
**TERMS AND CONDITIONS FOR
COREM KELLY AB (PUBL) (PREVIOUSLY KLÖVERN AB
(PUBL))**

UP TO USD 100,000,000

SENIOR SECURED BONDS

ISIN: NO0010866205

**THESE TERMS AND CONDITIONS AMEND, RESTATE,
REPLACE AND SUPERSEDE THE TERMS AND
CONDITIONS ORIGINALLY DATED 10 OCTOBER 2019 AND
AS AMENDED AND RESTATED 12 MAY 2021**

SELLING RESTRICTION

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, where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.

PRIVACY NOTICE

The Issuer, the Agent and the Issuing and Paying Agent 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, the Agent and the Issuing and Paying Agent for the following purposes:

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

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

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

The Issuer's, the Agent's and the Issuing and Paying Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites www.klovern.se, www.nordictrustee.com and www.arctic.com.

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1. INTRODUCTION, DEFINITIONS AND CONSTRUCTION

1.1 These amended terms and conditions (the “**Terms and Conditions**”) will enter into force on the Effective Date on which date they will amend and restate the existing Terms and Conditions originally dated 10 October 2019 as amended and restated on 12 May 2021.

1.2 Definitions

In these Terms and Conditions:

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator (No: *kontofører*) with Verdipapirsentralen ASA, through which a Bondholder has opened a Securities Account in respect of its Bonds.

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

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

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

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

“**Amended and Restated Pledge Agreement**” means the Pledge Agreement, as amended and restated by an Amended and Restated Pledge Agreement, to be dated as of the Release Date, and to be executed by the Original Pledgors and Agent, which will (i) decrease the principal amount secured by the Pledge Agreement, as amended and restated, from USD 100,000,000 to USD 40,000,000, and (ii) release Tenth Avenue Pledgor from its obligations and liabilities under the Pledge Agreement and release the Tenth Avenue Collateral from the lien and security interest created by the Pledge Agreement, as so amended and restated.

“**Amended and Restated Springing Mortgage**” means the Springing Mortgage, as amended by a Fee Mortgage and Security Agreement, to be dated as of the Release Date, and to be executed by the Seventh Avenue Owner, as Mortgagor and Agent, which will (i) decrease the principal amount secured by the Springing Mortgage, as so amended and restated, from USD 100,000,000 to USD 40,000,000, and (ii) release the Tenth Avenue Property from the lien of the Springing Mortgage, as so amended and restated, which will be held by Agent and only will be recorded upon the occurrence and during the continuance of an Event of Default in accordance with these Terms and Conditions.

“**Bond**” means a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount which are governed by and issued under these Terms and Conditions including the Initial Bonds and any Subsequent Bonds.

“**Bondholder**” means the person who is registered in the CSD as direct registered owner (Sw. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to a Bond, subject however to Clause 6.1.

“**Bondholders’ Meeting**” means a meeting among the Bondholders held in accordance with Clauses 16.1 (*Request for a decision*), 16.2 (*Convening of Bondholders’ Meeting*) and 16.4 (*Majority, quorum and other provisions*).

“**Business Day**” means a day in Sweden, Norway and United States of America other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year’s Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays. When used with respect to a Reference Time for purposes of determining USD LIBOR, “Business Day” shall mean a day on which banks are open for dealing in foreign currency and exchange in London.

“**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**” occurs if any person or persons, acting collectively, acquires or takes Control over the Issuer. However, the aforementioned shall not apply should Control be acquired or taken by a company (i) that is a real estate company incorporated under the laws of Sweden and (ii) whose shares are listed on Nasdaq’s Nordic Mid Cap or Nasdaq’s Nordic Large Cap. Should Control have been acquired or taken by a company (i) that is a real estate company incorporated under the laws of Sweden and (ii) whose shares are listed on Nasdaq’s Nordic Mid Cap or Nasdaq’s Nordic Large Cap, this Change of Control Event provision shall apply mutatis mutandis to subsequent changes of Control in the new listed owner.

“**Clover**” means Clover US LLC, a Delaware limited liability company.

“**Collateral**” shall, prior to the Release Date, collectively mean the Seventh Avenue Collateral and the Tenth Avenue Collateral and, from and after the Release Date, shall mean only the Seventh Avenue Collateral.

“**Compliance Certificate**” has the meaning set forth in Clause 11.1.3.

“**Control**” means (i) acquire or otherwise obtain control over, directly or indirectly, more than 50 per cent. of the total outstanding voting rights in the Issuer or (ii) the right to, directly or indirectly, appoint or discharge all or a majority of the members of the board of directors in the Issuer.

“**Corem Property Group**” means Corem Property Group AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556463-9440.

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Bonds, Verdipapirsentralen ASA (VPS), Norwegian Reg. No. 985 140 421, Fred. Olsens gate 1, NO-0152 Oslo, 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 Agent and the Bonds from time to time.

“**Debt Register**” means a debt register (Sw. *skuldbok*) kept by the CSD in respect of the Bonds in which (i) an owner of Bonds is directly registered or (ii) an owner’s holding of Bonds is registered in the name of a nominee.

“**Effective Date**” means 1 June 2023.

“**Equity**” means the total consolidated equity of the Group in accordance with the Accounting Principles.

“**Equity Ratio**” means Equity divided by Total Assets excluding financial assets and cash equivalents according to the Accounting Principles.

“**Event of Default**” means an event or circumstance specified in Clause 14.1.

“**Final Maturity Date**” means the 15 July 2025.

“**Finance Documents**” means these Terms and Conditions, the Security Documents and any other document designated by the Issuer and the Agent as a Finance Document.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed (including under any bank financing or Market Loan);
- (a) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability), provided that any existing or future leases which would prior to 1 January 2019 have been treated as operating leases, shall not be considered as being finance leases due to any subsequent change in the Accounting Principles;
- (b) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (c) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (d) the marked-to-market value of derivative transactions entered into in connection with protection against, or benefit from, fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (e) any counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (f) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (e) above.

“**First Issue Date**” means 15 October 2019.

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

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

“**Guarantor**” means Corem Property Group AB.

“**Guarantee Commitment**” means the guarantee commitment entered into by the Guarantor, which shall enter into force on the Release Date.

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

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other relevant jurisdiction including the US Bankruptcy Code (11 U.S.C § 101 et seq. or the New York State equivalent)).

“**Interest**” means the interest on the Bonds calculated in accordance with Clauses 8.1 to 8.3.

“**Interest Coverage Ratio**” means profit from property management (Sw. *förvaltningsresultat*), including received dividends, plus financial expenses divided with financial expenses, of the Group according to the Accounting Principles.

“**Interest Payment Date**” means 15 January, 15 April, 15 July and 15 October 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 was 15 January 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 First Issue Date to (and including) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

“**Interest Rate**” means (i) USD LIBOR plus 3.25 per cent. *per annum* to and including 15 July 2023 and (ii) Term SOFR plus 5.00 per cent. *per annum*. from and excluding 15 July 2023.

“**Issue Date**” means the First Issue Date and each other date when Bonds are to be issued pursuant to these Terms and Conditions.

“**Issuer**” means Corem Kelly AB (publ) (previously Klöver AB (publ)) a public limited liability company incorporated under the laws of Sweden with Reg. No. 556482-5833.

“**Issuing and Paying Agent**” means, initially, Arctic Securities AS, Norwegian Reg. No. 991 125 175, Haakon VIIs gate 5, NO-0161 Oslo, and thereafter each other party appointed as Issuing and Paying Agent in accordance with these Terms and Conditions and the CSD Regulations.

“**Make Whole Amount**” shall be equal to the remaining interest payments until the Final Maturity Date and 100 per cent. of the Nominal Amount discounted to the Redemption Date at a discount rate of 4.9546 per cent. which is equivalent to the two-year USD government bond rate plus 50 basis points as of the Effective Date, less accrued and unpaid interest. The Interest Rate applied for the remaining interest payments shall be the applicable Interest Rate at the date notice for redemption is sent pursuant to Clause 9.3.2.

“**Market Loans**” means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

“**Material Adverse Effect**” means a material adverse effect in respect of (i) the Issuer’s and/or the Group Companies’ business or financial position, (ii) the Issuer’s ability to meet its payment obligations under the Terms and Conditions, or (iii) the validity or enforceability of rights under the Terms and Conditions.

“**Mortgagor**” or “**Mortgagors**” means, before the Release Date, collectively, the Seventh Avenue Owner and the Tenth Avenue Owner and, after the Release Date, only the Seventh Avenue Owner.

“**Net Proceeds**” means the gross proceeds from the offering of the relevant Bonds, minus in respect of the Bonds, the costs incurred by the Issuer in conjunction with the issuance thereof.

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

“**Original Mortgagors**” means Seventh Avenue Owner and Tenth Avenue Owner.

“**Original Pledgors**” means, collectively, Clover, Seventh Member and Tenth Member.

“**Partial Repayment**” means a partial repayment, *pro rata*, to the Bondholders in accordance with these Terms and Conditions of a total amount of USD 60,000,000 together with accrued but unpaid interest on the repaid amount on the date of repayment, but without Interest to the Final Maturity Date.

“**Periodic Term SOFR Determination Day**” has the meaning specified in the definition of “Term SOFR”.

“**Pledge Agreement**” means that certain Pledge and Security Agreement dated 15 October 2019, as amended and restated by that certain Amended and Restated Pledge and Security Agreement dated 12 May 2021 made in favor of Agent by the Original Pledgors.

“**Pledgors**” means, before the Release Date, the Original Pledgors, and after the Release Date, Clover and Seventh Member.

“**Property**” means, prior to the Release Date, either the Seventh Avenue Property or the Tenth Avenue Property, as the context dictates, and, after the Release Date, means only the Seventh Avenue Property. The term “**Properties**” means, prior to the Release Date, both the Seventh Avenue Property and the Tenth Avenue Property, and, after the Release Date, shall be deemed to mean “**Property**” and refer only to the Seventh Avenue Property.

“**Property Companies**” means, before the Release Date, the Seventh Avenue Owner and the Tenth Avenue Owner, and after the Release Date, only the Seventh Avenue Owner (each, as the context may require, a “**Property Company**”).

“**Record Date**” means two (2) Business Days prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Bondholders is to be made under Clause 15 (*Distribution of proceeds*), (iv) the date of a Bondholders’ Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Norwegian or Swedish bond market.

“**Redemption Date**” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and repurchase of the Bonds*).

“**Release Date**” means the date when the Agent has received confirmation that the Partial Repayment has been made.

“**Reference Banks**” means four major banks in the London interbank market reasonably selected by the Issuing and Paying Agent.

“**Reference Time**” means, with respect to any Interest Payment Date, 11:00 a.m. (London time) on the second Business Day preceding the first day of such Interest Payment Date.

“**Regulated Market**” means any regulated market (as defined in Directive 2014/65/EU on markets in financial instruments).

“**Secured Obligations**” means all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents and the Agency Agreement.

“**Secured Parties**” means the Bondholders and the Agent (including in its capacity as Agent under the Agency Agreement).

“**Securities Account**” means the account for dematerialised securities (Sw: *avstämningsregister*) maintained by the CSD pursuant to the Securities Depository 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 Depository Act**” means the Norwegian Securities Depository Act (No: *lov om registrering av finansielle instrumenter (lov 05.07.2002 no. 64)*).

“**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 Documents**” means the Pledge Agreement which, from and after the Release Date, shall be superseded by the Amended and Restated Pledge Agreement, the Springing Mortgage which, from and after the Release Date, shall be superseded by the Amended and Restated Springing Mortgage, and any other document designated by the Issuer and the Agent as a Security Document.

“**Seventh Avenue Collateral**” shall mean all of the “Collateral” pledged by the Seventh Member under the Pledge Agreement, which, after the Release Date, shall continue to be part of the “Collateral” pledged under the Amended and Restated Pledge Agreement, including all of the membership interests in Seventh Avenue Owner.

“**Seventh Avenue Owner**” means W 28th Development LLC, a Delaware limited liability company, which entity owns a fee interest in the Seventh Avenue Property.

“**Seventh Avenue Property**” means 322-326 Seventh Avenue a/k/a 205 West 28th Street, New York, New York.

“**Seventh Member**” means Seventh 28th Member LLC, a Delaware limited liability company.

“**SOFR**” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**Springing Mortgage**” means that certain Fee and Leasehold Mortgage and Security Agreement dated 15 October 2019 granted in favor of Agent by the Original Mortgagors, as amended and restated by that certain Amended and Restated Fee and Leasehold Mortgage and Security Agreement dated as of 12 May 2021 by the Original Mortgagors.

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

“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), in respect of which such person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, or (iv) exercises control as determined in accordance with Accounting Principles.

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

“**Tenth Avenue Collateral**” shall mean all of the “Collateral” pledged by Tenth Member under the Pledge Agreement, including all of the membership interests in Tenth Avenue Owner (which, after the Release Date shall be released from the “Collateral” pledged under the Amended and Restated Pledge Agreement).

“**Tenth Avenue Owner**” means Highline 118 LLC, a Delaware limited liability company, which entity owns the Tenth Avenue Property.

“**Tenth Avenue Property**” means 116-118 Tenth Avenue, New York, New York.

“**Tenth Member**” means Tenth and Seventeen Member LLC, a Delaware limited liability company.

“**Term SOFR**” means, for any calculation with respect to the interest rate applicable to the Bonds, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “**Periodic Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day. If any such rate is below zero, Term SOFR will be deemed to be zero.

“**Term SOFR Administrator**” means CME Group Benchmark Administration Limited (CBA).

“**Term SOFR Reference Rate**” means the forward-looking term rate based on SOFR.

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

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

“**USD LIBOR**” means the three-month U.S. Dollar London interbank offered rate, determined as follows:

- (i) At each Reference Time, LIBOR for the applicable period will be the rate for deposits in United States dollars for a three-month period which appears as the London interbank offered rate on the display designated as “LIBOR01” on the Reuters Screen (or such other page as may replace that page on that service, or such page or replacement therefor on any successor service) as the London interbank offered rate as of 11:00 a.m., London time, on such date.
- (ii) With respect to a Reference Time at which no such rate appears as the London interbank offered rate on “LIBOR01” on the Reuters Screen (or such other page as may replace that page on that service, or such page or replacement therefor on any successor service) as described above, LIBOR for the applicable period will be determined on the basis of the rates at which deposits in United States dollars are offered by the Reference Banks at approximately 11:00 a.m., London time, on such date to prime banks in the London interbank market for a three-month period (each a “Reference Bank Rate”). Lender shall request the principal London office of each of the Reference Banks to provide a quotation of its Reference Bank Rate. If at least two such quotations are provided, LIBOR for such period will be the arithmetic mean of such quotations. If fewer than two quotations are provided, LIBOR for such period will be the arithmetic mean of the rates quoted by major banks in New York City, reasonably selected by Agent, at approximately 11:00 a.m., New York City time, on such date for loans in United States dollars to leading European banks for a three-month period.

If any such rate is below zero, USD LIBOR will be deemed to be zero.

“**US Dollar**” and “**USD**” means the lawful currency of United States of America.

“**U.S. Government Securities Business Day**” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“**Written Procedure**” means the written or electronic procedure for decision making among the Bondholders in accordance with Clauses 16.1 (*Request for a decision*), 16.3 (*Instigation of Written Procedure*) and 16.4 (*Majority, quorum and other provisions*).

1.3 Construction

1.3.1 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 law, 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 regulation is a reference to that provision as amended or re-enacted; and
 - (e) a time of day is a reference to Stockholm time.
- 1.3.2 An Event of Default is continuing if it has not been remedied or waived.
- 1.3.3 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 (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.
- 1.3.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden and Norway promptly and in a non-discriminatory manner.
- 1.3.5 No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- 1.3.6 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 Agent.

2. STATUS OF THE BONDS

- 2.1 The Bonds are denominated in USD 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, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- 2.3 The nominal amount of each Bond is USD 200,000 (the “**Nominal Amount**”). All Initial Bonds are issued on a fully paid basis at an issue price of hundred per cent. of the Nominal Amount. The Total Nominal Amount of the Initial Bonds as of the First Issue Date is USD 50,000,000. The minimum permissible investment in connection with the issue of the Initial Bonds is USD 200,000.
- 2.4 The Bonds constitute direct, general, unconditional and unsubordinated 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, general, unconditional and unsubordinated obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as

otherwise provided in the Finance Documents. The Bonds are secured as described in Clause 10 (*Transaction Security*) and as further specified in the Security Documents.

- 2.5 Provided that no Event of Default is continuing or would result following the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from such issue, the Issuer may, on one or several occasions, issue Subsequent Bonds. Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at the Nominal Amount, at a discount or at a premium compared to the Nominal Amount. The maximum Total Nominal Amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed USD 100,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 16. Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Bonds.
- 2.6 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 regulation to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

3. USE OF PROCEEDS

The Issuer shall use the Net Proceeds from the issue of the Bonds, for general corporate purposes of the Group (including acquisitions and refinancing) and development of properties in the United States of America.

4. CONDITIONS FOR DISBURSEMENT

- 4.1 As continuing security for the due and punctual fulfilment of the Secured Obligations, the Issuer granted, on or before the First Issue Date, the following:
- (a) the Finance Documents and the Agency Agreement duly executed by the Issuer, the Original Pledgors and the Original Mortgagors as applicable;
 - (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial Bonds, the terms of the Finance Documents and the Agency Agreement, and resolving to authorise the relevant person(s) to enter into such documents and any other documents necessary in connection therewith;
 - (c) a copy of documentation approving the terms of the Finance Documents and approving the entry of the Original Pledgors and Original Mortgagors into such documentation, and resolving to authorise the relevant person(s) to enter into such documents and any other documents necessary in connection therewith;
 - (d) copies of the articles of association and certificate of incorporation of the Issuer;

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- (e) a legal opinion addressed to the Agent and issued by Pillbury Winthrop Shaw Pittman LLP, in form and substance reasonably satisfactory to the Agent; and
- (f) a form of Compliance Certificate, agreed between the Issuer and the Agent.
- 4.2 The Issuer shall provide to the Agent, as soon as possible but prior to the Issue Date of any Subsequent Bonds (or such later time as agreed by the Agent) the following:
- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Bonds and resolving to enter into documents necessary in connection therewith;
- (b) copies of the articles of association and certificate of incorporation of the Issuer;
- (c) if not earlier provided on the Release Date, copies of the executed Amended and Restated Pledge Agreement and the Amended and Restated Springing Mortgage; and
- (d) a certificate from the Issuer confirming that no Event of Default is continuing or would result from the issue of the Subsequent Bonds and that no such issuance would cause a breach of any undertaking of the Issuer in accordance with Clause 13 (*Financial Undertakings*).
- 4.3 The Agent shall confirm to the Issuing and Paying Agent when it is satisfied that the conditions in Clause 4.1 and Clause 4.2 (as the case may be) have been fulfilled (or amended or waived in accordance with Clause 17 (*Amendments and waivers*)).
- 4.4 In respect of issue of the Initial Bonds, following receipt by the Issuing and Paying Agent of the confirmation in accordance with Clause 4.3, the Issuing and Paying Agent shall settle the issuance of the Bonds and shall, after it has received a confirmation that the UCC-1 financing statements has been filed in accordance with the Pledge Agreement, pay the gross proceeds to the Issuer on the Issue Date.
- 4.5 In respect of the issue of any Subsequent Bonds, following receipt by the Issuing and Paying Agent of the confirmation in accordance with Clause 4.3, the Issuing and Paying Agent shall settle the issuance of the Bonds and shall, after it has received a confirmation that the UCC-3 financing statements has been filed in accordance with the Amended and Restated Pledge Agreement, pay the gross proceeds to the Issuer on the Issue Date.
- 5. BONDS IN BOOK-ENTRY FORM**
- 5.1 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 Securities Depository Act. Registration requests relating to the Bonds shall be directed to an Account Operator.
- 5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*) (or its equivalent in any other relevant jurisdiction), 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 Securities Depository Act.
- 5.3 The Issuer (and the Agent when permitted under the CSD Regulations) shall at all times be entitled to obtain information from the Debt Register or otherwise from the CSD, if

permitted under the CSD Regulations. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing and Paying Agent shall be entitled to obtain information from the Debt Register or otherwise from the CSD, if permitted under the CSD Regulations.

- 5.4 The Issuer, the Agent and the Issuing and Paying Agent may use the information referred to in Clause 5.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

6. RIGHT TO ACT ON BEHALF OF A BONDHOLDER

- 6.1 If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds acceptable to the Agent. 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 authorisation from the Bondholder or a successive, coherent chain of powers of attorney or authorisations starting with the Bondholder and authorising such person, or any other evidence accepted by the Agent.
- 6.2 A Bondholder (whether registered as such or proven to the Agent's satisfaction to be the beneficial owner of the Bond as set out in Clause 6.1 above) may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. 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.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause 6.1 or Clause 6.2 and may assume that such document 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 Agent has actual knowledge to the contrary.
- 6.4 These Terms and Conditions shall not affect the relationship between a Bondholder who is the nominee (Sw. *förvaltare*) with respect to a Bond and the owner of such Bond, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

7. PAYMENTS IN RESPECT OF THE BONDS

- 7.1 The Issuer will unconditionally make available to or to the order of the Agent and/or the Issuing and Paying Agent all amounts due on each payment date pursuant to the terms of these Terms and Conditions at such times and to such accounts as specified by the Agent and/or the Issuing and Paying Agent in advance of each payment date or when other payments are due and payable pursuant to these Terms and Conditions.
- 7.2 Any payment or repayment under the Finance Documents 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 payment date, or to such other person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.

- 7.3 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 Issuing and Paying Agent on the relevant payment date. In other cases, payments will be transferred by the Issuing and Paying Agent to the Bondholder at the address registered with the CSD on the Record Date. Should the Issuing and Paying Agent, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuing and Paying Agent will pay such amounts to the persons who are registered as Bondholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.4 If, due to any obstacle for the CSD or the Issuing and Paying Agent, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8.4 during such postponement.
- 7.5 If payment or repayment is made in accordance with this Clause 7, the Issuer and the Issuing and Paying Agent shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.6 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

8. INTEREST

- 8.1 Each Initial Bond carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 8.2 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.
- 8.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 8.4 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 200 basis points higher than the Interest Rate. The default interest shall not be capitalised but be payable to each person who was a Bondholder on the Record Date for the original due date. No default interest shall accrue where the failure to pay was solely attributable to the Agent, the Issuing and Paying Agent or the CSD, in which case the Interest Rate shall apply instead.

9. REDEMPTION AND REPURCHASE OF THE BONDS

9.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to the Nominal Amount together with

accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

9.2 **Purchase of Bonds by the Issuer**

9.2.1 The Issuer may, subject to applicable regulations, at any time and at any price purchase Bonds on the market or in any other way.

9.2.2 Bonds held by the Issuer may at the Issuer's discretion be retained or sold or cancelled by the Issuer.

9.3 **Voluntary total redemption (call option)**

9.3.1 The Issuer may redeem all, but not some only, of the outstanding Bonds in full any time from and including the Effective Date to, but excluding, the Final Maturity Date, at an amount equal to the Make Whole Amount.

9.3.2 Redemption in accordance with Clause 9.3.1 shall be made by the Issuer giving not less than ten (10) Business Days' notice to the Bondholders and the Agent, in each case calculated from the effective date of the notice. The Notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

9.4 **Early redemption due to illegality (call option)**

9.4.1 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 on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

9.4.2 The Issuer may give notice of redemption pursuant to Clause 9.4.1 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 shall redeem the Bonds in full at the applicable amount on the specified Redemption Date.

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

9.5.1 Upon the occurrence of a Change of Control Event, each Bondholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1.2 (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 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event.

9.5.2 The notice from the Issuer pursuant to Clause 11.1.2 shall specify the period during which the right pursuant to Clause 9.5.1 may be exercised, 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 11.1.2. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.5.1.

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

9.5.4 Any Bonds repurchased by the Issuer pursuant to this Clause 9.5.4 may at the Issuer's discretion be retained, sold or cancelled.

9.5.5 The Issuer shall not be required to repurchase any Bonds pursuant to this Clause 9.5, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Bonds in the manner and on the terms set out in this Clause 9.5 (or on terms more favourable to the Bondholders) and purchases all Bonds validly tendered in accordance with such offer. If Bonds tendered are not purchased within the time limits stipulated in this Clause 9.5, the Issuer shall repurchase any such Bonds within five (5) Business Days after the expiry of the time limit.

9.6 **Partial Repayment**

The Partial Repayment shall be made to the Bondholders on 15 July 2023, or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

10. **TRANSACTION SECURITY**

10.1 The Transaction Security was initially provided pursuant to, and subject to the terms of, the Security Documents entered into or to be entered into between the Issuer, the Original Pledgors, the Original Mortgagors and the Agent, acting on behalf of the Secured Parties. The Agent has held the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents, which provided that the Agent would only record the Springing Mortgage upon the occurrence and during the continuance of an Event of Default.

10.2 On the Release Date the Agent will take such actions as are required to release (i) the Tenth Avenue Property from the lien created by the Springing Mortgage, and (ii) the Tenth Avenue Collateral from the lien and security interest created under the Pledge Agreement, including the following actions:

- (i) executing and acknowledging (including, if required for recordation in the Office of City Register of New York County, by apostille) the Amended and Restated Springing Mortgage, original copies of which shall be delivered to Agent and the Issuer;
- (ii) executing and acknowledging (including by apostille) the Amended and Restated Pledge Agreement, original copies of which shall be delivered to Agent and the Issuer;

- (iii) preparing in form acceptable to file with the Secretary of State, State of Delaware, UCC-3 financing statements required to release the security interests in the Tenth Avenue Collateral created under the Pledge Agreement, original copies of which shall be delivered to Agent and the Issuer;
- (iv) executing and acknowledging (including by apostille) a Partial Release of Mortgage and Termination of Subordination Agreement, original copies of which shall be delivered to Agent and the Issuer;
- (v) executing, acknowledging (including by apostille)) and/or delivering, as applicable, any other documents required by the Original Mortgagors or the Original Pledgors to effectuate the transactions contemplated by this Section 10.2 and
- (viii) returning to Issuer all original executed copies of the Springing Mortgage and the Pledge Agreement (in exchange for executed copies of the Amended and Restated Springing Mortgage and Amended and Restated Pledge Agreement.

- 10.3 Contemporaneously herewith, the parties have agreed upon forms of all of the foregoing documents and agree that the parties will execute, acknowledge (if required) and deliver same on the Release Date.
- 10.4 From and after the Release Date, the Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents (and will only record the Amended and Restated Springing Mortgage upon the occurrence and during the continuance of an Event of Default).
- 10.5 The Issuer will pay, or provide sufficient funds to the Agent in advance for payment of, any mortgage recording tax attributable for recording the Amended and Restated Springing Mortgage if and to the extent it is recorded.
- 10.6 The 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.
- 10.7 Unless and until the Agent has received instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*), the Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, reasonably necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Bondholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.
- 10.8 For the purpose of exercising the rights of the Secured Parties, the Agent may instruct the CSD and/or the Issuing and Paying Agent 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 and from which payments under the Bonds are made to another bank account. The Issuer shall immediately upon request by the Agent provide it with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent and the CSD), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under this Clause 10.8.

10.9 The Agent shall release all Transaction Security when it is satisfied of the full discharge of the Secured Obligations or if the settlement of the Bonds and payment to the Issuer according to Clause 4.4 does not take place.

10.10 As further Security for the due and punctual fulfilment of the Secured Obligations, the Guarantor has granted the Guarantee Commitment on the Release Date in a form acceptable to the Agent.

11. INFORMATION TO BONDHOLDERS

11.1 Information from the Issuer

11.1.1 The Issuer shall make the following information available to the Bondholders by way of press release and by publication on the website of the Group:

- (a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the audited consolidated financial statements of the Group and the unconsolidated financial statements of the Issuer for that financial year prepared in accordance with the Accounting Principles;
- (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the unaudited consolidated financial statements of the Group and the unconsolidated financial statements of the Issuer or the year-end report (Sw. *bokslutskommuniké*) (as applicable) for such period prepared in accordance with the Accounting Principles; and
- (c) as soon as practicable following a cancellation of Bonds by the Issuer, the Total Nominal Amount.

11.1.2 The Issuer shall immediately notify the Bondholders and the Agent upon becoming aware of the occurrence of a Change of Control 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.

11.1.3 The Issuer shall on the earlier of when the financial statements pursuant to Clause 11.1.1 (i) are made available, or (ii) should have been made available, submit to the Agent a compliance certificate (a “**Compliance Certificate**”) containing a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it. The Compliance Certificate shall include figures in respect of the financial undertakings set out in Clause 13 (*Financial Undertakings*) and the basis on which they have been calculated.

11.1.4 The Issuer shall make available to the Agent a quarterly update on the construction projects on the Properties containing information in respect of the status of said projects.

11.2 Information from the Agent

11.2.1 The Agent is entitled to disclose to the Bondholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default shall be dealt with in accordance with Clause 14.5 and 14.6).

11.3 Information among the Bondholders

Subject to applicable regulations, the Agent shall promptly upon request by a Bondholder forward by post any information from such Bondholder to the Bondholders which relates to the Bonds. The Agent may require that the requesting Bondholder reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

11.4 Availability of Finance Documents

11.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.

11.4.2 The latest versions of the Security Documents (including any document amending such Security Documents) shall upon written request be made available by the Agent to any person at the office of the Agent during normal business hours. The Agent may require that the requesting person reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

12. GENERAL UNDERTAKINGS

12.1 Compliance with laws

The Issuer shall, and shall procure that the Group Companies will, comply in all material respects with all regulations to which it may be subject and its articles of association and other constitutional documents.

12.2 Nature of business

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group as at the First Issue Date.

12.3 Disposal of assets

The Issuer shall not, and shall ensure that none of the Group Companies, sell or otherwise dispose of shares in any Group Company or of all or substantially all of its or any Group Company's assets or operations to any person not being the Issuer or any of the wholly-owned Subsidiaries, unless the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect.

12.4 Dealings with related parties

The Issuer shall, and shall ensure that the Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding when such shareholder is another Group Company) and/or any affiliates of such direct and indirect shareholders, at arm's length terms.

12.5 Dividends

The Issuer shall procure that no dividends are paid out of Seventh Avenue Owner to any of its shareholders, except as provided in the next two (2) sentences. Seventh Avenue Owner is currently the holder of and mortgagee under a mortgage secured by the Tenth Avenue Property, in the current principal amount of USD 13,250,000, under which Tenth Avenue

Owner is the mortgagor (the “**Tenth Avenue Mortgage**”). Notwithstanding the first sentence of this paragraph, Seventh Avenue Owner shall have the right, at its option, to pay out dividends of any payments or distributions received by Seventh Avenue Owner as holder of such mortgage, including interest, principal and payments received in connection with an assignment of such mortgage.

12.6 **Undertakings relating to the Agency Agreement**

12.6.1 The Issuer shall, in accordance with the Agency Agreement:

- (a) pay fees to the Agent;
- (b) indemnify the Agent for costs, losses and liabilities;
- (c) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent; and
- (d) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.

12.6.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Bondholders if the amendment would be detrimental to the interests of the Bondholders.

12.7 **CSD related undertakings**

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

13. **FINANCIAL UNDERTAKINGS**

The Issuer undertakes for so long as any amount is outstanding under the Bonds to comply or, as relevant, procure the compliance with the financial covenants set out in this Clause 13.

13.1 **Equity Ratio**

The Equity Ratio of the Group shall at any time not be less than twenty (20) per cent.

13.2 **Interest Coverage Ratio**

The Interest Coverage Ratio of the Group shall at any time not be less than 1.25 on a rolling twelve-month basis, calculated in accordance with the latest financial report.

14. **ACCELERATION OF THE BONDS**

14.1 The Agent is entitled to, and shall following a demand in writing from a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Bondholders, be made by them jointly) or following an instruction given pursuant to Clause 14.7, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

(a) **Non-payment**

The Issuer 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 five (5) Business Days from the due date.

(b) **Financial undertakings**

The Issuer does not comply with the provisions of Clause 13 (*Financial undertakings*).

(c) **Other obligations**

The Issuer, the Pledgors or the Mortgagors do not comply with any terms of or acts in violation of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) or (b) above), unless the non-compliance:

- (i) is capable of remedy; and
- (ii) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and the Issuer or the relevant Pledgor or Mortgagor becoming aware of the non-compliance.

(d) **Invalidity**

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 on the interests of the Bondholders.

(e) **Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step other than vexatious or frivolous and as disputed in good faith and discharged within 10 Business Days is taken in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) of the Issuer or any of the Property Companies;
- (ii) a composition, compromise, assignment or arrangement with creditors of the Issuer or any of the Property Companies generally, other than the Secured Parties;
- (iii) the appointment of a liquidator, administrator or other similar officer in respect of the Issuer or any of the Property Companies or any of its assets; or
- (iv) any step analogous to items (i)- (iii) above is taken in any jurisdiction in relation to the Property Companies.

(f) Insolvency

The Issuer or any of the Property Companies are, or are deemed for the purposes of any applicable regulation to be, Insolvent.

(g) Creditors' process

Any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any fixed asset of a Group Company provided that the market value of such assets exceeds SEK ten million (10,000,000) and is not discharged within thirty (30) Business Days (unless and for as long as contested in good faith).

(h) Cross payment default and cross acceleration

- (i) Any Financial Indebtedness of a 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), or
- (ii) any commitment for any Financial Indebtedness of a Group Company is cancelled or suspended by a creditor as a result of an event of default (however described),

provided that no Event of Default will occur under this paragraph (h) if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than SEK fifty million (50,000,000).

- 14.2 In the event that IFRS changes, and no longer recognizes or requires fair value adjustments in the calculation of the book value of properties, the equity and total assets shall (for the calculation of Equity Ratio above) nevertheless be adjusted with reference to such market values as if IFRS, as applied on the First Issue Date, would remain applicable.
- 14.3 The Agent may not accelerate the Bonds in accordance with Clause 14.1 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).
- 14.4 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice.
- 14.5 The Agent shall notify the Bondholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to payments) up until the time stipulated in Clause 14.6 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Bondholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.

- 14.6 The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*).
- 14.7 If the Bondholders instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 14.8 If the right to accelerate the Bonds is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 14.9 In the event of an acceleration of the Bonds in accordance with this Clause 14, the Issuer shall redeem all Bonds at an amount per Bond equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest.

15. DISTRIBUTION OF PROCEEDS

- 15.1 All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 14 (*Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and 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 protection of the Bondholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 18.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Bondholder's Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 16.4.11, together with default interest in accordance with Clause 8.4 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 8.4 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.

- 15.2 If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1(a), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1(a).
- 15.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate bank account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.
- 15.4 If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least ten (10) 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 7.1 shall apply.

16. DECISIONS BY BONDHOLDERS

16.1 Request for a decision

- 16.1.1 A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- 16.1.3 The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Bondholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Bondholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Issuer or the Bondholder(s) requesting a decision by the Bondholders may convene such Bondholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing and Paying Agent shall upon request provide the convening Bondholder(s) with the information available in the Debt Register or other information kept by the CSD, if permitted under the CSD Regulations, in order to convene and hold the

Bondholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Bondholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.

- 16.1.6 Should the Issuer want to replace the Agent, it may (i) convene a Bondholders' Meeting in accordance with Clause 16.2 (*Convening of Bondholders' Meeting*) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 16.3 (*Instigation of Written Procedure*). After a request from the Bondholders pursuant to Clause 18.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16.2. The Issuer shall inform the Agent before a notice for a Bondholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.
- 16.1.7 Should the Issuer or any Bondholder(s) convene a Bondholders' Meeting or instigate a Written Procedure pursuant to Clause 16.1.5 or 16.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Bondholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

16.2 **Convening of Bondholders' Meeting**

- 16.2.1 The Agent shall convene a Bondholders' Meeting by way of notice to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 16.2.2 The notice pursuant to Clause 16.2.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) a form of power of attorney, and (v) the agenda for the meeting. The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- 16.2.3 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.
- 16.2.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

16.3 **Instigation of Written Procedure**

- 16.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Bondholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

16.3.2 A communication pursuant to Clause 16.3.1 shall include (i) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (ii) 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 (iii) 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 effective date of the communication pursuant to Clause 16.3.1). The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. If the voting is to be made electronically, instructions for such voting shall be included in the communication.

16.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 16.3.1, when consents from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

16.4 **Majority, quorum and other provisions**

16.4.1 Only a Bondholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to act on behalf of a Bondholder*) from a Bondholder:

- (a) on the Business Day specified in the notice pursuant to Clause 16.2.2, in respect of a Bondholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 16.3.2, 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. Each whole Bond entitles to one vote and any fraction of a Bond voted for by a person shall be disregarded. 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 communication, as the case may be.

16.4.2 The following matters shall require the consent of Bondholders representing at least sixty-six and two thirds ($66 \frac{2}{3}$) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2:

- (a) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the total nominal amount of the Bonds to at any time exceed, USD 100,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);
- (b) a change to the terms of any of Clause 2.1, and Clauses 2.4 to 2.7;
- (c) a change to the Interest Rate or the Nominal Amount;

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- (d) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of proceeds*);
 - (e) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 16.4 (*Majority, quorum and other provisions*);
 - (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, except in accordance with the terms of the Finance 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 14 (*Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- 16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. 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 17.1(a) or (c)), an acceleration of the Bonds, or the enforcement of any Transaction Security.
- 16.4.4 Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Bondholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 16.2.4 (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 16.4.5 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.
- 16.4.6 If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the person(s) who initiated the procedure for Bondholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Bondholders' Meeting or second Written Procedure pursuant to this Clause 16.4.6, the date of request of the second Bondholders' Meeting pursuant to Clause 16.2.1 or second Written Procedure pursuant to Clause 16.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 16.4.4 shall not apply to such second Bondholders' Meeting or Written Procedure.

- 16.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 16.4.8 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.
- 16.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Bonds (irrespective of whether such person is a 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.
- 16.4.10 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 the Issuer or the other Bondholders.
- 16.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.4.12 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 Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies as per the Record Date for voting, irrespective of whether such person is a Bondholder. The Agent 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.
- 16.4.13 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 16.4.1(a) or 16.4.1(b), as the case may be, and also be published on the websites of the Group and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

17. AMENDMENTS AND WAIVERS

- 17.1 The Issuer and the Agent (acting on behalf of the Bondholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Bonds, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not, in the opinion of the Agent and/or as confirmed by a reputable external expert engaged by the Agent, detrimental to the interest of the Bondholders as a group;
 - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
 - (c) is required by any applicable regulation, a court ruling or a decision by a relevant authority; or

- (d) has been duly approved by the Bondholders in accordance with Clause 16 (*Decisions by Bondholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Bondholders.
- 17.2 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.
- 17.3 Any amendments to the Finance Documents shall be made available in the manner stipulated in Clause 11.3 (*Availability 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. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Clause 17.1(a) or (c), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.
- 17.4 An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.
- 18. THE AGENT**
- 18.1 Appointment of the Agent**
- 18.1.1 By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *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. By acquiring Bonds, each subsequent Bondholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 18.1.2 Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.
- 18.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 18.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 18.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

18.2 Duties of the Agent

- 18.2.1 The Agent shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Bondholders and, where relevant, enforcing the Transaction Security on behalf of the Bondholders.
- 18.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent is never acting as an advisor to the Bondholders or the Issuer. Any advice or opinion from the Agent does not bind the Bondholders or the Issuer.
- 18.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 18.2.4 The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders as a group 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.
- 18.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Bondholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.
- 18.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering (A) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents, and (iii) in connection with any Bondholders' Meeting or Written Procedure, or (iv) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).
- 18.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 18.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor (i) whether any Event of Default has occurred, (ii) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents, or (iii) whether any other event specified in any Finance Document has occurred. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 18.2.9 The Agent shall (i) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 11.1.3 and as otherwise agreed between the Issuer and the Agent, (ii) check that the information in the Compliance Certificate is correctly extracted from the financial statements delivered pursuant to Clause 11.1.1(a) - (b) or other

relevant documents supplied together with the Compliance Certificate, and (iii) verify that the Issuer according to its reporting in the Compliance Certificate meets the financial undertakings set out in Clause 13 (Financial Undertakings). The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.9.

- 18.2.10 The Agent shall ensure that it receives evidence satisfactory to it that the Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Bondholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 18.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 18.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 18.2.13 The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 18.2.12.

18.3 **Liability for the Agent**

- 18.3.1 The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 18.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- 18.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 18.3.4 The Agent shall have no liability to the Issuer or the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.

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

18.4 **Replacement of the Agent**

18.4.1 Subject to Clause 18.4.6, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

18.4.2 Subject to Clause 18.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

18.4.3 A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.

18.4.4 If the Bondholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of debt issuances.

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

18.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of (i) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent, and (ii) the period pursuant to Clause 18.4.4 (ii) having lapsed.

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

18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent

agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

19. THE ISSUING AND PAYING AGENT

- 19.1 The Issuer appoints the Issuing and Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds. The Issuing and Paying Agent shall be a commercial bank or securities institution approved by the CSD.
- 19.2 The Issuer shall ensure that the Issuing and Paying Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing and Paying Agent, as may be necessary in order for the Issuing and Paying Agent to carry out its duties relating to the Bonds.
- 19.3 The Issuing and Paying Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing and Paying Agent shall never be responsible for indirect or consequential loss.
- 19.4 The Issuing and Paying Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing and Paying Agent at the same time as the old Issuing and Paying Agent retires or is dismissed. If the Issuing and Paying Agent is Insolvent, the Issuer shall immediately appoint a new Issuing and Paying Agent, which shall replace the old Issuing and Paying Agent as issuing and payment agent in accordance with these Terms and Conditions.

20. THE CSD

- 20.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Bonds.
- 20.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorised to professionally conduct clearing operations and be authorised as a central securities depository in accordance with the applicable law.

21. NO DIRECT ACTIONS BY BONDHOLDERS

- 21.1 A Bondholder may not take any steps whatsoever against any Group Company or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy in any jurisdiction of any Group Company in relation to any of the obligations and liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 21.2 Clause 21.1 shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 18.1.2), such actions within a reasonable period of

time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 18.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.13 before a Bondholder may take any action referred to in Clause 21.1.

- 21.3 The provisions of Clause 21.1 shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Bondholders.

22. PRESCRIPTION

- 22.1 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.

- 22.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the 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.

23. COMMUNICATIONS AND PRESS RELEASES

23.1 Communications

- 23.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
 - (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
 - (c) if to the Bondholders, shall be given at their addresses registered with the CSD (or in relation to courier or personal delivery, if such address is a box address, the addressee reasonably assumed to be associated with such box address) on a date selected by the sending person which falls no more than five (5) Business Days prior to the date on which the notice or communication is sent, and by either courier delivery or personal delivery (if practically possible) or letter for all Bondholders. A Notice to the Bondholders shall also be published on the websites of the Group and the Agent.

- 23.1.2 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 Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 23.1.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1.1, or, in case of email, when received in readable form by the email recipient.
- 23.1.3 Any notice or other communication pursuant to the Finance Documents shall be in English. However, financial reports published pursuant to Clause 11.1.1(a) and (b) may be in Swedish.
- 23.1.4 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.

23.2 **Press releases**

- 23.2.1 Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary total redemption*), 9.4 (*Early redemption due to illegality*), 11.1.2, 14.4, 16.2.1, 16.3.1, 16.4.13 and 17.3 shall also be published by way of press release by the Issuer.
- 23.2.2 In addition to Clause 23.2.1, if any information relating to the Bonds or the Group contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

24. **FORCE MAJEURE**

- 24.1 None of the Agent or the Issuing and Paying Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing and Paying Agent itself takes such measures, or is subject to such measures.
- 24.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing and Paying Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 24.3 The provisions in this Clause 24 apply unless they are inconsistent with the provisions of the applicable securities registration legislation which provisions shall take precedence.

25. **GOVERNING LAW AND JURISDICTION**

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

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

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

Place: Stockholm

Date: 1 June 2023

COREM KELLY AB (publ)
as Issuer



Name: **Eva Landén**

Patrik Essehorn

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

Place: Stockholm

Date: 1 June 2023

NORDIC TRUSTEE & AGENCY AB (PUBL)
as Agent



Name: **Anna Litewka**