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Stockholm, 26 February 2021

**To the noteholders in:**

**ISIN: SE0010625830 – RNB Retail and Brands AB (publ) - up to SEK 600,000,000 senior secured floating rate notes**

**NOTICE OF WRITTEN PROCEDURE – REQUEST FOR CONSENT TO EXTEND PAYMENT BLOCK**

This voting request for procedure in writing has been sent on 26 February 2021 to Noteholders directly registered in the debt register (Sw. *skuldbok*) kept by Euroclear Sweden AB (the "CSD"). If you are an authorised nominee under the Swedish Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) or if you otherwise are holding Notes on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. For further information, please see below under Section 4.3 (*Voting rights and authorisation*).

**Key information:**

Record Date for being eligible to vote:	5 March 2021
Deadline for voting:	15:00 17 March 2021
Quorum requirement:	At least 50 per cent.
Majority requirement:	At least 66 2/3 per cent.

Nordic Trustee & Agency AB (publ) acts as agent (the "**Agent**") for the holders of the Notes (the "**Noteholders**") in the above mentioned notes issue ISIN SE0010625830 (with an aggregated amount outstanding of SEK 400,000,000) (the "**Notes**") issued by RNB Retail and Brands AB (publ), Reg. No. 556495-4682, (the "**Issuer**"). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing, whereby Noteholders can vote for or against the Issuer's Proposal (as defined below) (the "**Written Procedure**").

All capitalised terms used herein and not otherwise defined in this notice (the "**Notice**") shall have the meanings assigned to them in the terms and conditions of the Notes originally dated March 2018 as amended and restated from time to time (the "**Terms and Conditions**").

Noteholders participate by completing and sending the voting form, attached hereto as Schedule 1 (*Voting Form*) (the "**Voting Form**"), and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (*Power of Attorney*) (the "**Power of Attorney**") or other sufficient evidence, if the Notes are held in custody other than by the CSD, to the Agent. Please contact the securities firm

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

The Agent must receive the Voting Form no later than 15.00 hours (CET) on 17 March 2021 either by mail, courier or email to the Agent using the contact details set out in Section 4.7 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Noteholder on 5 March 2021 (the "**Record Date**"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Notes.

**Disclaimer:** *The Proposal is presented to the Noteholders from the Issuer, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Proposal (and its effects, should it be adopted) from a legal or commercial perspective of the Noteholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Proposal (and its effects, should it be adopted). The Noteholders are recommended to seek legal advice in order to independently evaluate whether the Proposal (and its effect) is acceptable or not.*

## 1. Background

We refer to press releases issued by the Issuer on 27 January 2021 in which the sale of all assets in Departments & Stores Europe AB, Reg. No. 556541-8778 was announced (the "**Transaction**").

The Issuer has, on 29 January 2021, entered into an extension and amendment agreement in relation to the Super Senior Facility Agreement (the "**Extension and Amendment Agreement**"), pursuant to which the Issuer shall, *inter alia*, procure that certain amendments are made to the Finance Documents.

In order to comply with its obligations in under the Extension and Amendment Agreement and to improve the Issuer's balance sheet following the Transaction, the board of directors of the Issuer have resolved (subject to the approval of the Noteholders in this Written procedure) to issue, by way of set-off against amounts owing to the Noteholders under the Notes, subordinated perpetual floating rate callable capital notes ("**Perpetual Capital Notes**"). The Perpetual Capital Notes will be issued on the terms and conditions set out in Schedule 4 (the "**T&C Draft**") with such amendments that the Agent finds necessary for technical or practical reasons.

## 2. Proposal

### 2.1 Conversion

The Issuer hereby requests that the Noteholders approve that an amount equal to SEK 60,000,000 of the Nominal Amount of the Notes together with SEK 25,000,000 of the accrued and unpaid interest as of 1 March 2021, amounting to the total of SEK 85,000,000 is converted to Perpetual Capital Notes to be issued by the Issuer on or around 12 March 2021 (the "**Conversion**"). The Perpetual Capital Notes will be issued to the Noteholders *pro*

*rata* by way of set-off against the corresponding amount owing to each Noteholder under the Notes, on final terms based on the T&C Draft with such amendments that the Agent finds necessary or appropriate for technical or practical reasons.

For the avoidance of doubt, subject to the Noteholders' approval of the Proposal pursuant to this Written Procedure, the Perpetual Capital Notes will be issued in a nominal amount that will be set off against a corresponding amount of the Notes, without taking into consideration if a Noteholder is allowed to be a holder of Perpetual Capital Notes or whether a Noteholder has approved the Proposal.

The Conversion requires the following amendments to the Terms and Conditions (the "**Conversion Amendments**"):

- (a) the following new definition shall be included in Section 1.1 (*Definitions*):

*""Initial Nominal Amount" has the meaning set forth in Clause 2.3. "*

- (b) "**Nominal Amount**" in Section 1.1 (*Definitions*) shall be amended as follows:

*""Nominal Amount" means in respect of each Note the Initial Nominal Amount, less the aggregate amount by which such Note has been converted to Perpetual Capital Notes pursuant to Clause 6.1 (Conversion). "*

- (c) The following new paragraph (r) shall be included in the definition of "**Permitted Debt**" in Section 1.1 (*Definitions*):

*"(r) incurred under the Perpetual Capital Notes; and";*

- (d) the following new definition shall be included in Section 1.1 (*Definitions*):

*""Perpetual Capital Notes" means the up to SEK 500,000,000 subordinated perpetual floating rate callable capital notes issued by the Issuer, by way of set-off against amounts owing to the Noteholders under the Notes. "*

- (e) Clause 2.3 under Section 2 (*Status of the Notes*) shall be amended as follows:

*"2.3 The nominal amount of each Initial Note is SEK 1,000,000 (the "**Initial Nominal Amount**"). The maximum aggregate nominal amount of the Initial Notes as at the First Issue Date is SEK 400,000,000. All Initial Notes are issued on a fully paid basis at an issue price of one hundred (100) per cent. of the Initial Nominal Amount. "*; and

- (f) a new Section 6 (*Conversion*) with the following wording shall be included:

**"6. CONVERSION**

*6.1 The Noteholders have in a Written Procedure for which notice was given on 26 February 2021, in accordance with Clause 20 (Written Procedure), resolved upon a conversion of part of the Notes by way of set-off against SEK 60,000,000 of the Nominal Amount of the Notes, together with SEK 25,000,000 of accrued interest up until 1 March 2021, totally SEK 85,000,000, for Perpetual Capital Notes (the "Conversion").*

*6.2 In the Conversion each Noteholder will receive one (1) Perpetual Capital Note, in the nominal amount of SEK 212,500, for each Note held on the Record Date of the Conversion.*

*6.3 In connection with the Conversion the Nominal Amount of the Notes may be temporarily lowered to SEK 1 (or any other amount agreed between the Agent and the Issuer in order for the Issuing Agent and the CSD to technically facilitate the Conversion). Immediately after the Conversion the outstanding Nominal Amount of each Note will be SEK 850,000.*

*6.4 The Conversion will take place on or around 12 March 2021."*

**2.2 The Company Reconstruction Payment Block Event**

The Issuer hereby requests that the Noteholders, due to the Issuer's obligations under the Extension and Amendment Agreement, approve the extension of the Company Reconstruction Payment Block Event for the period, from and including the Effective Date (as defined below in Section 2.3), until 30 April 2021 (the "**Extension**").

The Extension requires that Clause 13.7 under Section 13 (*General Undertakings*) of the Terms and Conditions is amended as follows (the "**Extension Amendment**"):

***"13.7 Company Reconstruction Payment Block Event***

*Each reference to a "Payment Block Event" in these Terms and Conditions shall be deemed to also be a reference to the Company Reconstruction Payment Block Event, however the Company Reconstruction Payment Block Event shall be in force until and including 30 April 2021 (and shall not be capable of remedy, including, for the avoidance of doubt, as a result of any Insolvency Event (as defined in the Intercreditor Agreement) relating to certain Material Subsidiaries no longer being continuing), or earlier if the Notes Documents are amended in form and substance satisfactory to the Super Senior Facility Representative so that all accrued interest and other sums payable in respect of the Notes are capitalized in full until the Final Maturity Date. For the avoidance of doubt, payments may be made despite the*

*Company Reconstruction Payment Block Event being in force if the Super Senior Facility Representative consents thereto in writing."*

For the avoidance of doubt, subject to the period of the Company Reconstruction Payment Block Event, all provisions set out in the Terms and Conditions in respect of a Payment Block Event shall continue to be in full force and effect and the Noteholders or the Agent on the Noteholder's behalf shall not demand or receive any payment, repayment or prepayment of any principal, interest or other amount on or in respect of, or any distribution in respect of, or any redemption or purchase of, any Notes other than in accordance with the Intercreditor Agreement or as through set-off in connection with the Conversion.

The Conversion, the Conversion Amendments, the Extension and the Extension Amendments are hereinafter jointly referred to as the "**Proposal**".

### **2.3 Effective Date**

The Proposal shall be deemed to be approved (the "**Effective Date**"):

- (a) immediately upon expiry of the voting period and receipt of the required majority as set forth in Section 4.6 below; or
- (b) if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent.

### **3. Consent**

The Noteholders are hereby requested to consent to the Proposal.

Further, the Noteholders are hereby requested to approve that the Agent is irrevocably, unconditionally and exclusively fully authorised to, on behalf of the Noteholders, take all necessary measures, negotiate, finalise and approve all necessary documentation to amend other Secured Finance Documents (including the Intercreditor Agreement) in order to implement the Conversion Amendments and the Extension Amendments and fulfil the Proposal and to approve the final terms and conditions of the Perpetual Capital Notes based on the T&C Draft on behalf of the Noteholders.

Finally, the Noteholders are hereby requested to approve that the Issuer mandates the Issuing Agent, in its capacity as issuing agent in relation to the Perpetual Capital Notes, to take all actions necessary to complete the Conversion and set off the Notes against the Perpetual Capital Notes.

### **4. Written Procedure**

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

#### **4.1 Final date to participate in the Written Procedure**

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 15.00 hours (CET) on 17 March 2021. Votes received thereafter may be disregarded.

## **4.2 Decision procedure**

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

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

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

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

## **4.3 Voting rights and authorisation**

Anyone who wishes to participate in the Written Procedure must on the Record Date:

- (a) be registered as a direct registered owner of one or several Notes on a Securities Account in the debt register; or
- (b) be registered as an authorised nominee on a Securities Account, with respect to one or several Notes in the debt register.

## **4.4 Notes registered with a nominee**

If you are not registered as a direct registered owner, but your Notes are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Notes.

1. You can ask the authorised nominee or other intermediary that holds the Notes on your behalf to vote in its own name as instructed by you.
2. You can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Notes through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as noteholder of the Securities Account, or from each intermediary in the chain of noteholders, starting with the intermediary that is registered in the debt register as a Noteholder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Notes on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Notes on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Notes are registered or need authorisation or other assistance to participate. Notes owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

#### **4.5 Quorum**

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

If a quorum does not exist, the Agent shall instigate a second written procedure (the "**Second Written Procedure**"), provided that the Proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such Second Written Procedure.

#### **4.6 Majority**

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

#### **4.7 Address for sending replies**

Return the Voting Form, as set out in Schedule 1, and, if applicable, the Power of Attorney/Authorisation set out in Schedule 2 or other sufficient evidence, if the Notes are held in custody other than by Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

**By regular mail:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure / RNB Retail and Brands AB (publ)  
P.O. Box 7329  
S-103 90 Stockholm

**By courier:**

Nordic Trustee & Agency AB  
Attn: Written Procedure / RNB Retail and Brands AB (publ)  
Norrandsgatan 23  
111 43 Stockholm

**By email:**

E-mail: [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com)

#### **5. Further Information**

For further questions to the Issuer, regarding the request, please contact the CEO of the Issuer at [kristian.lustin@retailandbrands.se](mailto:kristian.lustin@retailandbrands.se) or +46 8 410 524 63.

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

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Stockholm, 26 February 2021

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

**as Agent at the request of RNB Retail and Brands AB (publ)**

**Enclosed:**

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney/Authorisation
<b>Schedule 3</b>	Amendment of Terms and Conditions (page-pull mark-up)
<b>Schedule 4</b>	Draft Terms and Conditions of Perpetual Capital Notes



## Schedule 1

### VOTING FORM

**For the Written Procedure in RNB Retail and Brands AB (publ) - up to SEK 600,000,000 senior secured floating rate notes ISIN: SE0010625830**

The undersigned Noteholder or authorised person/entity (the "**Voting Person**"), votes either **For** or **Against** the Proposal by marking the applicable box below.

*NOTE: If the Voting Person **is not directly registered as Noteholder** on the relevant Securities Account held with Euroclear Sweden (as defined in the Terms and Conditions), the Voting Person **must enclose a Power of Attorney/Authorisation**, see Schedule 2. Noteholders should note that a Voting Form given in respect of the Written Procedure shall remain valid for any Second Written Procedure initiated, should the quorum requirement not be met.*

**For** the Proposal

**Against** the Proposal

The undersigned hereby confirms (by putting a cross in the appropriate box above) that this Voting Form shall constitute a vote also for a Second Written Procedure (if any) pursuant to the Terms and Conditions with respect to the Proposal.

Name of the Voting Person: \_\_\_\_\_

Capacity of the Voting Person: Noteholder<sup>1</sup>:  authorised person<sup>2</sup>:

Voting Person's Reg. No/ID. No  
and country of incorporation/domicile: \_\_\_\_\_

Securities Account number at  
Euroclear Sweden (if applicable): \_\_\_\_\_

Name and Securities Account number  
of custodian(s) (if applicable): \_\_\_\_\_

\_\_\_\_\_

<sup>1</sup> When voting in this capacity, no further evidence is required.

<sup>2</sup> When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (Schedule 2) from the Noteholder or other proof of authorisation showing the number of votes held on the Record Date.

Nominal Amount voted for (in SEK):

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Day time telephone number, e-mail

Address and contact person:

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Authorised signature and Name:<sup>3</sup>

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Place, date:

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<sup>3</sup> If the undersigned is not a Noteholder according the Terms and Conditions and has marked the box "authorised person", the undersigned – by signing this document – confirms that the Noteholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

## Schedule 2

### POWER OF ATTORNEY/AUTHORISATION

**For the Written Procedure in RNB Retail and Brands AB (publ) - up to SEK 600,000,000 senior secured floating rate notes ISIN: SE0010625830**

*NOTE: This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not directly registered as a Noteholder on the Securities Account, held with Euroclear Sweden. There must always be a coherent chain of powers of attorney derived from the Noteholder. In essence, if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Noteholder.*

Name of person/entity that is given authorisation (Sw. *befullmäktigad*) to vote as per the Record Date:

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Nominal Amount (in SEK) the person/entity is authorised to vote for as per the Record Date:

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Name of Noteholder or other intermediary giving the authorisation (Sw. *fullmaktsgivaren*):

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We hereby confirm that the person/entity specified above (Sw. *befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK \_\_\_\_\_

We are:

Registered as Noteholder on the Securities Account

Other intermediary and holds the Notes through (specify below):

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Place, date: \_\_\_\_\_

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Name:

Authorised signature of Noteholder / other intermediary (Sw. *Fullmaktsgivaren*)

## Schedule 3

### Amendment of Terms and Conditions (page-pull mark-up)

Execution version 4(51)

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“**Financial Report**” means the annual audited consolidated financial statements of the Group, the annual audited unconsolidated financial statements of the Issuer, the quarterly interim unaudited consolidated reports of the Group or the quarterly interim unaudited unconsolidated reports of the Issuer, or any report required for the purpose of a Compliance Certificate to be delivered to the Agent pursuant to these Terms and Conditions.

“**First Call Date**” means the date falling eighteen (18) months after the First Issue Date.

“**First Issue Date**” means 2 February 2018.

“**Force Majeure Event**” has the meaning set forth in Clause 27.1.

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

“**Guarantee**” means the guarantees in relation to the Secured Obligations provided by the Guarantors pursuant to the Guarantee Agreement.

“**Guarantee Agreement**” means the guarantee agreement dated on or prior to the Completion Date between the Issuer, each Guarantor and the Security Agent pursuant to which, amongst other things, the Secured Obligations are guaranteed by the Guarantors.

“**Guarantor**” means each Group Company which, at any point in time, is a party to the Guarantee Agreement.

“**Hedge Counterparty**” shall have the meaning ascribed to it in the Intercreditor Agreement.

“**ICA Group Company**” shall have the meaning ascribed to it in the Intercreditor Agreement.

“**Incurrence Test**” means the test pursuant to Clause 14.2 (*Incurrence Test*).

“**Initial Nominal Amount**” has the meaning set forth in Clause 2.3.

“**Initial Notes**” means the Notes issued on the First Issue Date.

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*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 all or substantially all of its creditors (other than the Noteholders and creditors under the Secured Debt) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

“**Intercompany Debt**” shall have the meaning ascribed to it in the Intercreditor Agreement.

“**Net Proceeds**” means the gross proceeds from the offering of the relevant Notes, minus (i) in respect of the Initial Notes, the fees payable to the Bookrunner and (ii) in respect of any Subsequent Notes, the costs incurred by the Issuer in conjunction with the issuance thereof, which shall be transferred to the Issuer and used in accordance with Clause 3 (*Use of proceeds*).

“**New Debt Documents**” shall have the meaning ascribed to it in the Intercreditor Agreement.

“**Nominal Amount**” means in respect of each Note the Initial Nominal Amount, less the aggregate amount by which such Note has been converted to Perpetual Capital Notes pursuant to Clause 6.1 (Conversion) ~~has the meaning set forth in Clause 2.3.~~

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

“**Note Issue**” means the issue of Notes by the Issuer pursuant to these Terms and Conditions.

“**Note Loan**” means the loan constituted by these Terms and Conditions and evidenced by the Notes.

“**Noteholder**” means the person who is registered on a Securities Account as direct registered owner (*ägare*) or nominee (*förvaltare*) with respect to a Note.

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 18 (*Noteholders’ Meeting*).

“**Original Super Senior Facility**” means the SEK 120,000,000 overdraft and guarantee facility agreement between, *inter alios*, the Issuer, as borrower, and Danske Bank A/S, Denmark, Sverige Filial, as lender, dated on or about the Completion Date (as amended from time to time).

“**Payment Block Event**” shall have the meaning ascribed to it in the Intercreditor Agreement.

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

- (a) until the Completion Date, incurred under the KFS Financing and the Existing Facility;
- (b) incurred under the Super Senior Facility up to an amount not exceeding the higher of SEK 120,000,000 and 0.5x EBITDA of the Group pursuant to the most recently delivered audited annual report;
- (c) incurred under the Initial Notes;
- (d) incurred by the Issuer if such Financial Indebtedness meets the Incurrence Test tested *pro forma* including such incurrence, and (i) is incurred as a result of a Note Issue of Subsequent Notes under the Terms and Conditions, or (ii) ranks *pari passu* or is subordinated to the obligations of the Issuer under the Terms and Conditions, and has a final redemption date or, when applicable, early redemption

- (p) incurred pursuant to any finance lease, to the extent the arrangement is treated as a finance lease in accordance with the Accounting Principles as applicable on the First Issue Date up to a maximum individually or in the aggregate amount of SEK 10,000,000; and
- (q) incurred by the Issuer under any unsecured short term loan granted for the purpose of supporting the short term liquidity needs of the Group, provided that (i) the aggregate amount of Financial Indebtedness under such loans may not exceed (A) SEK 30,000,000 at any time, or (B) SEK 60,000,000 in aggregate during any rolling period of 365 days, (ii) that no such loan may be outstanding for more than three (3) months from the date that it was granted, and (iii) that the Financial Indebtedness under such loans shall be fully subordinated to the Notes and the Super Senior Facility in the event of the insolvency, bankruptcy, or corporate reconstruction (*Sv. företagsrekonstruktion*) of the Issuer;
- (r) incurred under the Perpetual Capital Notes; and
- ~~(s)~~ if not permitted by any of paragraphs (a) to (q) above which does not in aggregate at any time exceed SEK 20,000,000.

“Permitted Distribution Amount” means fifty (50) per cent. of the consolidated net profit (defined as profit / loss) as it appears on the Group’s income statement (prepared in accordance with the Accounting Principles) for the previous financial year.

“Permitted Security” means:

- (a) up until the Completion Date, any Security provided in respect of the KFS Financing and the Existing Facility;
- (b) any Security created under the Security Documents (subject to any restrictions set out in Clause 13.3 (*Market Loans*) or Clause 13.4 (*Financial Indebtedness*), including any Security and/or guarantees granted for new Financial Indebtedness incurred under item (d) of the definition of Permitted Debt, provided that such Security and/or guarantee are granted to the Secured Parties (including the new provider of Financial Indebtedness) on a *pro rata* basis and the new creditor accedes to the Intercreditor Agreement *pari passu* with the Noteholders as further set out in the Intercreditor Agreement);
- (c) any Security provided in respect of the Super Senior Facility and the Super Senior Hedges;
- (d) any right of netting or set off over credit balances on bank accounts arising in the ordinary course of banking arrangements of the Group;
- (e) any payment or close out netting or set-off arrangement pursuant to any hedging transaction other than the Super Senior Hedges entered into by a Group Company for the purpose of:
- (i) hedging any risk to which any Group Company is exposed in its ordinary course of trading; or
  - (ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only;

- (o) any Security created for the benefit of the financing providers in relation to a Refinancing, however provided always that any perfection requirements in relation thereto are satisfied after repayment of the Notes in full; and
- (p) any Security which does not in aggregate at any time secure indebtedness exceeding SEK 15,000,000,

provided that, in respect of Security provided for the Super Senior Facility and the Super Senior Hedges, the Noteholders are granted security over any such security assets in accordance with the Intercreditor Agreement.

"Perpetual Capital Notes" means the up to SEK 500,000,000 subordinated perpetual floating rate callable capital notes issued, by way of set-off of amounts owing to the Noteholders under the Notes.

"Quarter Date" has the meaning set forth in Clause 14.1 (*Definitions*).

"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 Noteholders is to be made under Clause 16 (*Distribution of proceeds*) 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 Notes are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and repurchase of the Notes*).

"Reference Banks" means banks reasonably selected by the Issuing Agent.

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

"Relevant Period" means the twelve (12) month period ending on each Quarter Date.

"Restricted Payment" has the meaning set forth in Clause 13.1.1.

"Secured Debt" shall have the meaning ascribed to it in the Intercreditor Agreement.

"Secured Obligations" shall have the meaning ascribed to it in the Intercreditor Agreement.

"Secured Parties" shall have the meaning ascribed to it in the Intercreditor Agreement.

"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.

"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.

- 1.2.6 These Terms and Conditions are entered into subject to the Intecreditor Agreement and in the event of any inconsistency between these Terms and Conditions and the Intecreditor Agreement, the Intecreditor Agreement shall prevail.
- 2. STATUS OF THE NOTES**
- 2.1 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.
- 2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.3 The nominal amount of each Initial Note is SEK 1,000,000 (the "**Initial Nominal Amount**"). The maximum aggregate nominal amount of the Initial Notes as at the First Issue Date is SEK 400,000,000. All Initial Notes are issued on a fully paid basis at an issue price of one hundred (100) per cent. of the **Initial Nominal Amount**.
- 2.4 The Issuer may, on one or several occasions, issue Subsequent Notes provided that the Financial Indebtedness under such Subsequent Notes constitutes Permitted Debt (for the avoidance of doubt, including that it shall meet the Incurrence Test). Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The issue price of the Subsequent Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum aggregate nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 600,000,000 unless a consent from the Noteholders is obtained in accordance with Clause 17.7. Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 9.1, and otherwise have the same rights as the Initial Notes.
- 2.5 The Notes constitute direct, general, unconditional and secured obligations of the Issuer and shall at all times rank (i) behind the Super Senior Facility and the Super Senior Hedges pursuant to the terms of the Intecreditor Agreement, (ii) *pari passu* without any preference among them, and (iii) at least *pari passu* with all other direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory law and except as otherwise provided in the Finance Documents.
- 2.6 Following a Payment Block Event and for as long as it is continuing, no repayments, payments of Interest, repurchase of Notes or any other payments may be made by the Issuer or a Guarantor to the Noteholders under or in relation to the Notes or a Guarantee (notwithstanding any other provisions to the contrary in these Terms and Conditions) other than in accordance with the Intecreditor Agreement. For the avoidance of doubt, the failure by the Issuer or a Guarantor to timely make any payments due under the Notes or a Guarantee shall constitute an Event of Default and the unpaid amount shall carry default interest pursuant to Clause 9.4. If and when the Payment Block Event ceases to exist, the Issuer and/or the Guarantor shall, for the avoidance of doubt, immediately make the payments and/or repurchases they should have done in relation to the Notes or a Guarantee should the Payment Block Event not have occurred (together with the default interest referred to above).



- 5.3 The Agent does not review the documents and evidence referred to in Clause 5.2 from a legal or commercial perspective of the Noteholders. The Agent may assume that the documentation delivered to it pursuant to Clause 5.2 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.
- 5.4 If the conditions precedent set out in Clause 5.2 have not been fulfilled to the satisfaction of the Agent (acting reasonably) on or before thirty (30) calendar days after the First Issue Date (a “**Conditions Precedent Failure**”) the Issuer shall redeem all, but not some only, of the outstanding Notes in full at a price equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid interest (a “**Special Mandatory Redemption**”). The Agent may fund a Special Mandatory Redemption with the amounts standing to the credit of the Escrow Account.
- 5.5 A Special Mandatory Redemption shall be made by the Issuer giving notice to the Noteholders and the Agent promptly following the date when the Special Mandatory Redemption is triggered pursuant to Clause 5.4. The Issuer is bound to redeem the Notes in full at the applicable amount on a date specified in the notice from the Issuer, such date to fall no later than ten (10) Business Days after the effective date of the notice.
- 5.6 The Agent shall confirm to the Issuing Agent when the conditions set out in Clause 5.2 have been satisfied.

## 6. CONVERSION

- 6.1 The Noteholders have in a Written Procedure for which notice was given on 26 February 2021, in accordance with Clause 20 (Written Procedure), resolved upon a conversion of part of the Notes by way of set-off against SEK 60,000,000 of the Nominal Amount of the Notes, together with SEK 25,000,000 of accrued interest up until 1 March 2021, totally SEK 85,000,000, for Perpetual Capital Notes (the “Conversion”).
- 6.2 In the Conversion each Noteholder will receive one (1) Perpetual Capital Note, in the nominal amount of SEK 212,500, for each Note held on the Record Date of the Conversion.
- 6.3 In connection with the Conversion the Nominal Amount of the Notes may be temporarily lowered to SEK 1 (or any other amount agreed between the Agent and the Issuer in order, for the Issuing Agent and the CSD to technically facilitate the Conversion). Immediately after the Conversion the outstanding Nominal Amount of each Note will be SEK 850,000.
- 6.4 The Conversion will take place on or around 12 March 2021.

## 6.7. NOTES IN BOOK-ENTRY FORM

- 6.7.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.
- 6.7.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

***Schedule 4***

**Draft Terms and Conditions of Perpetual Capital Notes**

# **RNB RETAIL AND BRANDS**

**TERMS AND CONDITIONS FOR  
RNB RETAIL AND BRANDS AB (PUBL)  
UP TO SEK 500,000,000 SUBORDINATED PERPETUAL  
FLOATING RATE CALLABLE CAPITAL NOTES**

**ISIN: SE0015658703**

**12 March 2021**

## Privacy Notice

The Issuer, the Issuing Agent and the Agent may collect and process personal data relating to the Noteholders, the Noteholders' representatives or agents, and other persons nominated to act on behalf of the Noteholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Capital Notes). The personal data relating to the Noteholders 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, the Issuing Agent 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 Notes and payments under the Capital Notes;
- (c) to enable the Noteholders' 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, the Issuing Agent and the Agent in relation to items (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 item (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, Issuing Agent or 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, the Issuing Agent 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.

The Issuer's, the Issuing Agent's and the Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites [www.rnb.se](http://www.rnb.se), [www.danskebank.se](http://www.danskebank.se) and [www.nordictrustee.com](http://www.nordictrustee.com).

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# **1. Definitions and construction**

## **1.1 Definitions**

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

“**2025 Step-up Date**“ means 12 March 2025.

“**2027 Step-up Date**“ means 12 March 2027.

“**2029 Step-up Date**“ means 12 March 2029.

“**2031 Step-up Date**“ means 12 March 2031.

“**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 Noteholder has opened a Securities Account in respect of its Capital Notes.

“**Adjusted Nominal Amount**” means the Total Nominal Amount less the Nominal Amount of all Capital Notes owned by a Group Company or an affiliate, irrespective of whether such person is directly registered as owner of such Capital Notes.

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

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

“**Business Day**” means a day in Sweden other than a Saturday or Sunday or other public holiday. 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.

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

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more persons, not being the Main Shareholder, acting together, acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than thirty (30) per cent. of the voting shares of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the members of the board of directors of the Issuer.

“**Change of Control Step-up Date**” means the date falling six (6) months after the date on which a Change of Control Event has occurred.

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

“**CSD Regulations**” means the CSD’s rules and regulations applicable to the Issuer, the Agent and the Capital Notes from time to time.

“**Default Event**” means an event or circumstance specified in Clauses 13.1 and 13.2.

“**Deferred Interest**” means Optional Deferred Interest and Mandatory Deferred Interest as described in Clauses 9.2 and 10.1.2.

“**Finance Documents**” means:

- (a) these Terms and Conditions;
- (b) the Agency Agreement; and
- (c) the Issuing Agency Agreement.

“**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*).

“**First Call Date**” means 12 March 2022.

“**First Issue Date**” means 12 March 2021.

“**Force Majeure Event**” has the meaning set forth in Clause 24.1.

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

“**Initial Capital Notes**” means the Capital Notes issued on the First Issue Date.

“**Initial Interest Rate**” has the meaning given in Clause 8.1.5.

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other relevant jurisdiction).

“**Intercreditor Agreement**” means the intercreditor agreement entered into between, amongst other, the Issuer, the Super Senior Facility Creditor and the Agent (representing the Noteholders).

“**Interest Amount**” has the meaning given in Clause 8.3.

“**Interest Determination Date**” 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.

“**Interest Payment**” means, in respect the payment of interest on an Interest Payment Date, the amount of interest payable for the relevant Interest Period in accordance with Clause 8.1 (*Interest Payments*).

“**Interest Payment Date**” has the meaning given in Clause 8.1.2.

“**Interest Period**” means the period from (but excluding) the First Issue Date to (and including) the first Interest Payment Date and each successive period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date.

“**Interest Rate**” means the Initial Interest Rate or the relevant Step-up Interest Rate, as the case may be.

“**Issue Date**” the First Issue Date and each other date on which Capital Notes are to be issued pursuant to these Terms and Conditions, as agreed between the Issuing Agent and the Issuer.

“**Issuer**” means RNB Retail and Brands AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556495-4682.

“**Issuer Re-construction**” has the meaning given in Clause 3.2.

“**Issuer Winding-up**” has the meaning given in Clause 3.2.

**“Issuing Agency Agreement”** means the issuing agency agreement entered into on or before the First Issue Date, between the Issuer and the Issuing Agent, or any replacement issuing agency agreement entered into after the First Issue Date between the Issuer and an issuing agent, regarding, *inter alia*, the appointment of the Issuing Agent.

**“Issuing Agent”** means Danske Bank A/S, Danmark, Sverige Filial, Swedish Reg. No. 516401-9811, P.O. Box 7523, SE-103 92 Stockholm, Sweden, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD Regulations.

**“Main Shareholder”** means Konsumentföreningen Stockholm med omnejd ekonomisk förening, a cooperative (Sw. *ekonomisk förening*) with registration number 702002-1445.

**"Mandatory Deferral Period"** means the period that starts on the First Issue Date and ends on the date when both of the Super Senior Mandatory Deferral Period and the Senior Mandatory Deferral Period have expired.

**"Mandatory Distribution Event"** means an event referred to in paragraph (ii) of the definition "Mandatory Redemption Event".

**Mandatory Redemption Event”** means any one or more of the following events:

- (a) the Issuer or any Group Company makes a loan to any entity outside the group (other in the ordinary course of business).
- (b) declaration or payment of any distribution or dividend or any other payment made by the Issuer on its share capital or any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Notes;
- (c) the making of any other transfers of value (Sw. *värdeöverföringar*) (as defined in Chapter 17, Section 1 of the Swedish Companies Act) by the Issuer or any Subsidiary of the Issuer other than to other Group Companies;
- (d) declaration or payment of any distribution or dividend or any other payment made by the Issuer or any Subsidiary of the Issuer, as the case may be, on any Parity Notes;
- (e) redemption, repurchase, repayment, cancellation, reduction or other acquisition by the Issuer or any Subsidiary of the Issuer of any shares of the Issuer or any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Notes; and/or
- (f) redemption, repurchase, repayment, cancellation, reduction or other acquisition by the Issuer or any Subsidiary of the Issuer of any Parity Notes,

save for:

- (i) in each case, any compulsory distribution or dividend made on the Issuer's shares required by mandatory operation of applicable law;
- (ii) in the case of (b) above only, any redemption, repurchase, repayment, cancellation, reduction or other acquisition executed in connection with, or for the purpose of any reduction of the quota value of the share capital of the Issuer without a corresponding return of cash, capital or assets to shareholders of the Issuer.

**“Margin”** means:

- (a) in respect of the period from (but excluding) the First Issue Date to (and including) the First Call Date *2.5 per cent. per annum*;



- (b) in respect of the period from (but excluding) the First Call Date to (and including) the 2025 Step-up Date 4.5 *per cent. per annum*;
- (c) in respect of the period from (but excluding) the 2025 Step-up Date to (and including) the 2027 Step-up Date 6.5 *per cent. per annum*;
- (d) in respect of the period from (but excluding) the 2027 Step-up Date to (and including) the 2029 Step-up Date 8.5 *per cent. per annum*;
- (e) in respect of the period from (but excluding) the 2029 Step-up Date to (and including) the 2031 Step-up Date 11 *per cent. per annum*; and
- (f) in respect of the period from (but excluding) the 2031 Step-up Date and thereafter 16 *per cent. per annum*.

"**Net Disposal Proceeds**" means the consideration received by any member of the Group (including any amount received as repayment of intercompany debt) for any disposal made by any member of the Group after deducting:

- (a) any reasonable expenses which are incurred by any member of the Group with respect to that Disposal to persons who are not members of the Group;
- (b) any tax incurred and required to be paid by the seller in connection with that disposal (as reasonably determined by the seller, on the basis of existing rates and taking account of any available credit, deduction or allowance); any
- (c) any consideration that is required to be applied against or set aside to be able to satisfy any obligations ranking senior to the Capital Notes.

"**Nominal Amount**" has the meaning set forth in Clause 2.3.

"**Noteholder**" 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 Note.

"**Noteholders' Meeting**" means a meeting among the Noteholders held in accordance with Clause 15 (*Noteholders' Meeting*).

"**Ordinary Shares**" means ordinary shares in the capital of the Issuer.

"**Parity Notes**" 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 Notes; 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 Notes.

"**Record Date**" means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date or (iii) 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 Notes are to be redeemed or repurchased in accordance with Clause 11 (*Redemption and Repurchase of the Capital Notes*).

"**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.

"**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.

"**SEK**" means the lawful currency of Sweden.

“**Senior Mandatory Deferral Period**” means the period that starts on the First Issue Date and ends on the date when the Senior Notes Discharge Date has occurred, or, with respect to a payment, a requisite number of holders of Senior Notes have consented to the relevant payment being made.

“**Senior Notes**” means the Issuer's outstanding senior secured floating rate notes due 2023 with ISIN: SE0010625830.

“**Senior Notes Discharge Date**” means the date all obligations in connection with the Senior Notes have been fully and irrevocably paid and discharged and all commitments thereunder have expired or been cancelled.

“**Step-up Interest Rate**” has the meaning given in Clause 8.2.

“**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 Interest Determination Date for the offering of deposits in SEK and for a period equal to the relevant Interest Period;
- (b) if no rate as described in (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by interpolation between the two closest rates 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 Interest Determination Date for the offering of deposits in SEK;
- (c) if no rate as described in (b) 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 the principal Stockholm office of each of four major banks in the Stockholm interbank market (selected by the Issuing Agent) for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no quotation is available pursuant to paragraph (c), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in SEK offered in the Stockholm interbank market for the relevant period.

“**Subordinated Indebtedness**” means any obligation of the Issuer, whether or not having a fixed maturity, which by its terms is, or is expressed to be, subordinated in the event of an Issuer Winding-up to the claims of all unsubordinated creditors of the Issuer but senior to the Capital Notes or to the obligations of the Issuer in respect of any Parity Notes.

“**Subsequent Capital Notes**” means any Capital Notes issued after the First Issue Date on one or more occasions.

“**Subsidiary**” has the meaning provided in the Swedish Companies Act and “**Subsidiaries**” shall be construed accordingly.

“**Super Senior Facility Agreement**” means a super senior overdraft and guarantee facilities agreement in the original amount of SEK 120,000,000, originally dated 5 February 2018, between inter alia the Issuer and, as borrower, and Danske Bank A/S, Denmark, Sverige Filial (“**Danske Bank**”), as lender (as amended and/or extended from time to time) and any other facility provided to the Issuer and/or any of its subsidiaries, with Danske Bank as creditor, replacing the Super Senior Facility Agreement in whole or in part.

“**Super Senior Facility Creditor**” shall have the meaning ascribed to it in the Intercreditor Agreement.

“**Super Senior Discharge Date**” means the date when the Super Senior Facility Creditor confirms that all amounts under, and obligations in connection with, the Super Senior Facility Agreement have been

fully and irrevocably repaid and discharged and all commitments of the Super Senior Facility Creditor under the Super Senior Facility Agreement have been cancelled.

“**Super Senior Mandatory Deferral Period**” means the period that starts on the First Issue Date and ends on the date when the Super Senior Discharge Date has occurred, or, with respect to a payment, the Super Senior Facility Creditor has consented in writing to the relevant payment being made.

“**Swedish Companies Act**” means the Swedish Companies Act (Sw. *Aktiebolagslagen* (2005:551)).

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

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 16 (*Written Procedure*).

## **1.2 Construction**

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

- a) “**assets**” includes present and future properties, revenues and rights of every description;
- b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- c) a “**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;
- d) a provision of law is a reference to that provision as amended or re-enacted; and
- e) a time of day is a reference to Stockholm time.

1.2.2 When ascertaining whether a limit or threshold specified in SEK has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against SEK for the previous Business Day, as published by the Swedish Central Bank (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.

1.2.3 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.

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

## **2. Status of the Capital Notes**

2.1 The Capital Notes are denominated in SEK and each Capital Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Capital Notes and to comply with these Terms and Conditions.

2.2 The Capital Notes shall benefit from and be subject to the Terms and Conditions.

2.3 The nominal amount of each Capital Note is SEK 212,500 less the aggregate amount by which the Capital Notes has been redeemed in part pursuant to Clause 11.4 (*Issuer's Call*

*Option*) (the “**Nominal Amount**”). The aggregate nominal amount of the Capital Notes as at the First Issue Date is SEK 85,000,000.

- 2.4 Provided that no Default Event is continuing or would result from such issue, the Issuer may, at one or several occasions, issue Subsequent Capital Notes. Subsequent Capital Notes shall benefit from and be subject to the Terms and Conditions, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and perpetual nature applicable to the Initial Capital Notes shall apply to Subsequent Capital Notes. The maximum Total Nominal Amount of the Capital Notes (the Initial Capital Notes and all Subsequent Capital Notes) may not exceed SEK 500,000,000 unless consent from the Noteholders is obtained in accordance with Clause 14 (*Decisions by Noteholders*). Each Subsequent Capital Note shall entitle its holder to Interest in accordance with Clause 8.1 (*Interest Payments*), and otherwise have the same rights as the Initial Capital Notes.
- 2.5 The Capital Notes, including the obligation to pay interest thereon, constitute direct, general, unsecured and subordinated obligations of the Issuer. The rights and claims of the Noteholders in respect of the Capital Notes against the Issuer are subordinated as described in Clause 3 (*Subordination and rights on a winding-up and re-construction*).
- 2.6 The Capital Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Capital Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Capital Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Capital Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Capital Notes.

### **3. Subordination and rights on a winding-up and re-construction**

- 3.1 The Capital Notes, including the obligation to pay interest thereon, constitute direct, unsecured and subordinated obligations of the Issuer. The rights and claims of the Noteholders in respect of the Capital Notes against the Issuer are subordinated in accordance with Clause 3.2 below.
- 3.2 In the event of a voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (each an “**Issuer Winding-up**”), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank:
- (a) *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 Notes;
  - (b) in priority to all present or future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note; and
  - (c) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness.

In the event of a company re-construction (Sw. *företagsrekonstruktion*) of the Issuer under the Swedish Business Reorganization Act (an “**Issuer Re-construction**”), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank:

- (a) *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 Notes;
- (b) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness; and
- (c) in priority to all present and future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note.

3.3 Subject to mandatory applicable law, no Noteholder may exercise, claim or plead any right of set-off, 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 Notes and each Noteholder shall, by virtue of its holding of any Capital Note, be deemed to have waived all such rights of set-off, compensation or retention.

3.4 Notwithstanding anything to the contrary in these Terms and Conditions, no payments under the Capital Notes (whether by way of redemption, repurchase, Interest Payment or otherwise) may be made by the Issuer or be accepted by the Noteholders, until the expiry of the Mandatory Deferral Period.

#### **4. Settlement of the Capital Notes**

4.1 The Initial Capital Notes are issued on the First Issue Date by way of set-off of amounts owing to such Noteholder under the Senior Notes.

4.2 The Issuer shall provide the following to the Agent, no later than three (3) Business Days prior to the First Issue Date:

- (a) a copy of the constitutional documents of Issuer;
- (b) a copy of a resolution of the board of directors of the Issuer approving the issue of the Capital Notes by way of set-off and the Terms and Conditions and resolving that it execute, deliver and perform its obligations under the Terms and Conditions and all related documents to which it is or will become a party;
- (c) a copy of the executed Agency Agreement;
- (d) a copy of the executed Terms and Conditions; and
- (e) a copy of a written statement by the auditor of the Company, confirming that the full amount of the Capital Notes will be treated as equity in the Issuer’s balance sheet.

4.3 When the conditions in Clause 4.2 have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall without undue delay confirm in writing to the Issuing Agent, that the Issuing Agent shall procure the settlement of the Capital Notes by way of set-off against the Senior Notes through the CSD, as instructed by the Issuer.

4.4 The Issuer shall provide the following to the Agent, no later than four (4) Business Days prior to the Issue Date, in respect of Subsequent Capital Notes:

- (a) a copy of the constitutional documents of Issuer; and

- (b) a copy of a resolution of the board of directors of the Issuer approving the issue of the Capital Notes by way of set-off and the Terms and Conditions and resolving that it execute, deliver and perform its obligations under the Terms and Conditions and all related documents to which it is or will become a party.
- 4.5 When the conditions in Clause 4.4 have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall without undue delay confirm in writing to the Issuing Agent, that the Issuing Agent shall procure the settlement of any Subsequent Capital Notes by way of set-off against the Senior Notes through the CSD on the relevant Issue Date.
- 4.6 The relevant Issue Date shall not occur (i) unless the Agent makes the confirmation referred to in Clause 4.3 or 4.5 (as applicable) to the Issuing Agent no later than 9.00 a.m. three (3) Business Days prior to the relevant Issue Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.

## **5. Capital Notes in book-entry form**

- 5.1 The Capital Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Capital Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Capital Notes shall be directed to an Account Operator.
- 5.2 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 Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 5.3 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 Notes. At the request of the Agent, the Issuer shall promptly obtain such information, including but not limited to information from the debt register kept by the CSD in respect of the Capital Notes, and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Terms and Conditions or the Issuing Agency Agreement, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Capital Notes.

## **6. Right to act on behalf of a Noteholder**

- 6.1 If any person other than a Noteholder wishes to exercise any rights under the Terms and Conditions, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 6.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Capital Notes held by it. Any such representative may act independently under the Terms and Conditions in relation to the Capital Notes for which such representative is entitled to represent the Noteholder and it may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 6.3 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 6.1 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **7. Payments in respect of the Capital Notes**

- 7.1 Any payment or repayment under the Terms and Conditions, or any amount due in respect of a repurchase of any Capital Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 If a Noteholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 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.
- 7.4 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.
- 7.5 The Issuer is not liable to gross-up any payments under the Terms and Conditions by virtue of any withholding tax, public levy or similar.

## **8. Interest**

### **8.1 Interest Payments**

- 8.1.1 Each Initial Capital Note carries interest at the Initial Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Capital Note will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 8.1.2 Subject to Clause 9 (*Mandatory Interest Deferral*), Clause 10 (*Optional Interest Deferral*) and the Business Day Convention, interest shall be payable on the Capital Notes quarterly in arrears on 1 March, 1 June, 1 September, and 1 December each calendar year (each an “**Interest Payment Date**”), with the first Interest Payment Date being 1 June 2021.
- 8.1.3 The Capital Notes (and any unpaid amounts thereon) will cease to bear interest from (but including) the date of redemption thereof pursuant to the relevant paragraph of Clause 11 (*Redemption and Repurchase of the Capital Notes*).
- 8.1.4 Interest shall be calculated based upon actual/360-days basis.
- 8.1.5 The Interest Rate in respect of each Interest Period commencing prior to the 2025 Step-up Date shall be the aggregate of the relevant Margin and the relevant STIBOR (3 months) for such Interest Period, all as determined by the Issuing Agent (the “**Initial Interest Rate**”).
- 8.1.6 The Interest Payment in respect of each Interest Period will be deferred in accordance with Clause 9 (*Mandatory Interest Deferral*) and may thereafter be deferred in accordance with Clause 10 (*Optional Interest Deferral*).

## **8.2 Step-up Interest Rates**

The Interest Rate in respect of each Interest Period falling after the 2025 Step-up Date, the 2027 Step-up Date, the 2029 Step-up Date and the 2031 Step-up Date respectively shall be the aggregate of the relevant Margin and the relevant STIBOR (3 months) for such Interest Period, all as determined by the Issuing Agent (each a “**Step-up Interest Rate**”).

## **8.3 Determination of Interest Rates and Calculation of Interest Amounts**

The Issuing Agent shall, at or as soon as practicable after 11.00 a.m. (Stockholm time) on each Interest Determination Date, determine the Interest Rate in respect of the Interest Period commencing immediately following such Interest Determination Date and shall calculate the amount of interest which will (subject to deferral in accordance with Clause 9 (*Mandatory Interest Deferral*) and Clause 10 (*Optional Interest Deferral*)) be payable in respect of each such Interest Period (the “**Interest Amount**”).

## **8.4 Publication of Interest Rates and Interest Amounts**

Unless the Capital Notes are to be redeemed, the Issuer shall cause notice of each Interest Rate and the related Interest Amount to be given to the Agent, the Issuing Agent and in accordance with Clause 12 (*Notices*), the Noteholders, in each case as soon as practicable after its determination but in any event not later than the first Business Day of the relevant Interest Period.

## **8.5 Issuing Agent**

The Issuer may, subject to the Issuing Agency Agreement, from time to time replace the Issuing Agent with another independent financial institution. If the Issuing Agent is unable or unwilling to continue to act as the Issuing Agent or fails to determine an Interest Rate or calculate the related Interest Amount or effect the required publication thereof (in each case as required pursuant to these Terms and Conditions), the Issuer shall, subject to the Issuing Agency Agreement, forthwith appoint another independent financial institution to act as such in its place. The Issuing Agent may not resign its duties or be removed without a successor having been appointed as aforesaid. If the Issuer fails to appoint a successor Issuing Agent in a timely manner, then the Issuing Agent shall be entitled to appoint as its successor a reputable financial institution of good standing which the Issuer and the Agent shall approve (such approval not being unreasonably withheld).

## **8.6 Determinations of Issuing Agent Binding**

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Clause 8.6 by the Issuing Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Issuing Agent and all Noteholders and (in the absence of wilful default and bad faith) no liability to the Noteholders or the Issuer shall attach to the Issuing Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

## **8.7 Step-up after Change of Control Event**

8.7.1 Notwithstanding any other provision of this Clause 8, if the Issuer does not elect to redeem the Capital Notes in accordance with Clause 11.4 (*Issuer's Call Option*) following the occurrence of a Change of Control Event, the then prevailing Interest Rate, and each subsequent Interest Rate otherwise determined in accordance with the provisions of this Clause 8, on the Capital Notes shall be increased by 2.00 *per cent. per annum* with effect from (and including) the day immediately following the Change of Control Step-up Date.



- 8.7.2 Immediately upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give notice to the Agent and the Noteholders in accordance with Clause 12 (*Notices*) specifying the nature of the Change of Control Event.

## **8.8 Step-up after Mandatory Distribution Event**

Notwithstanding any other provision of this Clause 8, if a Mandatory Distribution Event occurs, then the prevailing Interest Rate, and each subsequent Interest Rate otherwise determined in accordance with the provisions of this Clause 8, on the Capital Notes shall be increased by 3.00 per cent. per annum with effect from (and including) the day immediately following the date the Mandatory Distribution Event occurred.

## **9. Mandatory Interest Deferral**

- 9.1 All Interest Payments under the Capital Notes will be deferred, until the expiry of the Mandatory Deferral Period and no such payments will be made by the Issuer or accepted by the Noteholders until the Mandatory Deferral Period has expired).
- 9.2 Any Interest Payment so deferred pursuant to this Clause 9 shall, from (but excluding) the Interest Payment Date on which such Interest Payment would (but for its deferral) have been payable to (and including) the date on which it is paid in full, itself bear interest at the Interest Rate prevailing from time to time (which interest shall compound on each Interest Payment Date) and, for so long as the same remains unpaid, such deferred interest (together with the interest accrued thereon) shall constitute “**Mandatory Deferred Interest**”.
- 9.3 The deferral of an Interest Payment in accordance with this Clause 9 shall not constitute a Default Event by the Issuer under the Capital Notes or for any other purpose.
- 9.4 Subject to the Mandatory Deferral Period having expired, the Mandatory Deferred Interest shall be paid (in whole but not in part) on the earlier of the first Interest Payment Date following the expiration of the Mandatory Deferral Period or, the date on which the Capital Notes are redeemed or repaid in accordance with Clause 11 (*Redemption and Repurchase of the Capital Notes*) or Clause 13 (*Default and Enforcement*).
- 9.5 Notice of the expiration of the Mandatory Deferral Period shall be given by the Issuer to the Noteholders in accordance with Clause 12 (*Notices*), the Issuing Agent and the Agent within three (10) Business Days of the expiration of the Mandatory Deferral Period.

## **10. Optional Interest Deferral**

### **10.1 Deferral of Interest Payments**

- 10.1.1 Without prejudice to Clause 9.1 (*Mandatory Interest Deferral*), the Issuer may, at any time and at its sole discretion, elect to defer any Interest Payment, in whole but not in part, which is otherwise scheduled to be paid on an Interest Payment Date (except on any Interest Payment Date on which the Capital Notes are to be redeemed) by giving notice of such election to the Noteholders in accordance with Clause 12 (*Notices*), the Issuing Agent and the Agent not less than seven (7) Business Days prior to the relevant Interest Payment Date.
- 10.1.2 Interest Payment so deferred pursuant to this Clause 10 shall, from (but excluding) the Interest Payment Date on which such Interest Payment would (but for its deferral) have been payable to (and including) the date on which it is paid in full, itself bear interest at the Interest Rate prevailing from time to time (which interest shall compound on each Interest Payment Date) and, for so long as the same remains unpaid, such deferred interest (together with the interest accrued thereon) shall constitute “**Optional Deferred Interest**”.

10.1.3 The deferral of an Interest Payment in accordance with this Clause 10 shall not constitute a Default Event by the Issuer under the Capital Notes or for any other purpose.

## **10.2 Settlement of Deferred Interest**

### *Optional Settlement*

10.2.1 Subject to the Mandatory Deferral Period having expired, Optional Deferred Interest may be paid (in whole but not in part) at any time at the option of the Issuer following delivery of a notice to such effect given by the Issuer to the Noteholders in accordance with Clause 12 (*Notices*), the Issuing Agent and the Agent not less than seven (7) Business Days prior to the date (to be specified in such notice) on which the Issuer will pay such Deferred Interest.

### *Mandatory settlement*

10.2.2 Subject to the Mandatory Deferral Period having expired, the Issuer shall pay any Optional Deferred Interest, in whole but not in part, on the first to occur of the following dates:

- (a) the fifteenth (15<sup>th</sup>) Business Day following the date on which a Mandatory Redemption Event occurs;
- (b) any Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period; and
- (c) the date on which the Capital Notes are redeemed or repaid in accordance with Clause 11 (*Redemption and Repurchase of the Capital Notes*) or Clause 13 (*Default and Enforcement*).

Notice of any Mandatory Redemption Event shall be given by the Issuer to the Noteholders in accordance with Clause 12 (*Notices*), the Issuing Agent and the Agent within three (3) Business Days of such event.

## **11. Redemption and Repurchase of the Capital Notes**

### **11.1 No maturity**

The Capital Notes are perpetual and have no specified maturity date. The Issuer may only redeem the Capital Notes pursuant to this Clause 11 (*Redemption and Repurchase of the Capital Notes*).

### **11.2 Issuer's purchase of Notes**

Subject to the Mandatory Deferral Period having expired, the Issuer or any Group Company may, subject to applicable law, at any time and at any price purchase Capital Notes on the market or in any other way at prices aligned with current market prices of the Capital Notes (traded or quoted). The Capital Notes held by the Issuer or any Group Company may at such Group Company's discretion be retained or sold, but not cancelled.

### **11.3 Mandatory Redemption**

11.3.1 Subject to the Mandatory Deferral Period having expired, if a Mandatory Redemption Event has occurred, the Issuer shall, by giving not less than 15 nor more than 30 days' notice to the Issuing Agent, the Agent and, in accordance with Clause 12 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Capital Notes at a price equal to 100 *per cent* of the principal

amount together with any Deferred Interest and any other accrued and unpaid interest up to (and including) the Redemption Date (rounded down to the nearest SEK 1 per Capital Note).

- 11.3.2 Subject to the Mandatory Deferral Period having expired, if the Issuer and/or the Group disposes of all or substantially all of its assets, the Issuer shall, by giving not less than 15 nor more than 30 days' notice to the Issuing Agent, the Agent and, in accordance with Clause 12 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Notes together with accrued and unpaid interest in an amount equal to the Net Disposal Proceeds plus any amount of cash and cash equivalents held by or available to the Issuer minus (i) such amount that is required in order for the equity of the Issuer to be equal to not more than SEK 8,000,000 and (ii) such amount that may be required to liquidate the Issuer in an orderly fashion (rounded down to the nearest SEK 1 per Capital Note).

#### **11.4 Issuer's Call Option**

Subject to the Mandatory Deferral Period having expired, the Issuer may, at any time on one or several occasions, by giving not less than 30 nor more than 60 days' notice to the Issuing Agent, the Agent and, in accordance with Clause 12 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem in whole or in part outstanding Capital Notes on a Business Day by way of reducing the Nominal Amount of each Capital Note pro rata, rounded down to the nearest SEK 1, at a price equal to 100 per cent of the principal amount together with any Deferred Interest and any other accrued and unpaid interest up to (and including) the Redemption Date. Upon the expiry of such notice, the Issuer shall redeem the Capital Notes.

### **12. Notices**

- 12.1 Any notice or other communication to be made under or in connection with the Terms and Conditions:
- (a) 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 such email address notified by the Agent to the Issuer from time to time;
  - (b) 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 such email address notified by the Issuer to the Agent from time to time; and
  - (c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Noteholder in order to receive the communication (or if not applicable, the Business Day prior to dispatch), and by either courier delivery or letter for all Noteholders. A notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.
- 12.2 Any notice or other communication made by one person to another under or in connection with the Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, 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 12.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 12.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 12.1.
- 12.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## **13 Default and enforcement**

### **13.1 Proceedings**

13.1.1 Subject to the Mandatory Deferral Period having expired and without prejudice to the Issuer's right to defer the payment of interest under Clause 10 (*Optional Interest Deferral*), if a default is made by the Issuer for a period of 10 days or more in relation to the payment of any interest, principal or premium in respect of the Capital Notes which is due and payable, then the Issuer shall be deemed to be in default under the Capital Notes and the Agent (acting on instructions of the Noteholders in accordance with the Terms and Conditions) or any Noteholder (subject to Clause 21.2) may institute proceedings for an Issuer Winding-up provided that the Default Event is still continuing.

13.1.2 In the event of an Issuer Winding-up, a Noteholder may, provided such Noteholder does not contravene a previously adopted resolution in accordance with Clause 14.7 (if any), either independently or through the Agent prove and/or claim in such Issuer Winding-up in respect of the Capital Notes, such claim being for such amount, and being subordinated in such manner, as is provided under Clause 3 (*Subordination and rights on a winding-up and reconstruction*), provided that no payments in respect of the Capital Notes may be accepted by such Noteholder during the Mandatory Deferral Period.

### **13.2 Enforcement**

Subject to the Mandatory Deferral Period having expired, the Agent (acting on the instructions of the Noteholders in accordance with these Terms and Conditions) may institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Capital Notes but in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

### **13.3 Extent of Noteholders' Remedy**

No remedy against the Issuer, other than as referred to in this Clause 13, shall be available to the Agent and the Noteholders, whether for the recovery of amounts owing in respect of the Capital Notes or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Capital Notes.

## **14. Decisions by Noteholders**

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

14.2 Any request from the Issuer or a Noteholder (or Noteholders) 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 Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Terms and Conditions shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way of 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.

14.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the

Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

14.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 14.3 being applicable, the Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead.

14.5 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 15.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 16.1, in both cases with a copy to the Agent. After a request from the Noteholders pursuant to Clause 18.4.3, 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 Noteholders' Meeting in accordance with Clause 15.1. The Issuer shall inform the Agent before a notice for a Noteholders' 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.

14.6 Only a person who is registered as a Noteholder, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is registered as a Noteholder at the following times:

- (a) on the Business Day specified in the notice pursuant to Clause 15.2, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 16.2, in respect of a Written Procedure,

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

14.7 The following matters shall require the consent of Noteholders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.2:

- (a) the issue of any Subsequent Capital Notes after the First Issue Date, if the total nominal amount of the Capital Notes exceeds, or if such issue would cause the total nominal amount of the Capital Notes to at any time exceed, SEK 500,000,000 (for the avoidance of doubt, for which consent shall be required on each occasion such Subsequent Capital Notes are issued);
- (b) a change to the terms of any of Clause 2.1, and Clauses 2.5 – 2.7;
- (c) a change to the Interest Rate or the Nominal Amount;
- (d) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 14;
- (e) a change of Issuer or any delay of the due date for payment of any interest on the Capital Notes other than as permitted pursuant to Clause 10;
- (f) a mandatory exchange of the Capital Notes for other securities (other than as expressly permitted under these Terms and Conditions); and
- (g) early redemption of the Capital Notes, other than as otherwise permitted or required by these Terms and Conditions

- 14.8 Any matter not covered by Clause 14.7, including for the avoidance of doubt the initiation of an Issuer Winding-up, shall require the consent of Noteholders representing more than fifty (50) *per cent.* of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of the Terms and Conditions that does not require a higher majority.
- 14.9 Until the expiry of the Super Senior Mandatory Deferral Period, the following matters shall require the written consent of the Super Senior Facility Creditor:
- (a) a change to the terms of any of Clauses 3, 9, 10, 11 and 13;
  - (b) a change of Issuer; and
  - (c) a change to the terms dealing with the requirements for the Super Senior Facility Creditor's consent set out in this Clause 14.9.
- 14.10 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) *per cent.* of the Adjusted Nominal Amount in case of a matter pursuant to Clause 14.7, and otherwise twenty (20) *per cent.* of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which quorum exists.
- 14.11 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 15.1) or initiate a second Written Procedure (in accordance with Clause 16.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal has not been withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 14.11, the date of request of the second Noteholders' Meeting pursuant to Clause 15.1 or second Written Procedure pursuant to Clause 16.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 14.10 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 14.12 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 Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 14.13 A Noteholder holding more than one Capital Note 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.
- 14.14 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

- 14.15 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- 14.16 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 14.17 If a decision shall be taken by the Noteholders on a matter relating to the Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Capital Notes owned by Group Companies or (to the knowledge of the Issuer) affiliates, irrespective of whether such person is directly registered as owner of such Capital Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Capital Note is owned by a Group Company or an affiliate.
- 14.18 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **15. Noteholders' Meeting**

- 15.1 The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is registered as a Noteholder on a date selected by the Agent which falls no more than five (5) Business Days prior to the date on which the notice is sent.
- 15.2 The notice pursuant to Clause 15.1 shall include the (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), (iv) Business Day on which a person must be a Noteholder in order to exercise Noteholders' rights at the Noteholders' Meeting and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 15.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- 15.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **16. Written Procedure**

- 16.1 The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons)

by sending a communication to each such person who is registered as a Noteholder on the a date selected by the Agent which falls no more than five (5) Business Days prior to the date on which the communication is sent.

- 16.2 A communication pursuant to Clause 16.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days from the communication pursuant to Clause 16.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 16.3 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 14.7 and 14.8 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 14.7 and 14.8, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **17. Amendments and Waivers**

- 17.1 Subject to Clause 14.9, the Issuer and the Agent (acting on behalf of the Noteholders) may agree to amend the Terms and Conditions or waive any provision in the Terms and Conditions, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Noteholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 14 (*Decisions by Noteholders*).
- 17.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Terms and Conditions. It is sufficient if such consent approves the substance of the amendment.
- 17.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 17.1, setting out the date from which the amendment or waiver will be effective. Any amendments to the Terms and Conditions shall be published on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to the Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 17.4 An amendment to the Terms and Conditions shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

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

### **18.1 Appointment of Agent**

- 18.1.1 By subscribing for Capital Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Capital Notes and the Terms and Conditions, 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 Notes held by such Noteholder. By acquiring



Capital Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.

- 18.1.2 Each Noteholder 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 Terms and Conditions. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- 18.1.3 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 Terms and Conditions.
- 18.1.4 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 Terms and Conditions and the Agency Agreement and the Agent's obligations as Agent under the Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.
- 18.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **18.2 Duties of the Agent**

- 18.2.1 The Agent shall represent the Noteholders in accordance with the Terms and Conditions. The Agent is not responsible for the content, due execution, legal validity, perfection or enforceability of the Terms and Conditions.
- 18.2.2 When acting in accordance with the Terms and Conditions, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill.
- 18.2.3 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Terms and Conditions.
- 18.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Terms and Conditions, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Terms and Conditions.
- 18.2.5 The Agent is entitled to engage external experts when carrying out its duties under the Terms and Conditions. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of a Default Event or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to a Default Event or (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders hereunder.
- 18.2.6 Notwithstanding any other provision of the Terms and Conditions 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.
- 18.2.7 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 Noteholders, or taking any action at its own initiative, will not be covered by the Issuer or the Noteholders (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.

- 18.2.8 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Terms and Conditions or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 18.2.7.
- 18.2.9 The Agent's duties under the Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with the Terms and Conditions and upon instructions from the Noteholders, unless otherwise set out in the Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Noteholders or any other person.
- 18.2.10 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 Terms and Conditions unless to the extent expressly set out in the Terms and Conditions, or to take any steps to ascertain whether any Default Event has occurred.
- 18.2.11 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.

### **18.3 Limited liability for the Agent**

- 18.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with the Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 18.3.2 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 addressed to 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 18.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Terms and Conditions to be paid by the Agent to the Noteholders, 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.
- 18.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 14 (*Decisions by Noteholders*) or a demand by Noteholders given in accordance with the Terms and Conditions.
- 18.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Terms and Conditions.
- 18.3.6 The Agent is not liable for information provided to the Noteholders by or on behalf of the Issuer or by any other person.

## **18.4 Replacement of the Agent**

- 18.4.1 Subject to Clause 18.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 18.4.2 Subject to Clause 18.4.6, 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.
- 18.4.3 A Noteholder (or Noteholders) 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 Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 18.4.4 If the Noteholders 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 Noteholders, 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.
- 18.4.5 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 Terms and Conditions.
- 18.4.6 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.
- 18.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Terms and Conditions but shall remain entitled to the benefit of the Terms and Conditions and remain liable under the Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Terms and Conditions as they would have had if such successor had been the original Agent.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, 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 Terms and Conditions and the Agency Agreement. 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.

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

- 19.1 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 Notes. Such appointment and the terms thereof is set out in the Issuing Agency Agreement.

- 19.2 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 and the Agent shall jointly immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent in accordance with these Terms and Conditions.

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

- 20.1 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 Notes.
- 20.2 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 Noteholder. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act (*lag (1998:1479) om kontoföring av finansiella instrument*).

## **21. No Direct Actions by Noteholders**

- 21.1 A Noteholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Terms and Conditions (save for in accordance with Clause 13 (*Default and enforcement*)). A Noteholder may not 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 Terms and Conditions. Such steps may only be taken by the Agent in accordance with these Terms and Conditions.
- 21.2 Clause 21.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Terms and Conditions 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 Noteholder to provide documents in accordance with Clause 18.1.2), 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 Terms and Conditions or the Agency Agreement or by any reason described in Clause 18.2.7, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.8 before a Noteholder may take any action referred to in Clause 23.1.

## **22. Prescription**

- 22.1 The right to receive repayment of the principal of the Capital Notes shall be prescribed and become void ten (10) years from the relevant 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 Noteholders' right to receive payment has been prescribed and has become void.

22.2 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 Notes, 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.

### **23. Press releases**

23.1 Any notice that the Issuer or the Agent shall send to the Noteholders shall also be published by way of press release by the Issuer or the Agent, as applicable.

23.2 In addition to Clause 23.1, if any information relating to the Capital Notes or the Issuer contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to issue such press release.

### **24. Force Majeure and Limitation of Liability**

24.1 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 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.

24.2 The Issuing Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with the Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall not be responsible for indirect damages.

24.3 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.

24.4 The provisions in this Clause 24 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

### **25. Governing Law and Jurisdiction**

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

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

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We hereby certify that the above Terms and Conditions are binding upon ourselves.

Place: Stockholm

Date:

**RNB RETAIL AND BRANDS AB (publ)**

**as Issuer**

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

Place: Stockholm

Date:

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

**as Agent**

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