

Marginalen Bank Bankaktiebolag (publ)

Terms and conditions
SEK 200,000,000
Floating Rate Additional Tier 1 Capital
Notes

ISIN SE0012193902

11 October 2019

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1 Definitions and Construction

1.1 Definitions

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

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

“**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/as in force on the Issue Date) as applied by the Issuer in preparing its annual consolidated financial statements.

“**Additional Tier 1 Capital**” means additional tier 1 capital (Sw. *primärkapitaltillskott*) as defined in Chapter 3 of Title I of Part Two of the CRR and/or any other Applicable Banking Regulations.

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

“**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Base Rate or Alternative Base Rate, as the case may be and is the spread, formula or methodology which:

- (a) in the case of a Successor Base Rate, is formally recommended in relation to the replacement of the applicable Base Rate with the relevant Successor Base Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Base Rate);
- (b) the Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be) determines is customarily applied to the relevant Successor Base Rate or the Alternative Base Rate, as the case may be, in international debt capital markets transaction to produce an industry-accepted replacement rate for the applicable Base Rate; or (if the Independent Adviser or the Issuer (as the case may be) determines that no such spread is customarily applied);
- (c) the Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be) determines is recognised or acknowledged as being the industry standard for the over-the-counter derivative transactions which reference the applicable Base Rate, where such rate has been replaced by the Successor Base Rate or the Alternative Base Rate, as the case may be.

“**Affiliate**” means (i) an entity controlling or under common control with the Issuer, other than a Group Company, and (ii) any other person or entity owning any Notes (irrespective of whether such person is directly registered as owner of such Notes) that has undertaken towards a Group Company or an entity referred to in item (i) to vote for such Notes in accordance with the instructions given by a Group Company or an entity referred to in

item (i). For the purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through ownership of voting securities, by agreement or otherwise.

“**Agency Agreement**” means the agency agreement entered into on or before the Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the 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, in accordance with these Terms and Conditions.

“**Alternative Base Rate**” means the rate that the Independent Adviser or the Issuer determines has replaced the applicable Base Rate in and which is customarily applied in the relevant debt capital market for the purposes of determining rates of interest in respect of notes denominated in Swedish Kronor and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer determines that there is no such rate, such other rate as the Independent Adviser or the Issuer determines in its sole discretion is most comparable to the applicable Base Rate.

“**Applicable Banking Regulations**” means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy applicable to the Issuer or the Group, as the case may be, including, without limitation to the generality of the foregoing, CRD and any other laws, regulations, requirements, guidelines and policies relating to capital adequacy as then applied in Sweden by the Swedish FSA (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Issuer Consolidated Situation).

“**Base Rate**” means STIBOR or, following the occurrence of a Base Rate Event, any reference rate replacing STIBOR in accordance with Clause 21 (*Base Rate Replacement*).

“**Base Rate Determination Date**” has the meaning set forth in Clause 21.2.1(a).

“**Base Rate Event**” means:

- (a) the applicable Base Rate ceasing to be published for a period of at least five (5) consecutive Business Days or ceasing to exist; or
- (b) a public statement by the administrator of the applicable Base Rate that it has ceased or that it will cease publishing the applicable Base Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the applicable Base Rate); or
- (c) a public statement by the supervisor of the administrator of the applicable Base Rate that the applicable Base Rate has been or will be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the applicable Base Rate as a consequence of which the the applicable Base Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (e) it has become unlawful for the Agent or the Issuer to calculate any payments due to be made to any Noteholder using the applicable Base Rate.

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

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

“**Capital Event**” means, at any time on or after the Issue Date, a change in the regulatory classification of the Notes that would be likely to result in the exclusion of the Notes (in whole or in part) from the Additional Tier 1 Capital of the Issuer and/or the Issuer Consolidated Situation or the reclassification of the Notes (in whole or in part) as a lower quality form of regulatory capital (other than by reason of a partial exclusion of the Notes as a result of a write-down following a Trigger Event), provided that (a) the Swedish FSA considers such a change to be sufficiently certain and (b) the Issuer demonstrates to the satisfaction of the Swedish FSA that such change was not reasonably foreseeable at the Issue Date, and provided that such exclusion or reclassification is not a result of any applicable limitation on the amount of such Additional Tier 1 Capital contained in the Applicable Banking Regulations.

“**Common Equity Tier 1 Capital**” means, at any time, the common equity tier 1 capital (Sw. *kärnprimärkapital*) of the Issuer or the Issuer Consolidated Situation, respectively, as defined in Chapter 2 of Part Two of the CRR and/or any other Applicable Banking Regulations at such time.

“**Common Equity Tier 1 Capital Ratio**” means, at any time:

- (i) with respect to the Issuer, the Common Equity Tier 1 Capital of the Issuer as of such time expressed as a percentage of the Total Risk Exposure Amount; and
- (ii) with respect to the Issuer Consolidated Situation, the Common Equity Tier 1 Capital of the Issuer Consolidated Situation expressed as a percentage of the Total Risk Exposure Amount,

in each case, as calculated by the Issuer in accordance with the Applicable Banking Regulations at such time.

“**CRD**” means the legislative package consisting of the CRD IV Directive, CRD V Directive, the CRR, the CRR II and any CRD Implementing Measures.

“**CRD IV Directive**” means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time.

“**CRD V Directive**” means Directive 2019/878/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 27 June 2019, as the same may be amended or replaced from time to time.

“**CRD Implementing Measures**” means any regulatory capital rules, regulations or other requirements implementing (or promulgated in the context of) the CRD IV Directive, the CRD V Directive, the CRR or the CRR II which may from time to time be introduced, including, but not limited to, delegated or implementing acts or regulations (including technical standards) adopted by the European Commission, national laws and regulations, adopted by the Swedish FSA and guidelines issued by the Swedish FSA, the European Banking Authority or any other relevant authority, which are applicable to the Issuer, the Issuer Consolidated Situation or the Group, as applicable.

“**CRR**” means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as the same may be amended or replaced from time to time.

“**CRR II**” means Regulation (EU) No. 876/2019 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 27 June 2019, as the same may be amended or replaced from time to time.

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

“**Distributable Items**” shall have the meaning given to such term in the CRR/CRD IV Directive (as most recently amended by Directive (EU) 2019/878 and Directive (EU) 2019/876) interpreted and applied in accordance with the Applicable Banking Regulation.

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

“**Financial Instruments Accounts Act**” means the Swedish Financial Instruments Accounts Act (*Sw. lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

“**First Call Date**” means the Interest Payment Date falling on or immediately after the fifth (5th) anniversary of the Issue Date.

“**Force Majeure Event**” has the meaning set forth in Clause 28.1.

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

“**Independent Adviser**” means an independent financial institution or reputable in the debt capital markets where the Base Rate is commonly used or other independent financial adviser experienced in the debt capital markets where the Base rate is commonly used, in each case appointed by the Issuer at its own expense.

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen* (1987:672)) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with all or substantially all of its creditors (other than the Noteholders and creditors of secured debt) with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (Sw. *lagen* (1996:764) *om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

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

“**Interest Payment Date**” means 16 January, 16 April, 16 July and 16 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 Notes shall be 16 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 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 three (3) months STIBOR plus a margin of 9.00 per cent. per annum.

“**Issue Date**” means 16 October 2019.

“**Issuer**” means Marginalen Bank Bankaktiebolag (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 516406-0807 and LEI code 549300OWBDK3ZWOL2C57.

“**Issuer Consolidated Situation**” means the entities which are part of the Issuer’s Swedish prudential consolidated situation (as such term is used in the Applicable Banking Regulations), from time to time.

“**Issuing Agent**” means Skandinaviska Enskilda Banken AB (publ), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD Regulations.

“**Nominal Amount**” has the meaning set forth in Clause 2.4.

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

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

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

“**Qualifying Securities**” means securities issued directly by the Issuer following a substitution or variation of the Notes in accordance with Clause 12.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event*) that have terms not materially less favourable to investors, certified by the Issuer acting reasonably (having consulted with an independent investment bank or independent financial adviser of international standing), than the terms of the Notes (immediately prior to the relevant substitution or variation), provided that they shall:

- (a) include a ranking at least equal to that of the Notes;
- (b) have at least the same Interest Rate and the same Interest Payment Dates as those applying to the Notes;
- (c) have the same redemption rights as the Notes;
- (d) preserve any existing rights under the Notes to any accrued interest which has not been paid but which has not been cancelled in respect of the period from (and including) the Interest Payment Date last preceding the date of the relevant substitution or variation of the Notes;
- (e) are assigned (or maintain) the same or higher credit ratings as were assigned to the Notes (if any) immediately prior to the relevant substitution or variation of the Notes; and
- (f) comply with the then current requirements for Additional Tier 1 Capital contained in the Applicable Banking Regulations.

If the Notes were admitted to trading and listed on a Regulated Market immediately prior to the relevant substitution or variation, the Issuer shall use reasonable efforts to ensure that the relevant Qualifying Securities are admitted to trading and listed on a Regulated Market within thirty (30) days from their issuance.

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

“**Record Date**” means the fifth (5th) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 14 (*Distribution of Proceeds*) or (iv) a date of a Noteholders’ Meeting or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 12 (*Redemption and Repurchase of the Notes*).

“**Regulated Market**” means Nasdaq Stockholm or any other regulated market (as defined in Directive 2014/65/EU of the European Parliament and of the Council of 15

May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU).

“**Reinstatement Date**” has the meaning set forth in Clause 11.2.6.

“**Relevant Nominating Body**” means in relation to a reference rate:

- (a) the administrator of the reference rate, or any entity under the common control as the administrator of the reference rate;
- (b) the central bank for the currency to which the reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate;
- (c) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the reference rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate (iii) a group of the aforementioned central banks or other supervisory authorities, or (iv) the Financial Stability Board or any part thereof.

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

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

“**STIBOR**” means:

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

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

“**Successor Base Rate**” means the rate that an Independent Adviser or the Issuer determines is a successor to or replacement of the applicable Base Rate and which is formally recommended by a Relevant Nominating Body.

“**Swedish FSA**” means the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) or such other governmental authority in Sweden (or, if the Issuer becomes subject to primary bank supervision in a jurisdiction other than Sweden, in such other jurisdiction) having primary bank supervisory authority with respect to the Issuer.

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

“**Tax Event**” means the occurrence of any change in, or amendment to, the laws or regulations of Sweden, or any change in the application or official interpretation of such laws or regulations, which becomes effective on or after the Issue Date, resulting in that the Issuer is, or becomes, subject to a significant amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Notes, provided that the Issuer demonstrates to the satisfaction of the Swedish FSA that such change in tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date.

“**Tier 2 Capital**” means tier 2 capital (Sw. *supplementärkapital*) as defined in Chapter 4 of Title I of Part Two of the CRR and/or any other Applicable Banking Regulations.

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

“**Total Risk Exposure Amount**” means, at any time, with respect to the Issuer or the Issuer Consolidated Situation, the sum of the risk exposure amounts (or any equivalent or successor term) of the Issuer or the Issuer Consolidated Situation, as the case may be, in each case as calculated by the Issuer in accordance with the CRD and/or the Applicable Banking Regulations.

“**Trigger Event**” means, at any time, an event where (i) the Common Equity Tier 1 Capital Ratio of the Issuer is below 5.125 per cent, or (ii) the Common Equity Tier 1 Capital Ratio of the Issuer Consolidated Situation is below 7.00 per cent, in each case as determined by the Issuer and/or the Swedish FSA (or any agent appointed for such purpose by the Swedish FSA).

“**Write Down Date**” has the meaning as set forth in Clause 11.1.2.

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 19 (*Written Procedure*).

1.2 Construction

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

- (a) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (b) a “regulation” includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental,

intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (c) a provision of law or regulation is a reference to that provision as amended or re-enacted; and
- (d) a time of day is a reference to Stockholm time.

1.2.2 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.

1.2.3 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

2 Status of the Notes

2.1 The Notes on issue are intended to constitute Additional Tier 1 Capital of the Issuer and the Issuer Consolidated Situation. The Notes will constitute direct, unsecured and subordinated liabilities of the Issuer and shall at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any liabilities or capital instruments of the Issuer which constitute Additional Tier 1 Capital and (b) any other liabilities or capital instruments of the Issuer that rank or are expressed to rank equally with the Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to claims of holders of all classes of the Issuer's shares in their capacity as such holders and any other liabilities or capital instruments of the Issuer that rank or are expressed to rank junior to the Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to any present and future claims of (a) depositors of the Issuer, (b) any other unsubordinated creditors of the Issuer and (c) any subordinated creditors, of the Issuer, including for the avoidance of doubt holders of notes which constitute Tier 2 Capital and holders of senior non-preferred instruments, whose rights are expressed to rank in priority to the holders of the Notes by statute and/or law.

- 2.2 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.
- 2.3 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.4 The nominal amount of each Note is SEK 2,000,000 (the “**Nominal Amount**”). The aggregate nominal amount of the Notes is SEK 200,000,000. The Nominal Amount and the Total Nominal Amount may be subject to a write-down, and subsequent reinstatement, in each case on a pro rata basis, in accordance with Clause 10 (*Loss Absorption and Reinstatement*), and “Nominal Amount” shall be construed accordingly.
- 2.5 Each Note is issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.
- 2.6 A Noteholder or the Agent may only declare the Notes (and any accrued Interest) due and payable in the event of liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer as set out in Clause 15.1.
- 2.7 No Noteholder who in the event of the liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer is indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of Notes held by such Noteholder. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its liquidation or bankruptcy, the liquidator or, as appropriate, other insolvency practitioner appointed to the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, other insolvency practitioner appointed to the Issuer (as the case may be)) and accordingly any such discharge shall be deemed not to have taken place.
- 2.8 The Issuer reserves the right to issue further notes, including, subordinated notes, and other liabilities in the future, which may rank senior to, pari passu with (or junior to) the Notes.
- 2.9 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.10 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

3 Use of Proceeds

The Issuer shall use the proceeds from the issue of the Notes for general corporate purposes of the Group.

4 Conditions for Disbursements

4.1 Prior to the issuance of the Notes, the Issuer shall provide the following to the Agent, in form and substance satisfactory to the Agent:

- (a) the Finance Documents and the Agency Agreement duly executed by the parties thereto;
- (b) a copy of (i) a resolution from the board of directors of the Issuer approving the issue of the Notes, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith, or (ii) an officer's certificate to certify such resolution is in place;
- (c) the articles of association and certificate of incorporation of the Issuer;
- (d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement and any other documents in connection therewith on behalf of parties thereto is/are duly authorised to do so; and
- (e) such other documents and information as is agreed between the Agent and the Issuer.

4.2 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.

4.3 The Agent shall confirm to the Issuer and the Issuing Agent when the conditions in Clause 4.1 have been satisfied.

5 Notes in Book-entry Form

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

5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

5.3 The Issuer and the Agent shall at all times be entitled to obtain information from the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Notes. 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 Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.

- 5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.
- 5.5 The Issuer and the 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 shall not disclose such information to any Noteholder or third party unless necessary for such purposes.
- 5.6 In order to comply with these Terms and Conditions the Issuer and the Agent, as applicable, may, acting as a data controller, collect and process personal data. The processing is based on the Issuer's or the Agent's, as applicable, legitimate interest to fulfil its respective obligations under these Terms and Conditions. Unless otherwise required or permitted by law, the personal data will not be kept longer than necessary given the purpose of the processing. To the extent permitted under these Terms and Conditions, personal data may be shared with third parties such as the CSD which will process the personal data further as a separate data controller. Data subjects generally have right to know what personal data the Issuer and the Agent, as applicable, processes about them and may request the same in writing at the Issuer's or the Agent's, as applicable registered address. In addition, data subjects have the right to request that personal data is rectified and have the right to receive personal data provided by themselves in machine-readable format. Information about the Issuer's and the Agent's respective personal data processing can be found on their websites.

6 Right to Act on Behalf of a Noteholder

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

7 Payments in Respect of the Notes

- 7.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 If a Noteholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. For the avoidance of doubt, such postponement shall in no event constitute an event of default.
- 7.4 If payment or repayment is made in accordance with this Clause 7 (*Payments in Respect of the Notes*), the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax (including but not limited to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto), public levy or the similar.

8 Interest

- 8.1 Each Note carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.
- 8.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders 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 Under no circumstances shall any penalty (Sw. *dröjsmålsränta*) interest be payable by the Issuer in respect of the Notes.

9 Interest Cancellation

- 9.1 Any payment of Interest in respect of the Notes shall be payable only out of the Issuer's Distributable Items and:
- (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the CRD or any other Applicable Banking Regulations; or
 - (ii) will be mandatorily cancelled to the extent so required by the CRD or any other Applicable Banking Regulations, including the applicable criteria for Additional Tier 1 Capital instruments.
- 9.2 The Issuer shall give notice to the Noteholders in accordance with Clause 27 (*Notices*) of any such cancellation of a payment of Interest, which notice might be given after the date on which the relevant payment of Interest is scheduled to be made. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer not to pay Interest as described above.
- 9.3 Following any cancellation of Interest as described above, the right of the Noteholders to receive accrued Interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such Interest or to pay interest thereon, whether or not payments of Interest in respect of subsequent Interest Periods are made, and such unpaid Interest will not be deemed to have "accrued" or been earned for any purpose, nor will the non-payment of such Interest constitute an event of default or similar.

10 Calculation of Interest in Case of Write-down or Reinstatement

- 10.1 Subject to Clause 9 (*Interest Cancellation*), in the event that a write-down of the Notes occurs pursuant to Clause 11.1 (*Loss Absorption upon a Trigger Event*) during an Interest Period, Interest will continue to accrue on the Nominal Amount (as adjusted).
- 10.2 Subject to Clause 9 (*Interest Cancellation*), in the event that a reinstatement of the Notes occurs pursuant to Clause 11.2 (*Reinstatement of the Notes*), Interest shall begin to accrue on the reinstated Nominal Amount with effect from (and including) the Reinstatement Date.
- 10.3 In connection with a write-down or write-up pursuant to Clause 11 (*Loss Absorption and Reinstatement*), the Issuer shall inform the CSD of the adjusted interest that shall be applied on the next Interest Payment Date, in order for the Noteholders to receive an amount of Interest equivalent to the Interest Rate on the Nominal Amount so written down or written up (as applicable)

11 Loss Absorption and Reinstatement

11.1 Loss Absorption upon a Trigger Event

- 11.1.1 If at any time a Trigger Event occurs, the Issuer shall immediately notify the Swedish FSA, the Noteholders and the Agent in accordance with Clause 27 (*Notices*) and the Total

Nominal Amount or the Issuer's payment obligation under the Notes shall be written down in accordance with this Clause 11.1 (*Loss Absorption upon a Trigger Event*). If the Notes are to be written down, the Issuer shall notify the Noteholders and the Agent in accordance with Clause 27 (*Notices*). A failure to give such notice shall in no event prejudice any write-down of the Notes.

- 11.1.2 A write-down shall take place on a date selected by the Issuer in consultation with the Swedish FSA (the "**Write Down Date**") but no later than one month following the occurrence of the relevant Trigger Event unless, in accordance with the CRD and/or any other Applicable Banking Regulations, the Swedish FSA has agreed with the Issuer in writing that a write-down may occur after a longer period, in which case, on such date as agreed with the Swedish FSA.
- 11.1.3 A write-down shall be made as a reduction of the Total Nominal Amount and in each case shall such write-down be considered to be an unconditional capital contribution (Sw. *ovillkorat kapitaltillskott*) and shall be made in consultation with the Swedish FSA and in accordance with the rules of the CSD.
- 11.1.4 The amount of the reduction of the Total Nominal Amount on the Write Down Date shall equal the amount of a write-down that would restore the Common Equity Tier 1 Capital Ratio to at least 5.125 per cent. in respect of the Issuer and at least 7.00 per cent. in respect of the Issuer Consolidated Situation at the point of such write-down, provided that the maximum reduction of the Total Nominal Amount shall be down to a Nominal Amount per Note corresponding to SEK 1. A write-down in accordance with this Clause 11.1 (*Loss Absorption upon a Trigger Event*) shall be made taking into account any preceding or imminent write-down of corresponding or similar loss absorbing instruments issued by the Issuer or a member of the Issuer Consolidated Situation, including but not limited to Additional Tier 1 Capital instruments (other than the Notes).
- 11.1.5 The Nominal Amount of each Note shall, upon the write-down of the Total Nominal Amount described above, be written down on a *pro rata* basis.
- 11.1.6 A Write Down may occur on one or more occasions and the Notes may be written down in accordance with Clause 11.1 on more than one occasion.

11.2 **Reinstatement of the Notes**

- 11.2.1 Following a write-down of the Total Nominal Amount in accordance with Clause 10 (*Loss Absorption and Reinstatement*), the Issuer may, at its absolute discretion, reinstate the Notes, subject to compliance with any maximum distribution limits set out the CRD or any other Applicable Banking Regulations.
- 11.2.2 Unless write up of the principal of the Notes is permitted and possible in accordance with the rules of the CSD, reinstatement shall be made by way of issuing new notes to the relevant Noteholders that qualify as Additional Tier 1 Capital of the Issuer. Any such new note issuance shall specify the relevant details of the manner in which such new note issuance shall take effect and where the Noteholders can obtain copies of the new terms and conditions of the new notes. Such new notes shall be issued without any cost or charge to the Noteholders and shall be made in accordance with the rules of the CSD.

- 11.2.3 A reinstatement in accordance with this Clause 11.2 (*Reinstatement of the Notes*) shall be made taking into account any preceding or imminent reinstatement of corresponding or similar loss absorbing instruments issued by the Issuer, including but not limited to Additional Tier 1 Capital instruments (other than the Notes).
- 11.2.4 Any reinstatement of the Notes shall be made on a *pro rata* basis.
- 11.2.5 For the avoidance of doubt, at no time may the reinstated Total Nominal Amount exceed the original Total Nominal Amount of the Notes (if issued in full), being SEK 200,000,000.
- 11.2.6 If the Issuer decides to reinstate the Notes, the Issuer shall notify the Noteholders and the Agent in accordance with Clause 27 (*Notices*) prior to such reinstatements becoming effective. A notice of reinstatements under this Clause 11.2.6 shall specify the date on which such reinstatements become effective (the “**Reinstatement Date**”).

12 Redemption and Repurchase of the Notes

12.1 Perpetual Notes

The Notes are perpetual obligations of the Issuer and have no fixed date for redemption. The Issuer may only redeem the Notes at its discretion in the circumstances described in this Clause 12 (*Redemption and Repurchase of the Notes*). The Notes are not redeemable at the option of the Noteholders at any time and the Noteholders shall have no right to accelerate the Notes or other remedies or sanctions against the Issuer for any breach of these Terms and Conditions by the Issuer, other than as set out in Clause 15 (*Bankruptcy or Liquidation*).

12.2 Early redemption at the option of the Issuer

Subject to Clause 12.5 (*Consent from the Swedish FSA*), any Applicable Banking Regulation and giving notice in accordance with Clause 12.7 (*Notice of early redemption, substitution or variation*), the Issuer may redeem all (but not some only) outstanding Notes on (i) the First Call Date or (ii) any Interest Payment Date falling after the First Call Date.

12.3 Purchase of Notes by the Issuer and companies within the Issuer Consolidated Situation

Subject to applicable law and to Clause 12.5 (*Consent from the Swedish FSA*), a Group Company, or other company forming part of the Issuer Consolidated Situation, may at any time on or following the First Call Date, purchase Notes on the market or in any other way. Notes held by such company may at its discretion be retained or sold.

12.4 **Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event**

If a Capital Event or Tax Event occurs prior to the First Call Date, the Issuer may, at its option, but subject to Clause 12.5 (*Consent from the Swedish FSA*), any Applicable Banking Regulation and giving notice in accordance with Clause 12.7 (*Notice of early redemption, substitution or variation*):

- (a) redeem all (but not some only) outstanding Notes on any Interest Payment Date; or
- (b) substitute or vary the terms of all (but not some only) of the outstanding Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain, as applicable, Qualifying Securities, provided that such substitution or variation does not itself give rise to any right of the Issuer to redeem, substitute or vary the terms of the Notes in accordance with this Clause 12.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event*) in relation to the Qualifying Securities so substituted or varied.

12.5 **Consent from the Swedish FSA**

The Issuer, or any other company forming part of the Issuer Consolidated Situation, may not redeem or purchase, as contemplated by this Clause 12.5 (*Consent from the Swedish FSA*), any Notes without the prior written consent of the Swedish FSA in accordance with Applicable Banking Regulations.

12.6 **Early redemption amount**

The Notes shall be redeemed at a price per Note equal to the Nominal Amount together with accrued but unpaid Interest.

12.7 **Notice of early redemption, substitution or variation**

12.7.1 Any redemption in accordance with Clauses 12.2 (*Early redemption at the option of the Issuer*) and 12.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event*) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent in accordance with Clause 27 (*Notices*). Any such notice is irrevocable and, upon expiry of the notice period, the Issuer is bound to redeem the Notes.

12.7.2 Notwithstanding Clause 12.7.1, if a Trigger Event occurs following a notice given in accordance with Clause 12.7.1 but prior to the relevant redemption of the Notes, such notice shall have no effect and Clause 11.1 (*Loss Absorption upon a Trigger Event*) shall apply, and, for the avoidance of doubt, no redemption in accordance with this Clause shall 12.7.2 occur.

13 Information to Noteholders

13.1 Information from the Issuer

13.1.1 The Issuer will make the following information available to the Noteholders by way of publication on the website of the Issuer:

- (a) as soon as the same become available, but in any event within six (6) months after the end of each financial year, audited consolidated financial statements of the Group 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, consolidated financial statements or the year-end report (Sw. *bokslutskommuniké*) (as applicable) of the Group for such period prepared in accordance with the Accounting Principles;
- (c) 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, a report on regulatory capital for the Issuer and the Issuer Consolidated Situation; and
- (d) from and for as long as the Notes are admitted to trading on any Regulated Market, any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.

13.1.2 When the financial statements and other information are made available to the Noteholders pursuant to Clause 13.1.1, the Issuer shall send a copy of such financial statements and other information to the Agent.

13.2 Information from the Agent

Subject to the restrictions of any agreement regarding the non-disclosure of information received from the Issuer, the Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information.

13.3 Information among the Noteholders

Upon request by a Noteholder, the Agent shall promptly distribute to the Noteholders any information from such Noteholder which relates to the Notes. The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed.

13.4 **Publication of Finance Documents**

- 13.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.
- 13.4.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

14 **Distribution of Proceeds**

- 14.1 In the event of liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, all payments relating to the Notes and the Finance Documents 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 (other than any indemnity given for liability against the Noteholders), (ii) other costs and expenses relating to the acceleration of the Notes or protection of the Noteholders' 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 22.2.8, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 17.5;
 - (b) secondly, in or towards payment pro rata of accrued but unpaid Interest under the Notes not cancelled in accordance with Clause 9 (*Interest Cancellation*) (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 Notes; and
 - (d) fourthly, in or towards payment pro rata of any other costs or outstanding amounts unpaid under the Finance Documents.
- 14.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14.1, such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14.1(a).
- 14.3 Funds that the Agent receives (directly or indirectly) following an application of Clause 14.1 in connection with the acceleration of the Notes constitute escrow funds (Sw. *redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 14 as soon as reasonably practicable.
- 14.4 If the Issuer or the Agent shall make any payment under this Clause 14, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made in accordance with Clause 27 (*Notices*). The notice from the Issuer shall specify the Record Date, the payment date and the amount to be paid.

15 Bankruptcy or Liquidation

- 15.1 The Noteholders have no right to accelerate the Notes or otherwise request prepayment or redemption of the principal amount of the Notes. If, and, notwithstanding anything to the contrary in these Terms and Conditions, only if, the Issuer is declared bankrupt or put into liquidation, a Noteholder may prove or claim in such bankruptcy or liquidation for payment of the Nominal Amount of Notes held by such Noteholder, together with Interest accrued to (but excluding) the date of commencement of the relevant bankruptcy or liquidation proceedings to the extent the Interest has not been cancelled by the Issuer.
- 15.2 If an event where the Issuer is declared bankrupt or put into liquidation as set out in Clause 15.1 above occurs, the Agent is, following the instructions of the Noteholders, authorised to (i) by notice to the Issuer, declare all, but not only some, of the outstanding Notes due for payment together with any other amounts payable under the Finance Documents (except any Interest cancelled in accordance with Clause 9 (*Interest Cancellation*)), 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.
- 15.3 In the event of an acceleration of the Notes upon the Issuer being declared bankrupt or put into liquidation, the Issuer shall redeem all Notes at an amount equal to 100 per cent. of the Nominal Amount together with accrued and unpaid interest. However, no payment will be made to the Noteholders before all amounts due, but unpaid, to all other creditors of the Issuer ranking ahead of the Noteholders as described in Clause 2 (*Status of the Notes*) have been repaid by the Issuer, as ascertained by the judicial liquidator (Sw. *likvidator*) or bankruptcy administrator (Sw. *konkursförvaltare*).
- 15.4 The Issuer shall as soon as possible notify the Noteholders and the Agent of the occurrence of a bankruptcy or liquidation of the Issuer.

16 Listing of the Notes

- 16.1 The Issuer shall use reasonable efforts to ensure that the Notes are listed on Nasdaq Stockholm by 31 December 2019, and that it remains listed or, if such listing is not possible to obtain or maintain, listed on another Regulated Market.
- 16.2 The Issuer shall, following the listing, use reasonable efforts to maintain the listing as long as any Notes are outstanding, however not longer than up to and including the last day of which the listing can reasonably subsist, pursuant to the applicable regulations of the Regulated Market and the CSD.
- 16.3 For the avoidance of doubt, neither a Noteholder nor the Agent has the right to accelerate the Notes or otherwise request a prepayment or redemption of the Notes if a failure to list the Notes or maintain a listing of the Notes in accordance with Clause 16.1 or 16.2 above occurs.

17 Decisions by Noteholders

- 17.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 17.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 17.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 17.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.3 being applicable, the person requesting the decision by Noteholders may request the Issuer to convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. Should the Issuer in such situation not convene a Noteholders' Meeting, the person requesting the decision by Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall then upon request provide the convening Noteholder with such information available in the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Notes as may be necessary in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- 17.5 Should the Issuer wish to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 18.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 19.1, in either case with a copy to the Agent. After a request from the Noteholders pursuant to Clause 22.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 18.1. The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with the a notice or the communication.
- 17.6 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to Act on Behalf of a Noteholder*) from a person who is, registered as a Noteholder:

- (a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 19.2, in respect of a Written Procedure,

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

17.7 The following matters shall require the consent of Noteholders representing at least seventy-five (75) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.2:

- (a) a change to the terms of Clause 2 (*Status of the Notes*);
- (b) a change to the terms dealing with the requirements for Noteholders' consent set out in Clauses 17 (*Decisions by Noteholders*), 18 (*Noteholders' Meeting*) and 19 (*Written Procedure*);
- (c) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of Proceeds*);
- (d) a change to an Interest Rate or the Nominal Amount; and
- (e) an early redemption of the Notes, other than as permitted by these Terms and Conditions (which for the avoidance of doubt shall always be subject to Clause 12.5 (*Consent from the Swedish FSA*)).

17.8 Any matter not covered by Clause 17.7 shall require the consent of Noteholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.2. 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 20.1(a) or (b)).

17.9 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.7, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

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

- 17.10 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 17.10, the date of request of the second Noteholders' Meeting pursuant to Clause 18.1 or second Written Procedure pursuant to Clause 19.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 17.9 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 17.11 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.
- 17.12 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.13 If any matter decided in accordance with this Clause 17 would require consent from the Swedish FSA, such consent shall be sought by the Issuer.
- 17.14 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 17.15 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- 17.16 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.17 If a decision is to be taken by the Noteholders 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 Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate.
- 17.18 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each person registered as a Noteholder on the date referred to in Clause 17.6(a) or 17.6(b)), as the case may be, and shall also be

published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

18 Noteholders' Meeting

- 18.1 The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is registered as a Noteholder on the Record Date prior to the date on which the notice is sent.
- 18.2 The notice pursuant to Clause 18.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 18.3 The Noteholders' 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.
- 18.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

19 Written Procedure

- 19.1 The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of valid a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Noteholder on the Record Date prior to the date on which the communication is sent.
- 19.2 A communication pursuant to Clause 19.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 19.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 19.3 When consents from Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 17.7 and 17.8 have been received in a Written

Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.7 or 17.8, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

20 Amendments and Waivers

20.1 The Issuer and the Agent (acting on behalf of the Noteholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:

- (a) such amendment or waiver is not detrimental to the interest of the Noteholders as a group, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
- (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*).

20.1.1 The consent of the Noteholders 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.

20.1.2 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 13.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

20.1.3 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

21 Base Rate Replacement

21.1 General

Any determination to be made by or any changes to the Finance Documents to be specified by the Independent Adviser or the Issuer in accordance with the provisions of this Clause 21 (*Base Rate Replacement*) shall at all times be made by such Independent Adviser or the Issuer acting in good faith, provided that the determination of any Successor Base Rate or Alternative Base Rate and (in either case) any Adjustment Spread, and any other related changes to the Notes, shall be made pursuant to the Applicable Banking Regulations and be subject to the prior written permission of the Swedish FSA.

21.2 Base Rate determination

21.2.1 If a Base Rate Event has occurred, the following shall apply:

- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine, no later than five (5) Business

Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period (the "**Base Rate Determination Date**"), a Successor Base Rate or, alternatively, if there is no Successor Base Rate, an Alternative Base Rate for purposes of determining the applicable Base Rate for the next succeeding Interest Period;

- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Base Rate or an Alternative Base Rate prior to a Base Rate Determination Date, the Issuer (acting in good faith) may determine a Successor Base Rate or, if there is no Successor Base Rate, an Alternative Base Rate, to constitute the Base Rate for the next succeeding Interest Period; and
- (c) if a Successor Base Rate or an Alternative Base Rate is determined in accordance with paragraph (a) or (b) in this Clause 21.2.1, such Successor Base Rate or Alternative Base Rate shall be the Base Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Clause 21 (*Base Rate Replacement*), provided, however, that if paragraph (b) in this Clause 21.2.1 applies and the Issuer is unable to or does not determine a Successor Base Rate or an Alternative Base Rate prior to the relevant Base Rate Determination Date, the Base Rate applicable to the next succeeding Interest Period shall be equal to the Base Rate last determined for the preceding Interest Period.

21.2.2 If an Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be), determines that an Adjustment Spread is required to be applied to the Successor Base Rate or the Alternative Base Rate and that such Adjustment Spread is determined by the Independent Adviser or the Issuer, such Adjustment Spread shall be applied.

21.3 **Variation upon a Base Rate replacement**

21.3.1 If the Independent Adviser or the Issuer determines a Successor Base Rate, an Alternative Base Rate and, in either case, the applicable Adjustment Spread, in accordance with Clause 21.2 (*Base Rate determination*), the Independent Adviser or the Issuer may determine that amendments to the Finance Documents are necessary to ensure the proper operation of such Successor Base Rate or Alternative Base Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Base Rate Amendments**").

21.3.2 The Issuer and the Agent shall, at the request and expense of the Issuer, but subject to receipt by the Agent of the certificate referred to in Clause 21.3.4, without the requirement for any consent or approval of the Noteholders, effect such Base Rate Amendments. The Agent shall however not be obliged to concur if in the opinion of the Agent, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent in the Finance Documents.

21.3.3 Notwithstanding any other provision of this Clause 21 (*Base Rate Replacement*), no Successor Base Rate or Alternative Base Rate will be adopted, nor will the applicable Adjustment Spread (if any) be applied, nor will any Base Rate Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be

expected to prejudice the qualification of the Notes as Additional Tier 1 Capital or the Issuer of the Issuer Consolidated Situation.

- 21.3.4 The Issuer shall promptly, following the determination of any Successor Base Rate or Alternative Base Rate and any Base Rate Amendments, give notice thereof to the Agent and the Noteholders in accordance with Clause 27 (*Notices*). No later than giving the Agent such notice, the Issuer shall deliver to the Agent a certificate signed by two authorised signatories of the Issuer:
- (a) confirming (i) that a Base Rate Event has occurred, (ii) the relevant Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any), and (iii) any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 21 (*Base Rate Replacement*); and
 - (b) certifying that the Base Rate Amendments are necessary to ensure the proper operation of such Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any).
- 21.3.5 The Agent shall be entitled to rely on such certificate referred to in Clause 21.3.4 without further enquiry and without liability to any person. The Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any) and any Base Rate Amendments specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Base Rate or Alternative Base Rate and any Base Rate Amendments and without prejudice to the Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Agent, the Issuing Agent and the Noteholders.
- 21.3.6 Without prejudice to the obligations of the Issuer under this Clause 21 (*Base Rate Replacement*), the original Base Rate and the fallback provisions contained within the definition of STIBOR will continue to apply unless and until a Base Rate Event has occurred.

22 Appointment and Replacement of the Agent

22.1 Appointment of the Agent

- 22.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes 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 Notes held by such Noteholder, including the winding-up, dissolution, liquidation or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 22.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.

- 22.1.3 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.
- 22.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the 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.
- 22.1.5 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.

22.2 **Duties of the Agent**

- 22.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents. However, the Agent is not responsible for the execution or enforceability of the Finance Documents.
- 22.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall act in the best interest of the Noteholders as a group and carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 22.2.3 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 22.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 22.2.5 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 22.2.6 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, 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.
- 22.2.7 The Agent shall give a notice to the Noteholders (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 22.2.6
- 22.2.8 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external

experts engaged after the occurrence of an acceleration in connection with a bankruptcy or liquidation, or for the purpose of investigating or considering an event or circumstance which the Agent reasonably believes is or may lead to a bankruptcy or liquidation. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 14 (*Distribution of Proceeds*).

22.2.9 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.

22.3 Limited liability for the Agent

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

22.3.2 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 engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.

22.3.3 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 Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

22.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 17 (*Decisions by Noteholders*).

22.3.5 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 Noteholders under the Finance Documents.

22.4 Replacement of the Agent

22.4.1 Subject to Clause 22.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the old Agent or by way of Written Procedure initiated by the old Agent.

22.4.2 Subject to Clause 22.4.6, 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.

- 22.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 22.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 22.4.5 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.
- 22.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 22.4.7 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 Noteholders 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.
- 22.4.8 In the event that there is a change of the Agent in accordance with this Clause 22.4, 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.

23 Appointment and Replacement of the Issuing Agent

- 23.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Notes.
- 23.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the retiring Issuing Agent

retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent which shall replace the retiring Issuing Agent as issuing agent in accordance with these Terms and Conditions.

- 23.3 The Issuing Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties under the Terms and Conditions

24 Appointment and Replacement of the CSD

- 24.1 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 Notes.

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

25 No Direct Actions by Noteholders

- 25.1 A Noteholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Agent.

- 25.2 Clause 25.1 shall not apply if the Agent has been instructed by the Noteholders 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 Noteholder to provide documents in accordance with Clause 22.1.2), 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 22.2.6, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 22.2.7 before a Noteholder may take any action referred to in Clause 25.1.

- 25.3 The provisions of Clause 25.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due by the Issuer to some but not all Noteholders.

- 25.4 The provisions of this Clause 25 are subject to the over-riding limitations set out in Clauses 2.6 and 2.7.

26 Prescription

- 26.1 The right to receive repayment of the principal of the Notes 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 Noteholders' right to receive payment has been prescribed and has become void.
- 26.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslagen* (1981:130)), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

27 Notices

- 27.1 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 (Sw. *Bolagsverket*) 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 Noteholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Noteholder in order receive the communication or if such date is not specified, on the Business Day prior to dispatch, and by either courier delivery or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.
- 27.2 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 27.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 27.1, or, in case of email, when received in readable form by the email recipient. Any such notice shall be made in English.
- 27.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

27.4 **Press releases**

If any information relating to the Notes or the Issuer contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information.

28 **Force Majeure and Limitation of Liability**

- 28.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 28.2 The Issuing Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect loss.
- 28.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 28.4 The provisions in this Clause 28 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

29 **Governing Law and Jurisdiction**

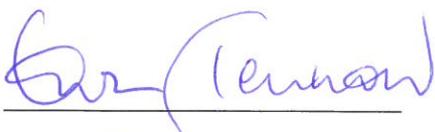
- 29.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection herewith, shall be governed by and construed in accordance with the laws of Sweden.
- 29.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (Sw. *Stockholms tingsrätt*).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

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

Date: 11 October 2019

MARGINALEN BANK BANKAKTIEBOLAG (publ)

(as Issuer)



Name: Ewa Glennow



Name: Ola Espelund

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

Date: 11 October 2019

NORDIC TRUSTEE & AGENCY AB (publ)

(as Agent)

Name:

Name:

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

Date: 11 October 2019

MARGINALEN BANK BANKAKTIEBOLAG (publ)

(as Issuer)

Name:

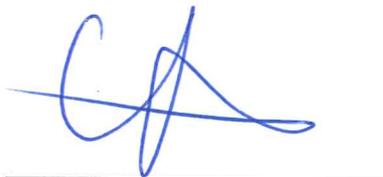
Name:

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

Date: 11 October 2019

NORDIC TRUSTEE & AGENCY AB (publ)

(as Agent)

A handwritten signature in blue ink, consisting of a large, stylized 'C' followed by a series of loops and a long horizontal stroke.

Name:

Christoffer Andersson
VD / CEO

Name: