

# **Terms and Conditions**

**Patriam Kvarnholmen AB (publ)**

**Subordinated Perpetual Callable Capital Securities**

**ISIN EUR Capital Securities: SE0023467287**

**ISIN SEK Capital Securities: SE0023467303**

**30 December 2024**

Other than the registration of the Capital Securities under Swedish law, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Capital Securities or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Capital Securities 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.

## PRIVACY NOTICE

The Issuer and the Agent may collect and process personal data relating to the Holders, the Holders' representatives or agents, and other persons nominated to act on behalf of the Holders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Capital Securities). The personal data relating to the Holders is primarily collected from the registry kept by the CSD. The personal data relating to other persons is primarily collected directly from such persons.

The personal data collected will be processed by the Issuer and the Agent for the following purposes:

- (a) to exercise their respective rights and fulfil their respective obligations under the Finance Documents;
- (b) to manage the administration of the Capital Securities and payments under the Capital Securities;
- (c) to enable the Holders' to exercise their rights under the Finance Documents; and
- (d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer and the Agent in relation to paragraphs (a) - (c) is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to paragraph (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer or the Agent. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer and the Agent, respectively. In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

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# 1. Definitions and Construction

## 1.1 Definitions

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

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

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

**"Accrued Interest"** means Interest on the Capital Securities which is accrued during the Interest Period, as calculated in accordance with Clause 9(c).

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

**"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 about the Issue Date between the Agent and the Issuer, regarding, *inter alia*, the remuneration payable to the Agent for the work in connection with the Capital Security Issue.

**"Agent"** means CSC (Sweden) AB, Swedish Reg. No. 556625-5476, P.O. Box 16285, SE-103 25 Stockholm, Sweden or another party replacing it, as Agent, in accordance with these Terms and Conditions.

**"Arranger"** means SIP Nordic Fondkommission AB, Swedish Reg. No. 556708-6649, Kungsgatan 27, SE-111 56 Stockholm, Sweden.

**"Business Day"** means a day in Sweden other than a Sunday or other public holiday and on which day the Swedish CSD settlement system is open. 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.

**"Capital Security"** means a SEK Capital Security and/or a EUR Capital Security.

**"Capital Securities"** means the Capital Securities issued on the Issue Date.

**"Capital Security Issue"** means the issuance of the Capital Securities.

**"Change of Control Event"** means the occurrence of an event or series of events whereby one or more persons, other than the Parent, directly or indirectly, acting together, acquire control over the Issuer and where "control" means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

**"Corporate Finance Advisor"** means Vinga Corporate Finance AB.

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

**"Escrow Accounts"** means the bank accounts on which the proceeds from the Capital Security Issue will be held until the Conditions Precedent for Disbursement have been fulfilled.

**"EUR Capital Security"** means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount, denominated in EUR, and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which is governed by and issued under these Terms and Conditions, including the Capital Securities with ISIN SE0023467287.

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

**"Finance Documents"** means:

- (a) these Terms and Conditions;
- (a) the Agency Agreement; and
- (b) any other document designated by the Issuer and the Agent as a Finance Document.

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

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

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

**"Holder"** means the Person who is registered on a Securities Account as direct registered owner (Sw. *ägare*) or nominee (Sw. *förvaltare*) with respect to a Capital Security.

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

**"Initial Exchange Ratio"** means the SEK/EUR exchange rate quoted on the Swedish Central Bank's website ([www.riksbank.se](http://www.riksbank.se)) at 12:00 Swedish time on the Issue Date.

**"Initial Interest Rate"** means an interest rate of 20.00 per cent. *per annum*.

**"Interest"** means the interest on the Capital Securities calculated in accordance with Clause 9 (*Interest*).

**"Interest Period"** means the period from, but excluding, the Issue Date to, and including, the relevant Redemption Date.

**"Issue Date"** means 30 December 2024.

**"Issuer"** Patriam Kvarnholmen AB (publ), a public limited liability company incorporated in Sweden with reg. no. 559242-6315.

**"Issuer Winding-up"** has the meaning set forth in Clause 3 (*Status of the Capital Securities*).

**"Issuing Agent"** means the party appointed as issuing agent by the Issuer in connection with the Issue Date, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**"Net Proceeds"** means the proceeds from the Capital Security Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Arranger, the Agent, the Corporate Finance Advisor and the Issuing Agent for the services provided in relation to the placement and issuance of the Capital Securities.

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

**"Parent"** means Patriam Invest AB (publ), a public limited liability company incorporated in Sweden with reg. no. 559201-2206.

**"Parity Security"** means any obligations of:

- (a) the Issuer, issued directly or indirectly by it, which rank, or are expressed to rank, *pari passu* with the Capital Securities; and
- (b) any Subsidiary of the Issuer having the benefit of a guarantee or support agreement from the Issuer which ranks or is expressed to rank *pari passu* with the Capital Securities.

**"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.

**"Property"** means real property Nacka Sicklaön 38:49.

**"Record Date"** means the fifth (5) Business Day prior to (i) a Redemption Date, (ii) a date on which a payment to the Holders is to be made under Clause 14 (*Distribution of Proceeds*), (iii) the date of a Holders' Meeting, or (iv) 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 Capital Securities are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and Repurchase of the Capital Securities*).

**"Redemption Event"** has the meaning set forth in Clause 12 (*Redemption Events*)

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

**"SEK Capital Security"** means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount, denominated in SEK, and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which is governed by and issued under these Terms and Conditions, including the Capital Securities with ISIN SE0023467303.

**"Step-up Event"** means the date of any Redemption Event.

**"Subsidiary"** means in respect of which the Issuer, directly or indirectly:

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

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

**"Tax Law Change"** means:

- (a) any amendment to, clarification of, or change in, the laws or treaties (or any regulations thereunder) of Sweden, or any political subdivision or any authority thereof or therein having the power to tax, affecting taxation;
- (b) any governmental action; or
- (c) any amendment to, clarification of, or change in the application, official position or the interpretation of such law, treaty (or regulations thereunder) or governmental action or any interpretation, decision or pronouncement that provides for a position with respect to such law, treaty (or regulations thereunder) or governmental action that differs from the theretofore generally accepted position,

in each case, by any legislative body, court, governmental authority or regulatory body in Sweden, irrespective of the manner in which such amendment, clarification, change,

action, pronouncement, interpretation or decision is made known, which amendment, clarification or change is effective or such governmental action, pronouncement, interpretation or decision is announced on or after the Issue Date.

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

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

**"Withholding Tax Event"** shall be deemed to occur if, as a result of any Tax Law Change, in making any payments on the Capital Securities, the Issuer would on the Redemption Date be required to pay additional amounts on the Capital Securities and the Issuer cannot avoid the foregoing by taking reasonable measures available to it.

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

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "assets" includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (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) Subject to paragraph (d) below, when ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor 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.
- (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) Notwithstanding paragraph (b) above, at a Holders' Meeting or by way of a Written Procedure, the calculations of whether a quorum exists and if the relevant consent has been obtained, shall be made in SEK. Each Capital Security shall always entitle to one vote at a Holders' Meeting or by way of a Written Procedure. The value of the vote of each SEK Capital Security shall be the Nominal Amount and the value of the vote of each EUR Capital Security shall be the Nominal Amount of the EUR Capital Security converted into SEK at the Initial Exchange Ratio. For the avoidance of doubt the Adjusted Nominal Amount shall at all times be calculated based on the Initial Exchange Ratio.
- (e) No delay or omission of the Agent or of any Holder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. The Capital Securities

- (a) The SEK Capital Securities are denominated in Swedish Kronor and the EUR Capital Securities are denominated in Euro and each Capital Security is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Capital Securities and to comply with these Terms and Conditions.
- (b) By subscribing for Capital Securities, each Holder agrees that the Capital Securities shall benefit from and be subject to the Finance Documents and by acquiring Capital Securities, each subsequent Holder confirms such agreement.
- (c) The nominal amount of each SEK Capital Security is SEK 10,000 and of each EUR Capital Security is EUR 1,000 (the "**Nominal Amount**"). The Total Nominal Amount of the Capital Securities is SEK 46,000,000 and EUR 1,800,000. All Capital Securities are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount, provided that Capital Securities may also be sold at a price below par to larger investors.
- (d) The minimum permissible investment upon issuance of the Capital Securities is SEK 1,250,000 / EUR 100,000.
- (e) The Capital Securities are freely transferable but the Holders may be subject to purchase or transfer restrictions with regard to the Capital Securities, as applicable, under local laws to which a Holder may be subject. Each Holder must ensure compliance with such restrictions at its own cost and expense.
- (f) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Capital Securities or the possession, circulation or distribution of any document or other material relating to the Issuer or the Capital Securities in any jurisdiction other than Sweden, where action for that purpose is required. Each Holder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Capital Securities.

### 3. Status of the Capital Securities

- (a) The Capital Securities, including the obligation to pay Interest thereon, constitute direct, general, unconditional, unsecured and subordinated obligations of the Issuer. The rights and claims of the Holders in respect of the Capital Securities against the Issuer are subordinated as described under paragraph (b).
- (b) In the event of a voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (each an "**Issuer Winding-up**"), the Holders shall, in respect of their Capital Securities, have a claim for the principal amount of their Capital Securities and any Accrued Interest and such claims will rank:
  - (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities;
  - (ii) in priority to all present and future claims in respect of:
    - (A) the shares of the Issuer; and
    - (B) any other obligation of the Issuer expressed by its terms as at its original issue date to rank junior to the Capital Securities or any Parity Securities; and
  - (iii) junior in right of payment to any present or future claims of:
    - (A) all unsubordinated obligations of the Issuer; and
    - (B) all subordinated indebtedness of the Issuer; or
- (c) a company reorganisation of the Issuer under the Swedish Company Reorganisation Act, the Holders shall, in respect of their Capital Securities, have a claim for the principal amount of their Capital Securities and any Accrued Interest and such claims will rank:
  - (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities; and
  - (ii) junior in right of payment to any present or future claims of:
    - (A) all unsubordinated obligations of the Issuer; and
    - (B) all subordinated Indebtedness of the Issuer.

*Claims in respect of the share capital of the Issuer are not subject to loss absorbing measures under a company reorganisation of the Issuer.*

- (d) Subject to applicable law, no Holder may exercise, claim or plead any right of setoff, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Capital Securities and each Holder shall, by virtue of its holding of any Capital Security, be deemed to have waived all such rights of set-off, compensation or retention.

#### **4. Use of Proceeds**

The proceeds from the Capital Security Issue shall be used to finance:

- (a) payment of Transaction Costs; and
- (b) the acquisition of the Property.

#### **5. Conditions Precedent for Disbursement**

##### **5.1 The Escrow Accounts**

The Net Proceeds from the Capital Security Issue shall be held by the Arranger on the Escrow Accounts and shall be released to the Issuer when the conditions precedent for disbursement of the Net Proceeds of the Capital Securities have been fulfilled pursuant to Clause 5.2 (*Conditions Precedent for Disbursement of the Net Proceeds from the Capital Security Issue*).

##### **5.2 Conditions Precedent for Disbursement of the Net Proceeds from the Capital Security Issue**

- (a) The Agent's approval of the disbursement from the Escrow Accounts of the Net Proceeds from the Capital Security Issue is subject to the following documents being received by the Agent, in form and substance satisfactory to it (acting reasonably), and that the following actions have been taken or will occur on the disbursement date:
  - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer and each other party to a Finance Document (other than the Agent), together constituting evidence that the Finance Documents have been duly executed;
  - (ii) evidence that the Net Proceeds shall be used to acquire the Property (indirectly); and
  - (iii) copies of the Finance Documents, duly executed.
- (b) When the conditions precedent for disbursement set out in paragraph (a) above have been received to the satisfaction of the Agent (acting reasonably) or waived by the Agent, the Agent shall notify the Arranger that the Net Proceeds shall be released from the Escrow Accounts, to be applied as set out in Clause 4 (*Use of Proceeds*) and in accordance with the instructions of the Arranger.

- (c) If the conditions precedent for disbursement set out in paragraph (a) above have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within sixty (60) Business Days from the Issue Date, the Issuer shall repurchase all Capital Securities at a price equal to 100 per cent. of the Nominal Amount together with any Accrued Interest. The funds on the Escrow Accounts shall in such case be applied to redeem the Capital Securities on behalf of the Issuer. Any shortfall shall be covered by the Issuer.
- (d) The Agent may assume that the documentation and evidence delivered to it pursuant to paragraph (a) above is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation. The Agent does not have any obligation to review the documentation and evidence referred to in paragraph (a) above from a legal or commercial perspective of the Holders.

## 6. Capital Securities in Book-Entry Form

- (a) The Capital Securities will be registered for the Holders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Capital Securities will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Capital Securities 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 Capital Security shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- (c) The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Capital Securities. 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 Holders' Meeting or any Written Procedure, the Issuing Agent and the Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Capital Securities.
- (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 Capital Securities. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Holders.

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

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

## **8. Payments in Respect of the Capital Securities**

- (a) Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Capital Securities, shall be made to such Person who is registered as a Holder on the Record Date or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- (b) If a Holder 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. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the Persons who are registered as Holders on the relevant Record Date as soon as possible after such obstacle has been removed.
- (c) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed.
- (d) If payment or repayment is made in accordance with this Clause 8, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.
- (e) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## 9. Interest

- (a) Subject to paragraph (b) below, each Capital Security initially carries Interest at the Initial Interest Rate from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.
- (b) The Initial Interest Rate may during the Interest Period be subject to an interest step-up in accordance with the below:
  - (i) If any Capital Security is outstanding on the date falling 24 months after the Issue Date, the Initial Interest Rate will as from that date increase by two hundred basis points and thereafter by additional two hundred basis points on each semi-annual date thereafter.
  - (ii) The Initial Interest Rate will, in addition to paragraph (i) above, increase by one hundred basis points per annum upon the occurrence of a Step-up Event.
  - (iii) Any increase of the Interest Rate after a Step-up Event will have effect from, but excluding, the date of the Step-up Event (and apply as long as it is outstanding) up to, and including, the Redemption Date. The Interest Step-up applies for each Step-up Event but can only occur once in relation to a single Step-up Event.
- (c) Interest accrues during the Interest Period (without compounding) from (but excluding) the Issue Date to (and including) the relevant Redemption Date. Accrued Interest shall be payable on the relevant Redemption Date ("**Accrued Interest**").
- (d) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

## 10. Redemption and Repurchase of the Capital Securities

### 10.1 No maturity

- (a) The Capital Securities are perpetual and have no specified maturity date. The Issuer may only redeem the Capital Securities in the circumstances described in this Clause 10 (*Redemption and Repurchase of the Capital Securities*).
- (b) The Capital Securities are not redeemable at the option of the Holders at any time.

### 10.2 Purchase of Capital Securities by the Issuer and any other Group Company

- (a) The Issuer and any other Group Company may, subject to applicable regulations, at any time and at any price purchase Capital Securities on the market or in any other way.

- (b) Capital Securities held by the Issuer or any other Group Company may at their discretion be retained or sold or, if held by the Issuer, cancelled by the Issuer.

### **10.3 Voluntary total redemption (call option)**

- (a) The Issuer may redeem all, but not only some, of the Capital Securities at any time.
- (b) If the Capital Securities are redeemed within twelve months from the Issue Date, the redemption shall occur at 100 per cent. of the Nominal Amount together with an amount equivalent to twelve months' Interest on the Nominal Amount, unless the redemption occurs as a result of

- (i) an event where, as a result of a change in the Accounting Principles or interpretation thereof, the equity treatment of the Capital Securities as "equity" in full in the Issuer's consolidated financial statements has or will cease or

- (ii) a Withholding Tax Event,

where a redemption in such case may be made at 100 per cent of the Nominal Amount together with Accrued Interest until the relevant Redemption Date.

- (c) Should the Issuer elect to redeem the Capital Securities for a reason set out in paragraph (b) above, the Issuer shall provide the Agent with reasonable evidence, through an opinion or statement from a reputable advisor, that such event has or is likely to occur.

## **11. Information to Holders**

### **11.1 Information from the Issuer**

- (a) The Issuer shall make the following information available in the English language by publication on the website of the Group:
  - (i) as soon as the same become available, but in any event within five (5) months after the end of each financial year, the annual audited consolidated financial statements of the Group, including a profit and loss account, a balance sheet and a management commentary or report from the Issuer's board of directors;
  - (ii) as soon as the same become available, but in any event within twenty (20) Business Days after the end of each quarter of its financial year, prepare a progress report setting out the progress and status of the development of the Property. The Issuer shall provide copies of the progress report to the Agent, the Arranger and the Corporate Finance Advisor.
- (b) Any other information required by the Swedish Securities Markets Act (*Sw. lag (2007:528) om värdepappersmarknaden*).

- (c) When the financial statements and other information are made available to the Holders pursuant to Clause 11.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.
- (d) The Issuer shall promptly notify the Agent and the Holders upon becoming aware of the occurrence of a Change of Control Event and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- (e) The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Redemption Event and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- (f) 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.

## **11.2 Information from the Agent**

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

## **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 Group and the Agent.
- (b) The latest version of the Finance Documents (other than the Agency Agreement) shall be available to the Holders at the office of the Agent during the Agent's normal business hours.



## 12. Redemption Events

*Each of the following events constitutes a "Redemption Event":*

### 12.1 Restricted Payments

- (a) An event where the Issuer or a Subsidiary:
  - (i) pay any dividend in respect of its shares;
  - (ii) repurchase or redeem any of its own shares;
  - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders;
  - (iv) grant any loans except (A) in the ordinary course of business or, (B) any other loan in an aggregate outstanding amount not exceeding SEK 2,000,000; or
  - (v) make any other similar distribution or transfers of value to any person,
  - (vi) pays any management, advisory or other fee to or to the order of any Affiliate which is not a member of the Group;

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

- (b) Notwithstanding the above, a Restricted Payment may be made if (A) made to the Issuer or a direct or indirect Subsidiary of the Issuer but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a pro rata basis and (B) the payment of management fees to SEK 10,000,000 for as long as the Capital Instruments are outstanding.

### 12.2 Disposal of Assets

The Issuer or a Subsidiary sells or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or that Subsidiary's assets, or operations to any person not being the Issuer or any of its wholly-owned Subsidiaries, unless the transaction is a transfer to a newly established condominium association (Sw. *bostadsrättsförening*) in accordance with business plan of the Issuer as set out on the Issue Date

### 12.3 Change of control

The occurrence of a Change of Control Event.

## 13. Issuer Winding-up and Enforcement of the Capital Securities

### 13.1 Issuer Winding-up

- (a) If a Redemption Event has occurred and remained outstanding for a period of not less than 30 calendar days or if a default is made by the Issuer for a period

of 30 calendar days or more in relation to the payment of any interest, principal or premium in respect of the Capital Securities which is due and payable and the Issuer has not exercised its option to redeem all, but not only some of the Capital Securities together with any Accrued Interest, then the Agent (acting on the instructions of the Holders) may institute proceedings for an Issuer Winding-up provided that such Redemption Event is still continuing.

- (b) In the event of an Issuer Winding-up, a Holder may, provided such Holder does not contravene a previously adopted resolution in accordance with the Terms and Conditions (if any), either independently or through the Agent prove and/or claim in such Issuer Winding-up in respect of the Capital Securities, such claim being for such amount, and being subordinated in such manner, as is provided under the Terms and Conditions.

### 13.2 Enforcement

- (a) The Agent, acting on the instructions of the Holders, may institute Issuer Winding-Up proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Terms and Conditions but in no event shall the Issuer, by virtue of institution of such proceedings, be obliged to pay any sums sooner than the same would otherwise have been payable by it.
- (b) No remedy against the Issuer, other than as referred to in this Clause, shall be available to the Agent and the Holders in relation to the Capital Securities, whether for the recovery of amounts owing in respect of the Capital Securities under or in respect of the Capital Securities and the Holders shall only be entitled to request repayment with respect to the Capital Securities and Accrued Interest in an Issuer Winding-up and in accordance with the terms on subordination provided under Clause 3 (*Status of the Capital Securities*).

## 14. Distribution of Proceeds

- (a) All payments by the Issuer relating to the Capital Securities and the Finance Documents following an acceleration of the Capital Securities in accordance with Clause 13 (*Issuer Winding-up and Enforcement of the Capital Securities*) shall be distributed in the following order of priority:
  - (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 Holders) (ii) other costs, expenses and indemnities relating to the acceleration of the Capital Securities, or the protection of the Holders' 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 19.2(g), and (iv) any costs and expenses incurred by the Agent in relation to a Holders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15(m);

- (ii) *secondly*, in or towards payment *pro rata* of Accrued Interest under the Capital Securities;
- (iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Capital Securities; 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.

## 15. Decisions by Holders

- (a) A request by the Agent for a decision by the Holders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Holder (or Holders) 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 Holder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Holders' 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 Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.
- (c) The Agent may refrain from convening a Holders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Holders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a Person who is, or who has been provided with a power of attorney or other authorisation pursuant to Clause 7 (*Right to Act on Behalf of a Holder*) from a Person who is, registered as a Holder:
  - (i) on the Record Date prior to the date of the Holders' Meeting, in respect of a Holders' Meeting, or
  - (ii) on the Business Day specified in the communication pursuant to Clause 17(c), in respect of a Written Procedure,

may exercise voting rights as a Holder at such Holders' Meeting or in such Written Procedure, provided that the relevant Capital Securities are included in the definition of Adjusted Nominal Amount.

- (e) The following matters shall require the consent of Holders representing at least sixty-six and two thirds ( $66 \frac{2}{3}$ ) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17(c):
  - (i) a change to the currency, denomination, status or transferability of the Capital Securities;
  - (ii) a reduction of the premium payable upon the redemption or repurchase of any Capital Security pursuant to Clause 10 (*Redemption and Repurchase of the Capital Securities*);
  - (iii) a change to the Interest Rate or the Nominal Amount;
  - (iv) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of Proceeds*);
  - (v) a change to the terms dealing with the requirements for Holders' consent set out in this Clause 15;
  - (vi) an amendment of the perpetual nature of the Capital Securities or any delay of the due date for payment of any principal on the Capital Securities;
  - (vii) a mandatory exchange of the Capital Securities for other securities; and
  - (viii) early redemption of the Capital Securities, other than upon an acceleration of the Capital Securities pursuant to Clause 13 (*Issuer Winding-up and Enforcement of the Capital Securities*) or as otherwise permitted or required by these Terms and Conditions.
- (f) Any matter not covered by Clause 15(e) shall require the consent of Holders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17(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 18(a)(i) or 18(a)(ii)), an acceleration of the Capital Securities.
- (g) Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15(e), and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
  - (i) if at a Holders' 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 Holders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

- (h) If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 16(a)) or instigate a second Written Procedure (in accordance with Clause 17(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 15(g) shall not apply to such second Holders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (j) A Holder holding more than one Capital Security need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that consent at the relevant Holders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- (m) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Holders 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 Capital Securities owned by Group Companies or (to the knowledge of the Issuer) Affiliates of any Group Company, irrespective of whether such Person is directly registered as owner of such Capital Securities. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Capital Security is owned by a Group Company or an Affiliate of any Group Company.
- (o) Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Holders and published on the websites of the Group and the Agent, provided that a failure to do so shall not

invalidate any decision made or voting result achieved. The minutes from the relevant Holders' Meeting or Written Procedure shall at the request of a Holder be sent to it by the Issuer or the Agent, as applicable.

## **16. Holders' Meeting**

- (a) The Agent shall convene a Holders' Meeting by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(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 Holders' Meeting in accordance with Clause 16(a) with a copy to the Agent. After a request from the Holders pursuant to Clause 19.4(c), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 16(a).
- (c) The notice pursuant to Clause 16(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Holders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Holders' Meeting. Should prior notification by the Holders be required in order to attend the Holders' Meeting, such requirement shall be included in the notice.
- (d) The Holders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Holders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Holders to vote without attending the meeting in person.

## **17. Written Procedure**

- (a) The Agent shall instigate a Written Procedure (which may be conducted electronically in a manner determined by the Agent) no later than five (5) Business Days after receipt of a request from the Issuer or the Holder(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 Holder 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 17(a) to each Holder with a copy to the Agent.
- (c) A communication pursuant to Clause 17(a) shall include (i) each request for a decision by the Holders, (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 Holder 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 Holder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 17(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 15(e) and 15(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15(e) or 15(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## 18. Amendments and Waivers

- (a) The Issuer and the Agent (acting on behalf of the Holders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Holders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Holders in accordance with Clause 15 (*Decisions by Holders*).
- (b) The consent of the Holders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.
- (c) The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 18(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, to the extent such registration is possible with the rules of the relevant CSD.
- (d) An amendment to the Finance Documents shall take effect on the date determined by the Holders Meeting, in the Written Procedure or by the Agent, as the case may be.

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

### **19.1 Appointment of Agent**

- (a) By subscribing for Capital Securities, each Holder appoints the Agent to act as its agent in all matters relating to the Capital Securities 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 Capital Securities held by such Holder.
- (b) By acquiring Capital Securities, each subsequent Holder confirms the appointment and authorisation for the Agent to act on its behalf, as set forth in Clause 19.1(a).
- (c) Each Holder 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 not under any obligation to represent a Holder 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 respective work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents 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 act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### **19.2 Duties of the Agent**

- (a) The Agent shall represent the Holders subject to and in accordance with the Finance Documents. The Agent is not responsible for the content, valid execution, legal validity or enforceability of the Finance Documents.
- (b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Holders. 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 the Finance Documents are solely mechanical and administrative in nature and the Agent only acts in accordance with the Finance Documents and upon instructions from the Holders, unless otherwise set out in



the Finance Documents. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Holders 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 Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.
- (e) The Agent is entitled to delegate its duties to other professional parties, but each of them shall remain liable for the actions of such parties under the Finance Documents.
- (f) The Agent shall treat all Holders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Holders 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 (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering (A) an event which the Agent reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Holders under the Finance Documents, (iii) in connection with any Holders' Meeting or Written Procedure, (iv) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents, or (v) as otherwise agreed between the Agent and the Issuer. 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 14 (*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 its respective reasonable fees) in complying with instructions of the Holders, or taking any action at its own initiative, will not be covered by the Issuer, or the Holders (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 Holders (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 (ii) if it refrains from acting for any reason described in Clause 19.2(i).

### **19.3 Limited liability for the Agent**

- (a) The Agent will not be liable to the Holders 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 not be responsible for indirect loss.
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice addressed to it from or opinions of reputable external experts or if it has acted with reasonable care in a situation when it considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.
- (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 it to the Holders, provided that it has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by it for that purpose.
- (d) The Agent shall not have any liability to the Holders for damage caused by it acting in accordance with instructions of the Holders given in accordance with the Finance Documents.
- (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 Holders under the Finance Documents.
- (f) The Agent is not liable for information provided to the Holders by or on behalf of the Issuer or any other Person.

### **19.4 Replacement of the Agent**

- (a) Subject to Clause 19.4(f), the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure instigated by the retiring Agent.
- (b) Subject to Clause 19.4(f), if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- (c) A Holder (or Holders) 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 Holder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Holders' Meeting convened by it or by way of Written Procedure instigated by it, propose to the Holders that the Agent be dismissed and a new Agent be appointed.
- (d) If the Holders 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 Holders, 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 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 Holders 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 19.4, 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. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **20. Appointment and Replacement of the CSD**

- (a) The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD regulations and the other regulations applicable to the Capital Securities.

- (b) The CSD may retire from its assignment or be dismissed by the Issuer provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Holder. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (*Sw. lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

## **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 Capital Securities.
- (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 Holders**

- (a) A Holder may not take any steps whatsoever against the Issuer 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 Holders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Holder to provide documents in accordance with Clause 19.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 19.2(i), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2(k) before a Holder may take any action referred to in Clause 22(a).

## **23. Prescription**

- (a) The right to receive repayment of the principal of the Capital Securities 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 Holders' 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 Capital Securities, 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 and Press Releases

### 24.1 Notices

- (a) Any notice or other communication to be made under or in connection with the Finance Documents:
  - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent from time to time;
  - (ii) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
  - (iii) if to the Holders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery (if practically possible) or letter for all Holders. A notice to the Holders shall also be published on the websites of the Group and the Agent.
- (b) Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or if between the Issuer and the Agent, by email, and will only be effective:
  - (i) in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1(a);
  - (ii) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1(a); or
  - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

- (c) Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

## 25. Force Majeure and Limitation of Liability

- (a) None of the Agent or the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agen or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent shall have no liability to the Holders 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 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.

**Patriam Kvarnholmen AB (publ)**

as Issuer

Name:


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

**CSC (Sweden) AB**

as Agent

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

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

**Patriam Kvarnholmen AB (publ)**

as Issuer

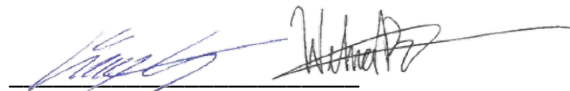
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Name:

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

**CSC (Sweden) AB**

as Agent

Two handwritten signatures in blue ink. The first signature is on the left, and the second is on the right, both positioned above their respective printed names.

Linus Löfgren

Wilma Björn

Name