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Stockholm, 9 November 2022

To the Bondholders in:

ISIN: SE0013486057 – Host Property AB´s (publ) SEK 500,000,000 Senior Secured and Guaranteed Floating Rate Bonds 2019/2022

NOTICE OF WRITTEN PROCEDURE – REQUEST TO AMEND THE TERMS AND CONDITIONS

This voting request for procedure in writing has been sent on 9 November 2022 to Bondholders directly registered as of 8 November 2022 in the debt register (Sw. *skuldbok*) kept by the CSD. If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) or if you otherwise are holding Bonds 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 6.3 (*Voting rights and authorisation*).

Record Date for being eligible to vote:	18 November 2022
Deadline for voting:	15.00 (CET) 28 November 2022
Quorum requirement:	At least fifty (50.00) per cent.
Majority requirement:	At least seventy-five (75.00) per cent.

Nordic Trustee & Agency AB (publ) acts as Bond Trustee (the "**Bond Trustee**") for the bondholders (the "**Bondholders**") of the bonds in the above mentioned bond issue with ISIN SE0013486057 (with an aggregated amount outstanding of SEK 343,126,000) (the "**Bonds**") issued by Host Property AB (publ) (the "**Issuer**" or "**Host**"). In its capacity as Bond Trustee, and as requested by the Issuer, the Bond Trustee hereby initiates a procedure in writing (the "**Written Procedure**") as required by the Terms and Conditions (as defined below), whereby Bondholders can vote for or against the Issuer's requests.

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

Bondholders participate by completing and sending the voting form, attached hereto as Schedule 1 (the "**Voting Form**"), and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (the "**Power of Attorney**") or other sufficient evidence, if the Bonds are held in custody other than by the CSD, to the Bond Trustee. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

The Bond Trustee must receive the Voting Form no later than 15.00 CET on 28 November 2022 either by mail, courier or email to the Bond Trustee using the contact details set out in Section 6.7 (*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 Bondholder on 18 November 2022 (the "**Record Date**"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

NORDEA BANK ABP is acting as advisor to the Issuer in connection with this Written Procedure with the following contact information: Att. Nordea Liability Management, +45 6161 2996, email: nordealiabilitymanagement@nordea.com.

1. BACKGROUND

Since the decline of the consequences of COVID-19 the demand in the travel industry in general and the regional hotel market in Sweden has recovered and has performed strongly during 2022. Host Property has over a longer period delivered stronger cash flow compared to the pre-COVID-19 levels. However, due to high inflation, increasing interest rates and general financial market uncertainty due to the war in Ukraine, the debt financing market has been challenging during 2022. Thus, the Issuer is facing certain problems to provide a new refinancing structure to the existing Bonds.

Due to the current financial difficulties to provide a refinancing of the Bonds and to secure a structural sale of the Issuer's assets, the Issuer has negotiated with certain major Bondholders representing 68.14 per cent. of the Total Nominal Amount (the "**Major Bondholders**"), in order to agree on a solution and certain amendments to the Terms and Conditions.

In connection with the maturity date of the Bonds, being 28 November 2022, and together with the current challenging Swedish real estate market, the Issuer and the Major Bondholders have agreed that an extension of the terms of the Bonds of additional two (2) years will secure best outcome for all parties. Hence, the Issuer's and the Major Bondholders' suggestion of an extension of the term of the Bonds will allow a structured sale process of the Issuer's assets which can be initiated together with a reputable Nordic broker with full transparency towards the member of the board of the Issuer appointed by the Bondholders. If the Bonds are not redeemed in full by 31 December 2023, the Bondholders shall have a right to appoint additional board members in order to obtain the majority vote in the Issuer's board in addition to the board members nominated by the Parent.

On 9 November 2022, the Issuer and the Major Bondholders entered into a standstill letter pursuant to which the Issuer and the Major Bondholders have agreed on certain amendments to the Terms and Conditions as described in this Notice (the "**Proposed Amendments**"). Each of the Major Bondholders has in the standstill letter undertaken during a standstill period (i) not to sell the Bonds they represent, and (ii) to vote, and ensure that the holding of Bonds they represent vote, in favour of the Request as set out in this Written Procedure. The Issuer has in the standstill letter undertaken to initiate this Written Procedure. The Proposed Amendments are conditional upon the approval of the Bondholders in this Written Procedure.

Against this background, the Issuer requests that the Bondholders agree to amend the Terms and Conditions, as further described in Section 2 (*Request*) below.

2. REQUEST

2.1 Proposed Amendments

The Proposed Amendments proposed to be made to the Terms and Conditions are set forth in full in Schedule 3 (*Amended and Restated Terms and Conditions*) of this Notice, where blue and underlined text indicates additions whereas red and crossed-out text indicates deletions. A summary of the Proposed Amendments is also set forth below.

Purpose and term

It is proposed an extension of the Bonds in the amount of SEK 343,126,000 with a term of additional two (2) years from the Maturity Date, i.e. two (2) years from 28 November 2022, including a redemption of 125.00 per cent. at maturity. The extension of the Bonds will be subject to a consent fee of 4.00 per cent. of the outstanding Nominal Amount to be paid by the Issuer from existing cash balance at the date of extension.

Coupon

It is proposed a 3 months STIBOR + 900 bps with quarterly coupon payments.

Redemption at maturity

It is proposed that the outstanding Bonds shall be redeemed in full on the Maturity Date with an amount per Bond equal to 125.00 per cent. of the Nominal Amount together with accrued but unpaid Interest.

Call options – partial and full redemption

It is proposed that the Issuer may make a partial or full prepayment of the Bonds:

(a) any time from and including the amendment date to and including 30 June 2023 at a price equal to 103.00 per cent. of the Nominal Amount together with accrued but unpaid Interest;

(b) any time from and including 1 July 2023 to and including 31 December 2023 at a price equal to 104.50 per cent. of the Nominal Amount together with accrued but unpaid Interest; and

(c) any time from and including 1 January 2024 to, but excluding, the Maturity Date at an amount per Bond equal to 125.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest

Investor put option

It is proposed that upon the occurrence of a Change of Control Event or a Listing Failure Event, each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101.00 per cent. of the Nominal Amount.

Guarantee

It is proposed that the Guarantee Agreement relating to the Guarantee provided by the Parent shall be amended and with effect from 31 December 2023 shall be limited to 100.00 per cent. of the outstanding Nominal Amount (being SEK 343,126,000) plus accrued but unpaid interest but not including any redemption premium amounts payable on the Bonds after 31 December 2023 (i.e. it shall not cover the 25.00 per cent. premium redemption price with effect from 1 January 2024).

Sales mechanism

It is proposed that a structured sales process for all the Properties shall be initiated no later than 31 January 2023 together with a confirmation to the Bond Trustee that such process has been initiated. The sales process shall be through reputable Nordic broker with full transparency towards the board member appointed by the Bondholder Committee. The appointed broker shall report monthly to the board of directors of the Issuer on sales process and offers received.

Disposals

It is proposed that:

(a) the restriction for Issuer and the Parent to dispose of the shares in a Property Company and a Property Company to dispose of its Property only if such disposal together with any other disposal permitted pursuant to Clause 14.6.3 and any Permitted Land Parcel Divestment does not represent more than 30.00 per cent. of the Properties Market Value as set out in the Initial Valuation Report shall be removed;

(b) the restriction for a Property Company to dispose of a Land Parcel if the disposal together with any other disposal permitted pursuant to Clause 14.6.4 does not represent more than 5% of the Properties Market Value as set out in the Initial Valuation Report shall be removed;

(c) a disposal of a Property Company, Property or Land Parcel to a related party of the Issuer below net asset value shall be subject to the Bondholder Committee's prior written approval; and

(d) the Release Price in relation to a Property or a Property Company shall be minimum 80.00 per cent. of the higher of (a) the sales price and (b) the book value of the Property, but in any case shall not exceed the total proceeds, after deductions of any transaction costs, from any Permitted Partial Divestment.

Financial maintenance covenants

It is proposed that Clause 13.1 (*Maintenance Test*) shall be amended so that the Issuer from the amendment date until but not including 31 December 2023 at all times shall maintain a free and available cash position of minimum SEK 15,000,000.

It is further proposed that (i) the free cash at all times shall not be less than SEK 20,000,000 for the period from and including 31 December 2023 until the Maturity Date (ii) the Cash Interest Coverage Ratio shall be amended so that the Issuer at all times shall maintain a Cash Interest Coverage Ratio of no less than 1.3:1.0 for the period from and including 31 December 2023 until the Maturity Date, and (iii) the Issuer Group LTV shall be amended so that Issuer at all times shall maintain the Issuer Group LTV at a maximum 55.00 per cent. for the period from and including 31 December 2023 until the Maturity Date.

Bondholders' majority in the board of directors of the Issuer

It is proposed that if the Bonds are not redeemed in full by 31 December 2023 the Parent shall without any delay after the written instruction from the Bondholders Committee appoint, in

addition to the directors appointed by the Parent, new directors to the board of directors of the Issuer. The number of new directors appointed and designated by the Bondholders Committee shall thereafter have the majority vote in the board of directors of the Issuer.

Consequential amendments

As a consequence of the Proposed Amendments proposed by the Issuer, certain consequential amendments and updates to the Terms and Conditions may be required.

3. CONSENT

The Bondholders are asked to confirm that the Bondholders agree to the request in Section 2 (*Request*) (the "**Request**").

4. CONSENT FEE

If the Request is approved by the Bondholders, a consent fee amounting to 4.00 per cent. of the Nominal Amount as of the date of the approval of the Request (the "**Consent Fee**") will be paid to the Bondholders (regardless if such Bondholder has participated in the Written Procedure or voted for or against the Request). The Consent Fee shall be paid to the Bondholders on a *pro rata* basis and shall be paid as soon as possible but in any case no later than fifteen (15) Business Days after the date of approval of the Request. The payment shall be made through the CSD to such person who is registered as a Bondholder and the applicable Record Date for such payment shall be announced by the Issuer in a press release immediately following an approval of the Request.

The Bond Trustee does not administer the Consent Fee and is not involved in or in any way responsible for the Consent Fee.

5. EFFECTIVE DATE

The Request shall be deemed approved immediately upon expiry of the voting period and receipt of the required majority as set forth in Section 6.6 or if earlier, when a requisite majority of consents of the Total Nominal Amount have been received by the Bond Trustee. In addition, the Issuer and the Bond Trustee may agree to take any other action deemed required in order to implement the Request.

The Issuer and the Bond Trustee shall, in order to implement and effectuate the Proposed Amendments, enter into the Amended and Restated Terms and Conditions. The Amended and Restated Terms and Conditions shall enter into effect (the "**Second Amendment Date**") when the Bond Trustee is satisfied that it has received:

(a) copies of the certificate of registration and articles of association of each Group Company and each company providing Amendment Security;

(b) copies of duly executed corporate resolutions and/or authorisations by each Group Company and each company providing Amendment Security approving the terms of the

Amended and Restated Terms and Conditions and resolving to enter into such documents and any other documents necessary in connection therewith (as applicable);

(c) copy of duly executed Amended and Restated Terms and Conditions;

(d) copy of duly executed security and guarantee confirmation letter from all relevant Group Companies and each company providing Amendment Security;

(e) copy of the duly executed amended Guarantee Agreement; and

(f) such other documents and evidence as agreed between the Bond Trustee and the Issuer.

6. WRITTEN PROCEDURE

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

6.1 Final date to participate in the Written Procedure

The Bond Trustee must have received the votes by mail, courier or email to the address indicated below no later than 15.00 CET, on 28 November 2022. Votes received thereafter may be disregarded.

6.2 Decision procedure

The Bond Trustee 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 Nominal Amount have been received by the Bond Trustee, the Request shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

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

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

6.3 Voting rights and authorisation

Anyone who wishes to participate in the Written Procedure must on the Record Date, being 18 November 2022, in the debt register:

(a) be registered as a direct registered owner of a Securities Account; or

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

6.4 Bonds registered with a nominee

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

1. You can ask the authorised nominee or other intermediary that holds the Bonds 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 Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as holder of the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the debt register as a Bondholder 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 Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

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

6.5 Quorum

To approve the Request, Bondholders representing at least fifty (50.00) per cent. of the Total Nominal Amount must reply to the Request under the Written Procedure in order to form a quorum.

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

6.6 Majority

Seventy-five (75.00) per cent. of the Total Nominal Amount for which Bondholders reply under the Written Procedure must consent to the Request in order for it to pass.

6.7 Address for sending replies

Return the Voting Form, Schedule 1, and, if applicable, the Power of Attorney/Authorisation in Schedule 2 or other sufficient evidence, if the Bonds are held in custody other than 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 Host Property AB
P.O. Box 7329
S-103 90 Stockholm

By courier:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure Host Property AB
Norrlandsgatan 23
111 43 Stockholm

By email:

E-mail: voting.sweden@nordictrustee.com

7. ROLE OF THE BOND TRUSTEE

The role of the Bond Trustee under this Written Procedure is solely mechanical and administrative in nature. The information set out herein is presented to the Bondholders without any evaluation, advice or recommendations from the Bond Trustee whatsoever. The Bond Trustee is not an advisor to any party and has not reviewed or assessed the information set out herein from a legal or commercial perspective of the Bondholders and the Bond Trustee expressly disclaims any liability whatsoever related to the content of this Notice (or the effect(s) of the Request, should it be adopted). The Bondholders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effect(s), should it be adopted) are acceptable or not.

8. FURTHER INFORMATION

For further questions regarding the Request, please contact Nordea Bank Apb, acting as advisor to the Issuer in connection with this Written Procedure with the following contact information: Att. Nordea Liability Management, +45 6161 2996, email: nordealiabilitymanagement@nordea.com.

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

Stockholm 9 November 2022

NORDIC TRUSTEE & AGENCY AB (PUBL)

As Bond Trustee

Enclosed:

Schedule 1	Voting Form
Schedule 2	Power of Attorney/Authorisation
Schedule 3	Amended and Restated Terms and Conditions

VOTING FORM

Schedule 1

For the Written Procedure in Host Property AB´s (publ) SEK 500,000,000 Senior Secured and Guaranteed Floating Rate Bonds 2019/2022 with ISIN SE0013486057.

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

***NOTE**: If the Voting Person is not registered as Bondholder (as defined in the Terms and Conditions), the Voting Person must enclose a Power of Attorney/Authorisation, see Schedule 2.*

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure dated 9 November 2022.

☐ **For** the Request

☐ **Against** the Request

Name of the Voting Person: _____

Capacity of the Voting Person: Holder: ☐ [1] authorised person: ☐ [2]

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*) _____

Nominal Amount voted for (in SEK): _____

Contact person, daytime telephone number and e-mail address: _____

_____ _____

Authorised signature and Name [3] Place, date:

[1] When voting in this capacity, no further evidence is required.
[2] When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (Schedule 2) from the Bondholder or other proof of authorisation showing the number of votes held on the Record Date (as defined in the Notice of Written Procedure.
[3] If the undersigned is not a Bondholder as defined in the Terms and Condition and has marked the box "authorised person", the undersigned – by signing this document – confirms that the Bondholders has been instructed to refrain from voting for the number of votes cast with this Voting Form.

POWER OF ATTORNEY/AUTHORISATION

Schedule 2

For the Written Procedure in Host Property AB´s (publ) SEK 500,000,000 Senior Secured and Guaranteed Floating Rate Bonds 2019/2022 with ISIN SE0013486057.

NOTE: *This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not registered as Bondholder on the Securities Account, held with Euroclear Sweden. It must always be established a coherent chain of power of attorneys derived from the Bondholder. I.e. 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 Bondholder.*

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure dated 9 November 2022.

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

_____

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

_____

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

_____

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 Bondholder on the Securities Account

☐ Other intermediary and holds the Bonds through (specify below):

_____

Place, date: _____

_____

Name:

Authorised signature of Bondholder/other intermediary (Sw. *fullmaktsgivaren*)

AMENDED AND RESTATED TERMS AND CONDITIONS

Schedule 3

AMENDED AND RESTATED
TERMS AND CONDITIONS FOR

HOST PROPERTY AB (publ)

SEK 500,000,000

SENIOR SECURED AND GUARANTEED FLOATING RATE BONDS

ISIN: SE0013486057

AS AMENDED AND RESTATED ON 26 ~~March~~ MARCH 2021 AND ON [28] NOVEMBER 2022

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

Solely for the purposes of each Manager's (for the purposes of this paragraph, the "manufacturers") product approval process, the target market assessment in respect of the Bonds has led to the conclusion that:

(i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and
(ii) all channels for distribution of the Bonds to eligible counterparties, professional clients and retail clients are appropriate.

An investment in the Bonds is not compatible with investors looking for full capital protection or full repayments of the amount invested, are fully risk adverse / have no risk tolerance, or need a fully guaranteed income or fully predictable return profile. No PRIIPs key information document (KID) has been prepared as not deemed within scope. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PRIVACY NOTICE

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

The personal data collected will be processed by the Issuer and the Bond Trustee 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 Bonds and payments under the Bonds;

(c) to enable the Bondholders' to exercise their rights under the Finance Documents; and

(d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer and the Bond Trustee 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 or Bond Trustee. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

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

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer and the Bond Trustee, 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 and the Bond Trustee's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites www.flyingelephant.com/host and www.nordictrustee.se.

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SCHEDULE 1

1. PROPERTY COMPANIES AND PROPERTIES

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

"**Account Bank**" means Swedbank AB (publ).

"**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 Bondholder has opened a Securities Account in respect of its Bonds.

"**Accounting Principles**" means the generally accepted accounting principles, standards and practices in Sweden.

"**Additional Amounts**" has the meaning as ascribed to the term in Clause 8.6.

"**Additional Property**" means the real property set out opposite the Additional Property Company which is the owner of such real property in Part II of Schedule 1 (*Property Companies and Properties*).

"**Additional Property Company**" means the company set out in Part II of Schedule 1 (*Property Companies and Properties*).

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

"**Affiliate**" means (i) an entity controlling or under common control with the Parent, other than a Group Company, and (ii) any other person or entity owning any Bonds (irrespective of whether such person is directly registered as owner of such Bonds) that has undertaken towards a Group Company or an entity referred to in item (i) to vote for such Bonds in accordance with the instructions given by a Group Company or an entity referred to in item (i). For the purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise.

"**Amendment Date**" means 26 March 2021.

"**Amendment Security**" means the Transaction Security pursuant to paragraph (j) to (o) of the definition "Security Documents".

"**Amendment Transaction Costs**" means all fees, costs and expenses incurred by the Issuer Group Companies and the Bond Trustee (including but not limited to costs for the Bond Trustee's and the Bondholder Committee's legal advisor) in connection with the discussions and negotiations and any Written Procedure relating to the amendments of these Terms and Conditions.

"**Bond**" 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.

"**Bond Loan**" means the loan constituted by these Terms and Conditions and evidenced by the Bonds.

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

"**Bond Trustee Agreement**" means the agreement entered into on or before the Settlement Date, between the Issuer and the Bond Trustee, or any replacement bond trustee agreement entered into after the Settlement Date between the Issuer and a bond trustee.

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

"**Bondholder Committee**" has the meaning set out in Clause 22 (*Bondholder Committee*).

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 20 (*Bondholders' Meeting*).

"**Broker**" means a reputable and independent Nordic broker appointed by the Issuer and as accepted by the Bond Trustee (after consultation with the Bondholder Committee's appointed member of the board of directors of the Issuer).

"**Business Day**" means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (*midsommarafton*), Christmas Eve (*julafton*) and New Year's Eve (*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.

"**Change of Control Event**" means that (i) Mr. Asmund Haare and his direct lineal descendants cease to own (legally and beneficially) and/or directly or indirectly control the Parent or (ii) any person or group (other than Mr. Asmund Haare and his direct lineal descendants) gains direct or indirect control of the Parent, whereby "**control**" means (i) the power to cast more than 50% of the maximum number of votes that might be cast at a general meeting of the Parent or (ii) the power to appoint or remove all, or the majority, of the members of the board of directors of Parent.

"**Cash Interest Coverage Ratio**" means the ratio of Received Cash to Total Interest Expenses.

"**Compliance Certificate**" means a certificate, in the form agreed between the Issuer and the Bond Trustee.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Bonds, Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

"**CSD Regulations**" means the CSD's rules and regulations applicable to the Issuer, the Bond Trustee and the Bonds.

"**Escrow Account**" means a bank account held by the Issuer with the Account Bank for the purpose of the arrangement specified in Clause 4.1, blocked for the Issuer from the time of fulfilment of the conditions set out in Clause 4.1(j).

"**Escrow Account Pledge Agreement**" means the agreement for Transaction Security over the funds from time to time standing to the credit on the Escrow Account, entered into between the Issuer and the Bond Trustee on or prior to the Settlement Date.

"**Event of Default**" means an event or circumstance specified in Clause 17.1 (*Acceleration of the Bonds*).

"**Existing External Debt**" means the Financial Indebtedness incurred under the SEK 300,000,000 senior secured and guaranteed floating rate bonds issued by the Issuer on 8 December 2016 as further described in the Funds Flow Statement.

"**Existing Security**" means the security granted over the assets of any Issuer Group Company as collateral for the Existing External Debt.

"**Exchange**" means:

(a) Nasdaq First North Bond Market, which is a self-regulated marketplace organised and operated by Nasdaq Stockholm; or

(b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive (Directive 2004/39/EC) or any Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as applicable.

"**Finance Documents**" means these Terms and Conditions, the Security Documents (including the Guarantee Agreement) and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

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

(a) moneys borrowed, including acceptance credit;

(b) any bond, note, debenture, loan stock or other similar instrument;

(c) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;

(d) receivables sold or discounted (other than any receivables sold on a non-recourse basis);

(e) any sale and lease-back transaction, or similar transaction which is treated as indebtedness under Accounting Principles;

(f) the acquisition cost of any asset to the extent payable after its acquisition or possession by the party liable where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price, including without limitation currency or interest rate swaps, caps or collar transactions (and, when calculating the value of the transaction, only the mark-to-market value shall be taken into account);

(h) any amounts raised under any other transactions having the commercial effect of a borrowing (including any forward sale or purchase agreement);

(i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institutions; and

(j) (without double counting) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any of the items referred to in paragraph (a) through (i) above.

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

"**Flying Elephant Company**" means Flying Elephant AS, a limited liability company incorporated under the laws of Norway with Reg. No. 921 890 346, and any subsidiary of Flying Elephant AS not being a part of the Issuer Group.

"**Force Majeure Event**" has the meaning ascribed to the term in Clause 30.1 (*Force Majeure and Limitation of Liability*).

"**Funds Flow Statement**" means a funds flow statement for all fund flows in connection with the issuing of the Bonds, including a statement of sources and uses and a specification of the Existing External Debt to be refinanced in connection with such issuance.

"**Group**" means the Parent and its Subsidiaries from time to time (each a "**Group Company**").

"**Group Property Portfolio**" means the properties owned by a Group Company from time to time, excluding the Properties and the Property Companies.

"**Guarantee**" means the unconditional and irrevocable guarantee by the Parent and the Property Companies in favour of the Secured Parties represented by the Bond Trustee, pursuant to which each of the Parent and the Property Companies, as principal obligors (*proprieborgen*), guarantee the Issuer's punctual performance of the Secured Obligations in accordance with the Guarantee Agreement.

"**Guarantee Agreement**" means the agreements for the Guarantee entered into between the Parent, the Property Companies and the Bond Trustee.

~~"**Host Billingehus**" means Host Billingehus i Skövde AB (reg. no. 556548-1776).~~

"**Hotel Lease Agreement**" means an agreement to lease all or part of a Property from the relevant Property Company (including all appendices thereto) for the purpose of conducting hotel operations.

"**Hotel Lessees**" means each of the lessees under the Hotel Lease Agreements.

"**Initial Nominal Amount**" has the meaning ascribed to the term in Clause 2.3.

"**Initial Property**" means each of the real properties set out opposite the respective Initial Property Company which is the owner of such real property in Part I of Schedule 1 (*Property Companies and Properties*).

"**Initial Property Company**" means each of the companies set out in Part I of Schedule 1 (*Property Companies and Properties*).

"**Initial Refurbishment Plan**" means the initial investments and refurbishment plan of the Refurbishment, established in line with good industry practice, approved by Tribun AS, Norwegian Reg. No. 922 344 248, or other project hospitality project company and delivered by the Issuer to the Bond Trustee as a Disbursement Condition.

"**Initial Transaction Security**" means the Transaction Security pursuant to paragraph (a) to (i) of the definition "Security Documents".

"**Initial Valuation Report**" means the initial valuation report prepared and issued by Cushman & Wakefield and Nordic Hotel Consulting on 30 December 2018 setting out the market value of each Initial Property.

"**Insolvent**" means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7–9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Bondholders) 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.

"**Insurance Proceeds**" has the meaning ascribed to the term in Clause 10.8.3.

"**Interest**" means the interest on the Bonds calculated in accordance with Clauses 9.1 to 9.2.

"**Interest Payment Date**" means 28 February, 28 May, 28 August and 28 November of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 28 February 2020 and the last Interest Payment Date shall be the relevant Redemption Date.

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

"**Interest Rate**" means the percentage rate *per annum* which is the aggregate of three (3) months STIBOR plus the Margin.

"**Issuer**" means Host Property AB (publ), a limited liability company incorporated under the laws of Sweden with Reg. No. 556987-4158.

"**Issuer Group**" means the Issuer with its Subsidiaries from time to time (each an "**Issuer Group Company**").

"**Issuer Group LTV**" means the ratio of:

(a) the total aggregate Nominal Amount outstanding under the Bonds; to

(b) the aggregate of:

(i) the Properties Market Value;

(ii) the Jessheim Property Market Value;

(iii) the amount standing to the credit on the Escrow Account;

(iv) the amount standing to the credit on the Refurbishment Account; and

(v) the value of any Supplementary Security.

"**Issuing Agent**" means Swedbank AB (publ), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD Regulations applicable to the Bonds.

"**Jessheim**" means Host Jessheim AS, a limited liability company incorporated under the laws of Norway with Reg. No. 989 205 587.

"**Jessheim Property**" means the property in Ullensaker municipality with land no. 132 and title no. 241, owned by Jessheim.

"**Jessheim Property Market Value**" means the market value of Jessheim, as determined by the Property Advisor (applying the Property Valuation Method) in the latest available Valuation Report obtained by the Issuer and delivered to the Bond Trustee.

"**Land Parcel**" means any part of a Property that has been parcelled (*avstyckad*) for the purpose of a Permitted Land Parcel Divestment.

"**Lease Agreement**" means an agreement to lease all or part of a Property from the relevant Property Company, including all appendices thereto (including the Hotel Lease Agreement).

"**Lessee**" means each of the lessees under the Lease Agreements (including the Hotel Lessees).

"**Listing Failure Event**" means that:

(a) the Bonds have not been listed and admitted to trading on an Exchange within sixty (60) calendar days following the Settlement Date; or

(b) in the case of a successful listing and admission to trading, that a period of sixty (60) calendar days has elapsed since the Bonds ceased to be listed and admitted to trading on an Exchange.

"**Loss Event**" means that:

(a) there is a total or material loss of all of the Properties;

(b) any of the Properties (or a part of any Property) is damaged to the extent that hotel operations at the Property will not be feasible for a period exceeding six (6) months; or

(c) damages (and related repair costs) to any of the Properties exceed 30.00 per cent. of the Properties Market Value as set out in the Initial Valuation Report.

"**Maintenance Test**" means the test of the financial covenants as set out in Clause 13.1 (*Maintenance Test*).

"**Margin**" means ~~6.50~~ 9.00 per cent.

"**Material Adverse Effect**" means any event which has, or reasonably likely will have, a material adverse effect on:

(a) the business operations and financial condition of the Parent, any Issuer Group Company, or the Group (taken as a whole);

(b) any of the Issuer Group Companies' or the Parent's ability to perform and comply with their respective obligations under the Finance Documents or the Hotel Lessees' ability to perform and comply with its obligations under its respective Hotel Lease Agreement, or

(c) the validity or enforceability of any Finance Document.

"**Maturity Date**" means 28 November ~~2022~~2024, being ~~3~~ 5 years after the Settlement Date.

~~"**Missing Share Certificates**" means the share certificate issued by Host Billingehus representing the shares 1–1,000.~~

"**Net Proceeds**" means the proceeds from the issuance of Bonds which, after deduction has been made for the Transaction Costs and subject to satisfaction of the Disbursement Conditions shall be transferred to the Issuer and used in accordance with Clause 3 (*Use of Proceeds*) and the Escrow Account Pledge Agreement.

"**New Investments**" means cash actually received by the Issuer from the Parent (i) in exchange for fully paid ordinary shares in the Issuer, (ii) by way of an unconditional shareholders contribution (*aktieägartillskott*) or (iii) any shareholder loans from the Parent to the Issuer which is subject to Transaction Security.

"**NOK**" means the lawful currency for the time being in the Kingdom of Norway.

"**Nominal Amount**" means in respect of each Bond the Initial Nominal Amount, less the aggregate amount by which that Bond has been redeemed in part pursuant to Clause 10.7 (*Mandatory Prepayment due to Permitted Partial Divestment*).

"**Parent**" means Host AB, a limited liability company incorporated under the laws of Sweden with Reg. No. 556455-6271.

"**Permitted Land Parcel Divestment**" has the meaning ascribed to the term in Clause 14.6 (*Disposal*).

"**Permitted Management Fee**" means payment of general and administrative expenses to the Parent or any Affiliate of the Parent up to an aggregate amount of SEK 500,000 per year.

"**Permitted Partial Divestment**" has the meaning ascribed to the term in Clause 14.6 (*Disposal*).

"**Pre-Disbursement Security**" means the Transaction Security pursuant to paragraph (c) to (h) of the definition "Security Documents".

"**Pre-Settlement Security**" means the Transaction Security pursuant to paragraph (a) and (b) of the definition "Security Documents".

"**Prepayment Amount**" has the meaning ascribed to the term in Clause 10.7.1.

"**Properties Market Value**" means the market value of the Properties, as determined by the Property Advisor (applying the Property Valuation Method) in the latest available Valuation Report obtained by the Issuer and delivered to the Bond Trustee plus the nominal amount of any Refurbishment Proceeds applied towards the Refurbishment of the Properties after the date of the latest available Valuation Report.

"**Property**" means each of the Initial Properties and the Additional Property, excluding any Property that has been disposed by way of a Permitted Partial Divestment or a Permitted Land Parcel Divestment.

"**Property Advisor**" means Cushman & Wakefield, Nordic Hotel Consulting or any other reputable independent property advisor appointed by the Issuer, acceptable to the Bond Trustee.

"**Property Company**" means each of the Initial Property Companies and the Additional Property Company, excluding any Property Company that has been disposed by way of a Permitted Partial Divestment.

"**Property Valuation Method**" means a valuation method using the principles and assumptions as set out in the Initial Valuation Report to determine the market value of the Properties.

"**Rebuild Criteria**" has the meaning ascribed to the term in Clause 10.8.

"**Received Cash**" means all cash received by the Issuer or a Property Company but any payment under intragroup loans within the Issuer Group shall not be regarded as received cash, however, cash received by any Issuer Group Company as payment under intragroup loans from a Flying Elephant Company shall be regarded as cash.

"**Record Date**" means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 18 (*Distribution of proceeds*), (iv) the date of a Bondholders' Meeting or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

"**Redemption Date**" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and repurchase of the Bonds*) or a distribution are to be made pursuant to Clause 18 (*Distribution of proceeds*), as applicable.

"**Reference Banks**" means Swedbank AB (publ), Nordea Bank Abp, filial Sverige and Svenska Handelsbanken AB (publ) (or such other banks as may be appointed by the Issuing Agent in consultation with the Issuer).

"**Reference Date**" means each of 31 March, 30 June, 30 September and 31 December, in each year.

"**Reference Period**" means, at any calculation date, the period of twelve months preceding such date.

"**Refinancing Proceeds**" has the meaning ascribed to the term in Clause 3.1(a) (*Use of Proceeds*).

"**Refurbishment**" means any maintenance capital expenditures which shall be made for the purpose of maintaining the Properties Market Value.

"**Refurbishment Account**" means a bank account held in the name of the Issuer with the Account Bank for the credit of the Refurbishment Proceeds.

"**Refurbishment Proceeds**" means the credit standing on the Refurbishment Account from time to time, as per the Amendment Date SEK 99,000,000, to be applied in accordance with Clause 16.8 (*Refurbishment*).

"**Release Price**" means in relation to a Property or a Property Company ~~the higher of (i) all intra-group loans granted by the Issuer to the relevant Property Company multiplied with 1.10 and (ii) 75.00 per cent. of the value of that Property or Property Company pursuant to the Properties Market Value.~~minimum 80.00 per cent. of the higher of (a) the sales price and (b) the book value of the Property, but in any case shall not exceed the total proceeds, after deductions of any transaction costs, from any Permitted Partial Divestment.

~~"**Replacement Share Certificates**" means the replacement share certificates to be issued by Host Billingehus in accordance with Clause 14.22 (*Replacement Share Certificates undertaking*), replacing the Missing Share Certificates.~~

"**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.

"**Sales Process**" means a structured sales process for all the Property Companies and/or Properties through a Broker.

"**Second Amendment Date**" means [28] November 2022.

"**Secured Obligations**" means all present and future obligations and liabilities of the Issuer Group Companies to the Secured Parties represented by the Bond Trustee under the Finance Documents and the Bond Trustee Agreement.

"**Secured Parties**" means the Bondholders and the Security Agent (including in its capacity as Bond Trustee under the Bond Trustee 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.

"**Securities Market Act**" means the Swedish Securities Markets Act (*lag (2007:582) om värdepappersmarknaden*).

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

"**Security Agent**" means the Bond Trustee acting in its capacity as Security Agent under the Security Documents.

"**Security Documents**" means:

Pre-Settlement Security

(a) the pledge over the Escrow Account pursuant to the Escrow Account Pledge Agreement;

(b) the Guarantee issued by the Parent under the Guarantee Agreement;

Pre-Disbursement Security

(c) the Guarantee issued by each Initial Property Company under the Guarantee Agreement;

(d) the share pledges over the shares of the Issuer and the Initial Property Companies (the "**Share Pledge Agreements**");

(e) the insurance pledges over each of the Initial Property Companies' rights under its respective insurance policy relating to its respective Initial Property (the "**Insurance Pledge Agreement**");

(f) the receivables pledge over each of the Initial Property Companies' receivables relating to its respective Hotel Lease Agreement (the "**Receivables Pledge Agreement**");

(g) the loan pledges over:

(i) the rights of the Issuer under the intra group loans owed to the Issuer by each Initial Property Company;

(ii) the rights of the Issuer under the loans owed to the Issuer by the Parent; and

(iii) the rights of the Parent under the loans owed to the Parent by the Issuer,

(each a "**Loan Pledge Agreement**");

(h) the real property mortgages in respect of each of the Initial Properties with an aggregate face value of not less than SEK 689,036,250 (the "**Real Property Mortgage Agreement**");

(i) any other documents pursuant to which Transaction Security is provided (including any security document governing Supplementary Security);

Amendment Security

(j) the receivables pledge over all present and future receivables to the Parent or an Issuer Group Company from time to time owed by a Flying Elephant Company;

(k) in relation to the Jessheim Property:

(i) the share pledge over the shares in Jessheim;

(ii) the real property mortgage deed in respect of the Jessheim Property (with an aggregate face value of not less than SEK 166,500,000),

(l) in relation to the Additional Property:

(i) the share pledges over the shares in the Additional Property Company;

(ii) the real property mortgages in respect of the Additional Property (with an aggregate face value of not less than SEK 24,750,000);

(iii) the insurance pledges over the Additional Property Company's rights under its insurance policy relating to the Additional Property;

(iv) the loan pledges over the rights of the Issuer under the intra group loans owed to the Issuer by the Additional Property Company; and

(v) the Guarantee issued by the Additional Property Company under the Guarantee Agreement.

"**Settlement Date**" means 28 November 2019.

"**STIBOR**" means:

(a) the applicable percentage rate *per annum* displayed on Nasdaq Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period; or

(b) if no rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks, for deposits of SEK 100,000,000 for the relevant period; or

(c) if no quotation is available pursuant to paragraph (b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

However, if STIBOR is negative, it shall be deemed to be zero for the purposes of calculating the Interest Rate.

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

"**Supplementary Security**" means:

(a) the face value of the mortgage certificates issued in any property in the Group Property Portfolio; and

(b) any other Security,

offered as additional security in favour of the Secured Parties, in each case acceptable to the Bond Trustee in its sole discretion. Only the face value of any mortgage certificates issued in a relevant property shall count as Supplementary Security pursuant to paragraph (a) above. Only the value of any Security which is not subject to any corporate benefit restrictions or other similar restrictions pursuant to any law, regulation or agreement which reduces the value of such Supplementary Security shall count as Supplementary Security pursuant to paragraph (a) and (b) above.

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

"**Total Interest Expenses**" means the interest accrued in respect of all interest bearing Financial Indebtedness of the Issuer during the Reference Period (including any interest which is capitalised, rolled-up or deferred during such period) but for the avoidance of doubt, any interest payment under intragroup loans within the Group shall not be regarded an interest expense.

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

"**Transaction Costs**" means all fees, costs and expenses incurred by the Issuer Group Companies in connection with the issue of the Bonds, the listing and admission to trading of the Bonds on an Exchange, and the refinancing of the Existing External Debt as specified in the Funds Flow Statement.

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

"**Valuation Date**" means 30 June and 31 December each year, with the first Valuation Date occurring on 31 December 2019.

"**Valuation Report**" means the Initial Valuation Report as updated from time to time on each Valuation Date in accordance with Clause ~~12.1.4(i~~12.1.4(j).

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 21 (*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 An Event of Default is continuing if it has not been remedied or waived.

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

1.2.4 No delay or omission of the Bond Trustee or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

1.2.5 The selling restrictions, the privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders and the Bond Trustee.

2. STATUS OF THE BONDS

2.1 The Bonds are denominated in Swedish Kronor and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.

2.2 By subscribing for Bonds, the initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.

2.3 The initial nominal amount of each Bond is SEK 250,000 (the "**Initial Nominal Amount**"). The aggregate nominal amount of the Bonds as of the Settlement Date is SEK 500,000,000. All Bonds issued on the Settlement Date are issued on a fully paid basis at an issue price of 100.00 per cent. of the Initial Nominal Amount.

2.4 The Bonds constitute direct, unconditional, unsubordinated, senior secured and guaranteed obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other direct, unconditional, unsubordinated, senior secured and guaranteed obligations of the Issuer.

2.5 The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local regulations to which a Bondholder or the Bonds may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

2.6 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden or Norway, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

2.7 The Parent irrevocably appoints the Issuer to act on its behalf as its agent in relation to the Finance Documents. The Issuer may on behalf of the Parent (i) supply information to the Bond Trustee and the Bondholders, (ii) give and receive notices, instructions and other communications under the Finance Documents, and (iii) make agreements and effect amendments, supplements and variations relating to the Finance Documents.

3. USE OF PROCEEDS

3.1 Upon release from the Escrow Account, the Issuer shall exclusively employ the Net Proceeds from the issue of the Bonds, as follows:

(a) *first*, the repayment of Existing External Debt in full (the "**Refinancing Proceeds**");

(b) *secondly*, Refurbishments relating to the Properties up to the Refurbishment Proceeds; and

(c) *thirdly*, any remaining amount to be used for general corporate purposes of the Issuer Group, including working capital.

3.2 The use of the Net Proceeds pursuant to Clause 3.1 shall be satisfactory evidenced to the Bond Trustee.

3.3 The Issuer irrevocably and unconditionally instruct the Bond Trustee and the Account Bank to pay any fees and costs (including legal costs) due and owing related to the issuance of the Bonds as evidenced through invoice from the Issuing Agent or the Bond Trustee (confirmed by the Issuer) using the proceeds on the Escrow Account, to the extent such fees and costs have not been deducted from the proceeds transferred to the Escrow Account.

4. PRE-SETTLEMENT CONDITIONS

4.1 The Issuing Agent shall pay the Net Proceeds from the issuance of the Bonds into the Escrow Account on the Settlement Date, provided that the Bond Trustee pursuant to Clause 4.3 has notified the Issuing Agent that it is satisfied that it has received the following:

(a) the Bond Trustee Agreement duly executed by the Issuer and the Bond Trustee;

(b) these Terms and Conditions duly executed by the Issuer and the Bond Trustee;

(c) constitutional documents of the Issuer and the Parent including the articles of association (*bolagsordning*) and certificate of registration (*registreringsbevis*)) and necessary corporate resolutions in respect of the Issuer and the Parent pursuant to which they resolves to enter into the relevant Finance Documents and authorising one or several persons to sign, execute and deliver the relevant Finance Documents to which it is a party;

(d) the latest financial statements and reports of the Issuer;

(e) a group structure chart showing that the Issuer is the direct 100.00 per cent. owner of the Initial Property Companies detailing company names, registration numbers and ownership percentages in respect of the Initial Property Companies;

~~(f) a certificate issued by the Parent confirming that all vendor loans to the Issuer arising as a result of the Issuer's acquisition of Host Billingehus from the Parent have been converted to unconditional shareholder contributions and constitute equity;~~

(f) ~~(g)~~due execution of the Guarantee Agreement by the Parent;

(g) ~~(h)~~signed copies of the nine Hotel Lease Agreements;

(h) ~~(i)~~a copy of the Initial Valuation Report; and

(i) ~~(j)~~the Escrow Account Pledge Agreement duly executed and perfected in accordance with its terms by all parties thereto (including all applicable notices, acknowledgements and consents from the Account Bank).

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

4.3 The Bond Trustee shall confirm to the Issuing Agent when the conditions in Clause 4.1 have been satisfied. The Settlement Date shall not occur (i) unless the Bond Trustee makes such confirmation to the Issuing Agent no later than 14.00 a.m. two (2) Business Days before the Settlement Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent and the Issuer agree to postpone the Settlement Date.

4.4 The Net Proceeds shall be paid by the Issuing Agent into the Escrow Account. Subject to Clause 4.1, the Net Proceeds standing to the credit on the Escrow Account shall be blocked and pledged by the Issuer in favour of the Secured Parties and form part of the Initial Transaction Security pursuant to the Escrow Account Pledge Agreement.

5. ESCROW OF PROCEEDS

5.1 When the Bond Trustee is satisfied that it has received the following documents and evidence, the Bond Trustee shall instruct the Account Bank to promptly release the Net Proceeds from the Bonds from the Escrow Account and transfer (i) an amount sufficient to redeem the Existing External Debt to the Issuer's bank account with the Account Bank registered with the CSD for the purpose of redeeming the Existing External Debt in full, (ii) up to SEK 180,000,000 to the Refurbishment Account and (iii) the residual amount to the account designated by the Issuer:

(a) a Compliance Certificate executed by the Issuer;

(b) a copy of an insurance letter confirming that (i) insurances required pursuant to Clause 16.7 (*Insurance*) have been taken out by the Issuer with reputable insurance companies or underwriters and are in force, (ii) the necessary premium of the insurance cover has been paid, and (iii) that such insurances are in line with industry standard and the level of cover is appropriate;

(c) constitutional documents of each Initial Property Company (including the articles of association (*bolagsordning*) and certificate of registration (*registreringsbevis*)) and necessary corporate resolutions in respect each Initial Property Company pursuant to which each such company resolves to enter into the relevant Finance Documents and authorising one or several persons to sign, execute and deliver the relevant Finance Documents to which it is a party;

(d) due execution of all Security Documents together with evidence of the establishment and perfection (as applicable) of such Initial Transaction Security in accordance with the terms of the respective Security Document, meaning:

(i) due execution of the Guarantee Agreement by each of the Initial Property Companies;

(ii) in respect of each Share Pledge Agreements, delivery of (i) a copy of the shareholder register (*aktiebok*) of the Issuer and each of the Initial Property Companies with a notation stating that all its respective shares are pledged in favour of the Security Agent on behalf of the Secured Parties, (ii) all share certificates in the Issuer and the Initial Property Companies ~~other than the Missing Share Certificates~~, duly endorsed in blank to the Security Agent and (iii) a notice of pledge duly signed by each pledgor and acknowledged by the relevant Issuer Group Company;

(iii) in respect of the Insurance Pledge Agreement, (i) delivery of a notice from each of the Initial Property Companies to its insurer stating that its insurance policy relating to its Initial Property is pledged in favour of the Security Agent on behalf of the Secured Parties and (ii) evidence in written form (e.g. by email, letter or fax) that the insurer has received the notice referred to in (i);

(iv) in respect of the Receivables Pledge Agreement, delivery of (i) a notice from each of the Initial Property Companies to its respective Hotel Lessee stating that its receivables under its respective Hotel Lease Agreement are pledged in favour of the Security Agent on behalf of the Secured Parties and (ii) an acknowledgement of receipt from the respective Hotel Lessee;

(v) in respect of each Loan Pledge Agreement, delivery of (i) a notice from each of the pledgors to each of the borrowers stating that its receivables are pledged in favour of the Security Agent on behalf of the Secured Parties and (ii) an acknowledgement of receipt from the borrowers;

(vi) in respect of the Real Property Mortgage Agreement, delivery of original copies of all existing mortgage certificates issued in the Initial Properties in written form and in computerised form (*datapantbrev*) having been made available in the Mortgages Certificates Register (*Pantbrevsregistret*) (as the case may be), together with applications for the issuance of new mortgage certificates in the Initial Properties with an aggregate face value of no less than SEK 156,276,250;

(e) the latest financial statements and reports of the Parent and each of the Initial Property Companies;

(f) a release notice executed by the security agent for the Existing External Debt evidencing that all Existing Security over the assets of the relevant Issuer Group Companies has been or will be released on the date of disbursement;

(g) a search with the Swedish Land Registration Authority, in each case showing that (i) no mortgage certificates are issued in the Initial Properties other than the mortgage certificates which are subject to Initial Transaction Security pursuant to the Real Property Mortgage Agreement and the mortgage certificate in the amount of SEK 500,000 issued in the property Kalmar Krögaren 10 and (ii) that the Initial Property Companies are the registered owners of the Initial Properties;

(h) due execution of relevant standard agreements for all loans within the Issuer Group and between the Issuer and the Parent;

(i) the Funds Flow Statement; and

(j) a copy of the Initial Refurbishment Plan.

5.2 The Bond Trustee may assume that the documentation delivered to it pursuant to Clause 5.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Bond Trustee does not have to verify the contents of any such documentation or review it from a legal or commercial perspective.

6. BONDS IN BOOK-ENTRY FORM

6.1 The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical bonds will be issued. Accordingly, the Bonds will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Bonds shall be directed to an Account Operator.

6.2 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 Bond shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

6.3 The Issuer and the Bond Trustee shall at all times be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Bonds. At the request of the Bond Trustee, the Issuer shall promptly obtain such information and provide it to the Bond Trustee. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds.

6.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Bond Trustee, as notified by the Bond Trustee, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Bond Trustee or unless consent thereto is given by the Bondholders.

6.5 The Issuer and the Bond Trustee may use the information referred to in Clause 6.3 and 6.4 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

7. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

7.1 If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Bondholder and authorising such person.

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

7.3 The Bond Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 7.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Bonds requested by a Bondholder pursuant to these Terms and Conditions, shall be made to such person who is registered as a Bondholder on 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.

8.2 If a Bondholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Bondholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.

8.3 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. Interest shall accrue in accordance with Clause 9.2 during such postponement.

8.4 If payment or repayment is made in accordance with this Clause 8, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.

8.5 The Issuer shall pay any stamp duty and other public fees accruing in connection with the perfection of the Transaction Security, but, for the avoidance of doubt, not in respect of trading in the primary or secondary market.

8.6 All amounts payable by the Issuer to the Bondholders shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Sweden or any authority thereof or therein unless such withholding or deduction is required by law or regulation or the interpretation or application of such regulations. If such withholding or deduction is required, the Issuer will at the request of the relevant Bondholder pay such additional amounts (the "**Additional Amounts**") as are necessary in order that the net amount received by the relevant Bondholder, after such withholding or deduction, shall be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction.

8.7 Notwithstanding Clause 8.5, no Additional Amounts shall be payable on account of any taxes or duties which:

(a) are payable by reason of any relevant person having, or having had, some connection with Sweden other than the mere holding of the Bond(s);

(b) would not be payable if a relevant person made a declaration of non-residence or similar claim for exemption to the relevant tax authority;

(c) would not be payable if a relevant person could claim an exemption under a tax treaty;

(d) are withheld or deducted pursuant to any European Union Directive or Regulation concerning the taxation of interest income or any provision of law implementing or complying with such Directive or Regulation; or

(e) gives rise to a tax credit that may be effectively used by a relevant person.

9. INTEREST

9.1 Each Bond carries Interest at the Interest Rate calculated on the Nominal Amount from (but excluding) the Settlement Date up to (and including) the relevant Redemption Date. Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.

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

9.3 If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is 2.00 per cent. units higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Bond Trustee or the CSD, in which case the Interest Rate shall apply instead.

10. REDEMPTION AND REPURCHASE OF THE BONDS

10.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Maturity Date with an amount per Bond equal to ~~104.00~~ 125.00 per cent. the Nominal Amount together with accrued but unpaid Interest. If the Maturity Date is not a Business Day, then the redemption shall occur on the Business Day following from an application of the Business Day Convention.

10.2 Purchase of Bonds by the Issuer

The Issuer may, subject to applicable regulations, at any time and at any price purchase Bonds on the market or in any other way. Bonds held by the Issuer may at the Issuer's discretion be retained or sold by the Issuer, but not cancelled, except in connection with a full redemption of the Bonds.

10.3 Mandatory partial prepayment

10.3.1 The Issuer shall make a partial prepayment of the Bonds with Refurbishment Proceeds standing to credit on the Refurbishment Account in an aggregate amount of SEK 65,000,000 at a price equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest on the amount prepaid. Any such partial prepayment shall

reduce the Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1) in accordance with the procedures of the CSD.

10.3.2 Partial prepayment in accordance with Clause 10.3.1 shall be made by the Issuer giving not less than ten (10) Business Days' notice to the Bondholders and the Bond Trustee and the prepayment shall be made not more than twenty (20) Business Days after the Amendment Date. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable.

10.4 **Voluntary partial prepayment**

10.4.1 The Issuer may make a partial prepayment of the Bonds with remaining Refurbishment Proceeds standing to credit on the Refurbishment Account in accordance with Clause 16.8.2 at a price equal to 100.00 per cent. of the Nominal Amount together with accrued but unpaid Interest on the amount prepaid. Any such partial prepayment shall reduce the Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1) in accordance with the procedures of the CSD.

10.4.2 Partial prepayment in accordance with Clause 10.4.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Bond Trustee and may only be made up to and including 31 December 2021. The notice from the Issuer shall specify the Redemption Date, the relevant Record Date and the prepayment amount and is irrevocable.

10.4.3 In addition to Clause 10.4.1, the Issuer may make a partial prepayment of the Bonds:

(a) any time from and including the ~~Settlement~~ Second Amendment Date to and including ~~31 December 2021~~ 30 June 2023 at a price equal to ~~102.00 per cent. of the Nominal Amount together with accrued but unpaid Interest; and~~103.00 per cent. of the Nominal Amount together with accrued but unpaid Interest;

(b) any time from and including 1 July 2023 to and including 31 December 2023 at a price equal to 104.50 per cent. of the Nominal Amount together with accrued but unpaid Interest; and

(c) ~~(b)~~any time from and including 1 January ~~2022~~ 2024 to, but excluding, the Maturity Date at an amount per Bond equal to ~~104.00~~ 125.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

10.4.4 Redemption in accordance with Clause 10.4.3 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Bond Trustee. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.

10.5 **Optional mandatory partial prepayment**

10.5.1 With reference to Clause 16.8.1(b), the Bondholder Committee may in writing to the Issuer request that all or some of the credit standing on the Escrow Account shall be applied towards partial prepayment of the Bonds. Following such request, the Issuer shall make a partial prepayment of the Bonds in the requested amount at a price equal to 100.00 per

cent. of the Nominal Amount together with accrued but unpaid Interest on the amount prepaid. Any such partial prepayment shall reduce the Nominal Amount of each Bond *pro rata* (rounded down to the nearest SEK 1) in accordance with the procedures of the CSD.

10.5.2 Partial prepayment in accordance with Clause 10.5.1 shall be made by the Issuer not more than twenty (20) Business Days following the request and giving not less than fifteen (15) Business Days' notice to the Bondholders and the Bond Trustee. The notice from the Issuer shall specify the Redemption Date, the relevant Record Date and the prepayment amount and is irrevocable.

10.6 Voluntary total redemption (call option)

10.6.1 The Issuer may redeem all, but not some only, of the outstanding Bonds in full:

(a) any time from and including the ~~Settlement Date to and including 31 December 2021 at a price equal to 102.00 per cent. of the Nominal Amount together with accrued but unpaid Interest; and~~Second Amendment Date to and including 30 June 2023 at a price equal to 103.00 per cent. of the Nominal Amount together with accrued but unpaid Interest;

(b) any time from and including 1 July 2023 to and including 31 December 2023 at a price equal to 104.50 per cent. of the Nominal Amount together with accrued but unpaid Interest; and

(c) ~~(b)~~any time from and including 1 January ~~2022~~ 2024 to, but excluding, the Maturity Date at an amount per Bond equal to ~~104.00~~ 125.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

10.6.2 Redemption in accordance with Clause 10.6.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Bond Trustee. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.

10.7 Mandatory Prepayment due to Permitted Partial Divestment or a Permitted Land Parcel Divestment

10.7.1 The Issuer and the Parent shall ensure that, upon a Permitted Partial Divestment or a Permitted Land Parcel Divestment, an amount at least equal to the Release Price for each Property, Property Company or Land Parcel divested (such amount referred to as the "**Prepayment Amount**") is transferred to the Escrow Account. When the Prepayment Amount has been transferred to the Escrow Account, the Bond Trustee shall release the security interest over the divested asset (as applicable). The Prepayment Amount shall remain on the Escrow Account until the Bond Trustee instructs the Account Bank to transfer such amount for the purpose of prepayment of the Bonds as set out in this Clause 10.7.

10.7.2 The Issuer shall ensure that the Prepayment Amount is used to partially to prepay the Bonds (or redeem the Bonds in full) by applying the Prepayment Amount towards reduction of the Nominal Amount of each Bond *pro rata* at a price equal to:

(a) 103.00 per cent. of the Nominal Amount if the Prepayment Amount is used to partially prepay the Bonds up to and including 30 June 2023;

~~(a)~~(b) ~~102.00~~ 104.50 per cent. of the Nominal Amount if the Prepayment Amount is used to partially prepay the Bonds up to and including 31 December ~~2021~~2023; and

~~(b)~~(c) ~~104.00~~ 125.00 per cent. of the Nominal Amount if the Prepayment Amount is used to partially prepay the Bonds after and including 1 January ~~2022~~2024.

The amount to be prepaid shall be rounded down to the nearest SEK 1.00 per Bond.

10.7.3 ~~The prepayment~~ Prepayments of the Bonds (or redemption the Bonds in full) shall (i) be irrevocable (ii) be executed ~~on the first Interest Payment Date (taking into account the rules and regulations of the CSD) falling after the end of the notice period set out in the notice delivered to the Bondholders pursuant to paragraph (iv) below~~no later than thirty (30) Business Days from each transfer of any Prepayment Amount to the Escrow Account, (iii~~)~~ ~~include accrued but unpaid Interest and (iv~~) be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Bond Trustee, and (iv) include accrued but unpaid Interest. The notice from the Issuer shall specify ~~the relevant Interest Payment Date and also~~ the Record Date on which a person shall be registered as a Bondholder to receive the ~~amounts due on such Interest Payment Date~~Prepayment Amount. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to ~~prepay~~ redeem the Bonds in accordance with Clause 10.7.2 on the specified ~~Interest Payment Date.~~Redemption Date.

10.7.4 Notwithstanding anything to the contrary in this Clause 10.7, no Prepayment Amount shall be required to be transferred to the Escrow Account if an irrevocable notice of redemption of the Bonds in full (including accrued but unpaid Interest) has been sent to the Bondholders and the Bond Trustee in accordance with Clause 10.7.3 and sufficient funds are standing to credit on the Escrow Account for such redemption in full.

10.8 Mandatory Prepayment due to a Loss Event

10.8.1 In the event of a Loss Event, the Issuer shall as soon as insurance proceeds are available but not later than one hundred and eighty (180) calendar days following the occurrence of a Loss Event, redeem all, but not some only, of the outstanding Bonds in full at a price per Bond equal to 100.00 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

10.8.2 Notwithstanding the above, following a Loss Event described in paragraph (b) or (c) in the definition of Loss Event, the Issuer may instead of a redemption ensure that the relevant Property is rebuilt, subject to:

(a) delivery of an investment plan to the Bond Trustee, approved by the Property Advisor (acting reasonable), describing how the insurance proceeds shall be applied; and

(b) the Issuer demonstrating to the Bond Trustee's satisfaction that the Issuer will have sufficient funds to comply with its obligations under the Finance Documents and to complete the proposed repair or reinstatement and rebuild of the relevant Property,

prior to one hundred and fifty (150) calendar days following the occurrence of a Loss Event (paragraph (a) and (b) jointly referred to as the "**Rebuild Criteria**").

10.8.3 The Issuer and the Parent shall ensure that the proceeds out of a Loss Event are paid directly to the Escrow Account as soon as they become available (the "**Insurance Proceeds**"). The Bond Trustee may release the Insurance Proceeds to the Issuer to either (i) fund the redemption of the Bonds in full; or (ii) subject to satisfaction of the Rebuild Criteria, fund the rebuild of each affected Property.

10.8.4 Redemption in relation to a Loss Event shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Bondholders and the Bond Trustee. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amount on the specified Redemption Date.

10.9 **Early redemption due to illegality and repurchase due to a tax event (call option)**

10.9.1 The Issuer may redeem all, but not some only, of the outstanding Bonds at an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

10.9.2 The Issuer may repurchase the relevant Bonds if, as a result of any change in, or amendment to regulations in Sweden, or any change in the interpretation or application of such regulations, which amendment or change is effective on or after the Settlement Date, the Issuer has or will become required to pay any Additional Amount in relation to such Bonds and this obligation cannot be avoided by reasonable measures available to the Issuer. The Bonds shall be repurchased at an amount per Bond equal to the amount specified in Clause 10.6 (*Voluntary total redemption (call option)*), as applicable considering when the repurchase takes place.

10.9.3 The Issuer may give notice of redemption and repurchase pursuant to Clause 10.9.1 and 10.9.2 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The Issuer is bound to redeem, or repurchase (in which case each relevant Bondholder is bound to sell), as the case may be, the Bonds in full at the applicable amount on the specified Redemption Date.

10.10 **Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)**

10.10.1 Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Bondholder shall during a period of thirty (30) calendar days from the effective date of a notice from the Issuer of the Change of Control Event or the Listing Failure Event pursuant to Clause 12.1.2 (after which time period such right shall lapse), have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to ~~:~~101.00 per cent. of the Nominal Amount.

~~(a) 102.00 per cent. of the Nominal Amount if the Change of Control Event or the Listing Failure Event occurs up to and including 31 December 2021 together with accrued but unpaid Interest; and~~

~~(b) 104.00 per cent. of the Nominal Amount if the Change of Control Event or the Listing Failure Event occurs after and including 1 January 2022 together with accrued but unpaid Interest.~~

10.10.2 The notice from the Issuer pursuant to Clause 12.1.2 shall specify the Record Date on which a person shall be registered as a Bondholder to receive interest and principal, the Redemption Date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 12.1.2. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 10.10.1.

10.10.3 If Bonds representing more than 90.00 per cent. of the Total Nominal Amount have been repurchased following a Change of Control Event, the Issuer is entitled to repurchase all the remaining outstanding Bonds at the price per Bond equal to:

(a) ~~102.00~~ 103.00 per cent. of the Nominal Amount up to and including ~~31 December 2021~~ 30 June 2023 together with accrued but unpaid Interest;~~and~~

(b) 104.50 per cent. of the Nominal Amount up to and including 31 December 2023 together with accrued but unpaid Interest; and

~~(b)~~(c) ~~104.00~~ 125.00 per cent. of the Nominal Amount after and including 1 January ~~2022~~ 2024 together with accrued but unpaid Interest,

by notifying the remaining Bondholders of its intention to do so no later than twenty (20) calendar days after the redemption date referred to in Clause 10.10.2. The Redemption Date in relation to such repurchase may occur at the earliest on the 15th calendar day following the date of such notice and no later than forty (40) Business Days after the end of the period referred to in Clause 10.10.1.

10.10.4 Any Bonds repurchased by the Issuer pursuant to this Clause 10.10 may at the Issuer's discretion be retained or sold, but not cancelled, except in connection with a full redemption of the Bonds.

10.10.5 No repurchase of Bonds pursuant to this Clause 10.10 shall be required if the Issuer has given notice of a redemption pursuant to Clause 10.6 (*Voluntary total redemption (call option)*) provided that such redemption is duly exercised.

11. TRANSACTION SECURITY AND GUARANTEE

11.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Parent and the Issuer Group Companies (as applicable) grant:

(a) on or before the Settlement Date, the Pre-Settlement Security;

(b) on or before any disbursement of the Net Proceeds from the Bonds is made from the Escrow Account, the Pre-Disbursement Security; and

(c) on or before the Amendment Date, the Amendment Security,

to the Secured Parties as represented by the Security Agent. The Transaction Security shall be provided and, as applicable, perfected or unperfected pursuant to, and subject to the terms of, the Security Documents entered into or to be entered into between the Parent or an Issuer Group Company (as applicable) and the Security Agent (acting on behalf of the Secured Parties). The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents.

11.2 The Security Agent shall, on behalf of the Secured Parties, keep all certificates and other documents that are bearers of rights relating to the Transaction Security in safe custody.

11.3 The Transaction Security shall, subject to applicable mandatory law only, be first ranking. Following the occurrence of an Event of Default and for as long as it is continuing, the Transaction Security pursuant to the Receivables Pledge Agreement, the Loan Pledge Agreement referred to in paragraph (g) item (ii) in the definition of the "Security Documents" shall be perfected in accordance with the relevant Security Documents.~~In addition, the share pledge over the shares in Host Billingehus will be subject to delayed perfection in accordance with the terms of the Share Pledge Agreement over the Initial Property Companies.~~

11.4 Unless and until the Bond Trustee has received instructions from the Bondholders in accordance with Clause 19 (*Decisions by Bondholders*), the Bond Trustee shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Parent, an Issuer Group Company or a third party or take any other actions, if it is, in the Bond Trustee's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security or the Guarantee, creating further Security or guarantees for the benefit of the Secured Parties or for the purpose of settling the Bondholders', the Parent's or an Issuer Group Company's rights to the Transaction Security or the Guarantee, in each case in accordance with the terms of the Finance Documents.

11.5 For the purpose of exercising the rights of the Secured Parties, the Bond Trustee may instruct the CSD in the name and on behalf of the Issuer to arrange for payments to the Secured Parties under the Finance Documents and change the bank account registered with the CSD to another bank account. The Issuer shall immediately upon request by the Bond Trustee provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 11.5.

11.6 The Bond Trustee shall be entitled to release all Transaction Security when the Bond Trustee has received evidence to its satisfaction of the full discharge of the Secured Obligations. The Bond Trustee may rely on information received by it in this respect from relevant third parties, unless it has actual knowledge that the information is incorrect.

12. INFORMATION TO BONDHOLDERS

12.1 Information from the Issuer

12.1.1 The Issuer will procure that the following information is made available to the Bondholders by publication on the website of the Issuer or provision of copies thereof to the Bondholders and the Bond Trustee:

(a) as soon as the same become available, but in any event within one hundred and twenty (120) calendar days after the end of each financial year, the audited consolidated financial statements for that financial year for the Issuer, prepared in accordance with the Accounting Principles;

(b) as soon as the same become available, but in any event within one hundred and twenty (120) calendar days after the end of each financial year, the audited unconsolidated financial statements for that financial year for the Parent, the Issuer and each Property Company, prepared in accordance with the Accounting Principles;

(c) as soon as the same become available, but in any event within thirty (30) calendar days after the end of each quarter of the Issuer's financial year, its consolidated unaudited financial statements for such period prepared in accordance with the Accounting Principles; and

(d) any other information required by the Securities Markets Act (if applicable) and the rules and regulations of the Exchange on which the Bonds are listed and admitted to trading.

12.1.2 The Issuer shall immediately notify the Bondholders and the Bond Trustee upon becoming aware of the occurrence of a Change of Control Event or a Listing Failure Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event.

12.1.3 The Parent and the Issuer Group Companies, as applicable, shall without being requested to do so, immediately notify the Bond Trustee (with full particulars) in writing upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which could reasonably be expected to lead to an Event of Default, and any other event which could reasonably be expected to have a Material Adverse Effect, and shall provide the Bond Trustee with such further information as it may reasonably request in writing following receipt of such notice. Should the Bond Trustee not receive such information, the Bond Trustee is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Bond Trustee does not have actual knowledge of such event or circumstance.

12.1.4 The Issuer shall (and shall procure that each Property Company will (as applicable)):

(a) without being requested to do so, inform the Bond Trustee in writing in respect of any details as to a redemption or repurchase pursuant to Clause 10 (*Redemption and Repurchase of the Bonds*);

(b) at the request of the Bond Trustee, report the aggregate Nominal Amount held by Group Companies, or, to the knowledge of the Issuer, an Affiliate;

(c) without being requested to do so, send the Bond Trustee copies of any statutory creditors' notifications of any Issuer Group Companies, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;

(d) when the Bonds has been listed and admitted to trading on an Exchange, without being required to do so pursuant to these Terms and Conditions, send a copy to the Bond Trustee of its notices to the relevant Exchange;

(e) without being requested to do so, inform the Bond Trustee regarding all receivables owed by a Flying Elephant Company to the Parent or an Issuer Group Company from time to time;

(f) if the Issuer and/or the Bonds are rated, without being required to do so pursuant to these Terms and Conditions, inform the Bond Trustee of its and/or the rating of the Bond Loan, and any changes to such rating;

(g) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the register kept by the CSD;

(h) within a reasonable time, provide such information about the Issuer's business, assets and financial condition as the Bond Trustee may reasonably request subject to any restrictions that may follow from mandatory regulations and Exchange rules applicable to the Issuer;

(i) procure that the Broker shall report in writing monthly to the board of directors of the Issuer on the Sales Process and offers received;

(j) ~~(i)~~deliver no later than sixty (60) calendar days after each Valuation Date an up-to-date Valuation Report from the Property Advisor evidencing the Properties Market Value and the Jessheim Property Market Value in form and substance satisfactory to the Bond Trustee;

(k) ~~(j)~~without being requested to do so, promptly notify the Bond Trustee of:

(i) the proposed terms of any future renewal of any of the insurances;

(ii) any amendment, supplement, extension, termination, avoidance or cancellation of any of the insurances made or, to its knowledge, threatened or pending; and

(iii) any substantial claim, and any actual or threatened refusal of any substantial claim, under any of the insurances,

in each case relating to any of the insurances taken out in accordance with Clause 16.7 (*Insurance*),

provided that any information delivered pursuant to paragraphs (a) to (~~j~~k) above shall be subject to any restrictions that may follow from mandatory regulations and Exchange rules applicable to the Company.

12.1.5 When the financial statements and other information are made available to the Bondholders pursuant to Clause 12.1.1, the Issuer shall send copies of such financial statements and other information to the Bond Trustee. Together with the Issuer's

consolidated financial statements, the Issuer shall submit to the Bond Trustee a Compliance Certificate and copies of any notices sent to the Exchange on which the Bond Loan is admitted to trading.

12.1.6 When the financial statements are made available to the Bondholders pursuant to Clause 12.1.1(c), the Issuer shall provide the Bondholders with written information which, as a minimum, shall include:

(a) a description of the operations and activities of the Issuer Group;

(b) profitability reporting for each Property Company; and

(c) an overview of each development project of the Issuer Group which has a total budget per project of above SEK 20,000,000.

12.1.7 The Issuer shall invite the Bondholders to physical or telephone conference investor meetings on a semi-annual basis. Such meetings to be held no later than sixty (60) calendar days after each 30 June and 31 December each year, as relevant, and shall be convened by the Issuer by notice on its website no later than five (5) Business Days before the relevant meeting. If a physical meeting is convened, the Issuer shall ensure that it is possible to participate in the meeting on equal terms by telephone. The purpose of such meetings is to provide the Bondholders with sufficient information of the operations and activities of the Issuer Group. At each such meeting the Issuer shall as a minimum present to the Bondholders a general company financial and operations overview including the progress and development of the Issuer Group since the last investor meeting referred to in this Clause 12.1.7. Each such presentation shall include an overview of the profitability and development of each development project of the Issuer Group that has a total budget per project of above SEK 20,000,000. The Bondholders shall at such meetings be provided the opportunity to ask questions about the presentation as they see fit and the Issuer shall use its best efforts to answer such questions to the satisfaction of the Bondholders.

12.2 Information from the Bond Trustee

12.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Bond Trustee in accordance with Clause 12.2.2, the Bond Trustee is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Group or the Bonds. Notwithstanding the foregoing, the Bond Trustee may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

12.2.2 If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 19 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Bond Trustee shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

12.3 Information among the Bondholders

Upon request by a Bondholder, the Bond Trustee shall promptly distribute to the Bondholders any information from such Bondholder which relates to the Bonds. The Bond Trustee may require that the requesting Bondholder reimburses any costs or expenses

incurred, or to be incurred, by the Bond Trustee in doing so (including a reasonable fee for the work of the Bond Trustee) before any such information is distributed.

12.4 **Publication of Finance Documents**

12.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the website of the Issuer and the Bond Trustee.

12.4.2 The latest versions of the Finance Documents shall be available to the Bondholders at the office of the Bond Trustee during normal business hours.

13. FINANCIAL COVENANTS

13.1 **Maintenance Test**

(a) Cash Interest Coverage Ratio: the Issuer shall, at all times, maintain a Cash Interest Coverage Ratio of no less than ~~:~~ 1.3:1.0 for the period from and including 31 December 2023 until the Maturity Date.

~~(i) 1.0:1.0 for the period from and including 1 October 2020 to and including 30 June 2021; and~~

~~(ii) 1.3:1.0 for the period from and including 1 July 2021 until the Maturity Date.~~

(b) Issuer Group LTV: the Issuer Group shall, at all times, maintain the Issuer Group LTV at a maximum of ~~:~~ 55.00 per cent. for the period from and including 31 December 2023 until the Maturity Date.

(c) Received Cash: the Issuer Group shall, at all times, maintain Received Cash of no less than:

(i) SEK 15,000,000 for the period from and including the Second Amendment Date until but not including 31 December 2023; and

(ii) not less than SEK 20,000,000 for the period from and including 31 December 2023 until the Maturity Date.

~~(i) 70.00 per cent. for the period from and including 1 October 2021 to and including 31 March 2022;~~

~~(ii) 65.00 per cent. for the period from and including 1 April 2022 to and including 30 June 2022; and~~

~~(iii) 60.00 per cent. for the period from and including 1 July 2022 until the Maturity Date.~~

13.2 **Cure of Maintenance Test**

13.2.1 If at any time there is a breach of Clause 13.1 (*Maintenance Test*), no Event of Default will occur if, within five (5) Business Days of the delivery of the applicable Compliance Certificate evidencing that breach, the Issuer:

(a) place the amount of New Investments required to cure such breach into the Escrow Account;

(b) provide Supplementary Security; or

(c) effect any combination of paragraph (a) and (b).

13.2.2 After the New Investment has been credited to the Escrow Account and/or the Supplementary Security been provided to the Security Agent and perfected, the relevant Maintenance Test shall be recalculated giving effect to the following adjustments (in each case without double counting):

(a) for the purpose of calculating the Cash Interest Coverage Ratio: the interest bearing Financial Indebtedness of the Issuer shall be deemed to have been reduced by the amount of the New Investment credited to the Escrow Account and the Total Interest Expenses shall be recalculated accordingly for the whole Reference Period (and reflected in the calculations for the next three Reference Dates); ~~and~~

(b) for the purpose of calculating the Issuer Group LTV: New Investment credited to the Escrow Account and/or the value of the Supplementary Security provided to the Security Agent and perfected shall be added to the Properties Market Value (as further set out in the definition of "Issuer Group LTV")~~.~~; and

(c) for the purpose of calculating the Received Cash: New Investment credited to the Escrow Account provided to the Security Agent and perfected shall be added to the Received Cash.

13.2.3 In relation to the Cash Interest Coverage Ratio, no more than three (3) cures may be made prior to the Maturity Date and cures may not be made on two (2) consecutive Reference Dates.

13.2.4 Any breach of a Maintenance Test which is cured pursuant to this Clause 13.2 (*Cure of Maintenance Test*) shall not be considered a breach of that Maintenance Test.

13.2.5 Any New Investment placed into the Escrow Account pursuant to Clause 13.2.1(a) above or Supplementary Security posted pursuant to Clause 13.2.1(b) above, may at the Bondholder Committee's sole discretion be released and discharged at a subsequent measurement date provided that both the Maintenance Tests are complied with pursuant to Clause 13.1 (*Maintenance Test*) following such release and discharge.

13.3 Financial testing

13.3.1 The Issuer undertakes to comply with the Maintenance Test financial covenants at all times. Such compliance shall be measured on each Reference Date and certified by the Issuer in a Compliance Certificate to the Bond Trustee no later than five (5) Business Days after each Reference Date in relation to the Cash Interest Coverage Ratio and with each Compliance Certificate to the Bond Trustee pursuant to Clause 12.1.5 in relation to the Issuer Group LTV.

13.3.2 The Cash Interest Coverage Ratio shall be measured on each Reference Date and annualised for each financial quarter from and including the fourth financial quarter 2020 to and including the fourth financial quarter 2021 and thereafter measured on each Reference Date for the Reference Period.

13.3.3 The first measurement of the Issuer Group LTV shall be on the Reference Date falling on 31 December 2021 for the Reference Period.

14. ISSUER GROUP UNDERTAKINGS

14.1 *Pari passu* ranking

The Issuer shall ensure that its obligations under the Finance Documents at all times rank at least as set out in Clause 2.4.

14.2 Mergers

The Issuer shall not (and shall ensure that no other Issuer Group Company will) carry out any merger or other business combination or corporate reorganisation involving a consolidation of the assets and obligations of the Issuer or any of its Subsidiaries.

14.3 De-mergers

The Issuer shall not (and shall ensure that no other Issuer Group Company will) carry out any de-merger or other corporate reorganisation involving a split of the Issuer or any Issuer Group Company into two or more separate companies or entities.

14.4 Continuation of business

The Issuer shall not (and shall ensure that no Issuer Group Company) cease to carry on its business, and shall procure that no substantial change is made to the general nature of the business of the Issuer Group from that carried on at the Settlement Date, and/or as set out in the Finance Documents.

14.5 Transaction Security

The Issuer and the Parent shall ensure that:

(a) all of its shares in the Property Companies and all shares in Jessheim are comprised by Transaction Security;

(b) all intra-group loans granted by the Issuer to the Property Companies and the Parent, from time to time, are comprised by Transaction Security;

(c) all receivables to the Parent or an Issuer Group Company from a Flying Elephant Company, from time to time, are comprised by Transaction Security; and

(d) the Security to be granted by the Property Companies and the Jessheim pursuant to these Terms and Conditions is comprised by Transaction Security.

14.6 Disposal

14.6.1 The Issuer shall not (and shall procure that no other Issuer Group Company will) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any asset.

14.6.2 Clause 14.6.1 does not apply to any disposal:

(a) of a Property or the shares in a Property Company, in each case in accordance with Clause 14.6.3 below, or a Land Parcel in accordance with Clause 14.6.4 below; or

(b) of any other of its assets or operations unless such disposal is made on arm's length terms at fair market value and does not have a Material Adverse Effect.

14.6.3 The Issuer and the Parent may dispose of the shares in a Property Company and a Property Company may dispose of its Property if:

(a) no Event of Default is continuing or would result from that disposal;

(b) the Issuer Group LTV will not increase as a result of the disposal;

(c) that a disposal is on arm's length terms at fair market value to an unrelated third party;

(d) that a disposal to a related party of the Issuer below net asset value shall be subject to the Bondholder Committee's prior written approval; and

(e) ~~(d)~~the net disposal proceeds are sufficient and will be used for the payment of any taxes incurred by the disposing company in relation to the disposal and redeeming the Bonds with an amount at least equal to the Release Price~~; and~~,

~~(d) the disposal together with any other disposal permitted pursuant to this Clause 14.6.3 and any Permitted Land Parcel Divestment does not represent more than 30.00 per cent. of the Properties Market Value as set out in the Initial Valuation Report,~~

a disposal in accordance with this Clause 14.6.3 is referred to as a "**Permitted Partial Divestment**".

14.6.4 A Property Company may dispose of a Land Parcel if:

(a) the parcelling of the relevant Property will not adversely affect (i) the hotel operations on the Property, (ii) the rights of the Bondholders under the Finance Documents (including but not limited to the Transaction Security created under the Real Property Mortgage Agreement, whereby no mortgage certificates shall be allocated to the parcelled part of the Property that shall be disposed of by way of such parcelling) or (iii), any Issuer Group Company's obligations under the Finance Documents;

(b) no Event of Default is continuing or would result from that disposal;

(c) the Issuer Group LTV will not increase as a result of the disposal;

(d) that a disposal is on arm's length terms at fair market value to an unrelated third party;

(e) that a disposal to a related party of the Issuer below net asset value shall be subject to the Bondholder Committee's prior written approval; and

(f) ~~(e)~~the net disposal proceeds will be used for the payment of any taxes incurred by the disposing company in relation to the disposals~~; and~~,

~~(e) the disposal together with any other disposal permitted pursuant to this Clause 14.6.4 does not represent more than 5% of the Properties Market Value as set out in the Initial Valuation Report,~~

a disposal in accordance with this Clause 14.6.4 is referred to as a "**Permitted Land Parcel Divestment**".

14.6.5 For the purposes of this Clause 14.6, **net disposal proceeds** means the gross proceeds of any disposal permitted under Clause 14.6.3 and 14.6.4 less an amount of the reasonable costs and expenses associated with that disposal.

14.7 **Arm's length transactions and affiliated parties**

The Issuer shall not (and shall procure that no other Issuer Group Company will) enter into any transaction with any person except on arm's length terms and for fair market value.

14.8 **Corporate status**

The Issuer shall not (and shall ensure that no other Issuer Group Company will) change its type of organisation or jurisdiction of incorporation.

14.9 **Compliance with regulations**

The Issuer shall (and shall ensure that each other Issuer Group Company will):

(a) carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all regulations it or they may be subject to from time to time; and

(b) obtain, maintain and ensure compliance in all material respects with all requisite permits, licences, exemptions and other authorisations and fulfil any material obligation to file any notifications or reports under any regulations for the use of all Properties in accordance with the Lease Agreements.

14.10 **Financial Indebtedness restrictions**

The Issuer shall not (and shall ensure that no other Issuer Group Company will) incur or permit to remain outstanding any Financial Indebtedness (whether secured or unsecured) other than:

(a) the Bonds;

(b) any shareholder loans from the Parent to the Issuer which is subject to Transaction Security;

(c) any intra-group loan from the Issuer to a Property Company which is subject to Transaction Security;

(d) prior to release of the Net Proceeds from the Bonds from the Escrow Account, the Existing External Debt; and

(e) arising as a result of the refinancing of the Bonds in full provided that such Financial Indebtedness is not incurred earlier than twenty (20) calendar days prior to the Redemption Date and held on a separate account.

14.11 **Negative pledge**

The Issuer shall not (and shall ensure that no other Issuer Group Company will) create, permit to subsist or allow to exist any Security over any of its present or future assets or revenues, other than:

(a) Security granted (or to be granted) for the Secured Obligations;

(b) any lien or right of set-off arising by operation of law in ordinary course of business and not as a result of any default or omission by an Issuer Group Company;

(c) prior to the release of Net Proceeds from the Bonds from the Escrow Account, Existing Security;

(d) any Security over proceeds which have been utilised by the Issuer for the purpose of refinancing the Bonds in full; and

(e) Security over a property mortgage certificate in the amount of SEK 500,000 issued in the property Kalmar Krögaren 10.

14.12 **Financial support**

The Issuer shall not (and shall ensure that no other Issuer Group Company will) grant any loans, guarantees or other financial assistance to or on behalf of any party other than any intra-group loans to (a) the Parent and the Property Companies which are subject to Transaction Security and (b) a Flying Elephant Company which are subject to (i) the prior written approval of the Bondholder Committee acting in good faith (such approval not to be unreasonably withheld or delayed) and (ii) Transaction Security.

14.13 **Management fee**

The Issuer shall not (and shall ensure that no other Issuer Group Company will) make or agree to make any payment of general and administrative expenses to the Parent or any other Issuer Group Company or any of their affiliates other than Permitted Management Fee Payments.

14.14 **Distribution restrictions**

Other than distributions from a Property Company to the Issuer, the Issuer shall not (and shall ensure that no Issuer Group Company will) declare or make any dividend payment or distribution, whether in cash or in kind, repurchase of shares or make other similar transactions (including, but not limited to total return swaps related to its shares and reductions in its share capital or equity), grant loans or make cash payment (interest or amortisations) under intra-group loans, or other distributions to its (direct or indirect) shareholders or affiliates thereof.

14.15 **Hotel Lease Agreement**

14.15.1 The Issuer and the Parent shall ensure that the Property Companies shall not amend or agree to amend any terms of the Hotel Lease Agreements or assign, transfer, terminate or replace its respective Hotel Lease Agreements. However, the Issuer shall be allowed to change the terms of the Hotel Lease Agreements in terms of securing best effort on new lease terms including operating the hotels in-house, as long as such changes are not

detrimental to the interest of the Bondholders, without a specific pre-approval from the Bondholders. However, any changes to, or agreements to change, the Hotel Lease Agreements or new lease agreements shall always be subject to the inclusion of a new clause (in a format to be pre-agreed with the Bondholder Committee) stating that the leases may be terminated with immediate effect by the Bondholder Committee at any point in time after an Event of Default has occurred which is continuing (in case of a lessee being a Flying Elephant Company). Any amended or replacing Hotel Lease Agreement in accordance with this Clause 14.15.1 not including such a new clause shall be subject to the prior written approval of the Bondholder Committee acting in good faith (such approval not to be unreasonably withheld or delayed).

14.15.2 Any new Hotel Lessees not being a Flying Elephant Company, shall be subject to the prior written approval of the Bondholder Committee acting in good faith (such approval not to be unreasonably withheld or delayed).

14.16 Business and management agreements of the Property Companies

The Issuer and the Parent shall ensure that the Property Companies procures that their payment obligations under any business and management agreements will be subordinated to their obligations under the Finance Documents.

14.17 Issuer Holding Company

The Issuer shall not trade, carry on any business, own any assets or incur any liabilities except for:

(a) the provision of administrative services to other Issuer Group Companies of a type customarily provided by a holding company to its Subsidiaries;

(b) the provision of asset management services in relation to the Initial Properties customarily provided within the business of the Issuer Group;

(c) ownership of shares in the Initial Property Companies, intra-group debit balances, intra-group credit balances, credit balances in bank accounts provided that such events are not prohibited by the Finance Documents;

(d) any liabilities under the Finance Documents to which it is a party and professional fees and administration costs in the ordinary course of business as a holding company;

(e) incurring and discharging liabilities for or in connection with taxes; and

(f) activities necessary to maintain its tax status.

14.18 Single purpose company

The Issuer and the Parent shall ensure that each of the Property Companies remains special purpose vehicle with its sole purpose to own its respective Property and that no Property Company shall incur any liabilities except for in relation to the letting of the relevant Property pursuant to the relevant Lease Agreement maintenance (inclusive Refurbishment) of the Property and insuring the Property or if so required under any regulations or administrative orders or decisions.

14.19 **Undertakings relating to the Bond Trustee Agreement**

14.19.1 The Issuer shall in accordance with the terms of the Bond Trustee Agreement and to the extent required therein:

(a) pay fees to the Bond Trustee;

(b) indemnify the Bond Trustee for costs, losses and liabilities;

(c) furnish to the Bond Trustee all information requested by or otherwise required to be delivered to the Bond Trustee; and

(d) not act in a way which would give the Bond Trustee a legal or contractual right to terminate the Bond Trustee Agreement.

14.19.2 The Issuer shall not terminate the Bond Trustee Agreement and the Issuer and the Bond Trustee shall not agree to amend any provisions of the Bond Trustee Agreement, without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

14.20 **CSD related undertakings**

The Issuer shall from the Settlement Date keep the Bonds affiliated with a CSD and comply with all CSD Regulations applicable to the Issuer and the Bonds.

14.21 **Listing and admission to trading undertaking**

14.21.1 The Issuer intends to list and admit to trading the Bonds within thirty (30) calendar days from the Settlement Date and shall ensure that the Bonds are listed and admitted to trading on an Exchange within twelve (12) months following the Settlement Date, and that they remain listed and admitted to trading or, if such listing and admission to trading is not possible to obtain or maintain, listed and admitted to trading on another Exchange.

14.21.2 Following a listing and admission to trading, the Issuer shall take all actions on its part to maintain the listing and admission to trading as long as any Bonds are outstanding, but not longer than up to and including the last day on which the admission reasonably can, pursuant to the then applicable regulations of the Exchange and the CSD, subsist.

~~14.22 **Replacement Share Certificates undertaking**~~

~~14.22.1 The Issuer shall procure that the Parent cancel the Missing Share Certificates in accordance with Clause 15.11 (*Missing Share Certificates undertaking*). The Issuer shall also, at its own expense and at any time, comply with any request by the Swedish Companies Registration Office in relation to the application for the cancellation of the Missing Share Certificates~~

~~14.22.2 Once the cancellation of the Missing Share Certificates has been completed pursuant Clause 15.11 (*Missing Share Certificates undertaking*), the Issuer shall procure that Host Billingehus issues the Replacement Share Certificates and promptly deliver the Replacement Share Certificates to the Bond Trustee duly endorsed in blank by the Issuer.~~

14.22 **Sales mechanism**

The Issuer shall initiate the Sales Process and no later than 31 January 2023:

(a) taken necessary corporate resolutions to initiate the Sales Process;

(b) appointed a Broker; and

(c) confirm in writing, and procure that the appointed Broker confirm in writing, to the Bond Trustee that the Sales Process has been initiated including an overview of the contemplated scope and actions to be taken under the Sales Process.

15. PARENT UNDERTAKINGS

15.1 *Pari passu* ranking

The Parent shall ensure that its obligations under the Guarantee at all times rank at least *pari passu* with the unsecured and unsubordinated obligations of the Parent towards its other creditors, except for obligations which are mandatorily preferred by law.

15.2 Mergers

The Parent shall:

(a) not carry out any merger or other business combination or corporate reorganisation involving a consolidation of the assets and obligations of the Parent with any other companies or entities if such transaction would (i) have a Material Adverse Effect or (ii) involve an Issuer Group Company; and

(b) ensure that no Issuer Group Company shall carry out any merger or other business combination or corporate reorganisation involving a consolidation of the assets and obligations of any Issuer Group Company.

15.3 De-mergers

The Parent shall:

(a) not carry out any de-merger or other corporate reorganisation involving a split of the Parent into two or more separate companies or entities, if such transaction would have (i) a Material Adverse Effect or (ii) involve an Issuer Group Company; and

(b) ensure that no Issuer Group Company carry out any de-merger or other corporate reorganisation involving a split of any such Issuer Group Company into two or more separate companies or entities.

15.4 Continuation of business

The Parent shall not cease to carry on its business, and shall procure that no substantial change is made to the general nature of its business from that carried on at the Settlement Date.

15.5 Disposal of business

Subject to Clause 15.9 (*Ownership of the Issuer and Transaction Security*), the Parent shall not sell or dispose of all or substantially part of its assets or operation, unless the

transaction is carried out at a fair market value, on terms and conditions customary for such transactions, and such transaction would not have a Material Adverse Effect.

15.6 **Arm's length transactions and affiliated parties**

The Parent shall not enter into any transaction with any person except on arm's length terms and for fair market value.

15.7 **Corporate status**

The Parent shall not change its type of organisation or jurisdiction of incorporation.

15.8 **Compliance with regulations**

The Parent shall carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all regulations it may be subject to from time to time.

15.9 **Ownership of the Issuer and Transaction Security**

15.9.1 The Parent shall maintain a direct 100.00 per cent. ownership and voting rights of the Issuer.

15.9.2 The Parent shall ensure that all of its shares in the Issuer and all loans granted by it to the Issuer are comprised by Transaction Security.

15.10 **Subordination of certain intra-group payment obligations**

The Parent shall ensure that all payment obligations owed by the Issuer to the Parent is subordinated to the Issuer's obligations under the Finance Documents.

~~15.11 **Missing Share Certificates undertaking**~~

~~The Parent shall without undue delay apply for the cancellation of the Missing Share Certificates. The Parent shall, at its own expense and at any time, comply with any request by the Swedish Companies Registration Office in relation to the application for the cancellation of the Missing Share Certificates. The Parent shall immediately notify the Bond Trustee when the application for cancellation of the Missing Share Certificates has been approved, denied or otherwise failed. If any Missing Share Certificates are found during the cancellation process, the Parent shall procure the immediate delivery of such share certificates to the Bond Trustee and withdrawal in whole or in part of the pending application for the cancellation of the Missing Share Certificates.~~

15.11 **Board of directors of the Issuer**

15.11.1 The Parent undertakes that if the Bonds are not redeemed in full by 31 December 2023, the Parent shall:

(a) without any delay from time to time after written instructions from the Bondholder Committee appoint the new directors to the board of directors of the Issuer as instructed by the Bondholder Committee (in addition to the directors appointed by the Parent but no more than three directors shall be appointed by the Bondholder Committee at any time); and

(b) procure that no more than two directors are appointed by the Parent at any time.

15.11.2 The Parent shall procure that the number of directors appointed and designated by the Bondholder Committee in accordance with Clause 15.11.1 always have the majority vote in the board of directors of the Issuer.

16. PROPERTY COVENANTS

16.1 Inspection

The Issuer shall ensure that each Property Company shall upon reasonable request of the Bond Trustee arrange for the Bond Trustee, and/or any persons appointed by the Bond Trustee, to have access to and to inspect the Properties at the reasonable expense of the relevant Property Company.

16.2 Payments from the Lessees

The Issuer shall on behalf of each Property Company quarterly provide satisfactory documentation to the Bond Trustee evidencing, that all payments from each Lessee to the Property Companies under the Lease Agreements are paid on time. Delayed payment from the Lessees of thirty (30) calendar days or more shall in any event be reported to the Bond Trustee. The Property Companies may not give any Lessees a grace period for any payments in excess of forty-five (45) calendar days without the Bondholder Committee's prior written approval.

16.3 Lease default

The Issuer shall on behalf of each Property Company:

(a) immediately inform the Bond Trustee of any notice of default or termination under any Lease Agreement;

(b) provide information regarding the Lease Agreements which the Bond Trustee reasonably requests;

(c) comply with all its material obligations under the Lease Agreements; and

(d) use all reasonable efforts to ensure that the Hotel Lessees operates the Properties in accordance with good hotel industry standard.

16.4 Proper management and maintenance

The Issuer shall ensure that each Property Company shall procure that its respective Property, including fittings, inventory, plant and machinery, are properly managed and maintained in accordance with good hotel industry standard, and where necessary replace the same with items of similar quality and value.

16.5 No structural alteration

The Issuer shall procure that each Property Company shall not, and shall ensure that neither the Lessees will, make any structural changes or demolition of the Properties (in whole or in part) which is not approved in writing by the Bondholder Committee.

16.6 **Access to staff and complying with instructions**

The Issuer shall procure that each Property Company, following an Event of Default and for as long as it is continuing, ensure that the relevant Hotel Lessee will, act in accordance with the Bond Trustee's instructions and provide the Bond Trustee, and/or any persons appointed by the Bond Trustee with access to staff, inventory and documentation for on-going hotel operations.

16.7 **Insurance**

The Issuer shall procure that each Property Company ensure that in any event insurance (with reputable independent insurance companies or underwriters) shall be maintained on and in relation to its respective business and assets as is usual for companies carrying on the same or substantially similar business and to:

(a) include comprehensive insurance cover (*fullvärdesförsäkring*) of all its Properties and the plant and machinery on such Property (including fixtures and improvements but excluding fittings owned by any tenant) on a full reinstatement value basis;

(b) include comprehensive insurance cover for damages caused by natural forces (including all risk insurance cover for, but not limited to, fire, water leakage (including in respect of water pipes), storm, hail and flooding);

(c) include third party liability insurance (*ansvarsförsäkring*);

(d) provide cover for loss of rent (in respect of a period of not less than thirty-six (36) months), including provision for any increases in rent during the period of insurance;

(e) insure such other risks as a prudent company in the same business, geography and market would insure; and

(f) in each case are in an amount, and in form, and with an insurance company or underwriters, acceptable at all times to the Bond Trustee and to an external insurance expert engaged by the Bond Trustee for the purpose of confirming the undertaking set out herein.

16.8 **Refurbishment**

16.8.1 The Issuer shall procure that:

(a) SEK 65,000,000 of the Refurbishment Proceeds are applied towards of the partial prepayment in accordance with Clause 10.3 (*Mandatory partial prepayment*);

(b) SEK 10,000,000 of the Refurbishment Proceeds are transferred to the Escrow Account immediately following the Amendment Date to be applied in accordance with Clause 10.5 (*Optional mandatory partial prepayment*); and

(c) the remaining Refurbishment Proceeds following the application of paragraphs (a) and (b) above are applied towards payment of the Amendment Transaction Costs immediately following the Amendment Date.

16.8.2 Any remaining Refurbishment Proceeds following the applications in Clause 16.8.1 shall be hold by the Issuer on the Refurbishment Account in its own name and may only be applied in accordance with Clause 10.4 (*Voluntary partial prepayment*) and/or towards the Refurbishment of the Properties.

16.8.3 Any Refurbishment Proceeds applied towards the Refurbishment of the Properties shall in each case be subject to the prior written approval of the Bondholder Committee acting in good faith (such approval not to be unreasonably withheld or delayed).

17. ACCELERATION OF THE BONDS

17.1 The Bond Trustee is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least 50.00 per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the demand is received by the Bond Trustee and shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 17.4, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Bond Trustee determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

(a) the Parent or an Issuer Group Company does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:

(i) is caused by technical or administrative error; and

(ii) is remedied within three (3) Business Days from the due date;

(b) the Issuer breaches any financial covenant set out in Clause 13.1 (*Maintenance Test*) unless such breach has been cured in accordance with Clause 13.2 (*Cure of Maintenance Test*);

(c) the Issuer does not comply with the undertaking set out in Clause 14.22 (*Sales mechanism*);

(d) ~~(c)~~the Issuer does not comply with any of its information undertakings set out in Clause 12 *(Information to Bondholders)* and such non-compliance is not remedied within five (5) Business Days from its occurrence;

(e) ~~(d)~~the Parent or an Issuer Group Company does not comply with any terms or conditions of the Finance Documents to which it is a party (other than the terms referred to in paragraph (a), (b) or (c) above), unless the misrepresentation or non-compliance:

(i) is capable of remedy; and

(ii) is remedied within fifteen (15) Business Days of the earlier of the Bond Trustee giving notice and the Parent or any Issuer Group Company becoming aware of the non-compliance;

(f) ~~(e)~~any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity,

ineffectiveness or variation has a detrimental effect (directly or indirectly) on the interests of the Secured Parties;

(g) ~~(f)~~the Parent or an Issuer Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent;

(h) ~~(g)~~any corporate action, legal proceedings or other procedure or step (other than vexatious or frivolous and as disputed in good faith and discharged within thirty (30) Business Days) is taken in relation to:

~~(iii)~~(i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (*företagsrekonstruktion*) or similar (by way of voluntary arrangement or otherwise) of the Parent or an Issuer Group Company;

~~(iv)~~(ii) a composition, compromise, assignment or arrangement with any creditor of an Issuer Group Company;

~~(v)~~(iii) the appointment of a liquidator, administrator, or other similar officer in respect of the Parent or an Issuer Group Company or any of their assets or any analogous procedure; and

(i) ~~(h)~~any expropriation, attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Parent or an Issuer Group Company;

(j) ~~(i)~~any material breach of any of the Lease Agreements occurs or any of the Hotel Lease Agreements is terminated except (i) if a Lease Agreement is replaced or amended with a new lease agreement with the same tenant on equal or better terms for the relevant Issuer Group Company, or (ii) if a Lease Agreement is replaced with a new lease agreement with another tenant if such tenant is of at least the same financial standing and the new lease agreement is on equally or better terms for the relevant Issuer Group Company, provided in each case that the Bondholders will not be materially negatively affected;

(k) ~~(j)~~any event or series of events occurs which has a Material Adverse Effect;

~~(vi)~~(i) any Financial Indebtedness of the Parent or an Issuer Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);

~~(vii)~~(ii) any commitment for any Financial Indebtedness of the Parent or an Issuer Group Company is cancelled or suspended by a creditor as a result of an event of default (however described); or

~~(viii)~~(iii) any creditor of the Parent or an Issuer Group Company declares any Financial Indebtedness of the Parent or an Issuer Group Company due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur under this paragraph (j) if the aggregate amount of Financial Indebtedness or the commitment for Financial

Indebtedness referred to herein is less than SEK 10,000,000 in respect of the Issuer Group and SEK 30,000,000 in respect of the Parent.

17.2 The Bond Trustee may not accelerate the Bonds in accordance with Clause 17.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).

17.3 The Bond Trustee shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Bond Trustee received actual knowledge of that an Event of Default has occurred and is continuing. The Bond Trustee shall, within twenty (20) Business Days of the date on which the Bond Trustee received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Bond Trustee decides not to accelerate the Bonds, the Bond Trustee shall promptly seek instructions from the Bondholders in accordance with Clause 19 (*Decisions by Bondholders*). The Bond Trustee shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

17.4 If the Bondholders instruct the Bond Trustee to accelerate the Bonds, the Bond Trustee shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Bond Trustee, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.

17.5 If the right to accelerate the Bonds is based upon a decision of a court of law, an arbitrational tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.

17.6 In the event of an acceleration of the Bonds in accordance with this Clause 17, the Issuer shall redeem all Bonds at an amount per Bond equal to the redemption amount specified in Clause 10.6 (*Voluntary total redemption (call option)*) as applicable considering when the acceleration occurs.

18. DISTRIBUTION OF PROCEEDS

18.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 17 (*Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security and/or the Guarantee shall be distributed in the following order of priority, in accordance with the instructions of the Bond Trustee:

(a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Bond Trustee in accordance with the Bond Trustee Agreement or the Finance Documents (other than any indemnity given for liability against the Bondholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the Guarantee or the protection of the Bondholders' rights as may have been incurred by the Bond Trustee, (iii) any costs incurred by the Bond Trustee for external experts that have not been reimbursed by the Issuer in accordance with Clause 24.2.5, and (iv) any costs and expenses incurred by the Bond Trustee in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 19.15, together with default

interest in accordance with Clause 9.3 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

(b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);

(c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and

(d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 9.3 on delayed payments of Interest and repayments of principal under the Bonds.

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

18.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 18.1(a), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 18.1(a).

18.3 Funds that the Bond Trustee receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security and/or the Guarantee constitute escrow funds (*redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Bond Trustee shall arrange for payments of such funds in accordance with this Clause 18 as soon as reasonably practicable.

18.4 If the Issuer or the Bond Trustee shall make any payment under this Clause 18, the Issuer or the Bond Trustee, as applicable, shall notify the Bondholders of any such payment at least fifteen (15) Business Days before the payment is made. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 8.1 shall apply.

19. DECISIONS BY BONDHOLDERS

19.1 A request by the Bond Trustee for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Bond Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.

19.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least 10.00 per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Bond Trustee and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Bond Trustee and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Bond Trustee. The person requesting the decision may suggest the form for decision making, but if it is in the Bond Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

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

19.4 Should the Bond Trustee not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 19.3 being applicable, the Issuer or Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Bond Trustee shall upon request provide the convening Bondholder(s) with such information available in the debt register (*skuldbok*) kept by the CSD in respect of the Bonds as may be necessary in order to convene and hold the Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be.

19.5 Should the Issuer want to replace the Bond Trustee, it may (i) convene a Bondholders' Meeting in accordance with Clause 20.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 21.1, in both cases with a copy to the Bond Trustee. After a request from the Bondholders pursuant to Clause 24.4.3, 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 Bondholders' Meeting in accordance with Clause 20.1. The Issuer shall inform the Bond Trustee before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Bond Trustee is proposed to be replaced is sent and shall, on the request of the Bond Trustee, append information from the Bond Trustee together with the notice or the communication.

19.6 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 7 (*Right to act on behalf of a Bondholder*) from a person who is, registered as a Bondholder:

(a) on the Business Day specified in the notice pursuant to Clause 20.2, in respect of a Bondholders' Meeting, or

(b) on the Business Day specified in the communication pursuant to Clause 21.2, in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the Adjusted Nominal Amount. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or the communication, as the case may be.

19.7 The following matters shall require the consent of Bondholders representing at least 75.00 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.2:

(a) a change to the terms of Clause 2.1, and any of Clauses 2.4 to 2.6;

(b) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 10 (*Redemption and repurchase of the Bonds*);

(c) a change to the Interest Rate or the Nominal Amount, other than as permitted or required by these Terms and Conditions;

(d) a change to the terms for the distribution of proceeds set out in Clause 18 (*Distribution of proceeds*);

(e) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 19;

(f) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;

(g) a release of the Transaction Security or the Guarantee, except in accordance with the terms of the Security Documents;

(h) a mandatory exchange of the Bonds for other securities; and

(i) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 17 (*Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.

19.8 Any matter not covered by Clause 19.7 shall require the consent of Bondholders representing more than 50.00 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 21.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 23.1(a) or (b)), an acceleration of the Bonds or the enforcement of any Transaction Security or the Guarantee.

19.9 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least 50.00 per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 19.7, and otherwise 20.00 per cent. of the Adjusted Nominal Amount:

(a) if at a Bondholders' 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 Bondholders' meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

19.10 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Bond Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 20.1) or initiate a second Written Procedure (in accordance with Clause 21.1), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 19.10, the date of request of the second Bondholders' Meeting pursuant to Clause 20.1 or second Written Procedure pursuant to Clause 21.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 19.9 shall not apply to such second Bondholders' Meeting or Written Procedure.

19.11 Any decision which extends or increases the obligations of the Issuer or the Bond Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Bond Trustee,

under the Finance Documents shall be subject to the Issuer's or the Bond Trustee's consent, as applicable.

19.12 A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

19.13 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

19.14 A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.

19.15 All costs and expenses incurred by the Issuer or the Bond Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Bond Trustee, shall be paid by the Issuer.

19.16 If a decision is to be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Bond Trustee provide the Bond Trustee with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Bond Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Bond is owned by a Group Company or an Affiliate.

19.17 Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each person registered as a Bondholder on the date referred to in Clause 19.6(a) or 19.6(b), as the case may be, and also be published on the website of the Issuer provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Bond Trustee, as applicable.

20. BONDHOLDERS' MEETING

20.1 The Bond Trustee shall convene a Bondholders' 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 Bondholder(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 Bondholder on a date selected by the Bond Trustee which is no more than five (5) Business Days earlier than the date on which the notice is sent.

20.2 The notice pursuant to Clause 20.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders), (iv) the day on which a person must be Bondholder in order to exercise Bondholders' rights at the Bondholders' Meeting, and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the

Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

20.3 The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.

20.4 Without amending or varying these Terms and Conditions, the Bond Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Bond Trustee may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

21. WRITTEN PROCEDURE

21.1 The Bond Trustee 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 Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each person who is registered as a Bondholder on a date selected by the Bond Trustee which is no more than five (5) Business Days earlier than the date on which the communication is sent.

21.2 A communication pursuant to Clause 21.1 shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the communication pursuant to Clause 21.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

21.3 When consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 19.7 and 19.8 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 19.7 or 19.8, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

22. BONDHOLDER COMMITTEE

22.1 The Bondholders shall establish a group of Bondholders' representatives. The members as of the Amendment Date are Storm Fund II – Storm Bond Fund ("**Storm**") (represented by Morten E Astrup and Morten Venold or any other person appointed by Storm from time to time), Carnegie Fonder Portfolio – Carnegie Corporate Bond and Carnegie Fonder Portfolio – Carnegie High Yield Select ("**Carnegie**") (represented by Niklas Edman and Daniel Gustafsson or any other person appointed by Carnegie from time to time), Arctic Asset Management AS ("**Arctic**") (represented by Cathrine Foyn and Trond Toemmeraas or any other person appointed by Arctic from time to time), DNB High Yield, DNB Fund High Yield and Nordic High Income Bond Fund ("**DNB**") (represented by Anders Buvik or any other person appointed by DNB from time to time), Agenta Advisors AB and Agenta Alternativa Investeringar ("**Agenta**") (represented by Johannes Roll, Johan Spennare and Stefan Engström or any other person appointed by Agenta from time to time) and JRS Asset Management ("**JRS**") (represented by Stefan Goldberg or any other person appointed by JRS from time to time) (the "**Bondholder Committee**").

22.2 The Bondholders (from time to time) unconditionally and exclusively fully authorise the Bondholder Committee to take the decisions required by the Bondholder Committee in this Clause 22, Clause 10.5 (*Optional mandatory partial prepayment*), Clause 13.2.5, Clause 14.6.3 (d), Clause 14.6.4 (e), Clause 14.12 (*Financial support*), Clause 14.15 (*Hotel Lease Agreement*), Clause 16.2 (*Payments from the Lessees*), Clause 16.5 (*No structural alteration*) and Clause 16.8.3 under these Terms and Conditions, with binding effect for the Bondholders. Should any matter or decision be disputed within the Bondholder Committee, such matter or decision supported by the members of the Bondholder Committee representing the largest part of the Total Nominal Amount shall prevail. In addition to the aforementioned, the Bondholder Committee is unconditionally and exclusively fully authorised by the Bondholders to agree on any waivers and amendments under the Finance Documents (whatsoever) provided that such waivers and/or amendments are confirmed by the Bondholders at a subsequent Bondholders' Meeting or Written Procedure (as applicable) in accordance with Clause 19 (*Decisions by Bondholders*).

22.3 The Bondholder Committee may at any time resolve to include any Bondholder, or an authorised nominee (Sw. *förvaltare*) or another intermediary with respect to one or several Bonds, as a member of the Bondholder Committee and any member of the Bondholder Committee may at any time resign from the Bondholder Committee. The Bondholders may at any time instruct the Bond Trustee to initiate a Bondholders' Meeting or a Written Procedure to dismiss members of the Bondholder Committee and/or to elect new members. Should all members in the Bondholder Committee resign for any reason and until new members have been elected pursuant to this Clause, any decision required to be taken by the Bondholder Committee under these Terms and Conditions shall be resolved in a Bondholders' Meeting or Written Procedure (as applicable) in accordance with Clause 19 (*Decisions by Bondholders*).

22.4 The Bondholder Committee shall, and the Issuer shall procure that the Bondholder Committee, have the right at their own discretion to:

(a) at any time appoint up to two board members in any Group Company whereby the Issuer and the Parent shall procure that a general meeting is convened without undue delay for this purpose;

(b) appoint any of PricewaterhouseCoopers, Ernst and Young, KPMG or Deloitte (as determined by the Bondholder Committee) as auditors in any Group Company following the end of the first quarter 2021, whereby the Issuer and the Parent shall procure that a general meeting is convened without undue delay for this purpose; and

(c) request second opinions from such appointed auditor in paragraph (b) above at the expense of the Issuer on any financial calculations, financial reports and all other matters deemed to be of material importance as determined by the Bondholder Committee (acting reasonable).

22.5 The Bondholders agree that the Bondholder Committee are fully discharged from any liability whatsoever when acting in accordance with this Clause 22, provided that the Bondholder Committee have not acted with gross negligence or wilful misconduct. The Bondholder Committee shall never be responsible for indirect loss.

23. AMENDMENTS AND WAIVERS

23.1 The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:

(a) such amendment or waiver is not detrimental to the interest of the Bondholders as a group, 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 Bondholders in accordance with Clause 19 (*Decisions by Bondholders*).

23.2 The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.

23.3 The Bond Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 23.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 12.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

23.4 An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Bond Trustee, as the case may be.

24. APPOINTMENT AND REPLACEMENT OF THE BOND TRUSTEE

24.1 Appointment of the Bond Trustee

24.1.1 By subscribing for Bonds, each initial Bondholder appoints the Bond Trustee to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Bond Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer and any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and the Guarantee. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Bond Trustee to act on its behalf.

24.1.2 Each Bondholder shall immediately upon request provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

24.1.3 The Issuer shall promptly upon request provide the Bond Trustee with any documents and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond

Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

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

24.1.5 The Bond Trustee 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.

24.2 **Duties of the Bond Trustee**

24.2.1 The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security and the Guarantee pursuant to the Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security and any claim under the Guarantee on behalf of the Bondholders. The Bond Trustee is not responsible for the content, due execution, legal validity or enforceability of the Finance Documents or the perfection of the Transaction Security and will not act as an advisor to the Bondholders (whether legal, commercial or otherwise).

24.2.2 The Bond Trustee is not obligated to actively assess or monitor (i) the financial condition of the Parent or an Issuer Group Company, (ii) the compliance by the Parent or the Issuer of the terms of the Finance Documents (unless expressly set out in the Finance Documents) or (iii) whether an Event of Default has occurred or not.

24.2.3 The Bond Trustee only acts in accordance with the Finance Documents, the Bond Trustee Agreement and upon instructions of the Bondholders, unless otherwise set out in the Terms and Conditions or the Bond Trustee Agreement. When acting in accordance with the Finance Documents, the Bond Trustee is always acting with binding effect on behalf of the Bondholders. The Bond Trustee shall act in the best interest of the Bondholders as a group and carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.

24.2.4 The Bond Trustee is entitled to delegate its duties to other professional parties without having to first obtain any consent from the Issuer or the Bondholders, but the Bond Trustee shall remain liable for the actions of such parties under the Finance Documents.

24.2.5 The Bond Trustee is entitled to engage external experts, such as the Property Advisor or an insurance expert, when carrying out its duties under the Finance Documents. The Bond Trustee is entitled to be reimbursed for such cost by the Issuer, provided that such costs shall be approved by the Issuer (such consent not to be unreasonably withheld or delayed). Notwithstanding the above, no such approval shall be required if an Event of Default has occurred, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Parent or an Issuer Group Company or the Finance Documents which the Bond Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Bond Trustee from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 18 (*Distribution of proceeds*).

24.2.6 The Bond Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

24.2.7 The Bond Trustee shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Bond Trustee, as may be necessary in order for the Bond Trustee to carry out its duties under the Finance Documents.

24.2.8 Unless it has actual knowledge to the contrary, the Bond Trustee 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.

24.2.9 Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee 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.

24.2.10 If in the Bond Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Bond Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer or the Bondholders (as applicable), the Bond Trustee 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.

24.2.11 The Bond Trustee shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents or the Bond Trustee Agreement or (ii) if it refrains from acting for any reason described in Clause 24.2.10.

24.3 **Limited liability for the Bond Trustee**

24.3.1 The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Bond Trustee shall never be responsible to the Bondholders for indirect damage.

24.3.2 The Bond Trustee 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 Bond Trustee or if the Bond Trustee has acted with reasonable care in a situation when the Bond Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

24.3.3 The Bond Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Bond Trustee to the Bondholders, provided that the Bond Trustee 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 Bond Trustee for that purpose.

24.3.4 The Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee when acting in accordance with instructions of the Bondholders or a demand by Bondholders given in accordance with the Finance Documents.

24.3.5 Any liability towards the Issuer which is incurred by the Bond Trustee in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

24.4 **Replacement of the Bond Trustee**

24.4.1 Subject to Clause 24.4.6, the Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Bond Trustee at a Bondholders' Meeting convened by the retiring Bond Trustee or by way of Written Procedure initiated by the retiring Bond Trustee.

24.4.2 Subject to Clause 24.4.6, if the Bond Trustee is Insolvent, the Bond Trustee shall be deemed to resign as Bond Trustee and the Issuer shall within ten (10) Business Days appoint a successor Bond Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

24.4.3 A Bondholder (or Bondholders) representing at least 10.00 per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Bond Trustee and appointing a new Bond Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Bond Trustee be dismissed and a new Bond Trustee appointed.

24.4.4 If the Bondholders have not appointed a successor Bond Trustee within ninety (90) calendar days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Bond Trustee was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Bond Trustee which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

24.4.5 The retiring Bond Trustee shall, at its own cost, make available to the successor Bond Trustee such documents and records and provide such assistance as the successor Bond Trustee may reasonably request for the purposes of performing its functions as Bond Trustee under the Finance Documents.

24.4.6 The Bond Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Bond Trustee and acceptance by such successor Bond Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Bond Trustee.

24.4.7 Upon the appointment of a successor, the retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Bond Trustee.

24.4.8 In the event that there is a change of the Bond Trustee in accordance with this Clause 24.4, the Issuer shall execute such documents and take such actions as the new Bond Trustee may reasonably require for the purpose of vesting in such new Bond Trustee the rights, powers and obligation of the Bond Trustee and releasing the retiring Bond Trustee from its further obligations under the Finance Documents and the Bond Trustee Agreement. Unless the Issuer and the new Bond Trustee agree otherwise, the new Bond Trustee shall be entitled to the same fees and the same indemnities as the retiring Bond Trustee.

25. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

25.1 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 Bonds.

25.2 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 shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

26. APPOINTMENT AND REPLACEMENT OF THE CSD

26.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.

26.2 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 Bondholder. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Securities Markets Act and be authorised as a central securities depository in accordance with the Financial Instruments Account Act.

27. NO DIRECT ACTIONS BY BONDHOLDERS

27.1 A Bondholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security or the Guarantee to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Parent or an Issuer Group Company in relation to any of the obligations and liabilities of the Parent or an Issuer Group Company under the Finance Documents. Such steps may only be taken by the Bond Trustee.

27.2 Clause 27.1 shall not apply if the Bond Trustee has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 24.1.2), 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 of any fee or indemnity due to the Bond Trustee under the Finance Documents or the Bond Trustee Agreement or by any reason described in Clause 24.2.10, such failure must continue for at least forty (40) Business Days after

notice pursuant to Clause 24.2.11 before a Bondholder may take any action referred to in Clause 27.1.

27.3 The provisions of Clause 27.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 10.10 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Bondholders.

28. PRESCRIPTION

28.1 The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.

28.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Bonds, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

29. NOTICES AND PRESS RELEASES

29.1 Notices

29.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

(a) if to the Bond Trustee, shall be given at the address specified on its website www.nordictrustee.com on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Bond Trustee to the Issuer from time to time;

(b) if to the Parent or an Issuer Group Company, 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 Bond Trustee, to the email address notified by the Issuer to the Bond Trustee from time to time; and

(c) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Bondholder in order to receive the communication, and by either courier delivery or letter for all Bondholders. A notice to the Bondholders shall also be published on the website of the Issuer.

29.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Bond Trustee, 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 29.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 29.1, or, in case of email, when received in readable form by the email recipient.

29.3 Any notice pursuant to the Finance Documents shall be in English.

29.4 Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

29.5 **Press releases**

29.5.1 Any notice that the Issuer or the Bond Trustee shall send to the Bondholders pursuant to Clauses 10.6 (*Voluntary total redemption (Call option)*), 10.7 (*Mandatory Prepayment due to Permitted Partial Divestment*), 10.8 (*Mandatory Prepayment due to a Loss Event*), 10.9 (*Early redemption due to illegality and repurchase due to a tax event (call option)*), 10.10 (*Mandatory Prepayment due to a Change of Control Event or a Listing Failure Event (put option)*), 12.1.2, 12.1.3, 19.7, 20.1, 21.1, and 23.3 shall also be published by way of press release by the Issuer or the Bond Trustee, as applicable.

29.5.2 In addition to Clause 29.1.1, if any information relating to the Bonds or the Group contained in a notice the Bond Trustee may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Bond Trustee shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Bond Trustee considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Bond Trustee shall be entitled to issue such press release.

30. FORCE MAJEURE AND LIMITATION OF LIABILITY

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

30.2 The Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

30.3 Should a Force Majeure Event arise which prevents the Bond Trustee 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.

30.4 The provisions in this Clause 30 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

31. GOVERNING LAW AND JURISDICTION

31.1 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.

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

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

Place:

Date:

HOST PROPERTY AB (publ)
as Issuer

_____
Name:

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

Place:

Date:

HOST AB
as Parent

_____
Name:

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

Place:

Date:

NORDIC TRUSTEE & AGENCY AB (publ)
as Bond Trustee

_____
Name:

SCHEDULE 1

PROPERTY COMPANIES AND PROPERTIES

Part I – Initial Property Companies and Initial Properties

Initial Property Company:	**Initial Property:**
Host Grand i Falun AB (reg. no. 556548-1792)	Falun Cuprum 1
Host Strand i Sundsvall AB (reg. no. 556548-1826)	Sundsvall Neptunus 6
	Sundsvall Bacchus 7
Host Statt i Örnsköldsvik AB (reg. no. 556548-1750)	Örnsköldsvik Berlin 4
	Örnsköldsvik Berlin 5
	Örnsköldsvik Berlin 9
Host Munskänken i Kalmar AB (reg. no. 556548-1099)	Kalmar Krögaren 10
Host Kabbelekan i Olofström AB (reg. no. 556548-1834)	Olofström Holje 176:1
Host Christian IV i Kristianstad AB (reg. no. 556742-9492)	Kristianstad Otto Marsvin 9
Host Stadt i Karlskrona AB (reg. no. 556742-9500)	Karlskrona Öresund 15
Fastighetsaktiebolaget Skeppsbron (reg. no. 556000-8038)	Härnösand Börsen 2
~~Host Billingehus i Skövde AB (reg. no. 556548-1776)~~	~~Skövde Billingehus 1~~

Part II – Additional Property Company and Additional Property

Additional Property Company:	**Additional Property:**
Statt Söderhamn AB (reg. no. 556499-4910)	Söderhamn Oxen 7