

## **Terms and Conditions**

**Sollentuna Stinsen JV AB**

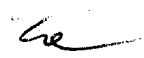
**Up to SEK 400,000,000**

**Senior Secured Floating Rate Bonds**

**ISIN: SE0010100966**

**26 June 2017**

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



**ROSCHIER**

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## 1. Definitions and Construction

### 1.1 Definitions

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

**"Acceptable Bank"** means a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A- or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or A3 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised credit rating agency.

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

**"Accounting Principles"** means the generally accepted accounting principles, standards and practices in Sweden as applied by the Issuer in preparing its consolidated financial statements.

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

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

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

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

**"Agent"** means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, or another party replacing it, as agent and security agent, acting for and on behalf of the Bondholders in accordance with these Terms and Conditions.

**"Alecta"** means Alecta pensionsförsäkring, ömsesidigt, Swedish Reg. No. 502014-6865.

**"Alecta Shareholder Loans"** means the loans made available by Alecta to the Issuer from time to time including the SEK 300,000,000 and SEK 284,000,000 loans evidenced by



non-negotiable promissory notes (Sw. *enkla skuldebrev*) issued by the Issuer on 9 December 2016, respectively.

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

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

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

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

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

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

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

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

**"Cash Equivalent Investments"** means, in respect of the Group, and at any time:

- (a) immediately available funds at bank or postal accounts; and
- (b) marketable debt securities held for cash management purposes that can be realised promptly and which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investor Services Limited, or, if no rating is available in

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respect of the commercial paper or debt securities, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating,

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

**"Central Securities Depositories and Financial Instruments Accounts Act"** means the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

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

- (a) Alecta cease directly or indirectly to:
  - (i) have the power to cast, or control the casting of, at least 50 % of the votes attaching to the shares of the Issuer; or
  - (ii) hold at least 50 % of the issued share capital of the Issuer; or
- (b) Alecta and Magnolia Bostad AB (publ) cease directly or indirectly to:
  - (iii) have the power to cast, or control the casting of, at least 95 % of the votes attaching to the shares of the Issuer; or
  - (iv) hold at least 95 % of the issued share capital of the Issuer.

**"Compliance Certificate"** means a certificate, in form and substance satisfactory to the Agent, signed by the Issuer certifying (i) the satisfaction of the Maintenance Test (including calculations and figures in respect of the Maintenance Test and the basis on which it has been calculated), and (ii) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it.

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

**"Cure Account"** has the meaning given to such term in Clause 12.2 (*Equity Cure*).

**"Cure Amount"** has the meaning given to such term in Clause 12.2 (*Equity Cure*).

**"Division"** a division of the Stinsen Property (Sw. *avstyckning* or Sw. *klyvning*).

**"Escrow Account"** means the bank account of the Issuer held with Skandinaviska Enskilda Banken AB (publ), into which the Net Proceeds from the Initial Bonds will be transferred and which has been pledged in favour of the Agent and the Bondholders (represented by the Agent) under the Escrow Account Pledge Agreement.

**"Escrow Account Pledge Agreement"** means the pledge agreement entered into between the Issuer and the Security Agent on or before 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 Secured Creditors.

**"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*).

**"Equity Cure"** has the meaning given to such term in Clause 12.2 (*Equity Cure*).

**"Final Redemption Date"** means 29 June 2020.

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

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

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is treated as a finance lease in accordance with the Accounting Principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (not including receivables sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (g) any amount raised by the issue of redeemable shares, including preference shares, which are redeemable (other than at the option of the issuer) before the Final Redemption Date; and
- (h) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(g).

**"Financial Report"** means the Issuer's annual audited consolidated and unconsolidated financial statements or quarterly interim unaudited consolidated and unconsolidated

reports, which shall be prepared and made available in accordance with Clause 11.1 (*Information from the Issuer*).

"**First Issue Date**" means 29 June 2017.

"**Floating Rate Margin**" means 2.75 per cent. *per annum*.

"**Group**" means the Issuer and its Subsidiaries from time to time (including, for the avoidance of doubt, Stinsen HoldCo and Stinsen PropCo) (each a "**Group Company**").

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

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

"**Interest**" means the interest on the Bonds calculated in accordance with Clauses 8(a)-8(d).

"**Interest Payment Date**" means 29 June, 29 September, 29 December and 29 March each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 29 September 2017 and the last Interest Payment Date shall be the Final Redemption Date (or any Redemption Date prior thereto).

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

"**Interest Rate**" means 3 months STIBOR plus the Floating Rate Margin.

"**Issue Date**" means the First Issue Date and any subsequent issue date on which Subsequent Bonds are issued.

"**Issuer**" means Sollentuna Stinsen JV AB, a public limited liability company incorporated under the laws of Sweden with Reg. No. 559085-9954.

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

**"Loan to Value"** means the Net Interest Bearing Debt to the Value of the Properties in accordance with the most recent Valuation.

**"Maintenance Test"** means the test of the financial maintenance covenants as set out in Clause 12 (*Maintenance Covenants*).

**"Magnolia"** means Magnolia Projekt 36 AB, Swedish Reg. No. 559040-7093.

**"Magnolia Shareholder Loans"** means the loans made available by Magnolia to the Issuer from time to time.

**"Make Whole Amount"** means the sum of:

- (a) the present value on the relevant record date of the Outstanding Nominal Amount as if such payment originally should have taken place on the Final Redemption Date; and
- (b) the present value on the relevant record date of the remaining coupon payments (assuming that the Interest Rate for the period from the relevant redemption date to the Final Redemption Date will be equal to the interpolated SEK mid-swap rate for the remaining term from the redemption date until the Final Redemption Date plus the Floating Rate Margin), less any accrued but unpaid interest, through and including the relevant redemption date,

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

**"Market Loan"** means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

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

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the Issuer's ability to perform and comply with:
  - (i) its payment obligations under the Finance Documents; and/or
  - (ii) the Issuer's undertakings pursuant to Clause 13 (*General Undertakings*);  
or
- (c) the validity or enforceability of the Finance Documents.



**"Net Interest Bearing Debt"** means the aggregate interest bearing debt less Cash and Cash Equivalent Investments of the Group (up to a maximum aggregate amount of (i) SEK 20,000,000 plus (ii) any Cure Amount) in accordance with the applicable accounting principles of the Group from time to time (for the avoidance of doubt, excluding guarantees, bank guarantees, Subordinated Loans, any claims subordinated pursuant to a subordination agreement on terms and conditions satisfactory to the Agent and interest bearing debt borrowed from any Group Company).

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

**"New Properties"** shall have the meaning given thereto in the definition of Permitted Restructuring.

**"Nominal Amount"** means in respect of each Bond the Initial Nominal Amount reduced with any amount by which that Bond has been repaid or prepaid in accordance with these Terms and Conditions

**"Outstanding Nominal Amount"** means the total Initial Nominal Amount of the Bonds reduced with any amount repaid and prepaid in accordance with these Terms and Conditions.

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

- (a) incurred under the Initial Bonds;
- (b) arising under any interest rate hedging transactions in respect of payments to be made under any interest bearing debt, but not any transaction for investment or speculative purposes;
- (c) incurred by the Issuer or any other member of the Ringfenced Group if such Financial Indebtedness constitutes a Subordinated Loan;
- (d) incurred by a Group Company not being a member of the Ringfenced Group:
  - (i) from a member of the Ringfenced Group if such Financial Indebtedness is permitted under Clause 13.6(c); or
  - (ii) from another Group Company not being a member of the Ringfenced Group;
- (e) incurred under Advance Purchase Agreements;
- (f) incurred by the Issuer if such Financial Indebtedness is incurred as a result of a Subsequent Bond Issue and meets the Maintenance Test on a *pro forma* basis;
- (g) incurred under any lease agreement entered into by a member of the Ringfenced Group; and



- (h) incurred in the ordinary course of business by any Group Company, provided that such Financial Indebtedness does not in aggregate exceed SEK 1,000,000 at any time.

**"Permitted Restricted Payment"** means:

- (a) any payment of principal by the Issuer of any Shareholder Loan provided that:
  - (i) the Maintenance Test is met (calculated on a *pro forma* basis including the relevant payment);
  - (ii) at least SEK 100,000,000 of principal remains outstanding under the Shareholder Loans;
  - (iii) such payment is permitted by law; and
  - (iv) no Event of Default is continuing or would result from such payment.
- (b) any payment of principal under any Subordinated Intragroup Loan provided that:
  - (i) such loans are not subject to any Security granted under the Security Documents; and
  - (ii) no Event of Default is continuing or would result from such payment;
- (c) any payment of capitalised or accrued interest under any Subordinated Intragroup Loan provided that no Event of Default is continuing or would result from such payment;
- (d) any payment of dividend to the Issuer or to a wholly-owned Subsidiary of the Issuer; and
- (e) any capitalisation of accrued interest under any Subordinated Loan.

**"Permitted Restructuring"** means a transfer of the Stinsen Property (or parts thereof) to one or more Group Companies, provided that:

- (a) if part of the Stinsen Property is transferred by way of Division:
  - (i) such Division is duly registered with the Swedish Property Registry (Sw. *Inskrivningsmyndigheten* or *Lantmäteriet*);
  - (ii) each property following such Division (the "**New Properties**") are duly registered with the Swedish Property Registry (Sw. *Inskrivningsmyndigheten* or *Lantmäteriet*); and
  - (iii) all New Properties are jointly mortgaged (Sw. *gemensam inteckning*) i.e. the existing mortgages certificates in the Stinsen Property are made valid in all the New Properties;

- (b) any new owner of a Property is duly registered as legally qualified owner (Sw. *lagfaren ägare*);
- (c) the transfer of the Stinsen Property (or parts thereof) is made subject to the Security created under the Security Documents and any new owner of a Property accedes as pledgor to the relevant Security Document;
- (d) Security is granted in favour of the Agent and the bondholders (represented by the Agent) over:
  - (i) any shares in a Group Company that, directly or indirectly, acquire a Property;
  - (ii) any inter-company loans incurred in connection with any transfer of a Property; and
  - (iii) each Property (which shall be granted indirectly by way of security for the inter-company loans referred to in paragraph (ii) above) (Sw. *vidhängande säkerhet*);
- (e) the documentation of the new Security granted pursuant to paragraph (d) above shall be based on the existing Security Documents; and
- (f) each new member of the Ringfenced Group providing a loan to another member of the Ringfenced Group accedes to the Subordination Agreement as subordinated intra-group lender.

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

- (a) under the Finance Documents;
- (b) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (c) provided in relation to any lease agreement entered into by a member of the Ringfenced Group;
- (d) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (e) any guarantees issued in the ordinary course of business by, or for the benefit of or in respect of the obligations of a member of the Ringfenced Group; and
- (f) any Security securing Permitted Debt referred to under paragraph (h) 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.

**"PropCo Share Pledge Agreement"** means the share pledge agreement entered into by the Agent, the Issuer and Stinsen HoldCo in respect of the shares in Stinsen PropCo.

**"Property Mortgage Agreement"** means the mortgage agreement entered into by the Agent, Stinsen HoldCo and Stinsen PropCo in respect of the Stinsen Property.

**"Properties"** means:

- (a) before completion of the Permitted Restructuring, the Stinsen Property; and
- (b) on and after completion of the Permitted Restructuring,
  - (i) if the Stinsen Property is transferred in whole or non-area specific parts (*Sw. ideella andelar*), the Stinsen Property; and
  - (ii) if the Stinsen Property is transferred in part by way of Division, the New Properties.

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

**"Record Date"** means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 15 (*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, repaid or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).

**"Reference Banks"** means Nordea Bank AB (publ), Skandinaviska Enskilda Banken AB (publ), Swedbank AB (publ) and Danske Bank A/S (or such other banks as may be appointed by the Issuing Agent in consultation with the Issuer.

**"Reference Dates"** means 31 March, 30 June, 30 September and 31 December each as long as any Bonds are outstanding.

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

**"Ringfenced Group"** means the Issuer and all its Subsidiaries from time to time over which share security has been granted in favour of the Secured Parties pursuant to the Security Documents.

**"Secured Obligations"** means all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents, the Agency Agreement; and



- (a) for the purposes of the PropCo Share Pledge Agreement and the Structural HoldCo-PropCo Loan Pledge Agreement only, also the Structural Issuer-HoldCo Loan Note; and
- (b) for the purposes of the Property Mortgage Agreement only, also the Structural HoldCo-PropCo Loan Note.

**"Secured Parties"** means:

- (c) with respect to the PropCo Share Pledge Agreement; the Bond Secured Parties and the Issuer;
- (d) with respect to the Structural HoldCo-PropCo Loan Pledge Agreement; the Bond Secured Parties and the Issuer;
- (d) with respect to the Property Mortgage Agreement; the Bond Secured Parties and Stinsen Holdco;
- (e) with respect to all other Security Documents entered into on or about the First Issue Date, the Bond Secured Parties; and
- (f) with respect to any Security Documents entered into in connection with the Permitted Restructuring or otherwise, the Bond Secured Parties and any other Group Company named therein as secured party.

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

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

**"Security Agent"** means Nordic Trustee & Agency AB (publ).

**"Security Documents"** means:

- (a) the pledge agreement entered into by the Agent and the Issuer in respect of the shares in Stinsen HoldCo;
- (b) the PropCo Share Pledge Agreement;
- (c) the Property Mortgage Agreement;
- (d) the pledge agreement entered into by the Agent and the Issuer in respect of the Structural Issuer-HoldCo Loan Note;
- (e) the Structural HoldCo-PropCo Loan Pledge Agreement; and
- (f) any other document designated as a Security Document by the Issuer and the Security Agent.



**"Shareholder Loans"** means the Alecta Shareholder Loans and the Magnolia Shareholder Loans.

**"STIBOR"** means:

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

**"Stinsen HoldCo"** means Sollentuna Stinsen Holding 1 AB, Swedish Reg. No. 559085-9947.

**"Stinsen PropCo"** means Sollentuna Stinsen Property 1 AB, Swedish Reg. No. 556706-9678.

**"Stinsen Property"** means Sollentuna Stinsen 2.

**"Structural HoldCo-PropCo Loan Note"** means the downstream loan note from the Stinsen HoldCo to Stinsen PropCo relating to the on-lending of the Net Proceeds.

**"Structural Issuer-HoldCo Loan Note"** means the downstream loan note from the Issuer to Stinsen HoldCo relating to the on-lending of the Net Proceeds.

**"Structural HoldCo-PropCo Loan Pledge Agreement"** means a pledge agreement entered into by the Agent, the Issuer and Stinsen HoldCo in respect of the Structural HoldCo-PropCo Loan Note.

**"Subordinated Intragroup Loans"** means loans provided by a member of the Ringfenced Group to another member of the Ringfenced Group and which are subordinated pursuant to the terms of the Subordination Agreement or secured to the benefit of the Secured Parties.

**"Subordinated Loans"** means any loan incurred by the Issuer or any other member of the Group (including any Shareholder Loans and any Subordinated Intragroup Loans), if:

- (a) with respect to the Alecta Shareholder Loans, such loan according to the Subordination Agreement, is subordinated to the obligations of the Issuer under these Terms and Conditions;

- (b) with respect to the Magnolia Shareholder Loans, such loan according to its terms and the Subordination Agreement, is subordinated to the obligations of the Issuer under these Terms and Conditions;
- (c) with respect to any other loan than the Shareholder Loans and the Subordinated Intragroup Loans:
  - (i) the creditor of such loan accedes to the Subordination Agreement as a subordinated lender;
  - (ii) such loan according to its terms and the Subordination Agreement (on terms and conditions satisfactory to the Agent), is subordinated to the obligations of the Issuer under these Terms and Conditions;
- (d) with respect to each Shareholder Loan, such loan has a final redemption date which occurs after the Final Redemption Date;
- (e) with respect to each Shareholder Loan, such loan is not evidenced by a negotiable promissory note (*Sw. löpande skuldebrev*) and no other bearer form document has been issued in respect of such Shareholder Loan;
- (f) with respect to any other loans than the Shareholder Loans and the Subordinated Intragroup Loans, according to its terms have a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Redemption Date; and
- (g) with respect to any other loans than the Subordinated Intragroup Loans, according to its terms yield only payment-in-kind interest.

**"Subordination Agreement"** means the subordination agreement dated on or before the First Issue Date initially between, among others, the Issuer, the Agent, Stinsen HoldCo, Stinsen PropCo and each Subordinated Lender (as defined therein), as amended from time to time, pursuant to which all Subordinated Loans shall be subordinated to the Bonds.

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

**"Subsidiary"** means, in relation to any person, any entity (whether incorporated or not), which at any time is a subsidiary (*Sw. dotterföretag*) to such person, directly or indirectly, as defined in the Companies Act (*Sw. aktiebolagslagen (2005:551)*).

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

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



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

"**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 (a) the issuance of the Initial Bonds and (b) the listing of the Bonds pursuant to Clause 13.3 (*Listing*).

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

"**Valuation**" means (i) the initial valuation provided to the Agent and dated 3 April 2017 and (ii) any subsequent valuation of the Properties prepared and issued by an independent and reputable appraiser, specifying the Value of the Properties and delivered pursuant to Clause 13.12 (*Valuation*).

"**Value**" means (i) the market value of the Properties pursuant to the most recent Valuation, or (ii) if so requested by the Agent, the average value of the two most recent Valuations.

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 18 (*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;
  - (iv) a provision of law is a reference to that provision as amended or re-enacted; and
  - (v) a time of day is a reference to Stockholm time.
- (b) An Event of Default is continuing if it has not been remedied or waived.
- (c) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- (d) When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis

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of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.

- (e) No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Bonds

- (a) The Bonds are denominated in SEK and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Bond is SEK 1,000,000 (the "**Initial Nominal Amount**"). The maximum total nominal amount of the Initial Bonds is SEK 300,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Initial Nominal Amount.
- (d) The Issuer may, at one or several occasions after the First Issue Date, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"), until the total amount under such Subsequent Bond Issue(s) and the Initial Bond Issue equals SEK 400,000,000, always provided that the Maintenance Test is met (tested pro forma including such issue). Any 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 to or at a premium compared to the Outstanding Nominal Amount. Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (e) The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank pari passu and without any preference among them.
- (f) 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. Furthermore, all Bond transfers are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Bond transferees upon completed transfers.
- (g) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction

other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

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

The Net Proceeds from the issuance of the Bonds shall be applied against partial repayment of the Alecta Shareholder Loans.

### **4. Conditions Precedent**

#### **4.1 Conditions precedent to the First Issue Date**

The Issuer shall provide to the Agent, prior to the First Issue Date:

- (a) copies of certificate of registration and articles of association for the Issuer;
- (b) copies of necessary corporate resolutions (including authorisations) from the Issuer;
- (c) a duly executed copy of the Terms and Conditions;
- (d) a duly executed copy of the Escrow Account Pledge Agreement together with all documents and evidence to be delivered under the Escrow Account Pledge Agreement;
- (e) a duly executed copy Agency Agreement made between the Issuer and the Agent; and
- (f) a duly executed copy of the affiliation agreement made between the Issuer and the CSD and evidence that the Initial Bonds will be registered with the CSD.

#### **4.2 The Escrow Account**

When the Agent is satisfied that it has received the conditions precedent to the First Issue Date set out in Clause 4.1, the Agent shall immediately instruct the Issuing Agent to promptly transfer the Net Proceeds of the Initial Bonds to the Escrow Account. The Escrow Account will be blocked and pledged by the Issuer in favour of the Bondholders (represented by the Agent) under the Escrow Account Pledge Agreement. The pledge over the Escrow Account shall be released when the conditions precedent for disbursement have been fulfilled pursuant to Clause 4.3 below.

#### **4.3 Disbursement of the Net Proceeds from the Initial Bonds**

- (a) The Agent's approval of disbursement from the Escrow Account is subject to the following having been received by the Agent in form and substance satisfactory to the Agent (acting reasonably):
  - (i) an agreed form Compliance Certificate;
  - (ii) a copy of the initial Valuation dated 3 April 2017;

- (iii) evidence that the Transaction Security has been duly provided and either has been or will be perfected in accordance with the terms of the Finance Documents; and
  - (iv) duly executed copies of the Finance Documents (to the extent not already provided under Clause 4.1 above).
- (b) The Agent may assume that the documentation and evidence delivered to it 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 conditions precedent are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.
- (c) When the conditions precedent for disbursement set out in Clause 4.3(a) have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the bank (with which the Issuer holds the Escrow Account) to transfer the funds from the Escrow Account for the purpose of payments in accordance with Clause 3 (*Use of Proceeds*) and the Agent shall in connection therewith release the pledge over the Escrow Account.
- (d) If the conditions precedent for disbursement set out in Clause 4.3(a) have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within thirty (30) Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 101 per cent. of the Initial Nominal Amount together with any accrued Interest. Any funds distributed by the Agent to the Bondholders in accordance with Clause 4(b)(ii) of the Escrow Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4.3(d). The repurchase date shall fall no later than forty (40) 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 bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Bond shall register their entitlements to receive payment in accordance with the Central Securities Depositories and Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.



- (d) For the purpose of or in connection with any Bondholders' Meeting under Clause 17 (*Bondholders' Meeting*) or any direct communication to the Bondholders under Clause 18 (*Written Procedure*), the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.
- (e) The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

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

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

## **8. Interest**

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

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

### **9.1 Redemption at maturity**

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

### **9.2 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 by the Issuer, but may not be cancelled.

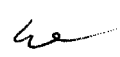
### 9.3 Voluntary Total Redemption

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full with an amount per Bond equal to the Make Whole Amount together with accrued but unpaid Interest.
- (b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice prior to the relevant Redemption Date to the Bondholders and the Agent and in accordance with the instructions of the Issuer or the Issuing Agent, as applicable, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Any such notice is irrevocable and, upon expiry of such notice, the Issuer is bound to redeem the Bonds in full with the applicable amounts.

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

- (a) Upon a Change of Control Event occurring, each Bondholder shall have the right to request that all, or only some, of its Bonds be repurchased at a price per Bond equal to 103.00 per cent. of the Initial 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(f) (the "Exercise Period") (after which time period such right shall lapse).
- (b) The notice from the Issuer pursuant to Clause 11.1(f) 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(f). The repurchase date must fall no later than twenty (20) Business Days after the end of the Exercise Period.
- (c) No repurchase of Bonds pursuant to this Clause 9.4 shall be required if the Issuer has given notice of a redemption pursuant to Clause 9.3 (*Voluntary Total Redemption*) provided that such redemption is duly exercised.

### 9.5 General

- (a) The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9, 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 by virtue of the conflict.
  - (b) Any Bonds repurchased by the Issuer pursuant to this Clause 9 may at the Issuer's discretion be retained or sold, but may not be cancelled.
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## 10. Transaction Security

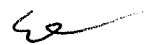
- (a) As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants on the First Issue Date the Transaction Security to the Secured Parties as represented by the Agent.
- (b) The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents. The Issuer and the relevant Group Companies providing Transaction Security shall enter into the Security Documents on or before the First Issue Date and perfect the Transaction Security in accordance with the terms of such Security Documents.
- (c) Unless and until the Agent has received instructions from the Bondholders in accordance with Clause 15(b) (*Decisions by Bondholders*), the Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured 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.

## 11. Information to Bondholders

### 11.1 Information from the Issuer

- (a) The Issuer shall make the following information available in the English language to the Bondholders by publication on the website of the Issuer:
  - (i) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
  - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors; and
  - (iii) any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:582) om värdepappersmarknaden*), Regulation No 596/2014 on market abuse (*Market Abuse Regulation*), as applicable and the rules and regulations of the Regulated Market on which the Bonds are listed.

- (b) When and for as long as the Bonds are listed the reports referred to under (i) and (ii) above shall, in addition, be prepared in accordance with IFRS and made available in accordance with the rules and regulations of Nasdaq Stockholm (as amended from time to time) and the Swedish Securities Market Act (Sw. *lag (2007:582) om värdepappersmarknaden*).
- (c) When the financial statements and other information are made available the Bondholders pursuant to paragraph (a) above, the Issuer shall send copies of such financial statements and other information to the Agent.
- (d) The Issuer shall:
  - (i) supply to the Agent, with each set of its financial statements, delivered pursuant to paragraph (a)(ii) above, for a period ending on a Reference Date, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with the Maintenance Test as at the relevant Reference Date; and
  - (ii) supply to the Agent, in connection with each Subsequent Bond Issue, a Compliance Certificate setting out (in reasonable detail) computations as to compliance with the Maintenance Test (tested *pro forma* including such issue) as at the relevant Issue Date; and
  - (iii) within twenty (20) Business Days from the Agent's request a Compliance Certificate which shall contain computations as to compliance with the Maintenance Test as at the relevant test date requested by the Agent.
- (e) The first Compliance Certificate to be delivered by the Issuer in accordance with paragraph (d)(i) and, if applicable, (iii) above shall be delivered by the Issuer to the Agent for the period ending on the Reference Date falling on 30 September 2017.
- (f) The Issuer shall immediately notify the Agent (and in regard to any Change of Control Event, the Bondholders) when the Issuer is or becomes aware of (i) the occurrence of a Change of Control Event, or (ii) 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.
- (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**

Subject to restrictions of any applicable law and regulation, 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.

## **11.3 Publication of Finance Documents**

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

# **12. Maintenance Covenants**

## **12.1 Maintenance Test**

- (a) The Issuer shall ensure that at all times:
  - (i) Loan to Value does not exceed sixty (60) per cent; and
  - (ii) The Cash in the Restricted Group shall not be less than SEK 20,000,000.
- (b) The Maintenance Test shall be complied with at all times and tested on each Reference Date on the basis of the Compliance Certificate delivered in connection therewith. The first Reference Date for testing the Maintenance Test shall be 30 September 2017.

## **12.2 Equity Cure**

- (a) If the Maintenance Test cannot be met, no Event of Default will occur if, within ten (10) Business Days of a delivery of a Compliance Certificate evidencing that breach, the Issuer has deposited an amount sufficient to ensure compliance with the Maintenance Test, as at the relevant test date (the "**Cure Amount**"), on a bank account (the "**Cure Account**") over which Security has been granted to the Secured Parties (such Security to be deemed part of the Transaction Security) ("**Equity Cure**").
- (b) The Agent may in the event of an acceleration of the Bonds pursuant to Clause 14.11 (*Acceleration of the Bonds*) apply the deposited Cure Amount towards

prepayment of the Bonds. Any such repayment shall be made at a price equal to the Make Whole Amount.

- (c) As long as any Cure Amount is deposited on the Cure Account, the calculation of the Net Interest Bearing Debt and/or Cash (as applicable) shall be adjusted so that the Net Interest Bearing Debt is reduced and/or Cash is increased (as applicable) on the relevant Reference Date with an amount equal to the Cure Amount.
- (d) An Equity Cure must be made in Cash and no more than two (2) Equity Cures may be made over the life of the Bonds. No more than one Equity Cure may be injected in respect of any consecutive 12 month-period.

## 13. General Undertakings

### 13.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 13 for as long as any Bonds remain outstanding.

### 13.2 Distributions

- (a) The Issuer shall not and shall procure that none of its Subsidiaries will:
  - (i) pay any dividend on its shares;
  - (ii) repurchase any of its own shares;
  - (iii) redeem its share capital or other restricted equity with repayment to shareholders;
  - (iv) repay any Subordinated Loans or capitalised or accrued interest thereunder; or
  - (v) make any other similar distribution or transfers of value to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer,

(subparagraphs (i)-(v) above each being a "**Restricted Payment**") provided that a Restricted Payment may be made if such Restricted Payment constitutes a Permitted Restricted Payment.

### 13.3 Listing

The Issuer shall ensure that:

- (a) The Initial Bonds are listed on the corporate bond list of Nasdaq Stockholm or any other regulated market no later than twelve (12) months after the First Issue Date;

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- (b) upon any Subsequent Bond Issue, not later than twenty (20) Business Days after the relevant issue date, procure that the volume of Bonds listed (if any) is increased accordingly; and
- (c) the Bonds, once listed on Nasdaq Stockholm or any other regulated market, continue being listed on Nasdaq Stockholm or any other regulated market for as long as any Bond is outstanding (however, taking into account the rules and regulations of Nasdaq Stockholm or any other regulated market and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

#### **13.4 Nature of Business**

The Issuer shall not, and shall procure that none of its Subsidiaries will trade, carry on any business, own any assets or incur any liabilities except for:

- (a) the provision of administrative services to other members of the Group of a type customarily provided by a holding company to its Subsidiaries;
- (b) ownership of shares in its Subsidiaries, intra-Group debit balances, intra-Group credit balances and other credit balances in bank accounts, Cash and Cash Equivalent Investments;
- (c) any liabilities under the Finance Documents to which it is a party, the Subordinated Loans and professional fees and administration costs in the ordinary course of business as a holding company; and
- (d) in relation to Stinsen PropCo and any other Group Company directly owning a Property, owning, developing, managing and operating that Property.

#### **13.5 Financial Indebtedness**

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

#### **13.6 Loans out and capital contributions**

The Issuer shall not, and shall procure that none of its Subsidiaries will, provide any loan or make any capital contribution to any party other than:

- (a) Subordinated Intragroup Loans;
- (b) capital contributions to a member of the Ringfenced Group;
- (c) loans or shareholder contributions from a member of the Ringfenced Group to a Group Company not being a member of Ringfenced Group provided that such loans or shareholder contributions:
  - (i) are made for the purpose of paying ongoing costs or expenses or to cover any capital deficiency in that Group Company; and



- (ii) do not in aggregate exceed SEK 5,000,000 (or its equivalent in any other currency) at any time; and
- (d) loans or shareholder contributions from a Group Company not being a member of the Ringfenced Group to another Group Company not being a member of Ringfenced Group.

### **13.7 Disposal of Assets**

The Issuer shall not, and shall procure that none of its Subsidiaries will, sell or otherwise dispose of any shares in any Subsidiary or of all or substantially all of its or that Subsidiary's assets, or operations to any person, unless the transaction:

- (a) constitutes a Permitted Restructuring; or
- (b) is carried out on market terms and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect and the relevant assets are not subject to Transaction Security.

### **13.8 Negative Pledge**

The Issuer shall not, and shall procure that none of its Subsidiaries will provide, prolong or renew any Security or guarantee over any of its/their assets (present or future) to secure or guarantee any loan or other indebtedness, provided however that the members of the Ringfenced Group have a right to provide, prolong and renew any Permitted Security.

### **13.9 Dealings with Related Parties**

The Issuer shall, and shall procure that each other Group Company will, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

### **13.10 Insurance**

The Issuer shall, and shall procure that each of its Subsidiaries will, keep each Property insured to an extent which is customary for similar properties on the relevant geographical market with one or more reputable insurers. The insurance cover shall inter alia include full re-instatement value insurance.

### **13.11 Acquisition**

The Issuer shall not, and shall procure that none of its Subsidiaries will:

- (a) acquire any shares or securities or a business or undertaking (or, in each case, any interest in any of them); or
- (b) acquire, lease or otherwise invest in any real property (other than a Property).

### 13.12 Valuation

From and including 31 December 2017, the Issuer shall no later than 14 days after each Reference Date occurring on 31 December and on 30 June each year deliver a Valuation for the Properties evidencing the Value of the Properties as per such Reference Date, prepared and issued by an independent and reputable appraiser. The Valuation shall be addressed to the Agent. In addition the Agent (acting reasonable) may at any time request a Valuation if the Agent has reason to believe that the Loan to Value ratio is not met.

## 14. Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause 14 (other than Clause 14.11 (*Acceleration of the Bonds*)) is an Event of Default.

### 14.1 Non-Payment

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

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

### 14.2 Maintenance Covenants

The Issuer has failed to comply with the Maintenance Test.

### 14.3 Other Obligations

The Issuer does not comply with any provision under the Finance Documents, in any other way than as set out in Clauses 14.1 (*Non-Payment*) or 14.2 (*Maintenance Covenants*), provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within twenty (20) Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request).

### 14.4 Cross-Acceleration

Any Financial Indebtedness of any Group Company is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 14.4 if the aggregate amount of Financial Indebtedness that has fallen due is less than SEK 5,000,000 (or its equivalent in any other currency).

### 14.5 Insolvency

- (a) Any Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated

financial difficulties, commences negotiations with its creditors with a view to rescheduling its Financial Indebtedness; or

- (b) a moratorium is declared in respect of the Financial Indebtedness of any Group Company

#### **14.6 Insolvency Proceedings**

Any corporate action, legal proceedings or other procedures are taken (other than (i) any proceedings, petitions or procedures that the Issuer, within thirty (30) days of commencement, can demonstrate to the reasonable satisfaction of the Agent are frivolous or vexatious, (ii) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within sixty (60) days of commencement or, if earlier, the date on which it is advertised and (iii) solvent liquidations of Subsidiaries of the Issuer not being members of the Ringfenced Group) in relation to:

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

#### **14.7 Mergers and Demergers**

A decision is made that any Group Company shall be demerged or merged into a company which is not a Group Company if such merger or demerger is likely to have a Material Adverse Effect, provided that 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.

#### **14.8 Creditors' Process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Group Company having an aggregate value of an amount equal to or exceeding SEK 5,000,000 (or its equivalent in any other currency) and is not discharged within sixty (60) days.

#### **14.9 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.

#### **14.10 Continuation of the Business**

The Issuer or any other Group Company ceases to carry on its business, except if due to (i) a merger or demerger permitted under 14.7 (*Mergers and Demergers*), or (ii) a

disposal permitted under 13.7 (*Disposal of Assets*), if such discontinuation is likely to have a Material Adverse Effect.

#### **14.11 Acceleration of the Bonds**

- (a) If an Event of Default has occurred and is continuing, the Agent is entitled to, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not only some, of the Bonds due for payment together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines (but such date may not fall after the Final Redemption Date), 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 this Clause 14 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 accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*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 (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as, in the opinion of the Agent, may be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (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, the Issuer shall redeem all Bonds with an amount equal to the Make Whole Amount.

#### **15. 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 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be applied in the following order of priority, in accordance with the instructions of the Agent:

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

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

- (b) Funds that 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. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.

## 16. Decisions by Bondholders

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



- (c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without paragraph (c) above being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall upon request provide the Issuer or the convening Bondholder(s) with the information available in the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- (e) Should the Issuer want to replace the Agent, it may (i) convene a Bondholders' Meeting in accordance with Clause 17(a) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 18(a), in both cases with a copy to the Agent. After a request from the Bondholders pursuant to Clause 20.4(a), the Issuer shall no later than ten (10) 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(a). The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with the notice or the communication. The Issuing Agent shall provide the Issuer with the information available in the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- (f) Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to Act on Behalf of a 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 18(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.
- (g) The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(c):

- (i) a change to the terms of any of Clauses 2(a), 2(e) and 2(f);
  - (ii) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of Proceeds*);
  - (iii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16(g);
  - (iv) a change to the definition "Make Whole Amount", "Floating Rate Margin", "Interest Payment Date" or the definition "Interest Rate" set out in Clause 1.1 (*Definitions*);
  - (v) an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;
  - (vi) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
  - (vii) a mandatory exchange of the Bonds for other securities;
  - (viii) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 14 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- (h) Any matter not covered by Clause 16(g) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 18(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 19(a)(i), 19(a)(iii) or 19(a)(iv)), an acceleration of the Bonds or the enforcement of any Transaction Security.
- (i) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16(g), 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.

If a quorum exists for some but not all of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

- (j) 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 17(a)) or initiate a second Written Procedure (in accordance with Clause 18(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 16(i) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (k) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- (l) 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.
- (m) 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.
- (n) 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.
- (o) All reasonable costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (p) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies, irrespective of whether such person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company.
- (q) 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. 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(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 20.4(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(a).
- (c) The notice pursuant to Clause 17(a) shall include (i) time for the meeting, (ii) place for the meeting, (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) agenda for the meeting (including each request for a decision by the Bondholders) and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **18. Written Procedure**

- (a) The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 18(a) to each Bondholder with a copy to the Agent.
- (c) A communication pursuant to Clause 18(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(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(g) and 16(h) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16(g) or 16(h), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 19. Amendments and Waivers

- (a) The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) in the opinion of the Agent and/or as confirmed by a reputable external expert engaged by the Agent (if the Agent reasonably considers it necessary to engage such expert), such amendment or waiver is not detrimental to the interest of the Bondholders as a group;
  - (ii) 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;
  - (iv) such amendment will not negatively affect the Bondholders or the Agent and is necessary for the purpose of the listing of the Bonds pursuant to Clause 13.3 (*Listing*); or
  - (v) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).
- (b) The consent of the Bondholders is not necessary to approve the particular form of any amendment or waiver to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 19(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.

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- (d) An amendment or waiver 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. Appointment and Replacement of the Agent**

### **20.1 Appointment of Agent**

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

### **20.2 Duties of the Agent**

- (a) The Agent shall represent the Bondholders 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.
- (b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry



out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.

- (c) The Agent's duties under these Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with these Terms and Conditions and upon instructions from the Bondholders, unless otherwise set out in these Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other person.
- (d) 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 Terms and Conditions and the other Finance Documents, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default has occurred.
- (e) The Agent is entitled to delegate its duties to other professional parties (without having to first obtain any consent from the Issuer or the Bondholders), but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- (f) 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) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or the Transaction Security which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.



- (j) Unless it has actual knowledge to the contrary, the Agent 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) 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 under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2(i).

### **20.3 Limited liability for the Agent**

- (a) The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- (d) The Agent shall have no liability to the Bondholders or the Issuer for damage caused by the Agent when acting in accordance with instructions of the Bondholders given to the Agent in accordance with these Terms and Conditions.
- (e) Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other person.

### **20.4 Replacement of the Agent**

- (a) Subject to Clause 20.4(f), the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- (b) Subject to Clause 20.4(f), if the Agent is Insolvent, the Agent shall be deemed to resign as Agent with immediate effect and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial





institution or other reputable company which regularly acts as agent under debt issuances.

- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.
- (d) If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (f) The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- (g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- (h) In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.



## 21. Appointment and Replacement of the Issuing Agent

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

## 22. 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(a) shall not apply if the Agent has been instructed by the Bondholders in accordance with these Terms and Conditions to take certain actions but is legally unable to take such actions.

## 23. 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. 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 to the Issuer from time to time;
  - (ii) if to the Issuer, to the following address:
    - (A) Sollentuna Stinsen JV AB  
Att: Board of directors, CFO, CEO  
c/o Magnolia Bostad AB  
Box 5853  
102 40 Stockholm  
Sweden,
    - (B) if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time.
  - (iii) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders.
- (b) Any notice to the Bondholders shall also be published on the websites of the Issuer and the Agent.
- (c) Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 24(a) or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24(a) or, in case of email, when received in readable form by the email recipient.

## 25. Force Majeure and Limitation of Liability

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

- (b) The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- (c) Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- (d) The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act which provisions shall take precedence.

## **26. Governing Law and Jurisdiction**

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- (b) The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).

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



Place: Stockholm, Sweden

Date: 26 June 2017

For and behalf of

**Sollentuna Stinsen JV AB**

as Issuer

A handwritten signature in blue ink, appearing to read 'Erik Rune', is written over a horizontal line.

Title: **Erik Rune**

Name:

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

Place: Stockholm, Sweden

Date: 26 June 2017

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

as Agent

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Name:

Place: Stockholm, Sweden

Date: 26 June 2017

For and behalf of

**Sollentuna Stinsen JV AB**

as Issuer

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Title:

Name:

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

Place: Stockholm, Sweden

Date: 26 June 2017

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

as Agent



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NaChristoffer Andersson  
VD / CEO