

Denna kallelse till obligationsinnehavarna är endast utformad på engelska. / Denne melding til obligasjonseierne er kun utarbeidet på engelsk.

Stockholm, 11 March 2019

To the bondholders in:

ISIN: NO0010832785 – WOW air hf. up to EUR 100,000,000 Senior Secured Floating Rate Bonds 2018/2021

NOTICE OF WRITTEN PROCEDURE – REQUEST TO (I) APPROVE AN AMENDMENT TO THE TERMS AND CONDITIONS, (II) WAIVE CERTAIN DEFAULTS UNDER THE TERMS AND CONDITIONS, AND (III) RELEASE THE SECURITY OVER THE SHARES IN THE ISSUER

This notice has been sent via VPS (Norway) to persons registered in the Securities Account with VPS (Norway) as holders of Bonds. If you are a custodian or otherwise are holding Bonds on behalf of someone else, please forward this notice to the holder you represent at your earliest convenience.

Key information:

Record Date for being eligible to vote:	18 March 2019
Deadline for voting:	17:00 (CET) 5 April 2019
Quorum requirement:	At least 50%
Majority requirement:	At least sixty-six and two thirds (66 2/3) %

Nordic Trustee & Agency AB (publ) acts as agent (the "**Agent**") for the holders of the bonds (the "**Bondholders**") in the above mentioned bond issue ISIN NO0010832785 (with an aggregated amount outstanding of EUR 60,000,000) (the "**Bonds**") issued by WOW air hf. (the "**Issuer**"). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing, whereby Bondholders can vote for or against the Issuer's request.

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

Bondholders participate by completing and sending the Voting Form set out in Schedule 1, and, if applicable, the relevant evidence of ownership, authorisation or other sufficient evidence of entitlement to vote, to the Agent. Please contact the securities firm you hold your Bonds through if

you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

The Agent must receive the Voting Form no later than 17:00 (CET) on 5 April 2019 either by mail, courier or email to the Agent using the contact details set out in Clause 5.6 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Bondholder on 18 March 2019 (the "**Record Date**"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

***Disclaimer:** No legal due diligence has been carried out with respect to the Group relating to this Notice. Thus no risk factors have been prepared and there may be risks related to the Group which could have a negative effect of the Group's operations, financial position, earnings and result, which are not disclosed in this Notice. The Request is presented to the Bondholders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Request (and its effects, should it be adopted) from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and its effects, should it be adopted). The Agent may assume that documentation and other evidence delivered to it pursuant the Request is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation. The Bondholders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not.*

1. Background

- 1.1** Reference is made to the market announcement of the Issuer, dated 29 November 2018, of the signing of a term sheet for the proposed investment of Indigo Partners LLC ("**Indigo Partners**") in the Issuer, the following market announcement dated 5 December 2018 providing an update on the diligence process.
- 1.2** The investment is subject to several conditions, including documentation for the transaction, due diligence, negotiations with aircraft lessors as well as the Bondholders' consent to the Request (as set out in Section 3 (*Request*) below).
- 1.3** Following successful completion of due diligence, the parties will work to close the investment as soon as practicable whereby Indigo Partners will acquire some of the shares in the Issuer (the "**Acquisition**") pursuant to a share purchase agreement (the "**Share Purchase Agreement**") to be entered into between an SPV formed and controlled by Indigo Partners (the "**Indigo Investor**") and the shareholders of the Issuer. Additionally the Indigo Investor contemplates issuing a new super senior convertible loan to the Issuer to fund the recovery of its business. In the aggregate, Indigo Partners' investment, assuming successful diligence, structuring and documentation would be for an amount up to US \$90 million.
- 1.4** The background to the transaction contemplated by this Notice is that the Issuer's liquidity position has deteriorated considerably over the past few months. As highlighted in the market announcement on 27 of November 2018, a challenging external operational environment for airlines in general, with high oil prices and persistently low yields and fierce competition, was enhanced with the bankruptcy of Primera air. This has led to rapidly deteriorating

liquidity condition with increasing conservatism among creditors resulting in worsening in credit terms for the Issuer. For example, the Issuer's credit card processor has significantly increased the cash holdback applicable to ticket sales for which air travel has not yet been provided.

The first quarter of the year is historically the worst quarter for airlines flying across the Atlantic. Additionally, the recent publicity surrounding the Company has further negatively impacted its operations. The liquidity and capital position of the Company has thus further deteriorated over the past weeks.

1.5 Indigo Partners is a private equity firm established by W. A. Franke in 2003 to pursue acquisitions and strategic investments in the air transportation and related industries. The firm was a lead investor in Tiger Airways based in Singapore and Spirit Airlines based in Ft. Lauderdale, Florida, and maintains lead investments in Wizz Air Holdings, Plc, a ULCC with multiple bases in Central and Eastern Europe; Frontier Airlines, a ULCC based in Denver; Volaris Airlines, a ULCC based in Mexico City; and JetSMART, a ULCC based in Chile. Indigo is headquartered in Phoenix, Arizona.

1.6 Pursuant to a Share Purchase Agreement that will be negotiated between the Indigo Investor and the shareholders of the Issuer, the shareholders of the Issuer will undertake to procure that certain amendments and waivers are implemented and granted in relation to the Bonds and Warrants, including that:

- (a) the shareholders are allowed to sell the shares in the Issuer (notwithstanding any provision to the contrary in the Icelandic law governed share pledge agreement dated 24 September 2018);
- (b) the security over the shares in the Issuer is released;
- (c) the Bonds shall be delisted;
- (d) certain amendments shall be made to the Terms and Conditions (as further described in Section 2 (*Amendments of the Terms and Conditions*) below);
- (e) the Warrants are cancelled and delivered to the Issuer;
- (f) the entry into of an intercreditor agreement by which the subordination of the Bonds to the Shareholder Debt (the "**Intercreditor Agreement**"); and
- (g) a partial redemption of Bonds against payment by way of issuing preference shares in the Issuer.

2. Amendments of the Terms and Conditions

In order to satisfy the conditions to be set out in a Share Purchase Agreement, the Issuer proposes to amend the Terms and Conditions. A summary of the more material amendments to the Terms and Conditions are set out in the table below and a comparison version showing the proposed amendments to the Terms and Conditions is attached as Schedule 2 (*Amended Terms and Conditions*) (the "**Amended Terms and Conditions**").

Summary of amendments of key terms

Current Terms and Conditions	Proposed Amended Terms and Conditions
<p><i>Final Maturity Date</i></p> <p>The date falling three (3) years after the First Issue Date.</p>	<p><i>Final Maturity Date</i></p> <p>The date falling five (5) years after the Amendment Date.</p> <p><u>Maturity Extension Option</u></p> <p>The Final Maturity Date may, up to three times, be extended by one twelve month period at a time (the "Maturity Extension Option").</p> <p>To exercise the Maturity Extension Option, the Issuer shall send a notice the Agent, send a notice to the Bondholders (to also be published as a press release) no later than the date falling three (3) months prior to the then relevant Final Maturity Date, after which time such option shall lapse if not already exercised.</p>
<p><i>Nominal Amount</i></p> <p>The Initial Nominal Amount of the Bonds is EUR 1,000 for each Initial Bond and the maximum aggregated Nominal Amount of Initial Bonds is EUR 60,000,000.</p> <p>The total Nominal Amount of the Bonds is EUR 100,000,000.</p>	<p><i>Nominal Amount</i></p> <p>The Initial Nominal Amount of the Bonds is EUR 1 for each Initial Bond and the maximum aggregated Nominal Amount of Initial Bonds is reduced to EUR 30,000,000.</p> <p>The total Nominal Amount is reduced to EUR 50,000,000.</p>
<p><i>Interest Rate</i></p> <p>Floating interest rate of EURIBOR plus a floating rate margin of nine (9) per cent.</p>	<p><i>Interest Rate</i></p> <p>Fixed interest rate of seven (7) per cent. <i>per annum</i>.</p>
<p><i>Put option for Bondholders who hold Warrants</i></p> <p>The Terms and Conditions contain put options for Bondholders who hold Warrants, please refer to the below provisions in the Terms and Conditions:</p> <p>(i) Mandatory prepayment of Bonds held by a Warrantholder in the</p>	<p><i>Put option for Bondholders who hold Warrants</i></p> <p>The Amended Terms and Conditions will not contain any put options for Bondholders who hold Warrants (or any other put options).</p>

<p>event of an Equity Listing Event; and (ii) Mandatory prepayment of Bonds held by a Warrantholder in the event that no Equity Listing Event has occurred prior to the Final Maturity Date.</p>	
<p><i>Transaction Security</i></p> <p>The Transaction Security securing the Bonds comprise:</p> <p>(a) a pledge over all the shares in the Issuer;</p> <p>(b) an undertaking to grant additional security over any Material Group Company; and</p> <p>(c) an undertaking to grant additional security over any Material Intercompany Loan.</p>	<p><i>Transaction Security</i></p> <p>The Bonds will be unsecured and the pledge over the shares in the Issuer will be released.</p>
<p><i>Mandatory repurchase due to a Change of Control Event (put option)</i></p> <p>The Bondholders have a put option if a Change of Control Event occurs.</p>	<p><i>Mandatory repurchase due to a Change of Control Event (put option)</i></p> <p>So long as the Indigo Investor remains a direct or indirect shareholder and/or a bondholder, the Bondholders do not have a put option if a Change of Control Event occurs and the Issuer does not need to notify the Agent or the Bondholders of any change of control of the Issuer. In event a Change of Control Event occurs, the Bonds shall be repurchased at a price per Bond equal to 100 per cent of the Nominal Amount.</p>
<p><i>Cross-acceleration</i></p> <p>The Terms and Conditions contain cross-acceleration as an Event of Default.</p>	<p><i>Cross-acceleration</i></p> <p>The Amended Terms and Conditions will not contain cross-acceleration as an Event of Default.</p>
<p><i>Undertaking regarding Disposal of Assets</i></p> <p>The Issuer shall not, and shall procure that no Group Company will, sell or</p>	<p><i>Undertaking regarding Disposal of Assets</i></p>

<p>otherwise dispose of any shares in any Group Company or of any substantial assets (including but not limited to material intellectual property rights) or operations to any person not being the Issuer or any of its wholly-owned Group Companies, except if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect. No asset that is subject to Transaction Security may be disposed of.</p>	<p>The Amended Terms and Conditions will not contain any restrictions regarding disposals of assets.</p>
<p><i>Interest Account</i></p> <p>On each day falling one Business Day before each Interest Payment Date, the Issuer shall procure that an amount at least equivalent to 12.5 per cent. of the Total Nominal Amount (or its equivalent in any other currency) stands on the Interest Account.</p>	<p><i>Interest Account</i></p> <p>The Amended Terms and Conditions will not contain an undertaking to fund the Interest Account and the Interest Account shall also be removed from the financial covenants.</p>
<p><i>Listing</i></p> <p>Undertaking for the Issuer to ensure that the Bonds continue to be listed on the corporate bond list on Nasdaq Stockholm for as long as any Bond is outstanding.</p>	<p><i>Listing</i></p> <p>No undertaking to ensure that the Bonds continue to be listed on the corporate bond list on Nasdaq Stockholm or any other regulated market or MTF.</p>
<p><i>Information from the Issuer</i></p> <p>The Issuer shall make its quarterly unaudited consolidated reports available by way of press release and by publication on the website of the Issuer.</p>	<p><i>Information from the Issuer</i></p> <p>The Issuer shall make its semi-annual unaudited consolidated reports available by way of press release and by way of publication on the website of the Issuer.</p>
<p><i>Financial Covenants</i></p> <p>The Terms and Conditions include Maintenance Covenants pursuant to which the Issuer shall ensure that the Equity and Liquidity do not fall below certain thresholds.</p>	<p><i>Financial Covenants</i></p> <p>The Amended Terms and Conditions will not contain any financial covenants and all references to the Maintenance Covenants and the Incurrence Test will be removed.</p> <p>The removal of the Incurrence Test means, for example, that the incurrence of certain Financial Indebtedness and issuance of</p>

<p>The Maintenance Covenants are tested quarterly and in connection with an Incurrence Test.</p>	<p>Subsequent Bonds will no longer be subject to the Incurrence Test being met.</p>
<p><i>Permitted Debt</i></p> <p>The Issuer may not incur Financial Indebtedness in the form of non-subordinated shareholder loans or convertible loan instruments issued to the shareholder of the Issuer.</p>	<p><i>Permitted Debt</i></p> <p>The Issuer may incur Financial Indebtedness in the form of non-subordinated shareholder loans from or super senior convertible loan instruments issued to an Indigo Shareholder (the "Shareholder Debt").</p> <p>The Issuer will also be permitted to incur Financial Indebtedness under (i) any payment plans replacing any leasing arrangements with current lessors and other creditors, (ii) any airport charges, (iii) any instrument replacing a guarantee, bank guarantee or a letter of credit, and (iv) any other Financial Indebtedness of up to USD 10,000,000.</p>
<p><i>Subordination</i></p> <p>Any debt owed to shareholders of the Issuer is subordinated to the Bonds.</p>	<p><i>Subordination of Bonds</i></p> <p>The Bonds will be subordinated in relation to the Shareholder Debt (including the super senior convertible loan) pursuant to the Intercreditor Agreement.</p>
<p><i>Distributions</i></p> <p>The Terms and Conditions contain an undertaking on distributions which does not include a carve-out for a management fee paid by the Issuer to its shareholder or payments under Shareholder Debt.</p>	<p><i>Distributions</i></p> <p>The Amended Terms and Conditions will permit the Issuer to (i) pay an annual management fee to its shareholder equivalent of up to USD 1,500,000, (ii) make payments of interest and principal on the Shareholder Debt, (iii) make Restricted Payments of up to USD 500,000 in any calendar year, (iv) to repurchase equity from former directors or employees for up to USD 1,000,000 per year, and (v) redeem the Preference Shares, provided that either:</p> <p>(A) an Equity Listing Event occurs where the equity of the Issuer is valued to at least EUR 500,000,000; or</p>

	(B) the Indigo Investor divests all its shares in the Issuer with an cash internal rate of return of at least 20 per cent.
<i>First Call Date</i> Means the date falling six (6) months after the date an Equity Listing Event has occurred, provided that such date is prior to the Final Maturity Date.	<i>First Call Date</i> Means 31 December 2019.

3. Request

In view of the above and in order to enable the completion of the Acquisition, the Issuer hereby kindly requests the Bondholders to:

- (a) waive any Event of Default under the Terms and Conditions that has occurred during the period up to, and including, the Effective Date (but, for the avoidance of doubt, not any Event of Default that occurs after the Effective Date);
- (b) consent to release the Issuer and Indigo Investor and the companies' shareholders, directors and managers from all prior claims (if any) (to the extent legally possible);
- (c) approve to a write off of all accrued but unpaid interest up to, but excluding, 24 March 2019;
- (d) consent to the release of the security over the shares in the Issuer;
- (e) release Nordic Trustee & Agency AB (publ) from its obligations as Security Agent under the Finance Documents;
- (f) approve the Amended Terms and Conditions;
- (g) approve that the Bonds may at any time be delisted from Nasdaq Stockholm at the Issuer's sole discretion;
- (h) approve that the Bonds may at any time be delisted from the Frankfurt exchange at the Issuer's sole discretion;
- (i) waive all defaults under the Bonds caused by the Acquisition (for the avoidance of doubt, not in relation to any other disposal or acquisition);
- (j) authorise the Agent to (on behalf of the Bondholders) (i) release the security over the shares in the Issuer, and (ii) execute and enter any documents that may be necessary to enter into in connection with the Request (as defined below) including, but not limited to, replacing the Subordination Agreement with the Intercreditor Agreement in order to subordinate the Bonds in relation to the Shareholder Debt (such amendment not to be executed prior to the Effective Date); and

- (k) approve to set off EUR 30,000,000 of the Total Nominal Amount (equivalent to 50 per cent. of the Total Nominal Amount in aggregate *pro rata* for each Bond against the issuance to the Bondholders of preference shares (the "**Preference Shares**") in the Issuer, denominated in ISK with the following terms, as soon as practically possible following the Effective Date but no later than within six weeks from the Effective Date:
- (i) the Preference Shares shall pay no dividends and shall have no voting rights or other governance rights; and
 - (ii) the Issuer will have an obligation to redeem all outstanding Preference Shares in the aggregate total amount of EUR 30,000,000 in the event of either of the following conditions being satisfied (whichever occurs earlier): (A) an Equity Listing Event where the aggregate value of the Issuer's equity is at least EUR 500,000,000, and (B) Indigo Partners divesting all its shares in the Issuer with an cash internal rate of return of at least 20 per cent. If neither (A) or (B) occurs within seven years from the issuance of the Preference Shares the Preference Shares shall be redeemed and / or cancelled in full at the sole discretion of the Issuer and its common shareholders at the value of zero.

The requests set out set out in paragraph (a)-(k) above are jointly referred to as the "**Request**".

4. Condition

The consent to the Request will become effective on the date (the "**Effective Date**") that the Agent is satisfied that it has received a certificate from the Issuer and the Indigo Investor certifying that:

- (a) all conditions, other than the amendments and waivers set out in this Notice, for the completion of the Acquisition pursuant to the Share Purchase Agreement have been satisfied or waived; and
- (b) the Acquisition will be completed immediately upon the Effective Date,

provided that the Acquisition shall be completed no later than 29 April 2019. For the avoidance of doubt, any consent given to the Request will lapse and be deemed void if: (i) the Acquisition has not been completed by 29 April 2019 or (ii) if the Preference Shares have not been issued within six weeks from the Effective Date.

5. Written Procedure

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

5.1 Final date to participate in the Written Procedure

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 17:00 (CET), 5 April 2019. Votes received thereafter may be disregarded.

5.2 Decision procedure

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

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

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

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

5.3 Voting rights and authorisation

Anyone who wishes to participate in the Written Procedure must on the Record Date (18 March 2019) in the debt register:

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

Please use the Voting Form set out in Schedule 1 to vote. The Bondholders must provide a complete printout from Verdipapirscentralen ASA (“**VPS (Norway)**”) evidencing their holding of Bonds, or, if their Bonds are held in custody other than in the VPS (Norway), evidence from their custodian confirming that (i) they are the owner of the relevant Bonds, (ii) in which account number the Bonds are held, and (iii) the amount of Bonds owned.

5.4 Quorum

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

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

5.5 Majority

At least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for which Bondholders reply under the Written Procedure must consent to the Request.

5.6 Address for sending replies

Return the Voting Form, Schedule 1, and, if applicable, sufficient evidence of entitlement to vote if the Bonds are held in custody other than VPS (Norway), by regular mail, scanned copy by e-mail, or by courier to:

By regular mail:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure WOW air hf.
P.O. Box 7329
S-103 90 Stockholm

By courier:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure WOW air hf.
Norrandsgatan 23
111 43 Stockholm

By email:

E-mail: voting.sweden@nordictrustee.com

6. FURTHER INFORMATION

For further questions to the Issuer, regarding the request, please contact the Issuer at bjarki@wow.is or +354 861 6496.

For further questions to the Agent, regarding the administration of the Written Procedure, please contact the Agent at voting.sweden@nordictrustee.com or +46 8 783 79 00.

Stockholm, 11 March 2019

NORDIC TRUSTEE & AGENCY AB (PUBL)

as Agent

BONDS VOTING FORM

For the procedure in writing in WOW air hf. up to EUR 100,000,000 Senior Secured Floating Rate Bonds 2018/2021, ISIN NO0010832785.

The undersigned Bondholder or authorised person/entity votes either **For** or **Against** the Requests by marking the applicable box below.

For the Request

Against the Requests

ISIN NO0010832785	Amount of bonds owned
Custodian Name	Account number at Custodian
Company	Day time telephone number
	E-mail

Enclosed to this form is the complete printout from our custodian/VPS¹, verifying our bondholding in the bond issue as of 18 March 2019.

We acknowledge that Nordic Trustee & Agency AB (publ) in relation to the Written Procedure for verification purpose may obtain information regarding our holding of Bonds on the above stated account in the securities register kept by VPS (Norway).

Place, date

Authorized signature

Return:

Nordic Trustee & Agency AB (publ)
PO Box 7239
10390 STOCKHOLM

¹ If the Bonds are held in custody other than in the VPS, evidence provided from the custodian confirming that (i) you are the owner of the Bonds, (ii) in which account number the Bonds are held, and (iii) the amount of Bonds owned.

Telephone: +46 8 783 79 00

E-mail: voting.sweden@nordictrustee.com

[Amended Terms and Conditions]



Terms and Conditions

WOW air hf.

Up to EUR ~~100,000,000~~ 50,000,000

Senior ~~Secured Floating~~ Unsecured Fixed Rate Bonds

ISIN: NO0010832785

originally dated 21 September 2018 and as amended and restated in accordance with an amendment and restatement agreement dated [●] March 2019

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

Table of Contents

1.	Definitions and Construction	1
2.	Status of the Bonds	13 <u>11</u>
3.	Use of Proceeds	14 <u>12</u>
4.	Conditions Precedent	14 <u>12</u>
5.	Bonds in Book-Entry Form	15 <u>13</u>
6.	Right to Act on Behalf of a Bondholder	16 <u>14</u>
7.	Payments in Respect of the Bonds	16 <u>14</u>
8.	Final Maturity Extension	<u>15</u>
8 <u>9</u> .	Interest.....	17 <u>15</u>
9 <u>10</u> .	Redemption and Repurchase of the Bonds.....	18 <u>16</u>
10 .	Transaction Security.....	20
11.	Information to Bondholders	20 <u>17</u>
12 .	Financial Undertakings.....	22
13 <u>12</u> .	General Undertakings	24 <u>19</u>
14 <u>13</u> .	Events of Default and Acceleration of the Bonds	28 <u>21</u>
15 <u>14</u> .	Distribution of Proceeds.....	31 <u>23</u>
16 <u>15</u> .	Decisions by Bondholders.....	32 <u>24</u>
17 <u>16</u> .	Bondholders' Meeting.....	34 <u>26</u>
18 <u>17</u> .	Written Procedure	35 <u>27</u>
19 <u>18</u> .	Amendments and Waivers	35 <u>28</u>
20 <u>19</u> .	Appointment and Replacement of the Agent	36 <u>28</u> and the Security Agent
21 <u>20</u> .	Appointment and Replacement of the Paying Agent	41 <u>32</u>
21.	No Direct Actions by Bondholders	41 <u>32</u>
<u>22</u> .	Prescription	<u>43</u>
24 <u>23</u> .	Notices and Press Releases.....	42 <u>33</u>
25 <u>24</u> .	Force Majeure and Limitation of Liability	43 <u>35</u>
26 <u>25</u> .	Governing Law and Jurisdiction	44 <u>35</u>

1. Definitions and Construction

1.1 Definitions

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

"**Account Operator**" means a bank or other party registered as account operator (No. *Kontofører*) with the CSD, through which a Bondholder has opened a Securities Account in respect of its Bonds.

"**Accounting Principles**" means ~~(i) the generally accepted accounting principles, standards and practices in Iceland as applied by the Issuer in preparing its annual consolidated financial statements, or (ii) following the listing of the Bonds on a Regulated Market, international financial reporting standards (IFRS), within the meaning of Regulation 1606/2002/EC.~~

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

"**Advance Purchase Agreements**" means (i) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment in the normal course of business with credit periods which are normal for the relevant type of project contracts, or (ii) any other trade credit incurred in the ordinary course of business.

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

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

"**Agent**" means Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as Agent, in accordance with these Terms and Conditions.

"**Amendment Date**" means the Effective Date, as defined in the amendment and restatement agreement entered into between the Agent and the Issuer on the date hereof, amending these Terms and Conditions.

"**Bond**" means a debt instrument for the Nominal Amount, denominated in EUR and which is governed by and issued under these Terms and Conditions, with ISIN NO0010832785.

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

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

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause ~~17~~16 (*Bondholders' Meeting*).

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

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

"**Call Option Amount**" means 100 per cent. of the outstanding Nominal Amount.

"**Cash and Cash Equivalents**" means the cash and cash equivalents as reported in the Group's balance sheet in accordance with the Accounting Principles of the Group from time to time, excluding any undrawn amount under the Working Capital Facility.

"**Change of Control Event**" means the occurrence of an event or series of events whereby one or more persons, not being the Main Shareholder (or an Affiliate of the Main Shareholder), ceases to control, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer.

"**Compliance Certificate**" means a certificate to the Agent, in the agreed form between the Agent and the Issuer, signed by the Issuer certifying (as applicable):

(a) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it; and

~~(b) if the Compliance Certificate is provided in connection with testing of the Maintenance Covenants, including upon incurrence of Financial Indebtedness and the making of a Restricted Payment, the certificate shall include calculations and figures in respect of each Maintenance Covenants; and~~

~~(c)~~(b) if the Compliance Certificate is provided in connection with that audited annual financial statements are made available, the Material Group Companies and clean down of the Working Capital Facility.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Verdipapirsentralen ASA, Norwegian Reg. No. 985 140 421, Fred Olsens gate 1, 0152 Oslo, Norway.

"**Deferred Payment**" means a one-off deferred payment in relation to a vendor loan outstanding by the Issuer to Títan Fjárfestingafélag ehf. in respect of the acquisition of 60 per cent. of the issued share capital of Cargo Express ehf. for the amount of up to ISK 150,000,000, provided that Cargo Express ehf. distributes dividends to the Issuer for the financial year of 2018 in at least a corresponding amount.

"**EIF Loan**" means the loan granted to the Issuer from Arion banki hf. backed by EIF in an aggregated amount of maximum EUR 6,000,000.

"**Escrow Account**" means a bank account of which the Escrow Manager is the beneficial owner, into which the Net Proceeds from the Initial Bond Issue will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Escrow Account Pledge Agreement.

"**Escrow Account Pledge Agreement**" means the Norwegian law governed escrow account pledge agreement entered into between the Escrow Manager as pledgor and the Agent as trustee on or about the First Issue Date in respect of a first priority pledge over the Escrow Account and all funds held on the Escrow Account from time to time, granted in favour of the Agent and the Bondholders (represented by the Agent).

"**Escrow Manager**" means NT Services AS, a company existing under the laws of Norway with registration number 916 482 574.

"**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.

~~"**EURIBOR**" means:~~

- ~~(a) — the applicable percentage rate *per annum* displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or~~
- ~~(b) — if no such rate as set out in paragraph (a) above is available for the relevant Interest Period, the rate calculated by the Agent (rounded upwards to four decimal places) which results from interpolating on a linear basis between (i) the applicable screen rate for the longest period (for which that screen rate is available) which is less than the Interest Period, and (ii) the applicable screen rate for the shortest period (for which screen rate is available) which exceeds that Interest Period, as of around 11 a.m. (Brussels time) on the Quotation Day;~~
- ~~(c) — if no screen rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Agent at its request quoted by banks reasonably selected by the Agent, for deposits of EUR 10,000,000 for the relevant period; or~~
- ~~(d) — if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Agent best reflects the interest rate for deposits in Euro offered for the relevant period; and~~

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

~~"**Equity**" means the equity as reported in the Group's balance sheet in accordance with the Accounting Principles of the Group, including any Subordinated Loans, from time to time.~~

"Event of Default" means an event or circumstance specified in any of the Clauses 13.1 (Non-Payment) to and including Clause 13.8 (Continuation of the Business).

"Equity Listing Event" means an initial public offering of shares in the Issuer, after which such shares shall be admitted to trading on a Regulated Market or MTF.

~~**"Event of Default"** means an event or circumstance specified in any of the Clauses 14.1 (Non-Payment) to and including Clause 14.10 (Continuation of the Business).~~

"Final Maturity Date" means:

- (a) the date falling ~~three (3)~~ five (5) years after the ~~First Issue Date~~ Amendment Date;
- (b) if the Issuer has exercised the first Maturity Extension Option pursuant to Clause 8, the date falling six (6) years after the Amendment Date;
- (c) if the Issuer has exercised the first and second Maturity Extension Option pursuant to Clause 8, the date falling seven (7) years after the Amendment Date; or
- (d) if the Issuer has exercised the first, second and third Maturity Extension Option pursuant to Clause 8, the date falling eight (8) years after the Amendment Date.

~~**"Finance Charges"** means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction Costs, capitalised interest in respect of any loan owing to any member of the Group or any Subordinated Loan, taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis and excluding any costs relating to any leases, to the extent the arrangement is or would have been treated as an operational lease in accordance with the Accounting Principles applicable on the First Issue Date.~~

"Finance Documents" means:

- (a) these Terms and Conditions;
- ~~(a)~~ (b) the Agency Agreement;
- ~~(a)~~ (c) the Escrow Account Pledge Agreement;
- ~~(b)~~ the Security Documents;
- ~~(c)~~ (d) ~~the Subordination~~ the Intercreditor Agreement; and
- ~~(a)~~ (e) any other document designated by the Issuer and the Agent as a Finance Document.

Formatted: List Number Indent, Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

"**Finance Leases**" means any finance leases, to the extent the arrangement is or would have been treated as a finance or a capital lease in accordance with the Accounting Principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability), and for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles as applicable on the First Issue Date shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as a finance lease.

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

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

"**Financial Report**" means the Group's annual audited financial statements ~~or quarterly interim unaudited reports~~, which shall be prepared and made available according to Clauses 11.1(a)(i) and 11.1(a)(ii).

"**First Call Date**" means ~~the date falling six (6) months after the date an Equity Listing Event has occurred, provided that such date is prior to the Final Maturity Date~~ 31 December 2019.

"**First Issue Date**" means 24 September 2018.

~~"Floating Rate Margin" means 9.00 per cent. per annum.~~

"**Force Majeure Event**" has the meaning set forth in Clause ~~25~~ 4(a).

"**Group**" means the Issuer and each of its Subsidiaries from time to time and "**Group Company**" means any of them.

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~"Incurrence Test" means the testing of the Maintenance Covenants in accordance with Clause 12.3 (Incurrence Testing).~~

"Indigo Debt" means any loan or convertible loan issued from any Indigo Shareholder or affiliated entity to the Issuer in the aggregate principal amount of up to USD 90,000,000 outstanding at any single time.

"Indigo Investor" means the special purpose vehicle formed and controlled by Indigo Partners for the purpose of acquiring shares in the Issuer.

"Indigo Partners" means Indigo Partners LLC.

"Indigo Shareholders" means the Indigo Partner and the Indigo Investor (each an "Indigo Shareholder").

"Indigo Shareholder Debt" means all present and future moneys, debts and liabilities due, owing or incurred from time to time by any member of the Group to any Indigo Shareholder exceeding the Indigo Debt, outstanding at any single time.

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

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

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

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

"Intercreditor Agreement" means an intercreditor agreement to be entered into between, amongst other, the Issuer, the Indigo Investor, any creditor under any Subordinated Loans and the Agent.

"Interest" means the interest on the Bonds calculated in accordance with Clauses ~~8(a)(a)~~ to ~~8(e)(c)~~.

~~"Interest Account" means a bank account of the Issuer on which the Issuer will on the disbursement of the Net Proceeds on the First Issue Date deposit an amount equal to 12.5 per cent. of the Total Nominal Amount (or its equivalent in any other currency). The Issuer shall be allowed to use the funds standing to the Interest Account to pay interest on each Interest Payment Date, provided that the amount on the Interest Account is not lower than an amount equal to 12.5 per cent. of the Total Nominal Amount on the date falling one day prior to each Interest Payment Date.~~

"**Interest Payment Date**" means 24 March, 24 June, 24 September and 24 December each year. The first Interest Payment Date shall be 24 December 2018. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a Business Day, the first following day that is a Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

"**Interest Period**" means (i) in respect of the first Interest Period, the period from (and including) the First 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).

"**Interest Rate**" means ~~EURIBOR seven (7) plus the Floating Rate Margin~~ per annum.

"**Issue Date**" the date on which the Bonds are issued.

"**Issuer**" means WOW air hf., a limited liability company incorporated in Iceland with reg. no. 451011-0220.

~~"**Liquidity**" means Cash and Cash Equivalents, including any undrawn amount under the Working Capital Facility~~

"**Main Shareholder**" means Skuli Mogensen, identification number 180968-4669.

~~"**Maintenance Covenants**" means the maintenance covenants set out in Clause 12.1 (Maintenance Covenants).~~

"**Management Fee**" means the management fee to be paid by the Issuer to its shareholder(s) in an aggregate amount of up to USD 1,500,000 per annum.

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

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

(a) the business, financial condition or operations of the Group taken as a whole;

~~(a)~~ (b) the Group's ability to perform and comply with the Finance Documents; or

~~(a)~~ (c) the validity or enforceability of the Finance Documents.

"**Material Group Company**" means:

(a) the Issuer; and

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~(a)~~(b) any other Group Company with earnings before interest, tax, depreciation and amortisation ("EBITDA"), calculated based on the same Accounting Principles as used when calculating the total book assets, representing 5.00 per cent. or more of the total EBITDA of the Group, or which has total assets representing 5.00 per cent. or more of the total assets of the Group, calculated on a consolidated basis according to the latest Financial Report.

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, C, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~"Material Intercompany Loan" means any intercompany loans provided by any Group Company to any other Group Company where:~~

~~(a) — the term of the intercompany loan is at least 12 months (the term to be determined by the Issuer); and~~

"Maturity Extension Option" has the meaning given to such term in Clause 8 (Final Maturity Extension).

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

~~(b) — the principal amount thereof is at least in an amount exceeding USD 2,000,000 (or its equivalent in any other currency).~~

"Net Proceeds" means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner, its legal advisors and the Paying Agent for the services provided in relation to the placement and issuance of the Bonds.

"Nominal Amount" means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which that Bond has been redeemed in part in accordance with the procedures of the CSD pursuant to Clauses ~~9.4~~ 10.4 (*Mandatory repurchase due to a Change of Control Event (put option)*), ~~9.5~~ (*Mandatory prepayment of Bonds held by a Warrantholder in the event of an Equity Listing Event*) and ~~9.6~~ (*Mandatory prepayment of Bonds held by a Warrantholder in the event that no Equity Listing Event has occurred prior to the Final Maturity Date*). The Agent may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate partial redemptions, restructuring of the Bonds or other situations.

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

"Parent Company Guarantee" means a guarantee provided by the parent company of the Issuer, Titan fjárfestingafélags ehf., under any lease agreement or hedging arrangement.

"Paying Agent" means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD, being Pareto Securities AS on the First Issue Date.

"Permitted Debt" means any Financial Indebtedness:

(a) incurred under the Bonds (except for any Subsequent Bonds);

~~(a)~~(b) arising under a foreign exchange transaction or a commodity transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions, but not any transaction for investment or speculative purposes;

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, C, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~(a)~~(c) arising under any interest rate hedging transactions in respect of payments to be made under these Terms and Conditions, but not any transaction for investment or speculative purposes;

~~(d)~~ incurred under any Indigo Shareholder Debt;

~~(e)~~ incurred under any Indigo Debt;

~~(a)~~(f) incurred under Advance Purchase Agreements;

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, C, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~(a)~~(g) incurred by the Issuer if such Financial Indebtedness:

(i) is incurred as a result of a Subsequent Bond Issue ~~and meets the Incurrence Test (calculated on a pro forma basis including the relevant incurred debt);~~ or

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

~~(+)~~(ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Finance Documents, and:

~~(A)~~ ~~meets the Incurrence Test (calculated on a pro forma basis including the relevant incurred debt);~~

(A) has a final maturity date or a final redemption date; and

Formatted: Outline numbered + Level: 6 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 3,75 cm + Indent at: 5 cm

~~(A)~~(B) when applicable, early redemption dates or instalment dates, in each case (B) and (C) which occur after the Final Maturity Date.

~~(a)~~(h) incurred under any Subordinated Loan;

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, C, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~(a)~~(i) taken up from a Group Company;

~~(a)~~(j) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the redemption of the Bonds;

~~(a)~~ incurred as a result of any Group Company acquiring another entity after the First Issue Date which entity already had incurred Financial Indebtedness but not incurred or increased or having its maturity date extended in contemplation of, or since that acquisition, provided that ~~±~~

~~(i)~~ ~~the Incurrence Test is met on a pro forma basis if tested immediately after the making of that acquisition, and~~

~~(k)~~ such Financial Indebtedness is:

~~(A)(i)~~ repaid in full within six (6) months of completion of such acquisition; or

~~(A)(ii)~~ refinanced in full within six (6) months of completion of such acquisition with the Issuer as the new borrower.

~~(b)(l)~~ of the Group under any pension or tax liabilities of the Group incurred in the ordinary course of business;

~~(e)(m)~~ of the Group under any guarantee, letter of credit or counter-guarantee issued by or for a Group Company in the ordinary course of business, and any Financial Indebtedness resulting from such instrument;

~~(d)(n)~~ under the Working Capital Facility;

~~(e)(o)~~ incurred under any leases, to the extent the arrangement is or would have been treated as an operational lease in accordance with the Accounting Principles applicable on the First Issue Date;

~~(f)(p)~~ incurred under the existing financial leases relating to four Airbus A321 with manufactural serial number 5681, 5733, 6210 and 6232;

~~(e)(q)~~ incurred under the EIF Loan; ~~and~~

(r) incurred under any payment plans replacing any leasing arrangements with current lessors and other creditors;

(s) incurred under any airport charges; and

~~(h)(t)~~ any other Financial Indebtedness incurred by Group Companies (including other Finance Leases and credit cards) not in aggregate exceeding USD ~~2,500,000~~10,000,000.

"Permitted Security" means any security:

~~(a) provided under the Finance Documents;~~

~~(b)(a)~~ arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);

~~(e)(b)~~ provided in relation to any lease agreement entered into by a Group Company;

~~(d)(c)~~ subsisting as a result of any Group Company acquiring another entity after the First Issue Date which entity already had provided security for Financial Indebtedness permitted under paragraph (i) of the definition of "Permitted Debt", provided that such security is discharged and released in full upon the refinancing or repayment of such Financial Indebtedness as set out therein;

Formatted: List Number Indent, Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5

Formatted: List Roman Indent, Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~(e)~~(d) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;

~~(f)~~(e) provided in relation to any guarantee provided to Gaman ferðir ehf in the ordinary course of business; and

~~(g)~~(f) provided pursuant to paragraphs (b), (c), (d), (e), (h), (i), (k) and (l) of the definition of Permitted Debt.

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

"Preference Shares" means preferential shares class [●] originally issued in the Issuer to Bondholders.

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

"Record Date" means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause ~~15-14~~ (Distribution of Proceeds), (iv) the date of a Bondholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

"Redemption Date" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause ~~9-10~~ (Redemption and Repurchase of the Bonds).

~~"Reference Date" means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding.~~

"Reference Period" means each ~~12-month~~ period of 12 ending on a Reference Date consecutive calendar months.

"Regulated Market" means any regulated market (as defined in ~~the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended~~ 2004/39/EC on markets in financial instruments).

~~"Secured Obligations" means all present and future, actual and contingent, liabilities and obligations at any time due, owing or incurred by the Issuer towards the Secured Parties outstanding from time to time under the Finance Documents.~~

~~"Secured Parties" the Security Agent, the Bondholders and the Agent (including in its capacity as Agent under the Agency Agreement).~~

"Securities Account" means the account for dematerialised securities maintained by the CSD pursuant to the Norwegian Securities Register Act in which (i) an owner of such

security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

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

~~"**Security Agent**" means the security agent holding the Transaction Security on behalf of the Secured Parties, being Nordic Trustee & Agency AB (publ) on the First Issue Date.~~

~~"**Security Documents**" means:~~

- ~~(a) — the Icelandic law governed share pledge agreement in respect of all shares in the Issuer (up until an Equity Listing Event, when the shares in the Issuer shall be released);~~
- ~~(b) — any security document pursuant to which additional security is provided over any Material Group Company in accordance with Clause 13.13 (Additional Security over Material Group Companies); and~~
- ~~(c) — any security document pursuant to which additional security is provided over any Material Intercompany Loan in accordance with Clause 13.14 (Additional Security over Material Intercompany Loans).~~

~~"**Share Warrant Instruments**" means the share warrant instruments entered into between each Warrantholder and the Issuer on substantially the same terms as set out in the term sheet for the Bonds dated 18 September 2018.~~

"**Sole Bookrunner**" means Pareto Securities AB.

"**Subordinated Loans**" means any loan made to the Issuer, if such loan (i) is subordinated to the obligations of the Issuer under these Terms and Conditions pursuant to the ~~Subordination~~ Intercreditor Agreement, (ii) according to its terms have a final redemption date or, when applicable, early redemption dated or instalment dates which occur after the Final Maturity Date, and (iii) according to its terms yield only payment-in-kind interest.

~~"**Subordination Agreement**" means a subordination agreement pursuant to which any claims under any Subordinated Loans will be fully subordinated to the Bonds, including with respect to payments (maturity, interest and instalments), tenure and enforcement proceeds.~~

"**Subsequent Bond Issue**" shall have the meaning set forth in Clause 2(~~e~~).

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

"**Subsidiary**" means, in respect of which such person, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;

- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners; or
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

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

"**Transaction Costs**" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) the Bond Issue and (ii) the listing of the Bonds.

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

"**USD**" means the lawful currency of the United States of America.

~~"**Warrants**" means the warrants issued in the Issuer which each Bondholder being allocated Initial Bonds are entitled to subscribe for, giving such Bondholder a right to subscribe for shares in the Issuer in an amount equivalent to 50 per cent. of the Nominal Amount of the Initial Bonds subscribed for pursuant to the Share Warrant Instruments.~~

~~"**Warrantholder**" means a person to whom a Warrant has been issued or a valid transfer has been made as evidenced by the register of Warrantholders kept by the board of directors of the Issuer.~~

"**Working Capital Facility**" means any working capital facility provided for the general corporate purposes of the Group in the maximum amount of USD ~~10,000,000~~ 25,000,000.

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause ~~18~~ 17 (*Written Procedure*).

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
 - (i) "assets" includes present and future properties, revenues and rights of every description;
 - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (iii) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

- (iv) an Event of Default is continuing if it has not been remedied or waived;
 - (v) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vi) a time of day is a reference to Stockholm time.
- (b) When ascertaining whether a limit or threshold specified in EUR or USD (as applicable) 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 EUR or USD (as applicable) for the previous Business Day, as published by the European Central Bank on its website www.ecb.europa.eu or by the Federal Reserve on its website www.federalreserve.gov (as applicable). If no such rate is available, the most recently published rate shall be used instead.
- (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- (d) No delay or omission of the ~~Agent, the Security~~ Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

2. Status of the Bonds

- (a) The Bonds are denominated in Euro and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The ~~initial~~ nominal amount of each Initial Bond ~~is~~ issued on the First Issue Date was EUR 1,000 and is, following the Amendment Date, EUR 1 (the "**Initial Nominal Amount**"). The maximum total nominal amount of the Initial Bonds ~~is~~ was EUR 60,000,000 on the First Issue Date and is, following the Amendment Date, EUR 30,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- (d) The minimum permissible investment in a Bond Issue is EUR 100,000.
- (e) Provided that no Event of Default is continuing or would result from such issuance ~~and provided that the Incurrence Test is met tested pro forma with the new debt being incurred~~, the Issuer may, at one or several occasions, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed EUR ~~100,000,000~~ 50,000,000 unless a consent from the Bondholders is obtained in accordance with Clause ~~16~~ 5(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause ~~8(a)~~ 9(a), and otherwise have the same rights as the Initial Bonds.

- (f) The Bonds constitute direct, general, unconditional, unsubordinated and ~~secured~~ unsecured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer (including any Indigo Shareholder Debt), except (A) those obligations which are mandatorily preferred by law and (B) the super senior ranking of the Indigo Debt which shall rank with priority to the Bonds.
- (g) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (h) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

3. Use of Proceeds

- (a) The proceeds from the Initial Bond Issue ~~shall be used to (i) fund the Interest Account in an amount equal to 12.5 per cent. of the Total Nominal Amount from time to time (being on the First Issue Date an amount equal to EUR 7,500,000), (ii) have been used to (i) finance general corporate purposes of the Group, and (iii) finance Transaction Costs.~~
- (b) The proceeds from any Subsequent Bond Issue ~~if any~~ shall be used to (i) finance general corporate purposes of the Group, including investments and acquisitions, (ii) refinance existing external debt permitted under these Terms and Conditions, and (iii) finance Transaction Costs.

4. Conditions Precedent

- (a) The payment of the Net Proceeds from the Initial Bond Issue to the Escrow Account ~~is~~ were subject to the Agent having received documents and evidence of the Escrow Account Pledge Agreement being duly executed and perfected.
- (b) The Issuer shall provide, or procure the provision of, to the Agent:
 - (i) constitutional documents and corporate resolutions for each party to the Finance Documents (other than the Agent);

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

- (ii) copies of the Finance Documents, duly executed;
- ~~(iii) copies of the Security Documents, duly executed, and evidence that all documents, registrations and other evidences to be delivered pursuant to the Security Documents to perfect the security have been delivered and satisfied, provided that any documents and other evidences to be delivered pursuant to the Security Documents but not required for perfection of the security may be delivered as soon as practicably possible following disbursement of the Net Proceeds from the Initial Bond Issue from the Escrow Account;~~
- ~~(iv)~~⁽ⁱⁱⁱ⁾ an agreed form Compliance Certificate;
- ~~(v)~~^(iv) a certificate nominating Material Group Companies existing on the First Issue Date (if any);
- ~~(vi) evidence that an amount equal to 12.5 per cent. of the Total Nominal Amount (or the equivalent in any other currency) will be deposited on the Interest Account upon disbursement of the Net Proceeds;~~
- ~~(vii) legal opinion(s) on the capacity, due execution, in respect of any non-Swedish security providers; and~~
- ~~(viii)~~^(v) a legal opinion on the validity and enforceability in respect of any Finance Document unless it is governed by Swedish law ~~which shall also include customary opinions regarding the role of the Security Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds),~~ issued by a reputable law firm.
- (c) The Agent may assume that the documentation and evidence delivered to it pursuant to Clause 4(b) is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in Clause 4(b) above from a legal or commercial perspective of the Bondholders.
- (d) When the conditions precedent for disbursement set out in Clause 4(b) have been received by the Agent, the Agent shall instruct the Escrow Manager to instruct the bank (with which the Escrow Manager holds the Escrow Account) to transfer the funds from the Escrow Account for the purpose set out in Clause 3 (*Use of Proceeds*), and the Agent shall thereafter or in connection therewith release the pledge over the Escrow Account.
- (e) If the conditions precedent for disbursement set out in Clause 4(b) have not been received or waived by the Agent within thirty (30) Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Initial Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with the Escrow Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4(e). Any shortfall shall be covered by the

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Issuer. The repurchase date shall fall no later than thirty (30) Business Days after the ending of the thirty (30) Business Days period referred to above.

5. Bonds in Book-Entry Form

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in accordance with the Norwegian Securities Register Act and the terms and conditions of the CSD. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Norwegian Securities Register Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Paying Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

6. Right to Act on Behalf of a Bondholder

- (a) If any Person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such Person.
- (b) A Bondholder may issue one or several powers of attorney or other proof of authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6(b) and

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

7. Payments in Respect of the Bonds

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds, shall be made to such Person who is registered as a Bondholder on a Securities Account on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Bondholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its Account Operator in the CSD) within five Business Days prior to a payment date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.
- (d) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause ~~8(d)~~9(d) during such postponement.
- (e) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- (f) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.
- (g) Notwithstanding anything to the contrary in these Terms and Conditions, the Bonds shall be subject to, and any payments made in relation thereto shall be made in accordance with, the rules and procedures of the CSD.

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

8. Final Maturity Extension

The Issuer may, by no more than three times in total, request an extension of the Final Maturity Date by one twelve month period at a time (a "Maturity Extension Option") by notice to the Agent no later than the date falling three (3) months prior to the then relevant Final Maturity Date, after which date the Maturity Extension Option shall lapse if not already exercised. The Agent shall confirm to the Issuer no later than ten (10) Business Days following the receipt of the aforementioned notice that the Final Maturity Date has been extended for a further twelve months and shall then provide prompt notice to the Bondholders thereof.

8.9. Interest

- (a) Each Initial Bond carries Interest at the Interest Rate applied to the Nominal Amount from (and including) the First Issue Date up to (but excluding) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (and including) the Interest Payment Date falling immediately prior to its issuance up to (but excluding) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.

~~(c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360 days basis).~~

~~(d)~~(c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis). 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 two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9.10. Redemption and Repurchase of the Bonds

9.10.1 Redemption at maturity

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

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

9.210.2 Issuer's purchase of Bonds

The Issuer may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way. The Bonds held by the Issuer may at the Issuer's discretion be retained or sold but not cancelled.

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

9.310.3 Voluntary total redemption (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full on any Business Day falling on or after the First Call Date, but before the Final Maturity Date, at an amount per Bond equal to the Call Option Amount.
- (b) Redemption in accordance with Clause ~~9.3(a)~~10.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

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

- (a) ~~Upon~~ Subject to paragraph (b) below, upon the occurrence of a Change of Control Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to ~~1050~~105 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of sixty (60) Business Days following a notice from the Issuer of the Change of Control Event, pursuant to Clause 11.1(~~d~~c) (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

- (b) The Bondholders may only exercise the put option in paragraph (a) above, and notice of the Change of Control shall only be required, if as of immediately after to the Change of Control the Indigo Investor does not, directly or indirectly, own any Bonds or shares in the Issuer.

- ~~(b)~~(c) The notice from the Issuer pursuant to Clause 11.1(~~d~~c) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1(~~d~~c). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Clause ~~9.4(a)~~10.4(a).

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

- ~~(c)~~(d) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause ~~9.4~~10.4, the Issuer shall comply with the applicable securities laws and

regulations and will not be deemed to have breached its obligations under this Clause ~~9.4~~10.4 by virtue of the conflict.

~~(d)~~(e) Any Bonds repurchased by the Issuer pursuant to this Clause

~~9.5~~ ~~9.4 may at the Issuer's discretion be retained or sold, but not cancelled.~~ **Mandatory prepayment of Bonds held by a Warrantholder in the event of an Equity Listing Event**

~~(a)~~ Upon an Equity Listing Event, each Warrantholder shall have the right of prepayment of up to 10.00 per cent. of the Nominal Amount per Bond held by such Warrantholder. The prepayment price shall be:

~~(i)~~ 200 per cent. during the period from and including the First Issue Date up to, but excluding, the date falling 24 months after the First Issue Date; and

~~(ii)~~ 225 per cent. during the period from, and including, the date falling 24 months after the First Issue Date up to, but excluding, the Final Maturity Date,

in each case of the Nominal Amount prepaid (plus accrued but unpaid interest), provided that the relevant Bondholder delivers Warrants to the Issuer in an aggregate nominal amount corresponding to 50 per cent. of the total Nominal Amount of the prepaid Bonds.

~~(b)~~ The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.

~~(c)~~ Any Bonds repurchased by the Issuer pursuant to this Clause ~~9.5~~10.4 may at the Issuer's discretion be retained or sold, but not cancelled.

Formatted: No bullets or numbering

~~9.6~~ **Mandatory prepayment of Bonds held by a Warrantholder in the event that no Equity Listing Event has occurred prior to the Final Maturity Date**

~~(a)~~ In the event that no Equity Listing Event has occurred prior to the Final Maturity Date, each Warrantholder shall have the right of:

~~(i)~~ prepayment of its Bonds (all or some only) held by such Warrantholder at a price of 120 per cent. of the Nominal Amount per Bond, provided that the relevant holder delivers Warrants to the Issuer in a nominal amount corresponding to 50 per cent. of the total Nominal Amount of the prepaid Bonds; or

~~(ii)~~ prepayment of its Bonds (all or some only) at a price of 100 per cent. of the Nominal Amount per Bond. The Warrant(s) held by such holder may

~~in such case be kept and be exercised at a later date in accordance with the terms of the Share Warrant Instruments.~~

- ~~(b) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.6, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.6 by virtue of the conflict.~~
- ~~(c) Any Bonds repurchased by the Issuer pursuant to this Clause 9.6 may at the Issuer's discretion be retained or sold, but not cancelled.~~

~~10. Transaction Security~~

- ~~(a) As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer and each Group Company party to any Security Document grants the Transaction Security to the Secured Parties as represented by the Security Agent on the terms set out in the Security Documents.~~
- ~~(b) The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents. The Issuer shall, and shall procure that each Group Company party to any Security will, enter into the Security Documents and perfect the Transaction Security in accordance with the Security Documents.~~
- ~~(c) Unless and until the Security Agent has received instructions from the Bondholders in accordance with Clause 16 (Decisions by Bondholders), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents and provided that such agreements or actions are not detrimental to the interest of the Bondholders.~~

11. Information to Bondholders

11.1 Information from the Issuer

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

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

- (ii) as soon as the same become available, but in any event within ~~two~~ (2)three (3) months after the end of each ~~quarter of its financial year, the quarterly~~ semi-annual interim period, the semi-annual unaudited consolidated reports, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors; ~~and~~.
- ~~(iii) — any other information required by the applicable rules and regulations and the rules and regulations of the Regulated Market on which the Bonds are admitted to trading.~~
- ~~(b) — When the Bonds have been listed, the reports referred to in Clause 11.1(a)(i) and Clause 11.1(a)(ii) shall be prepared in accordance with IFRS.~~
- ~~(c)(b)~~ When the financial statements and other information are made available to the Bondholders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- ~~(d)(c)~~ The ~~Provided that the Indigo Investor does not, directly or indirectly, own any Bonds or shares in the Issuer, the~~ Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- ~~(e)(d)~~ The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- ~~(f)(e)~~ The Issuer shall submit a duly executed Compliance Certificate to the Agent:
- ~~(i) — in connection with the testing of the Incurrence Test;~~
- ~~(ii)(i)~~ in connection with that a Financial Report is made available; and
- ~~(iii)(ii)~~ at the Agent's request, within 20 days from such request.
- ~~(g)(f)~~ The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph ~~(f)~~ above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

~~(H)(g)~~ The Issuer is only obliged to inform the Agent according to this Clause 11.1 if informing the Agent would not conflict with any applicable laws ~~or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market. If such a conflict would exist pursuant to the listing contract with the Regulated Market or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 11.1.~~

11.2 Information from the Agent

- (a) Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 11.2(b), the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- (b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause ~~16~~ 15 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

11.3 Publication of Finance Documents

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

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

12. ~~Financial~~ General Undertakings

~~12.1~~ Maintenance Covenants

~~The Issuer shall ensure that:~~

~~(a) — Equity is not be lower than:~~

~~(i) — USD 25,000,000 at each test date during the first twelve months following the First Issue Date;~~

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

- ~~(ii) — USD 30,000,000 at each test date during the period from but excluding the date falling twelve months after the First Issue Date to and including the date falling 24 months after the First Issue Date; and~~
- ~~(iii) — USD 35,000,000 at each test date during the period from but excluding the date falling 24 months after the First Issue Date to and including the Final Maturity Date.~~
- ~~(b) — Liquidity is not lower than an amount equivalent to the most recent Reference Period's (or in case of an incurrence test the relevant 12 months' period) Finance Charges; and~~
- ~~(c) — an amount not lower than 12.50 per cent. of the Outstanding Nominal Amount is standing on the Interest Account one day prior to each Interest Payment Date.~~

~~12.2 — Testing of the Maintenance Covenants~~

- ~~(a) — The Maintenance Covenants shall be calculated in accordance with the Accounting Principles applicable to the Issuer and tested by reference to each of the Financial Reports on each Reference Date with respect to the Reference Period ending on such Reference Date save for the covenants set out in paragraph (a) of Clause 12.1 (*Maintenance Covenants*) which shall be reported annually at the end of the third quarter of each financial year.~~
- ~~(b) — The first test date shall be 30 September 2018, save for the covenant set out in paragraph (c) of Clause 12.1 (*Maintenance Covenants*) which shall first be tested 31 December 2018.~~

~~12.3 — Incurrence Testing~~

~~The Maintenance Covenants shall be reported and calculated as per the date of the incurrence of the new Financial Indebtedness or the making of a Restricted Payment (as applicable), calculated on a pro forma basis, provided that the Liquidity shall be reported and tested as follows:~~

- ~~(a) — the calculation of Liquidity shall be made as per a testing date determined by the Issuer, falling no more than two months prior to the relevant testing date; and~~
- ~~(b) — the amount of Finance Charge shall be measured on the relevant testing date so determined, taking into account the Finance Charges incurred during the last 12 months period ending on such testing date.~~

~~12.4 — Adjustments~~

~~Finance Charges for the relevant 12 months period ending on a test date shall be:~~

- ~~(a) — reduced to reflect any Finance Charges attributable to a disposed entity or which has been repaid, repurchased or otherwise discharged as a result of or in connection with a disposal of an entity (to the extent such Finance Charges is included in the relevant financial statements);~~

- ~~(b) increased on a pro forma basis by an amount equal to the Finance Charges directly attributable to (i) any Financial Indebtedness owed by acquired entities and (ii) any Financial Indebtedness incurred to finance the acquisition of entities, in each case calculated as if all such debt had been incurred at the beginning of the relevant test period; and~~
- ~~(c) increased on a pro forma basis by an amount equal to the Finance Charges directly attributable to any Financial Indebtedness (to the extent such Financial Indebtedness is not included in the relevant financial statements), calculated as if such debt had been incurred at the beginning of the relevant Reference Period.~~

~~12.5~~ **General**

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company-) will comply with the undertakings set out in this Clause ~~12.5~~ for as long as any Bonds remain outstanding.

~~13.~~ **General Undertakings**

~~13.1~~12.1 **Distributions**

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries will:
- (i) pay any dividend on its shares (other than to the Issuer or a wholly-owned Subsidiary of the Issuer);
 - (ii) repurchase any of its own shares;
 - (iii) redeem its share capital or other restricted equity with repayment to shareholders;
 - (iv) grant any loans (other than to the Issuer or a wholly-owned Subsidiary of the Issuer);
 - (v) repay any Subordinated Loans or capitalised or accrued interest thereunder; or
 - (vi) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer (paragraphs (i) – (vi) above are together and individually referred to as a "**Restricted Payment**"), provided however that any such Restricted Payment may be made by any of the Issuer's Subsidiaries if such Restricted Payment is made to the Issuer or any of the wholly-owned Subsidiaries of the Issuer or, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis.
- (b) Notwithstanding the above, a Restricted Payment may be made by the Issuer if:
- (i) the Restricted Payment is a payment of the Management Fee;

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

(ii) the Restricted Payment is a payment of interest or principal under any Indigo Debt;

~~(i)(iii)~~ the Restricted Payment is a payment of commission fees under any Parent Company Guarantee up to an aggregated amount of USD 1,000,000 for any financial year;

~~(ii)(iv)~~ the Restricted Payment is the Deferred Payment and is made no later than by end of May 2019; or

(v) the Restricted Payment is a redemption of the Preference Shares, provided that either:

~~(iii)(A)~~ an Equity Listing Event ~~has occurred, provided that with respect to this paragraph (iii) at the time of the Restricted Payment;~~ occurs where the equity of the Issuer is valued to at least EUR 500,000,000; or

(B) the Indigo Investor divests all its shares in the Issuer with an cash internal rate of return of at least 20 per cent.;

~~(A)(vi)~~ ~~no Event of Default is outstanding or would occur as a result of such the Restricted Payment;~~ is a repurchase of equity from former employees or directors, provided such amount shall not exceed USD 1,000,000 in any calendar year; or

~~(B)(vii)~~ ~~the Incurrence Test is met (calculated on a pro forma basis including the relevant Any other Restricted Payment); and~~ made by the Issuer that shall not exceed USD 500,000 in any calendar year.

~~(C) the aggregate amount of all Restricted Payments of the Group in any fiscal year (including the Restricted Payment in question) does not exceed 25 per cent. of the Group's consolidated net profit for the previous fiscal year.~~

13.2 Listing

The Issuer shall ensure that:

~~(a) the Initial Bonds are listed at the corporate bond list on Nasdaq Stockholm not later than 60 calendar days after the First Issue Date and with an intention to complete such listing within 30 calendar days after the First Issue Date;~~

~~(b) any Subsequent Bonds are listed on the corporate bond list on Nasdaq Stockholm within 60 calendar days after the issuance of such Subsequent Bonds and with an intention to complete such listing within 20 calendar days after the issuance of such Subsequent Bonds (unless the Subsequent Bonds are issued before the date falling 60 calendar days after the First Issue Date in which case such Subsequent Bonds shall be listed within 60 calendar days after the First Issue Date); and~~

Formatted: Outline numbered + Level: 5 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 2,5 cm + Indent at: 3,75 cm

Formatted: List Third Level, No bullets or numbering

Formatted: List Roman Indent, No bullets or numbering

~~(c) — once the Bonds are listed on the corporate bond list on Nasdaq Stockholm, ensure that the Bonds continue to be being listed on the corporate bond list on Nasdaq Stockholm for as long as any Bond is outstanding (however, taking into account the rules and regulations of Nasdaq Stockholm and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).~~

~~13.3 — Issuance of Warrants~~

~~The Issuer shall offer to issue Warrants to each Bondholder being allocated Initial Bonds in an amount equivalent to 50 per cent of the Nominal Amount of the Initial Bonds subscribed for by such Bondholder. The terms of the Warrants shall be governed by the Share Warrant Instruments and the Issuer shall procure that the Share Warrant Instruments are entered into with the relevant Bondholders as soon as practically possible following the First Issue Date, but in no event later than the date falling 30 Business Days from the First Issue Date.~~

~~13.4~~12.2 **Nature of Business**

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group if such substantial change would have a Material Adverse Effect.

~~13.5~~12.3 **Financial Indebtedness**

The Issuer shall not, and shall procure that none of its Subsidiaries will, incur, prolong, renew or extend any Financial Indebtedness, provided however that the Issuer and its Subsidiaries have a right to incur, prolong, renew or extend Financial Indebtedness that constitutes Permitted Debt.

~~13.6 — Disposal of Assets~~

~~The Issuer shall not, and shall procure that no Group Company will, sell or otherwise dispose of any shares in any Group Company or of any substantial assets (including but not limited to material intellectual property rights) or operations to any person not being the Issuer or any of its wholly owned Group Companies, except if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect. No asset that is subject to Transaction Security may be disposed of.~~

~~13.7~~12.4 **Negative Pledge**

The Issuer shall not, and shall procure that none of its Subsidiaries will, provide, prolong or renew any security over any of its/their assets (present or future) to secure Financial Indebtedness, provided however that the Issuer and the Group have a right to provide, retain, prolong or renew, any Permitted Security.

12.5 Issuance of Preference Shares

The Issuer shall, no later than 6 weeks following the Amendment Date issue Preference Shares to each respective Bondholder.

~~13.8~~12.6 Loans Out

The Issuer shall not, and shall procure that none of its Subsidiaries will, extend any loans in any form to any other party than (i) to other Group Companies, or (ii) in the ordinary course of business.

~~13.9~~12.7 Clean Down of Working Capital Facility

The Issuer shall procure that during each calendar year there shall be a period of three (3) consecutive days during which the amount outstanding under the Working Capital Facility (excluding any non-cash elements of ancillary facilities), less Cash and Cash Equivalents of the Group, amounts to zero (0) or less. Not less than six (6) months shall elapse between two such periods. The clean down shall be confirmed in a Compliance Certificate.

~~13.10~~12.8 Dealings at arm's length terms

The Issuer shall, and shall procure that its Subsidiaries will, conduct all dealings with their direct and indirect shareholders (excluding the Issuer and any of its Subsidiaries) and/or any Affiliates of such direct and indirect shareholders on arm's length terms.

~~13.11~~ Interest Account

~~Following the disbursement of the Net Proceeds of the Initial Bond Issue and on each day falling one business day before each Interest Payment Date, the Issuer shall procure that an amount at least equivalent to 12.5 per cent. of the Total Nominal Amount (or its equivalent in any other currency) stands on the Interest Account. The amount standing on the Interest Account on the relevant day falling one business day before the Interest Payment Date shall be confirmed in a Compliance Certificate delivered in connection with the testing of the testing of the Maintenance Covenants.~~

~~13.12~~12.9 Nomination of Material Group Companies

At:

- (a) the First Issue Date and thereafter once every year (starting in 2019) (simultaneously with the publication by the Issuer of the audited annual financial statements of the Group); and
- (b) the date of acquisition of any shares or other assets by a Group Company financed (in whole or in part) by Permitted Debt for a consideration in excess of 5 per cent. of the total book assets of the Group (calculated on a consolidated basis) (simultaneously with the delivery by the Issuer of the Compliance Certificate related the incurrance of such Permitted Debt),

the Issuer shall list each Material Group Company in the relevant Compliance Certificate delivered in connection therewith.

~~13.13 Additional Security over Material Group Companies~~

~~The Issuer shall procure that a pledge over the shares in each Material Group Company is granted as security for the Secured Obligations no later than 60 days after its nomination in accordance with Clause 13.12 (Nomination of Material Group Companies) above and in connection therewith provide the Agent with:~~

- ~~(a) — constitutional documents and corporate resolutions (approving the relevant Security Document and authorising a signatory/ies to execute that Security Document) for the relevant security provider and each other party to that Security Document (other than the Agent);~~
- ~~(b) — copies of the register of shareholders (or similar) (in each case) with respect to that Material Group Company;~~
- ~~(c) — any legal opinion on the capacity and due execution in respect of any entity being party to the relevant Security Document unless it is incorporated in Sweden, issued by a reputable law firm; and~~
- ~~(d) — any legal opinion on the validity and enforceability in respect of the relevant Security Document unless it is governed by Swedish law which shall also include customary opinions regarding the role of the Security Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds), issued by a reputable law firm.~~

~~13.14 Additional Security over Material Intercompany Loans~~

~~The Issuer shall and shall procure that each Group Company will, upon the incurrence of a Material Intercompany Loan, grant a pledge over that Material Intercompany Loan as security for the Secured Obligations and simultaneously therewith deliver to the Agent (unless previously provided):~~

- ~~(a) — constitutional documents and corporate resolutions (approving the relevant Security Documents and authorising a signatory/ies to execute the relevant Security Document) for the relevant security provider, and each other party to that Security Document (other than the Agent);~~
- ~~(b) — a legal opinion on the capacity and due execution, in respect of any entity being party to the relevant Security Document unless it is incorporated in Sweden, issued by a reputable law firm; and~~
- ~~(c) — any legal opinion on the validity and enforceability in respect of the relevant Security Document unless it is governed by Swedish law which, if requested by the Agent, shall also include customary opinions regarding the role of the Security Agent in such jurisdiction (such as no residency or registration requirement and no need to deposit funds), issued by a reputable law firm.~~

14.13. Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause ~~14.13~~ (other than Clause ~~14.11~~ ~~13.9~~ (*Acceleration of the Bonds*)) is an Event of Default.

14.13.1 Non-Payment

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

~~14.2 Maintenance Covenants~~

~~The Issuer has failed to comply with any of the Maintenance Covenants.~~

14.313.2 Other Obligations

A party (other than the Agent) does not comply with its obligations under the Finance Documents, in any other way than as set out in Clause ~~14.3.1~~ (*Non-Payment*) and ~~14.2~~ (*Maintenance Covenants*) above, provided that the Agent has requested the Issuer in writing to remedy such failure or the Issuer becoming aware of the non-compliance and the Issuer has not remedied the failure within fifteen (15) Business Days from such request or from becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

~~14.4 Cross-acceleration~~

~~Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally or other applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 14.4 if the aggregate amount of Financial Indebtedness that has fallen due is less than USD 5,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company~~

14.513.3 Insolvency

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

14.613.4 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:

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

14.713.5 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding USD 5,000,000 and is not discharged within 60 days.

14.813.6 Mergers and demergers

A decision is made that any Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger subject to existing security between Subsidiaries only or between the Issuer and a Subsidiary, where the Issuer is the surviving entity, shall not be an Event of Default and a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

14.913.7 Impossibility or Illegality

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

14.1013.8 Continuation of the Business

The Issuer or any other Material Group Company ceases to carry on its business if such discontinuation is likely to have a Material Adverse Effect.

14.1113.9 Acceleration of the Bonds

- (a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least twenty-five (25) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the

demand is received by the Agent and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause ~~14.3.11.9~~(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

- (b) The Agent may not accelerate the Bonds in accordance with Clause ~~14.3.11.9~~(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- (c) The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause ~~16-15~~ (*Decisions by Bondholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- (d) If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (f) In the event of an acceleration of the Bonds in accordance with this Clause ~~14.3.11.9~~, the Issuer shall redeem all Bonds at an amount per Bond equal to the redemption amount specified in Clause ~~9.3-10.3~~ (*Voluntary total redemption (call option)*).

15.14. **Distribution of Proceeds**

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause ~~14.13~~ (*Events of Default and Acceleration of the Bonds*) ~~and any proceeds received from an enforcement of the Transaction Security~~ shall be distributed in ~~the following order of priority;~~ accordance with the Intercreditor Agreement.

(b) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties.

- ~~(i) — first, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2(g), and (iv) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16(c);~~
- ~~(ii) — second, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);~~
- ~~(iii) — thirdly, in or towards payment *pro rata* of any unpaid principal under the Bonds; and~~
- ~~(iv) — fourthly, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.~~

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

16.15. Decisions by Bondholders

- (a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:
- (i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
 - (ii) on the Business Day specified in the communication pursuant to Clause 187(c), in respect of a Written Procedure,
- may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.
- (e) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds (66 2/3) of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 187(c):
- (i) waive a breach of or amend an undertaking set out in Clause ~~13~~12 (*General Undertakings*);
 - ~~(ii)~~ — release the security provided under the Security Documents;
 - ~~(iii)~~(ii) reduce the principal amount, interest rate or interest amount which shall be paid by the Issuer;
 - ~~(iv)~~(iii) amend any payment day for principal or interest amount or waive any breach of a payment undertaking, or
 - ~~(v)~~(iv) amend the provisions regarding the majority requirements under these Terms and Conditions.
- (f) Any matter not covered by Clause 165(e) shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 187(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 198(a)(i) or ~~(19(a)(iii))~~, 18(a)(iii)) or an acceleration of the Bonds, ~~or the enforcement of any Transaction Security.~~

- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 165(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 176(a)) or initiate a second Written Procedure (in accordance with Clause 187(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 165(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by

Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.

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

17.16. Bondholders' Meeting

- (a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- (b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 17.6(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause ~~20.4(c)~~19.4(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 17.6(a).
- (c) The notice pursuant to Clause 17.6(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

18.17. Written Procedure

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically in a manner determined by the Agent) no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or

such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.

- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause ~~18~~7(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause ~~18~~7(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause ~~18~~7(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses ~~16~~5(e)– and ~~16~~5(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause ~~16~~5(e) or ~~16~~5(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

~~19~~18. Amendments and Waivers

- (a) The Issuer and the Agent ~~and/or the Security Agent (as applicable) (in each case~~ (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
 - (i) the Agent is satisfied that such amendment or waiver is not detrimental to the interest of the Bondholders;
 - (ii) the Agent is satisfied that such amendment or waiver is made solely for the purpose of rectifying obvious errors and mistakes;
 - (iii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iv) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause ~~16~~15 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause ~~19~~8(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the

Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

- (d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

20.19. Appointment and Replacement of the Agent ~~and the Security Agent~~

20.19.1 Appointment of Agent ~~and the Security Agent~~

- (a) By subscribing for Bonds, each initial Bondholder appoints the Agent ~~and the Security Agent~~ to act as its agent ~~and security agent (as applicable)~~ in all matters relating to the Bonds and the Finance Documents, and authorises ~~each of the Agent and the Security Agent~~ to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder ~~including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security~~.
- (b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent ~~and the Security Agent~~ to act on its behalf, as set forth in Clause ~~20.1(a)~~19.1(a).
- (c) Each Bondholder shall immediately upon request provide the ~~Agent and the Security Agent~~ with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent ~~or the Security Agent, as applicable~~), that the Agent ~~or the Security Agent (as applicable)~~ deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. ~~Neither the Agent nor the Security Agent~~ The Agent is not under any obligation to represent a Bondholder which does not comply with such request.
- (d) The Issuer shall promptly upon request provide the ~~Agent and the Security Agent~~ with any documents and other assistance (in form and substance satisfactory to the Agent ~~or the Security Agent, as applicable~~), that the Agent ~~or the Security Agent (as applicable)~~ deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (e) ~~Each of the Agent and the Security Agent~~ The Agent is entitled to fees for its respective work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's ~~and the Security Agent's respective obligations as Agent and Security Agent (as applicable)~~ under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

- (f) ~~Each of the Agent and the Security~~The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

20.219.2 Duties of the Agent ~~and the Security~~ Agent

- (a) ~~Each of the Agent and the Security~~The Agent shall represent the Bondholders subject to and in accordance with the Finance Documents, ~~including, inter alia, holding the Transaction Security pursuant to the Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders. Neither the Agent nor the Security~~The Agent is not responsible for the content, valid execution, legal validity or enforceability of the Finance Documents ~~or the perfection of the Transaction Security.~~
- (b) When acting in accordance with the Finance Documents, ~~each of the Agent and the Security~~ Agent is always acting with binding effect on behalf of the Bondholders. ~~Each of the Agent and the Security~~The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- (c) ~~Each of the Agent's and the Security~~The Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the ~~Agent and the Security~~ Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, ~~neither the Agent nor the Security~~ Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person.
- (d) ~~Neither the Agent nor the Security~~The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, ~~each of the Agent and the Security~~ Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) ~~Each of the Agent and the Security~~The Agent is entitled to delegate its duties to other professional parties, but ~~each of them~~the Agent shall remain liable for the actions of such parties under the Finance Documents.
- (f) ~~Each of the Agent and the Security~~The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- (g) ~~Each of the Agent and the Security~~The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the ~~Agent and/or the Security~~ Agent pay all costs for external

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter ~~relating to the Issuer or the Transaction Security~~ which the ~~Agent and/or the Security~~ Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Agent and ~~or the Security Agent and~~ the Issuer. Any compensation for damages or other recoveries received by the ~~Agent and/or the Security~~ Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause ~~15-14~~ 19.14 (*Distribution of Proceeds*).

- (h) Notwithstanding any other provision of the Finance Documents to the contrary, ~~neither the Agent nor the Security Agent is~~ 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.
- (i) If in the ~~Agent's or Security~~ Agent's reasonable opinion the cost, loss or liability which it may incur (including its respective reasonable fees) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent ~~or the Security Agent (as applicable)~~ 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.
- (j) Unless it has actual knowledge to the contrary, ~~each of the Agent and the Security Agent~~ a may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.
- (k) ~~Each of the Agent and the Security~~ The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent ~~or the Security Agent~~ under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause ~~20.2~~ 19.2(i).

20.3 19.3 **Limited liability for the Agent ~~and the Security Agent~~**

- (a) ~~Neither the Agent nor the Security~~ The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. ~~Neither the Agent nor the Security~~ The Agent shall not be responsible for indirect loss.
- (b) ~~Neither the Agent nor the Security~~ The Agent shall not be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if it has acted with reasonable care in a situation when it considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

Formatted: Outline numbered + Level: 4 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1,25 cm + Indent at: 2,5 cm

- (c) ~~Neither the Agent nor the Security~~The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by it to the Bondholders, provided that it has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by it for that purpose.
- (d) ~~Neither the Agent nor the Security~~The Agent shall not have any liability to the Bondholders for damage caused by it acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.
- (e) Any liability towards the Issuer which is incurred by the ~~Agent or the Security~~ Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or any other Person.

20.419.4 Replacement of the Agent~~and the Security Agent~~

- (a) Subject to Clause ~~20.4(f)~~19.4(f), ~~each of the Agent and the Security~~ Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent ~~and/or the Security Agent~~ at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause ~~20.4(f)~~19.4(f), if the ~~Agent and/or the Security~~ Agent is Insolvent, the Agent ~~and/or the Security Agent (as applicable)~~ shall be deemed to resign as Agent ~~and/or the Security Agent (as applicable)~~ and the Issuer shall within ten (10) Business Days appoint a successor ~~Agent and/or a successor Security~~ Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent ~~and/or the Security Agent and~~ appointing a new Agent ~~and/or the new Security Agent (as applicable)~~. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent ~~and/or the Security Agent~~ be dismissed and a new Agent ~~and/or a new Security Agent~~ be appointed.
- (d) If the Bondholders have not appointed a successor ~~Agent and/or successor Security~~ Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent ~~and/or the Security Agent~~ was dismissed through a decision by the Bondholders,

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 1,25 cm

the Issuer shall appoint a successor ~~Agent and/or successor Security Agent~~ which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- (e) The retiring Agent ~~and/or the retiring Security Agent (as applicable)~~ shall, at its own cost, make available to the successor Agent ~~and/or the successor Security Agent (as applicable)~~ such documents and records and provide such assistance as the successor ~~Agent and/or successor Security Agent~~ may reasonably request for the purposes of performing its functions as Agent ~~and/or the Security Agent~~ under the Finance Documents.
- (f) The ~~Agent's and the Security Agent's~~ resignation or dismissal shall only take effect upon the appointment of a successor Agent ~~and/or the successor Security Agent and~~ acceptance by such successor ~~Agent and/or the successor Security Agent~~ of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent ~~and/or the retiring Security Agent (as applicable)~~.
- (g) Upon the appointment of a successor, the retiring ~~Agent and/or the retiring Security Agent~~ shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent ~~and/or the Security Agent (as applicable)~~. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent ~~and/or the Security Agent~~.
- (h) In the event that there is a change of the Agent ~~and/or the Security Agent~~ in accordance with this Clause ~~20.4~~19.4, the Issuer shall execute such documents and take such actions as the new Agent ~~and/or the Security Agent~~ may reasonably require for the purpose of vesting in such new Agent ~~and/or the Security Agent~~ the rights, powers and obligation of the Agent ~~and/or the Security Agent and~~ releasing the retiring Agent ~~and/or the Security Agent~~ from its further obligations under the Finance Documents. Unless the Issuer and the new Agent ~~and/or the new Security Agent~~ agrees otherwise, the new Agent ~~and/or the new Security Agent~~ shall be entitled to the same fees and the same indemnities as the retiring Agent ~~and/or the Security Agent (as applicable)~~.

21.20. Appointment and Replacement of the Paying Agent

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

old Paying Agent as paying agent in accordance with these Terms and Conditions.

~~22.21.~~ 22.21. No Direct Actions by Bondholders

- (a) A Bondholder may not take any steps whatsoever against the Issuer ~~or with respect to the Transaction Security~~ to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause ~~22.1~~(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause ~~20.1(c)~~~~19.1(c)~~), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause ~~20.2(i)~~~~19.2(i)~~, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause ~~20.2(k)~~~~19.2(k)~~ before a Bondholder may take any action referred to in Clause ~~22.1~~(a).
- (c) The provisions of Clause ~~22.1~~(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause ~~9.4-10.4~~ (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 Bondholders.
- ~~(e)~~(d).

~~23.22.~~ 23.22. Prescription

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

24.23. Notices and Press Releases

24.123.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
- (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
 - (ii) if to the Issuer, shall be given at the address registered with the Icelandic Companies Registration Office on the Business Day prior to dispatch or if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
 - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (to the extent practically possible) or letter for all Bondholders. A Notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- (b) Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective:
- (i) in case of courier or personal delivery, when it has been left at the address specified in Clause 24.3.1(a); or
 - (ii) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.3.1(a).
- (c) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.
- (d) If an Event of Default is continuing, any notice or other communication made by the Agent to the Issuer under or in connection with the Finance Documents may, provided that the Agent deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Agent), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Agent to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Agent.

~~24.~~23.2 Press releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses ~~9.3-8~~ 8 (*Final Maturity Extension*), ~~10.3~~ 10.3 (*Voluntary total redemption (call option)*), ~~9.4-10.4~~ 10.4 (*Mandatory repurchase due to a Change of Control Event (put option)*), ~~9.5~~ 9.5 (*Mandatory prepayment of Bonds held by a Warrantholder in the event of an Equity Listing Event*), ~~9.6~~ 9.6 (*Mandatory prepayment of Bonds held by a Warrantholder in the event that no Equity Listing Event has occurred prior to the Final Maturity Date*) ~~13.9(c), 15(o), 14.11(c), 16(e@), 17(a), 18(a) and 19(c)~~ shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause ~~24.3.2~~ 24.3.2(a), if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

~~25.~~24. Force Majeure and Limitation of Liability

- (a) Neither the Agent nor the Paying Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Paying Agent itself takes such measures, or is subject to such measures.
- (b) The Paying Agent shall have no liability to the Bondholders if it has observed reasonable care. The Paying Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent or the Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause ~~25-24~~ 24 apply unless they are inconsistent with the provisions of the Norwegian Securities Register Act which provisions shall take precedence.

~~26.~~25. Governing Law and Jurisdiction

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.

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

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

~~WOW air hf,~~

~~as Issuer~~

Name:

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

~~Nordic Trustee and Agency AB (publ)~~

~~as Agent and Security Agent~~

Name:

[\[To be signed by way of a separate amendment and restatement agreement between the Issuer and the Agent\]](#)