and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 16.4 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days from the date of the notice.
- 16.5 Without amending or varying these Terms and Conditions, the Noteholders' Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Noteholders' Agent may deem appropriate.

17. Written Procedure

- 17.1 The Noteholders' Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to the CSD and each person who is registered as a Noteholder at the Record Time prior to the date on which the communication is sent.
- 17.2 Should the Issuer want to replace the Noteholders' Agent, it may send a communication in accordance with Clause 17.1 to each Noteholder with a copy to the Noteholders' Agent.
- 17.3 A communication pursuant to Clause 17.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the CSD Business Day at the end of which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 17.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 17.4 When a consent from the Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 15.5 or 15.6 has been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.5 or 15.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

18. Amendments and Waivers

- 18.1 The Issuer and the Noteholders' Agent (acting on behalf of the Noteholders) may agree to amend the Notes Documents or waive a past default or anticipated failure to comply with any provision in a Notes Document (or where such amendment or waiver is restricted by the Intercreditor Agreement take such action in respect of the Notes as may be taken with a view to such amendment or waiver being made in accordance with the Intercreditor Agreement), provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Noteholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes; or
 - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*); or
 - (d) such amendment is needed for the release of the Common Transaction Security in accordance with Clause 9.2 (*Release of Common Transaction Security upon Non-Distressed Disposals*), Clause 9.3 (*Release of Common Transaction Security upon Transaction Security Release Event*) or Clause 9.4 (*Release of Common Transaction Security upon Permitted Transaction*); or

- (e) any such amendment of the Intercreditor Agreement which does not result in the ranking of external debt of the Group and the priority of payments among such debt to become less beneficial to the Noteholders than under the Intercreditor Agreement in force on the Issue Date.

18.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Notes Documents. It is sufficient if such consent approves the substance of the amendment.

18.3 The Noteholders' Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 18.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Notes Documents are published in the manner stipulated in Clause 10.3 (*Publication of Notes Documents*). The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

18.4 An amendment to the Notes Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Noteholders' Agent, as the case may be.

19. Appointment and Replacement of the Agents

19.1 Appointment of Noteholders' Agent

19.1.1 By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder:

- (a) agrees to and accepts the appointment of the Noteholders' Agent to act as its agent and representative under the Act on Noteholders' Agent in all matters relating to the Notes and the Notes Documents (including, for the avoidance of doubt, under the Intercreditor Agreement), and authorises the Noteholders 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 all matters set out in the Act on Noteholders' Agent and particularly in any legal or arbitration proceedings relating to the Notes held by such Noteholder (including any legal or arbitration proceeding relating to the enforcement of the Common Transaction Security (to the extent included in the role of the Noteholders' Agent)) and to exercise such rights, powers, authorities and discretions as are specifically delegated to the Noteholders' Agent by the Act on Noteholders' Agent, these Terms and Conditions or the Intercreditor Agreement together with all such rights, powers, authorities and discretions as are incidental thereto; and
- (b) agrees and accepts that the Noteholders' Agent shall have the rights, protections and benefits of the Intercreditor Agreement.

19.1.2 Each Noteholder shall immediately upon request provide the Noteholders' Agent with any such documents (in form and substance satisfactory to the Noteholders' Agent) that the Noteholders' Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Notes Documents. The Noteholders' Agent is under no obligation to represent a Noteholder which does not comply with such request if due to such failure the Noteholders' Agent is unable to represent such Noteholder.

19.1.3 The Issuer shall promptly upon request provide the Noteholders' Agent with any documents and other assistance (in form and substance satisfactory to the Noteholders' Agent), that the Noteholders' Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Notes Documents.

19.1.4 The Noteholders' Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Notes Documents and the Agency Agreement and the Noteholders' Agent's obligations as Noteholders' Agent under the Notes Documents are conditioned upon the due payment of such fees and indemnifications.

19.1.5 The Noteholders' Agent may act as agent or other representative for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

19.2 Security Agent

19.2.1 Under the Intercreditor Agreement, the Security Agent has been appointed as the agent and representative of the Secured Parties under the Act on Noteholders' Agent, to represent and act for the Secured Parties in relation to the Common Transaction Security. By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder accepts the appointment of the Security Agent as well as other terms of the Intercreditor Agreement and undertakes to act in accordance with the Intercreditor Agreement.

19.2.2 In accordance with the Intercreditor Agreement, the Security Agent shall execute each Common Transaction Security Document and hold the Common Transaction Security created thereunder as agent and representative for and on behalf of all the Secured Parties pursuant to the Intercreditor Agreement. The Security Agent shall

have no duties or responsibilities with respect to the Common Transaction Security, except for those set out in the Intercreditor Agreement and the Common Transaction Security Document.

- 19.2.3 Pursuant to the Intercreditor Agreement and the Common Transaction Security Documents, all the rights, powers, authorities and discretions under the Common Transaction Security Documents may only be exercised by the Security Agent (exclusively) for and on behalf of the Secured Parties (including the Noteholders).
- 19.2.4 Each Noteholder shall immediately upon request of the Noteholders' Agent provide the Security Agent with any such documents (in form and substance satisfactory to the Security Agent) that the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Intercreditor Agreement and the Common Transaction Security Documents. The Security Agent is under no obligation to represent a Noteholder which does not comply with such request if due to such failure the Security Agent is unable to represent such Noteholder.
- 19.2.5 Under the Intercreditor Agreement, the Noteholders undertake to indemnify the Security Agent (and receiver and delegate) for costs, losses and liabilities incurred by any of them (other than as a result of their gross negligence or wilful default) in acting as security agent, receiver or delegate under the Secured Obligations.
- 19.2.6 Under the Intercreditor Agreement the Noteholders undertake to vote in any official insolvency or rehabilitation proceeding relating to a member of the Group as instructed by the Security Agent.

19.3 Duties of the Noteholders' Agent

- 19.3.1 The Noteholders' Agent shall represent the Noteholders in accordance with the Notes Documents.
- 19.3.2 When acting in accordance with the Notes Documents, the Noteholders' Agent is always acting with binding effect on behalf of the Noteholders. The Noteholders' Agent shall carry out its duties under the Notes Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 19.3.3 The Noteholders' Agent's duties under the Notes Documents are solely mechanical and administrative in nature and the Noteholders' Agent only acts in accordance with the Notes Documents and upon instructions from the Noteholders, unless otherwise set out in the Notes Documents. In particular, the Noteholders' Agent is not acting as an advisor (whether legal, financial or otherwise) to the Noteholders or any other person and no opinion or advice by the Noteholders' Agent will be binding on the Noteholders.
- 19.3.4 The Noteholders' Agent shall monitor the compliance by the Issuer with its obligations under the Notes Documents on the basis of information made available to it pursuant to the Notes Documents or received from a Noteholder. The Noteholders' Agent is not obligated to assess or monitor the Issuer's financial situation other than as expressly set out in these Terms and Conditions.
- 19.3.5 The Noteholders' Agent is entitled to take any step it in its sole discretion considers necessary or advisable to protect the rights of the Noteholders pursuant to these Terms and Conditions.
- 19.3.6 The Noteholders' Agent is entitled to delegate its duties to other professional parties, but the Noteholders' Agent shall remain liable for the actions of such parties under the Notes Documents.
- 19.3.7 The Noteholders' Agent shall treat all Noteholders equally and, when acting pursuant to the Notes Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Notes Documents.
- 19.3.8 The Noteholders' Agent is entitled to engage external experts when carrying out its duties under the Notes Documents. The Issuer shall on demand by the Noteholders' Agent pay all costs reasonably incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Noteholders' Agent reasonably believes is or may lead to an Event of Default (ii) a matter relating to the Issuer which the Noteholders' Agent reasonably believes may be detrimental to the interests of the Noteholders under the Notes Documents or (iii) making a determination under the Notes Documents or acting under the Intercreditor Agreement. Any compensation for damages or other recoveries received by the Noteholders' Agent from external experts engaged by it for the purpose of carrying out its duties under the Notes Documents shall be distributed in accordance with Clause 13 (*Distribution of Proceeds*).
- 19.3.9 Notwithstanding any other provision of the Notes Documents to the contrary, the Noteholders' 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.

- 19.3.10 If in the reasonable opinion of the Noteholders' Agent the cost, loss or liability which it may incur (including reasonable fees to the Noteholders' Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Noteholders' Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 19.3.11 The Noteholders' Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Notes Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Noteholders' Agent under the Notes Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 19.3.10.
- 19.3.12 The Noteholders' Agent is obliged to inform Noteholders without a delay on the material changes in its financial condition and other matters which affect the meeting of its obligations of under these Terms and Conditions.

19.4 Limited Liability for the Noteholders' Agent

- 19.4.1 The Noteholders' Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Notes Document, unless directly caused by its negligence or wilful misconduct or unless otherwise provided for in the Act on Noteholders' Agent. The Noteholders' Agent shall never be responsible for indirect loss.
- 19.4.2 The Noteholders' 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 Noteholders' Agent or if the Noteholders' Agent has acted with reasonable care in a situation when the Noteholders' Agent considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 19.4.3 The Noteholders' Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Notes Documents to be paid by the Noteholders' Agent to the Noteholders, provided that the Noteholders' 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 Noteholders' Agent for that purpose.
- 19.4.4 The Noteholders' Agent shall have no liability to the Noteholders for damage caused by the Noteholders' Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 15 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 12.1.
- 19.4.5 The Noteholders' Agent is not liable for information provided to the Noteholders by or on behalf of the Issuer or by any other person.
- 19.4.6 Any liability towards the Issuer which is incurred by the Noteholders' Agent in acting under, or in relation to, the Notes Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Notes Documents.

19.5 Replacement of the Noteholders' Agent

- 19.5.1 Subject to Clause 19.5.7, the Noteholders' Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall in consultation with the Issuer appoint a successor Noteholders' Agent at a Noteholders' Meeting convened by the retiring Noteholders' Agent or by way of a Written Procedure initiated by the retiring Noteholders' Agent.
- 19.5.2 Subject to Clause 19.5.7, if the Noteholders' Agent is Insolvent, removed by the Finnish Financial Supervisory Authority from the public register of Noteholders' Agents referred to in the Act on Noteholders' Agent or is no longer independent of the Issuer, the Noteholders' Agent shall be deemed to resign as Noteholders' Agent and the Issuer shall within ten (10) Business Days appoint a successor Noteholders' Agent.
- 19.5.3 Any successor Noteholders' Agent appointed pursuant to this Clause 19.5 must be an independent financial institution or other independent reputable company which regularly acts as agent under debt issuances and which is registered (if required to be so registered by the Act on Noteholders' Agent) in the public register of noteholders' agents referred to in the Act on Noteholders' Agent.
- 19.5.4 A Noteholder (or Noteholders) representing at least 10 per cent of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder at the end of the Business Day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Noteholders' Agent and appointing a new Noteholders' Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of a

Written Procedure initiated by it, propose to the Noteholders that the Noteholders' Agent be dismissed and a new Noteholders' Agent appointed.

- 19.5.5 If the Noteholders have not appointed a successor Noteholders' 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 Noteholders' Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Noteholders' Agent.
- 19.5.6 The retiring Noteholders' Agent shall, at its own cost, make available to the successor Noteholders' Agent such documents and records and provide such assistance as the successor Noteholders' Agent may reasonably request for the purposes of performing its functions as Noteholders' Agent under the Notes Documents.
- 19.5.7 The resignation or dismissal of the Noteholders' Agent shall only take effect upon the appointment of a successor Noteholders' Agent and acceptance by such successor Noteholders' Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Noteholders' Agent.
- 19.5.8 Upon the appointment of a successor, the retiring Noteholders' Agent shall be discharged from any further obligation in respect of the Notes Documents but shall, in respect of any action which it took or failed to take whilst acting as Noteholders' Agent, (a) remain entitled to the benefit of the Notes Documents and (b) remain liable under the Notes Documents. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Notes Documents as they would have had if such successor had been the original Noteholders' Agent.
- 19.5.9 In the event that there is a change of the Noteholders' Agent in accordance with this Clause 19.5, the Issuer shall execute such documents and take such actions as the new Noteholders' Agent may reasonably require for the purpose of vesting in such new Noteholders' Agent the rights, powers and obligation of the Noteholders' Agent and releasing the retiring Noteholders' Agent from its further obligations under the Notes Documents and the Agency Agreement. Unless the Issuer and the new Noteholders' Agent agree otherwise, the new Noteholders' Agent shall be entitled to the same fees and the same indemnities as the retiring Noteholders' Agent.

20. No Direct Actions by Noteholders

- 20.1 A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Common Transaction Security to enforce or recover any amount due or owing to it pursuant to the Notes Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Fin: *yritysaneeraus*) or bankruptcy (Fin: *konkurssi*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations of the Issuer under the Notes Documents.
- 20.2 Clause 20.1 shall not apply if:
- (a) the Noteholders' Agent has been instructed by the Noteholders in accordance with the Notes Documents to take any of the actions referred to in Clause 20.1 but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 19.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take such actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Noteholders' Agent under the Notes Documents or the Agency Agreement or by any reason described in Clause 19.3.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.3.11 before a Noteholder may take any action referred to in Clause 20.1; and
 - (b) the Noteholders have resolved pursuant to these Terms and Conditions that, upon the occurrence of a failure by the Noteholders' Agent referred to in paragraph (a) above, a Noteholder shall have the right to take any action referred to in Clause 20.1; or
 - (c) the Security Agent has been instructed in accordance with the Intercreditor Agreement to take any of the actions referred to in Clause 20.1 in accordance with the Intercreditor Agreement to enforce the Common Transaction Security but is legally unable to take such enforcement actions,
- in each case if and only to the extent permitted pursuant to the terms of the Intercreditor Agreement.
- 20.3 The provisions of Clause 20.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 8.3 (*Mandatory Repurchase due to a Change of Control Event (Put Option)*) or other payments which are due by the Issuer to some but not all Noteholders.

21. Prescription

- 21.1 The right to receive payment of the principal of or interest on the Notes shall be prescribed and become void three (3) years from the date on which such payment became due.
- 21.2 If a limitation period is duly interrupted in accordance with the Finnish Act on Limitations (Fin: *Laki velan vanhentumisesta* 728/2003, as amended), a new limitation period of at least three (3) years will commence.

22. Notices and Press Releases

22.1 Notices

- 22.1.1 Any notice or other communication to be made under or in connection with the Notes Documents:
- (a) if to the Noteholders' Agent, shall be given at the address registered with the Finnish Trade Register, in each case on the Business Day prior to dispatch;
 - (b) if to the Issuing Agent, shall be given at the following address: OP Corporate Bank plc, Capital Market Services, Gebhardinaukio 1, 00510 Helsinki, Finland;
 - (c) if to the Security Agent, shall be given at the address registered with the Finnish Trade Register, in each case on the Business Day prior to dispatch;
 - (d) if to the Issuer, shall be given at the address registered with the Finnish Trade Register on the Business Day prior to dispatch and designated "To the attention of CFO"; and
 - (e) if to the Noteholders, shall be published on the websites of the Issuer and the Noteholders' Agent. Any notice that the Issuer shall send to the Noteholders pursuant to Clauses 10.1.3 and 10.1.4 shall also be given at the addresses of the Noteholders as registered with the CSD, at the Record Time prior to dispatch, and by either courier delivery or letter for all Noteholders.
- 22.1.2 Any notice or other communication made by one person to another under or in connection with the Notes Documents shall be in English and sent by way of courier, fax, e-mail, personal delivery or letter and will become effective, in the case of courier or personal delivery, when it has been left at the address specified in Clause 22.1.1 or, in the case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 22.1.1 or, in the case of fax or e-mail, when actually received in a readable form.
- 22.1.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

22.2 Press Releases

- 22.2.1 Any notice that the Issuer or the Noteholders' Agent shall send to the Noteholders pursuant to Clauses 16.1 and 17.1 shall also be published (i) by way of press release or stock exchange release by the Issuer or by way of press release by the Noteholders' Agent, as applicable or (ii) by way of a notice published in *Kaupparehti*, *Helsingin Sanomat* or any other major Finnish newspaper selected by the Issuer, or if applicable, the Noteholders' Agent. Any such notice shall be deemed to have been received by the Noteholders when published in any manner specified in this Clause 22.2.1.
- 22.2.2 In addition to Clause 22.2.1, if any information relating to the Notes or the Issuer/Group contained in a notice the Noteholders' Agent may send to the Noteholders under these Terms and Conditions has not already been made public in accordance with these Terms and Conditions, the Noteholders' Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to make public such information in accordance with these Terms and Conditions. If the Issuer does not promptly make public such information and the Noteholders' Agent considers it necessary to make such information public in accordance with Clause 22.2.1 before it can lawfully send a notice containing such information to the Noteholders, the Noteholders' Agent shall be entitled to do so.

23. Force Majeure and Limitation of Liability

- 23.1 Neither the Noteholders' Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "Force Majeure Event"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Noteholders' Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

- 23.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct on the part of the Issuing Agent.
- 23.3 Should a Force Majeure Event arise which prevents the Noteholders' Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 23.4 The provisions in this Clause 23 apply unless they are inconsistent with the provisions of the Book-Entry System Act which provisions shall take precedence.
- 24. Governing Law and Jurisdiction**
- 24.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Finland.
- 24.2 The Issuer submits to the non-exclusive jurisdiction of the Finnish courts with the District Court of Helsinki (Fin: *Helsingin käräjäoikeus*) as the court of first instance.

ENFORCEMENT PRINCIPLES

1. In this Appendix 1:
 - “**Enforcement Objective**” means maximising, to the extent consistent with a prompt and expeditious realisation of value, the value realised from Enforcement.
 - “**Fairness Opinion**” means, in respect of any Enforcement, an opinion from a Financial Adviser that the proceeds received or recovered in connection with that Enforcement are fair from a financial point of view taking into account all relevant circumstances.
 - “**Financial Adviser**” means any:
 - (a) independent reputable investment bank;
 - (b) independent reputable accountancy firm; or
 - (c) other independent reputable professional services firm which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes.
2. Any Enforcement shall be consistent with the Enforcement Objective.
3. The Common Transaction Security will be enforced and other action as to Enforcement will be taken such that all proceeds of Enforcement are received by the Security Agent in cash for distribution in accordance with Clause 13 (*Distribution of Proceeds*).
4. On a proposed Enforcement which is not being effected through (a) a public auction or a private sale carried out by a public bailiff or any other process or proceedings approved or supervised by or on behalf of any court of law or (b) that Distressed Disposal is made by, at the direction of or under the control of a liquidator, receiver, administrative receiver, administrator or similar officer (or any analogous officer in any jurisdiction) appointed in respect of the Issuer, the Security Agent shall, if requested by any Creditor Representative (acting upon the instructions of the Secured Debt Documents in respect of which it is the Creditor Representative), appoint a Financial Adviser to provide a Fairness Opinion in relation to that Enforcement, provided that the Security Agent shall not be required to appoint a Financial Adviser nor obtain a Fairness Opinion if a proposed Enforcement:
 - (a) would result in the receipt of sufficient proceeds in cash by the Security Agent to ensure that, after application in accordance with Clause 13 (*Distribution of Proceeds*), all the Secured Obligations will be paid in full,
 - (b) is in accordance with any applicable law; and
 - (c) complies with clause 11 of the Intercreditor Agreement.
5. The Security Agent shall be under no obligation to appoint a Financial Adviser or to seek the advice of a Financial Adviser unless expressly required to do so by this Appendix 1 or any other provision of the Intercreditor Agreement.
6. The Fairness Opinion will be conclusive evidence that the Enforcement Objective has been met.

FORM OF TRANSACTION SECURITY RELEASE COMPLIANCE CERTIFICATE

TRANSACTION SECURITY RELEASE COMPLIANCE CERTIFICATE

To: NORDIC TRUSTEE OY as Noteholders' Agent
From: STOCKMANN PLC as Issuer
Place and date: In [●], on the [●] day of [●] 20[●]

Dear Madams/Sirs,

We refer to the senior, secured and unsubordinated fixed rate notes issued by us on 11 December 2017 with an aggregate nominal amount of EUR 250,000,000 (the "Notes").

1. We refer to the Terms and Conditions of the Notes. This is a transaction security release compliance certificate. Terms defined in the Terms and Conditions of the Notes have the same meaning when used in this transaction security release compliance certificate unless given a different meaning in this compliance certificate.
2. [We confirm that on [*relevant testing date*] the Leverage Ratio is [●].]
3. [We confirm that on [*relevant testing date*] the Equity Ratio is [●].]
4. [We confirm that no Event of Default is continuing.]⁽¹⁾
5. This compliance certificate is governed by Finnish law.

STOCKMANN PLC
as Issuer

Name:

(1) If this statement cannot be made, the certificate shall identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

FORM OF COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

To: NORDIC TRUSTEE OY as Noteholders' Agent
 From: STOCKMANN PLC as Issuer
 Place and date: In [●], on the [●] day of [●] 20[●]

Dear Madams/Sirs,

We refer to the senior, secured and unsubordinated fixed rate notes issued by us on 11 December 2017 with an aggregate nominal amount of EUR 250,000,000 (the "Notes").

1. We refer to the Terms and Conditions of the Notes. This is a compliance certificate. Terms defined in the Terms and Conditions of the Notes have the same meaning when used in this compliance certificate unless given a different meaning in this compliance certificate.
2. [On [●], [we have incurred Financial Indebtedness in the form of [●]] / [we have made an investment in [●]] / [we have [paid a dividend of EUR [●] per share] / [distributed funds amounting to EUR [●]]] / [we have repaid principal amount of the Hybrid Bond with EUR [●]] / [[●] has merged with and into [●]] / [[●] has demerged and [●]].]
3. [We confirm that on [*relevant testing date*] the Equity Ratio is [●].]
4. [We confirm that no Event of Default is continuing.]⁽¹⁾
5. This compliance certificate is governed by Finnish law.

STOCKMANN PLC
 as Issuer

 Name:

(1) If this statement cannot be made, the certificate shall identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.