



Alcadon Holding

ALCADON HOLDING AB (publ)

PROSPECTUS FOR THE ADMISSION TO TRADING ON
NASDAQ STOCKHOLM OF UP TO SEK 200,000,000
SENIOR UNSECURED FLOATING RATE NOTES DUE 2019

Sole Bookrunner and Issuing Agent



Prospectus dated 1 August 2016

1. IMPORTANT NOTICE

This prospectus (the "**Prospectus**") has been prepared by Alcadon Holding AB (publ) (the "**Issuer**" or the "**Company**" and together with its direct and indirect subsidiaries, unless the context indicates otherwise, the "**Group**") a public limited liability company incorporated in Sweden, having its headquarters located at Segelbåtsvägen 7, SE 112 64 Stockholm, Sweden, with Swedish Reg. No. 559009-2382, in relation to the application for the listing of the Issuer's up to SEK 200,000,000 senior unsecured floating rate notes due 2019 with ISIN SE0008375232 (the "**Notes**") on the corporate bond list operated by NASDAQ OMX Stockholm Aktiebolag, Swedish Reg. No. 556420-8394 ("**Nasdaq Stockholm**"). Nordic Fixed Income AB (a subsidiary of Arctic Securities AS) have acted as sole bookrunner and issuing agent (the "**Bookrunner**") in connection with the issue of the Notes. This Prospectus has been prepared in accordance with the standards and requirements of the Swedish Financial Instruments Trading Act (*lag (1991:980) om handel med finansiella instrument*) (the "**Trading Act**") and the Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council. This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the "**SFSA**") pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Trading Act. Approval and registration by the SFSA does not imply that the SFSA guarantees that the factual information provided in this Prospectus is correct and complete. This Prospectus has been prepared in English only. This Prospectus is available at the SFSA's website (www.fi.se) and the Issuer's website (www.alcadonholding.se).

Unless otherwise stated or required by context, terms defined in the terms and conditions for the Bonds beginning on page 27 (the "**Terms and Conditions**") shall have the same meaning when used in this Prospectus.

Except where expressly stated otherwise, no information in this Prospectus has been reviewed or audited by the Issuer's auditor. Certain financial and other numerical information set forth in this Prospectus has been subject to rounding and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents incorporated by reference in, and any supplements to, this Prospectus. In this Prospectus, references to "**SEK**" refer to Swedish krona.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Notes in any jurisdiction. It has been prepared solely for the purpose of listing the Notes on the corporate bond list on Nasdaq Stockholm. This Prospectus may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Prospectus may come are required to inform themselves about and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. The Notes have not been, and will not be, registered under the United States securities act of 1933, as amended (the "**US Securities Act**") or the securities laws of any state or other jurisdiction outside Sweden. Subject to certain exemptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

This Prospectus is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (*Stockholms tingsrätt*) shall be the court of first instance.

No person has been authorised to provide any information or make any statements other than those contained in this Prospectus. Should such information or statements nevertheless be provided, it/they must not be relied upon as having been authorised or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. Neither the publication of this Prospectus nor the offering, sale or delivery of any Note implies that the information in this Prospectus is correct and current as at any date other than the date of this Prospectus or that there have not been any changes in the Issuer's or the Group's business since the date of this Prospectus. If the information in this Prospectus becomes subject to any material change, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Trading Act. Each potential investor in the Notes must in light of its own circumstances determine the suitability of the investment. In particular, each potential investor should:

- a) have adequate knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this document or any applicable supplement;
- b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- c) have sufficient financial resources and liquidity to assume all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- d) understand thoroughly the Terms and Conditions and the other Finance Documents governing the rights and obligations with respect to the Notes; and be familiar with the behaviour of any relevant indices and financial markets; and
- e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect the investment and the investor's ability to assume the applicable risks.

This Prospectus may contain various forward-looking statements that reflect the Issuer's current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements other than statements as to historical facts or present facts or circumstances. The words "believe," "expect," "anticipate," "intend," "may," "plan," "estimate," "will," "should," "could," "aim" or "might," or, in each case, their negative, or similar expressions, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a number of places in this Prospectus, including, without limitation, in the sections entitled "Risk Factors" and "Business".

In light of the risks, uncertainties and assumptions that that forward-looking statements are associated with, it is possible that future events mentioned in this Prospectus will not materialise. In addition, forward looking estimates that are referred to in this Prospectus and which are based on reports from third parties may be incorrect. The actual results, outcome or events could differ materially from those set out in the forward-looking statements as a result of many factors, including, inter alia, changes in general economic conditions, in particular changes in the economic conditions on the markets on which the Issuer operates.

These forward-looking statements speak only as of the date of this Prospectus. The Issuer expressly undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law or regulation. Accordingly, potential investors are cautioned not to place undue reliance on any of the forward-looking statements herein.

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2. RISK FACTORS

*An investment in corporate loan notes always involves a certain degree of risk. A number of factors affect and may come to affect the Issuer's and the Group's operations, earnings, financial position, future prospects and result (the "**Group's Financial Position**") and thereby the Issuer's ability to fulfil its payment obligations under the Notes and the market value of the Notes. Below is a description of risk factors which the Issuer considers to be the most relevant to an assessment by a potential investor of whether to invest in the Notes. However, potential investors should note that the below risk factors are neither exhaustive nor ranked in order of importance. The intention is to describe risks that are linked to the Group's operations and the Issuer's ability to fulfil its obligations in accordance with the Terms and Conditions and to describe the risks related to an investment in the Notes.*

Before making a decision to invest in the Notes, any potential investor should carefully consider the risk factors outlined below, as well as any other information provided (such as the final Terms and Conditions and any publicly available financial and other information regarding the Issuer and the Group). In addition, an investor must, alone or together with its financial and any other adviser it deems appropriate, engage in an analysis of the global market conditions and general information about the markets in which the Group operates from its own perspective. An investor should have adequate knowledge to evaluate the risk factors as well as sufficient financial strength to assume these risks.

The risk factors below are not exhaustive and additional risk factors presently not known to the Issuer may affect the Issuer's future ability to fulfil its payment obligations under the Notes or the market value of the Notes.

2.1 Risks related to the Issuer and the Group

2.1.1 Business risks

The Group sells products and systems for data and telecommunication within the Nordic IT- and consumer electronic accessory market. Companies in the market compete by price, innovations, design and quality of goods, but also by other competitive factors such as up-to-date technology and market penetration. The Group has a large number of competitors, including both traditional wholesalers and specialized companies. There is a risk that the competitive landscape may reduce the future sales and profitability of the Group, which may have a negative effect on the Group's Financial Position.

The Group's products and systems are intended for fibre and copper networks. The introduction of new and emerging technologies, in particular wireless technologies, might, depending on the success of these technologies and our ability to further develop our products and systems, pose a threat to the Group's Financial Position in the future.

2.1.2 The economy's influence on the demand

The economic situation in the Nordic market affects the Group's Financial Position. The demand for the Group's products and services depends on the level of new capital investment and planned maintenance expenditures by the end-customers. The level of capital expenditure by the end-customers depends, in turn, on general economic conditions, availability of credit, economic conditions within their respective industries and expectations of future market behaviour. In addition, volatility in commodity prices can adversely affect the levels of these activities and can result in postponement of capital spending decisions or the delay or cancellation of existing orders. Adverse changes in the economy may accordingly have an adverse effect on the Group's Financial Position.

2.1.3 Risks relating to regulations, standards and health and safety regulations

The Group is affected by various legislative acts, regulations and standards, including, among other things, tax regulations, employment legislation, environmental regulations and product liability regulations. Failure to comply with such regulations or standards may result in loss of business, substantial damages and fees which would affect the Group's Financial Position. Unforeseen

problems with the quality of products could moreover harm the Group's reputation and result in higher costs for warranties and adversely affect the Group's Financial Position.

Further, any amendments of laws, regulations and standards, leading to stricter requirements or changed conditions regarding product specifications, safety and health or environment, or a development to a stricter implementation and application by the authorities of existing laws and regulations may have several negative implications for the Group. Such changes may require that the Group makes further investments, with increased costs and other commitments for the Group as a result. Such changes may also imply that certain of the Group's products may become obsolete and could also limit or obstruct the Group's business which would adversely affect the Group's Financial Position.

2.1.4 *Credit risk*

When there is a risk of the Group's counterparties being unable to fulfil their financial obligations towards the Group, there is a credit risk. The Group's current and potential customers and other counterparties may get in a financial situation where they cannot pay the agreed price of goods or other amounts owed to the Group as they fall due, or could otherwise abstain from fulfilling their payment obligations. There is a risk that a customer or other counterparty cannot fulfil their payment obligations which could adversely affect the Group's Financial Position.

2.1.5 *Liquidity risk*

The Issuer aims to continuously assess and monitor the funds needed for its operations so it would have enough liquidity to finance its operations and possible investments as well as for the payments of its debts as they fall due. However, there is a risk that the Issuer fails in liquidity management which can have an adverse effect on Group's Financial Position and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

2.1.6 *Currency risk*

The Group purchases products from foreign suppliers in different currencies (mainly US dollars) and sells products to customers in different currencies (mainly SEK and NOK). In addition, as of 31 December 2015, 19 per cent. of the Group's total turnover was attributable to Norway and the NOK currency. Therefore, exchange rate fluctuations may adversely affect the Group's Financial Position.

2.1.7 *Transportation risks*

Under most of the customer agreements and the supply agreement, the Group stands the risks for any damages to goods incurred during transportation. Should delivered products be damaged during transportation to the customer, the Group will be liable for either compensating the customer or repairing the product. Should the products be damaged during transportation from the suppliers, the Group may have difficulties in delivering its products to its customers on time. In either case such damage may have an adverse effect on the Group's Financial Position.

2.1.8 *Key employees*

The Issuer had as of 31 December 2015 41 employees. As a relatively small organisation, the Group's future development is to a large extent dependent on the experience, knowledge and commitment of management and other key employees. If one or several of such key employees or members of management terminate their employment this could adversely affect the Group's Financial Position.

2.1.9 *Majority owner*

The Issuer is currently controlled by one shareholder having the majority ownership in the Issuer. The majority owner's interests may conflict with the noteholders', particularly if the Issuer encounters difficulties or is unable to pay its debts as they fall due. The majority owner has the power to control all matters to be decided by vote at a shareholders' meeting and has the ability to appoint the board of directors of the Issuer. Furthermore, the majority owner may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in its judgment, could enhance its equity investments, although such transactions might involve risks to the noteholders. There is

nothing in the Terms and Conditions that prevent the majority owner or any of its affiliates from acquiring businesses that directly compete with the Issuer. If any such event were to arise this may adversely affect the Group's Financial Position. Furthermore, it should be noted that a minority stake in Alcadon AB is directly or indirectly owned by its key management. Accordingly, there is a risk that disagreements between the groups of owners may also affect management's engagement in the Group.

2.1.10 *Negative publicity*

The Group relies, among other things, on its brand and reputation to maintain and attract new customers and employees. Any negative publicity or announcement relating to the Group may, whether or not it is justifiable, deteriorate the brand value and have an adverse effect on the Group's Financial Position.

2.1.11 *Risks related to acquisitions*

From time to time, the Group may evaluate potential acquisitions that are in line with the Group's strategic objectives. Such acquisitions have, and may, in the future, result in an obligation to pay additional purchase price to the seller, possibly affecting the Group's Financial Position. Acquisition activities may present certain financial, managerial and operational risks, including diversion of management's attention from existing core business, difficulties when integrating or separating businesses from existing operations and challenges presented by acquisitions which may not achieve sales levels and profitability that justify the investments made. If acquisitions are not successfully integrated, the Group's Financial Position may be adversely affected. Future acquisitions could also result in dilutive issuances of the Group's equity securities, the incurrence of debt, contingent liabilities, amortisation costs, impairment of goodwill or restructuring charges, any of which could harm the Group's Financial Position.

2.1.12 *Operational risks*

The Group might incur losses within its continuing operations due to insufficient routines, lack of control, abuse or external factors. The Group is dependent on protecting its inventory from, among other things, theft, water and fire damage. It can be noted that the Group's main warehouse on Stora Essingen is important for the operation of the Group and any material damage to that facility could have an adverse effect on the Group's operations. In addition, the Group is dependent on its suppliers fulfilling their obligations in relation to quantities, quality and timing, in order for the Group's deliveries not to fail.

2.1.13 *Disputes*

It cannot be ruled out that the Group will become involved in disputes in the future. The results of any pending or future investigation, proceeding, litigation or arbitration brought by customers or other counterparties, regulatory authorities or governments cannot be predicted. In addition, if an unfavourable decision were to be received by the Group, significant fines, damages and/or negative publicity could adversely affect the Group's Financial Position.

2.1.14 *Warranty and product liability risks*

The Group is active in markets where the supply of defective goods can cause damage on other property or personal injury and have negative consequences for products in which the goods have been mounted or installed or for a process in which they have been used. Therefore breaches of warranties relating to products or product liability can therefore result in substantial liability for the supplier of the goods, which in turn can adversely affect the Group's Financial Position.

The Group issues warranties regarding its products ranging from 12 – 24 months. In relation to its own brand, European Cabling Systems (ECS), the Group issues a 15 year warranty for production errors and faulty materials. The products sometimes fail to comply with the requirements under the customer agreements which oblige the Group to repair the faulty products or compensate the customers. Should the number of warranty claims increase this may have an adverse effect on the Group's Financial Position.

2.1.15 *Insurance risks*

The Group is exposed to various types of risks, such as product liability, property damage, third party liability and business interruption, including events caused by natural disasters and other events beyond the Group's control. The Group may in such case be required to pay for losses, damages and liabilities out of own funds, which could adversely affect the Group's Financial Position. Even if the insurance coverage would be adequate to cover direct losses, the Group may not be able to take remedial actions or other appropriate measures. Furthermore, the Group's claim records may affect the premiums which insurance companies may charge in the future. In addition, there is a risk that the Group's current insurance coverage will be cancelled or cease to be available on reasonable economic terms in the future. Materialization of these risks may have an adverse effect on the Group's Financial Position.

2.1.16 *Corporate governance*

The Group relies primarily on its employees to carry out the operations of the Group in accordance with their respective internal corporate policies for governance and compliance.

There is a risk that the Group's employees violate internal policies, which may expose the Group to risks such as being in breach of agreements, entering into contradictory agreements, violating applicable laws and regulations etc. Should any of the risks described above materialize, it may have an adverse effect on the Group's Financial Position.

2.1.17 *Taxes and charges*

The Group conducts its business in accordance with its interpretation of applicable tax regulations, including applicable tax rates, applicable requirements and precedents. There is a risk that the Group's or its advisors' interpretation and application of laws, provisions and judicial practice has been, or will continue to be, incorrect or that such laws, provisions and practice will be changed, potentially with retroactive effect. If such an event should occur, or if the applicable tax rate would change, the Group's tax liabilities may increase and/or lead to sanctions by the tax authorities, which may have an adverse effect on the Group's Financial Position.

2.1.18 *Geographical risk*

The Group is active in the Nordic markets with a strong focus on Sweden (81 per cent. of sales in 2015) and Norway (19 per cent. of sales in 2015) and the supply and demand for the Group's products and the return on investments varies between such markets and may develop differently within such markets. However, the demand for its products could decline in one or several such markets, which could adversely affect the Group's Financial Position.

2.1.19 *Risks relating to IT infrastructure*

The Group depends on information technology to manage critical business processes, including administrative and financial functions. The Group uses IT systems for internal purposes and externally in relation to inter alia its distributors. Extensive downtime of network servers, attacks by IT-viruses or other disruptions or failure of information technology systems are possible and could have an adverse effect on the Group's operations and thereby the Group's Financial Position. Failure of the Group's information technology systems could cause transaction errors and loss of customers which in turn could have an adverse effect on the Group's Financial Position.

2.2 Risks related to the Notes

2.2.1 *Credit risk*

If the Group's Financial Position deteriorates it is likely that the credit risk associated with the Notes will increase since the risk that the Issuer cannot fulfil its payment obligations under the Notes increases. The Group's Financial Position is affected by numerous risk factors, some of which have been outlined above. An increased credit risk could result in the market pricing the Notes with a higher risk premium, which would adversely affect the market value of the Notes.

2.2.2 *Refinancing risk*

The Issuer may be required to refinance certain or all of its outstanding debt, including the Notes. The Issuer's ability to successfully refinance its debts is dependent on the conditions of the debt capital markets and the Group's Financial Position at such time. Even if the debt capital markets improve, the Issuer's access to financing sources may not be available on favourable terms, or at all. The Issuer's inability to refinance its debt obligations on favourable terms, or at all, could have an adverse effect on the Group's Financial Position.

2.2.3 *Interest rate risk*

The market value of the Notes is dependent on several factors, one of the most significant over time is the level of the general market interest rates. The Notes have a floating rate structure based on 3 months STIBOR and the interest rate of the Notes will be determined two business days prior to the first day of each interest period. Therefore, the interest rate is to a certain extent adjusted for changes in the level of the general market interest rate. An increase of the general market interest rate level could adversely affect the market value of the Notes. The general market interest rate level is to a high degree affected by the Swedish and the international financial development and is outside the Issuer's control.

2.2.4 *The Issuer is dependent on its subsidiaries*

The Issuer is a holding company and the Group's operations are mainly run through its subsidiaries. The Issuer is therefore dependent on its subsidiaries to fulfil its payment obligations under the Notes. The Group intends to provide the Issuer with liquidity by way of intra-group loans, dividends or other transfers of value in order for the Issuer to fulfil its payment obligations under the Notes. However, if the subsidiaries do not provide liquidity, or due to other circumstances, conditions, laws or regulations are prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not be able to fulfil its payment obligations under the Notes.

2.2.5 *Insolvency of subsidiaries and structural subordination*

In the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Issuer, as a shareholder, would be entitled to any payments. Defaults by, or the insolvency of, subsidiaries of the Issuer may result in the obligation of the Issuer to make payments under financial or performance guarantees in respect of such companies' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Issuer and its assets would not be protected from actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise. Further, the Group operates in various jurisdictions and in the event of bankruptcy, insolvency, liquidation, dissolution, reorganisation or similar proceedings involving the Issuer or any of its subsidiaries, bankruptcy laws other than those of Sweden could apply. The outcome of insolvency proceedings in foreign jurisdictions is difficult to predict and could therefore have an adverse effect on the potential recovery in such proceedings.

2.2.6 *The market value of the Notes may be volatile*

The market value of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Group's Financial Position and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes, as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market value of the Notes without regard to the Group's Financial Position.

2.2.7 *Security over assets granted to third parties*

The Issuer and its subsidiaries may, subject to certain limitations, from time to time incur additional financial indebtedness and provide additional security for such indebtedness. In the event of bankruptcy, re-organization or winding-up of the Issuer, the noteholders will be subordinated in right

of payment out of the assets being subject to security. For information on similar events of a subsidiary, please refer to the section "Insolvency of subsidiaries and structural subordination".

2.2.8 *The Agent's actions and financial standing*

By subscribing for, or accepting the assignment of, any Note, each noteholder will accept the appointment of the Agent (being on the issue date Intertrust (Sweden) AB) to act on its behalf and to perform administrative functions relating to the Notes. The Agent shall have, among other things, the right to represent the noteholders in all court and administrative proceedings in respect of the Notes. However, the rights, duties and obligations of the Agent as the representative of the noteholders will be subject to the provisions of the Terms and Conditions and the agent agreement, and there is no specific legislation or market practice in Sweden (under which laws the Terms and Conditions are governed) which would govern the Agent's performance of its duties and obligations relating to the Notes. A failure by the Agent to perform its duties and obligations properly, or at all, may adversely affect the enforcement of the rights of the noteholders. Under the Terms and Conditions, the funds collected by the Agent as the representative of the noteholders must be held separately from the funds of the Agent and be treated as escrow funds (*redovisningsmedel*) to ensure that in the event of the Agent's bankruptcy, such funds can be separated for the benefit of the noteholders. In the event the Agent would fail to separate the funds in an appropriate manner, the funds could be included in the Agent's bankruptcy estate.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent on commercially acceptable terms or at all. Further, the risk exists that the successor Agent would breach its obligations under the above mentioned documents or that insolvency proceedings would be initiated against it.

Materialisation of any of the above risks may have an adverse effect on the enforcement of the rights of the noteholders and the possibility of the noteholders to receive payments under the Notes.

2.2.9 *Noteholders' meeting*

The Terms and Conditions include certain provisions regarding noteholders' meetings, which may be held in order to resolve on matters relating to the noteholders' interests. Such provisions allow for designated majorities to bind all noteholders, including noteholders who have not participated in or voted at the actual meeting or who have voted differently than the required majority, to decisions that have been taken at a duly convened and conducted noteholders' meeting. Consequently, there is a risk that the actions of the majority in such matters could impact a noteholder's right in a manner that would be undesirable for some of the noteholders.

2.2.10 *Noteholders' representation*

In accordance with the Terms and Conditions, the Agent represents all noteholders in all matters relating to the Notes. However, this does not rule out the possibility that the noteholders, in certain situations, could bring their own action against the Issuer, which could adversely impact an acceleration of the Notes or other action against the Issuer. To enable the Agent to represent the noteholders in court, the noteholders may have to submit a written power of attorney for legal proceedings. The failure of all noteholders to submit such a power of attorney could adversely impact the enforcement of the Notes and the possibility for the noteholders to exercise their rights under the Notes. Under the Terms and Conditions the Agent has the right in some cases to make decisions and take measures that bind all noteholders. Consequently, the actions of the Agent in such matters could impact a noteholder's rights under the Terms and Conditions in a manner that would be undesirable for some of the noteholders.

2.2.11 *Liquidity risk*

The Issuer has an obligation to apply for listing of the Notes on a regulated market (as defined in Directive 2004/39/EC on markets in financial instruments) in Sweden after the prospectus for the Notes has been approved by the Swedish Financial Supervisory Authority (*Finansinspektionen*). However, there is a risk that the Notes will not be admitted to trading and it cannot be ascertained

that an active market for the Notes will evolve. A functioning commercial secondary market exists for notes in general. However, there might not be an existing trading market for more complex notes when such notes are registered and a secondary market may not even develop. This can result in noteholders not being able to sell their Notes when they wish to or at a yield comparable to similar investments having an existing and functioning secondary market. A lack of liquidity in the market could have an adverse effect on the market value of the Notes.

2.2.12 *Clearing and settlement in Euroclear Sweden's account-based system*

The Notes will be affiliated to Euroclear Sweden's account-based system. Consequently, no physical notes have been or will be issued. Clearing and settlement relating to the Notes, as well as payment of interest and redemption of principal amounts, will be performed within the account-based system. The noteholders are therefore dependent on the functionality of the account-based system.

2.2.13 *Preferential right*

The Issuer intends to find financing which is, in the Issuer's opinion, suitable and beneficial for the Group. This means that bank loans could be raised which are secured by security which may constitute a claim on the Issuer with preferential rights. The Notes represent an unsecured obligation of the Issuer. This means that in the event of the Issuer's liquidation, company reorganisation or bankruptcy, noteholders will receive payment only after any creditor with a claim with preferential right, normally with security over certain assets, have been paid in full. Every investor should be aware that by purchasing Notes, it risks losing the entire or parts of its investment in the event of the Issuer's liquidation, company reorganisation or bankruptcy.

2.2.14 *Changes in legislation*

The Terms and Conditions are based on Swedish legislation applicable at the date hereof. There can be no assurance as to the effect of any potential future change in legislation, case law or administrative practice. Changes in legislation, case law or administrative practice could adversely affect the market value of the Notes.

2.2.15 *Prepayment risk*

The Issuer has, subject to certain conditions, a right under the Terms and Conditions to redeem all outstanding Notes in advance. If so, a certain additional sum shall be paid. There is a risk that the market value of the Notes at the time of redemption is higher than the price that the Issuer may be entitled to redeem the Notes for. However, an early redemption can never be made at an amount lower than 100 per cent. of the nominal amount.

2.2.16 *Restrictions on the transferability of the Notes*

The Notes have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws. Subject to certain exemptions, a noteholder may not offer or sell the Notes in the United States. The Issuer has not undertaken to register the Notes under the U.S. Securities Act or any U.S. state securities laws or to affect any exchange offer for the Notes in the future. Furthermore, the Issuer has not registered the Notes under any other jurisdiction's securities laws. Each noteholder should observe and obey the transfer restrictions that apply to the Notes. It is the noteholder's obligation to ensure, at own cost and expense, that its offers and sales of Notes comply with all applicable securities laws. Due to these restrictions, there is a risk that a noteholder cannot sell its Notes as desired.

3. ASSURANCE REGARDING THE PROSPECTUS

The issuance of SEK 140,000,000 of the Notes was authorised by resolutions taken by the board of directors of the Issuer on 25 May 2016 and was subsequently issued by the Issuer on 2 June 2016.

The Issuer is responsible for the content of this Prospectus and has taken all reasonable precautions to ensure that, as far as the Issuer is aware, the information in this Prospectus accords with the facts and contains no omission likely to affect its import. To the extent prescribed by law, the board of directors of the Issuer is also responsible for the content of this Prospectus. The board of directors has taken all reasonable care to ensure that the information in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. Any information in this Prospectus and in the documents incorporated by reference which derive from third parties has, as far as the Issuer is aware and can be judged on the basis of other information made public by that third party, been correctly represented and no information has been omitted which may serve to render the information misleading or incorrect.

Stockholm, 1 August 2016

ALCADON HOLDING AB (publ)

The board of directors

4. THE NOTES IN BRIEF

The following summary contains an overview of the terms of the Notes. It is not intended to be complete and it is subject to limitations and exceptions. Potential investors should carefully consider this Prospectus as a whole, including documents incorporated by reference, before a decision is made to invest in the Notes. For a more complete understanding of the Notes, including certain defined terms herein, see the Terms and Conditions.

Issuer	Alcadon Holding AB (publ).
Notes Offered	SEK 140,000,000 of senior unsecured floating rate notes due 2019.
Number of Notes	140.
ISIN	SE0008375232.
First Issue Date	3 June 2016.
Issue Price	100 per cent.
Interest Rate	STIBOR 3M plus 5.50 per cent. per annum.
Interest Payment Dates	15 February, 15 May, 15 August and 15 November of each year, commencing on 15 August 2016. Interest will accrue from (but excluding) the Issue Date.
STIBOR	means: <ul style="list-style-type: none">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; orb) if no rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks, for deposits of SEK 100,000,000 for the relevant period; orc) 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; and if any such rate is below zero, STIBOR will be deemed to be zero.
Nominal Amount	The nominal amount of each Note is SEK 1,000,000.

Status of the Notes	<p>The Notes are denominated in SEK and each Note is governed by the Terms and Conditions. The Issuer undertakes to comply with the Terms and Conditions.</p> <p>The Notes constitute direct, general, unconditional, unsubordinated obligations of the Issuer and will at all times rank pari passu with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer without any preference among them, except those obligations which are mandatorily preferred by law.</p>
Call option	<p>The Issuer has a right to redeem the Notes at any time from (and including):</p> <ul style="list-style-type: none"> d) the First Issue Date to (but excluding) the First Call Date at an amount per Note equal to the Make Whole Amount; e) the First Call Date to (but excluding) the date falling 21 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 50 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest; f) the date falling 21 months after the Issue Date to (but excluding) the date falling 24 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 40 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest; g) the date falling 24 months after the Issue Date to (but excluding) the date falling 27 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 30 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest; h) the date falling 27 months after the Issue Date to (but excluding) the date falling 33 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 20 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest; and

- i) the date falling 33 months after the Issue Date at an amount per Note equal to the Nominal Amount, together with accrued but unpaid Interest.

The Issuer may only make a redemption in accordance with Clause 9.3.1 provided that, either (i) the Issuer at such time no longer is a Subsidiary of the Main Shareholder, or (ii) the Main Shareholder Notes have been repaid in full prior to such redemption.

First Call Date..... Means the date falling 18 months after the First Issue Date.

Final Maturity Date..... Means the date falling three years after the First Issue Date.

Change of Control..... Upon the occurrence of a Change of Control Event, each Noteholder shall during a period of 20 Business Days from the effective date of a notice from the Issuer of the Change of Control Event (after which period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event.

Change of Control Event Means the occurrence of an event or series of events whereby one or more persons, not being the Main Shareholder (or an Affiliate thereof), acting together, acquire control over the Issuer, where "control" means (i) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the total voting rights in the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer. For the avoidance of doubt, the Lex Asea disposal of the Issuer and the Group by the Main Shareholder shall not constitute a Change of Control Event.

General Undertakings..... The Issuer undertakes to and shall, where applicable, procure that each Group Company will, comply with the terms set out in clause 11 of the Terms and Conditions, relating to, inter alia:

- a) restriction on Dividend;
- b) restriction Financial Indebtedness
- c) compliance with laws;
- d) nature of business and restriction on

	disposals;
	e) admission to trading
	f) negative pledge;
	g) undertakings relating to the Agency Agreement; and
	h) CSD related undertakings.
Maintenance Test	The Interest Coverage Ratio of the Group shall not, in respect of any Reference Period, be less than 2.00.
Incurrence Test	a) Dividend – subject to incurrence test confirming that the Equity Ratio is not less than 25 per cent calculated pro forma after such Dividend. b) Incurrence of additional Financial Indebtedness – subject to incurrence test confirming that the Leverage Ratio is not greater than 4.0 calculated pro forma including such additional Financial Indebtedness.
Use of Proceeds	The Issuer shall use the Net Proceeds from the issue of the Initial Notes, to refinance existing intra-group debt and for its general corporate purposes.
Transfer Restrictions	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 other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.
Listing	Application has been made to list the Notes on Nasdaq Stockholm.
Agent	Intertrust (Sweden) AB.
Issuing Agent	Nordic Fixed Income AB.
Governing Law of the Notes ...	Swedish law.
Risk Factors	Investing in the Notes involves substantial risks and potential investors should refer to the section "Risk Factors" for a description of certain factors that they should carefully consider before deciding to invest in the Notes.

5. DESCRIPTION OF MATERIAL AGREEMENTS

The Issuer is not party to any material agreements considered as outside of the ordinary course of its business.

6. DESCRIPTION OF THE ISSUER AND THE GROUP

6.1 History and development

The Issuer was incorporated on 30 March 2015 and is a public limited liability company incorporated in Sweden, with Swedish Reg. No. 559009-2382.

The registered office of the Company is Segelbåtsvägen 7, SE 112 64 Stockholm, Sweden with telephone No.: +46 (0)8 657 36 00.

Under the articles of association of the Company, the business of the Company is to own and manage shares in its subsidiaries, i.e. to operate as a holding company, and any other activities related thereto.

6.2 Business and operations

The Group's business idea is to sell products and systems for data and telecommunication. Today the Group is a leading distributor for data and telecommunication systems in the Nordics with total sales of SEK 281 million in 2015.

The Group has offices and warehouses in Stockholm, Gothenburg, Malmö and Oslo, and sales representatives in Copenhagen and Helsinki. The main warehouse is located in Stockholm, and has daily shipments to local warehouses in Gothenburg, Malmö and Oslo. The Swedish market accounted for 81% of total sales in 2015.

6.3 Business model and market overview

The Group's niche within the Nordic IT and consumer electronic accessory market is accessories for data and telecommunication which mainly includes infrastructure for networks. The Group offers over 4,000 products. The offering is divided into passive infrastructure accessories (fiber cables, sockets and connectors) and active infrastructure accessories (switches, converters and wireless products).

The Group has over 3,000 active customers, including installers, system integrators and companies that operate or own computer and telecommunication networks. Out of the 145 suppliers that the Group works with, the top ten suppliers represent over 70% of total purchases.

Apart from the traditional market the Group expects that the expansion of broadband in Sweden has a potential to create a demand for its products. The Swedish Government aims for 90% of all households and companies to have access to 100 Mbit broadband connection by 2020. Currently local operators and broadband networks are making substantial investments in this area.

6.4 Brands and concepts

The Group offers over 4,000 products from approximately 145 suppliers, including its own brand European Cabling Systems (ECS) which was launched in 1997. In 2015, the Group's ECS brand accounted for 39% of total sales. The strength of the Group's business concept is the substantial knowledge and experience within data and telecommunications. The Group offers cost-efficient solutions and first class customer service and support.

6.5 Share capital and ownership structure

As of the date of this Prospectus, the share capital of the Company is SEK 500,000, divided into 12,281,961 shares with a quota value of SEK 0.0407 per share.

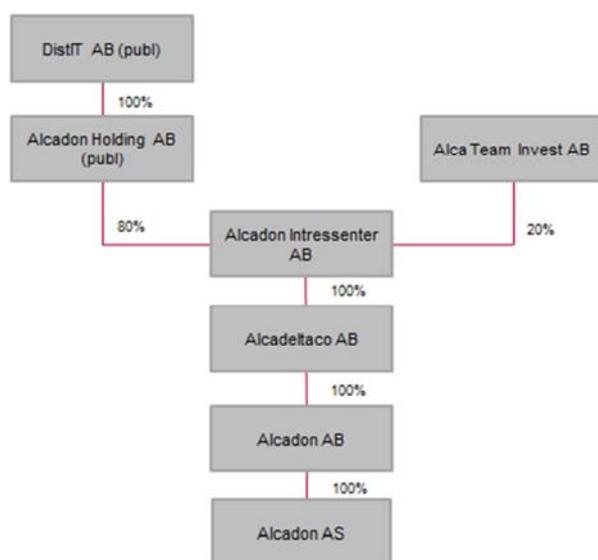
The Issuer is a holding company of the Group that has, since 21 December 2015, consisted of the subsidiaries Alcadon Intressenter AB, Alcadeltaco AB and Alcadon AB. Alcadon AB has a subsidiary in Norway, Alcadon AS. The Issuer owns 80% of the shares in Alcadon Intressenter AB, who in turn owns 100% of the shares in Alcadeltaco AB who owns 100% of the shares in Alcadon AB. The remaining 20% of the shares in Alcadon Intressenter AB is owned by Alcadon Team Invest AB, a company co-owned by the Group's management. For an overview, please refer to the Group structure chart in paragraph 6.6 (*Overview of Group structure*) below.

To ensure that the control over the Issuer is not abused, the Issuer complies with the Swedish Companies Act. In addition, the Issuer acts in accordance with the rules of procedure of the board of directors and the instructions for the managing director adopted by the Issuer.

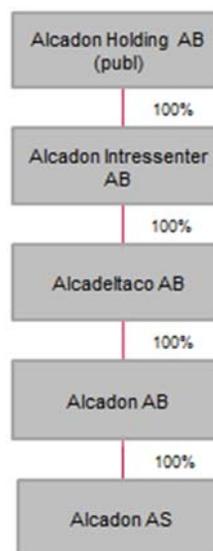
The current owner, DistIT AB, has announced its intention to make a Lex Asea distribution of the shares in the Issuer to the shareholders of DistIT AB. The effect of such distribution would be that, following its completion, the shares in the Issuer would be held by the shareholders of DistIT AB. In connection with this dividend, the intent is that the current minority owner in Alcadon Intressenter AB shall, subject to approval from the shareholder in DistIT AB, receive an offer to exchange its 20% ownership of the shares in Alcadon Intressenter AB for an equal shareholding of 20% of the shares in Alcadon Holding AB. Following the distribution and share exchange, the intention is for the shares in Alcadon Holding AB to be listed on Nasdaq First North.

6.6 Overview of Group structure

Current legal structure.



Contemplated legal structure following Lex Asea distribution by DistIT AB of shares in Alcadon Holding AB to existing shareholders in DistIT AB and the share swap for Alca Team Invest AB.



6.7 Shareholders' agreements

There is no shareholders agreement in place between the shareholders in the Company.

6.8 Recent events

There has been no recent event particular to the Group which is to a material extent relevant to the evaluation of the Issuer's solvency.

6.9 Significant changes and trend information

There has been no significant change in the financial position or trading position of the Group since the end of the latest period for the last annual report of the Group was published.

6.10 Legal and arbitrational proceedings

Neither the Issuer nor the Group is, or has been over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

6.11 Credit rating

No credit rating has been assigned to the Issuer, or its debt securities.

7. DESCRIPTION OF MANAGEMENT

As of the date of this prospectus, the board of directors of the Issuer consists of three members. There are no deputy directors in the Issuer. The board of directors and the management may be reached at the Issuer's address, Segelbåtsvägen 7, SE-112 64 Stockholm, and phone number +46 (0)8 6573600. Further information on the board of directors and senior management is set out below.

7.1 Board of directors of the Issuer

7.1.1 *Arne Myhrman, chairman of the board since 2015*

Education: Engineer

Current commitments: Chairman of the board of DistIT AB, MnO International AB, Alcadon Intressenter AB and Lebo Produktion AB and member of the board of Bifurca AB.

7.1.2 *Jonas Mårtensson, member of the board since 2015*

Education: Graduate in Business Administration (HHS)

Current commitments: Chairman of the board of Ownpower Projects Europe AB, vice chairman of the board of DistIT AB, member of the board of Doro AB, I.A.R. Systems Group AB and JNM Invest AB.

7.1.3 *Pierre Fors, member of the board since 2015*

Education: EMI (Executive Management Institute)

Current commitments: CEO of Alcadon AB and Alcadon Team Invest AB, board member of Alcadon AB, Alcadeltaco AB, Alcadon Holding AB, Alcadon Intressenter AB and Alcadon Team Invest AB.

7.2 Group key management

Pierre Fors, CEO of Alcadon AB since 2002

Joacim Löwstett, CFO since 2013

Paul Svensson, Purchasing Manager/CIO since 1993

Stefan Eriksson, Sales and Business Development Manager since 2005

Mikael Ljungman, Sales Manager since 1992

7.3 Conflicts of interest within administrative, management and control bodies

There are no conflicts of interest or potential conflicts of interest between the obligations of members of the board of directors and executive management of the Group and their private interests and/or other undertakings (however, several members of the board of directors and executive management have financial interests in the Group as a result of their shareholding in the Group).

7.4 Auditor

The most recent auditor election was at the extraordinary general meeting on 11 May 2016 when Grant Thornton Sweden AB, in its capacity as registered audit firm, was elected with Daniel Forsgren as the auditor-in-charge. Daniel Forsgren is an authorised public accountant and member of FAR (the Swedish Institute for Authorised and Approved Public Accountants). Grant Thornton Sweden AB's office address is Sveavägen 20, SE-103 94 Stockholm, Sweden.

Grant Thornton Sweden AB has been auditor throughout the entire period which the historical financial information in this Prospectus covers.

8. HISTORICAL FINANCIAL INFORMATION

The Issuer was established on 30 March 2015 and therefore no historical financial information exists for the Issuer prior to that date. The Group in its current form was formed on 21 December 2015 and therefore no consolidated financial information is available in the annual report of the Issuer prior to that date. The Issuer did not carry out any business between 30 March 2015 and 21 December 2015.

The business operations of the Group is carried out in Alcadon AB and Alcadon AS (the "**Operating Companies**"). There are no other companies in the Group in which the business operations are carried out other than the Operating Companies. The main function of the other companies in the Group is to serve as holding companies.

The Issuer's audited consolidated annual report for the financial year 2015 has been prepared in accordance with the Swedish Annual Accounts Act (*årsredovisningslagen (1995:1554)*) and the Swedish Accounting Standards Board (*Bokföringsnämnden*) recommendation BFNAR 2012:1 (K3). In order to comply with Nasdaq Stockholm's Rulebook for Issuers (*Regelverk för emittenter*), the consolidated annual reports and audit report for the Issuer and its subsidiaries will as of 1 January 2016 be prepared in accordance with the Swedish Annual Accounts Act and International Financial Reporting Standards ("IFRS") as adopted by the EU. The Issuer has also prepared a financial report for the financial year 2015 in accordance with Swedish Annual Accounts Act and IFRS.

This Prospectus consists of, in addition to this document, the following document which is incorporated by reference and should be read as part of this Prospectus:

- Extracts from the Issuer's audited consolidated financial report prepared in accordance with IFRS for the financial year 2015:
 - consolidated income statement for the period 21 December 2015 to 31 December 2015, page 6;
 - consolidated balance sheet for the period 21 December 2015 to 31 December 2015, pages 7-8;
 - consolidated statement of changes in equity for the period 21 December 2015 to 31 December 2015, page 9;
 - notes to the consolidated financial statements, pages 15-23; and
 - the audit report, page 24.

The consolidated financial report for 2015 is available on the Issuer's website (www.alcadonholding.se).

Auditing of historical financial information

Other than the audit of the Issuer's consolidated financial report, the Group's auditors have not audited or reviewed any part of this Prospectus.

9. OTHER INFORMATION

9.1 Legal proceedings and arbitration proceedings

9.2 Neither the Issuer nor the Group is, or has been over the past twelve months been, a party to any legal, governmental or arbitration proceedings that have had, or would have, a significant effect on the Group's financial position or profitability. Nor is the Issuer aware of any such proceedings which are pending or threatening and which could lead to the Issuer or any member of the Group becoming a party to such proceedings.

9.3 Clearing and settlement

The Notes are in a total maximum amount of SEK 200,000,000. The nominal amount of each Note is SEK 1,000,000. The ISIN for the Notes is SE0008375232. As of the date of this Prospectus, SEK 140,000,000 of the Notes corresponding to 140 Notes has been issued. The Notes have been issued under Swedish law and are connected to the account-based system of Euroclear. No physical notes have been or will be issued. Payments of principal, interest and, if applicable, withholding tax will be made through Euroclear's account-based system.

9.4 Significant change and trend information

There has been no significant change in the financial position or trading position of the Group since the end of the latest period for the last annual report of the Group was published.

9.5 Certain material interests

The Bookrunner has engaged in, and may in future engage in, investment banking and/or commercial banking or other services for the Issuer and the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Bookrunner engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

9.6 Costs relating to listing of the Notes

The estimated cost of listing the Notes on Nasdaq Stockholm is SEK 250,000.

9.7 Documents on display

Copies of the following documents will be on display during ordinary office hours on weekdays at the Issuer's head office at Segelbåtsvägen 7, SE-112 64 Stockholm, Sweden:

- the Issuer's articles of association (*bolagsordning*) and memorandum of incorporation (*stiftelseurkund*);
 - the Issuer's consolidated annual report and audit report for the financial year 2015;
 - the Issuer's consolidated financial report prepared in accordance with IFRS for the financial year 2015;
 - Alcadon AB's annual reports for the financial years 2013, 2014 and 2015;
 - Alcadon AS's annual reports for the financial years 2013, 2014 and 2015;
 - Alcadon Intressenter AB's annual reports for the financial years 2013, 2014 and 2015;
 - Alcadeltaco AB's annual reports for the financial years 2013, 2014 and 2015; and
 - the Terms and Conditions of the Notes.
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10. TERMS AND CONDITIONS

**TERMS AND CONDITIONS FOR
ALCADON HOLDING AB (publ)
UP TO SEK 200,000,000
SENIOR UNSECURED FLOATING RATE NOTES**

ISIN: SE0008375232

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

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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).

"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.

"Affiliate" means any person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person. For the purpose of this definition, "**control**" when used with respect to any person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing.

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

"Agent" means Intertrust CN (Sweden) AB, Swedish Reg. No. 556625-5476, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

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

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

"Compliance Certificate" means a certificate signed by the Issuer, in a form agreed between the Issuer and the Agent, containing:

- a) a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it;
- b) if delivered in connection with the making of a Dividend or incurrence of Financial Indebtedness, figures and the basis on which the Incurrence Test has been calculated; and
- c) if delivered in connection with the publishing of a Financial Report, (i) attaching copies of any notices sent to the Regulated Market on which the

Note Loan is admitted to trading, and (ii) figures and the basis on which the Maintenance Test has been calculated.

"Change of Control Event" means the occurrence of an event or series of events whereby one or more persons, not being the Main Shareholder (or an Affiliate thereof), acting together, acquire control over the Issuer, where **"control"** means (i) acquiring or controlling, directly or indirectly, more than 50.00 per cent. of the total voting rights in the Issuer, or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer. For the avoidance of doubt, the Lex Asea disposal of the Issuer and the Group by the Main Shareholder shall not constitute a Change of Control Event.

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

"Debt Instruments" means bonds, notes or other debt securities (however defined), which are, or are intended to be, quoted, listed, traded or otherwise admitted to trading on a Regulated Market or an MTF).

"Dividend" means:

- a) dividend (in cash or in kind) in respect of shares;
- b) repurchase or redemption of shares;
- c) redemption or reduction of share capital or other restricted equity with repayment to shareholders; or
- d) any other similar distribution or transfer of value (*värdeöverföring*) to direct or indirect shareholders.

"EBITDA" means, for the Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- b) before deducting any Net Finance Charges;
- c) before taking into account any extraordinary items which are not in line with the ordinary course of business, and non-recurring items;
- d) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any target company;
- e) not including any accrued interest owing to any Group Company;
- f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);
- g) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other

than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;

- h) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- i) plus or minus the Group's share of the profits or losses of entities which are not part of the Group; and
- j) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of any Group Company.

"Equity" means, by reference to the consolidated balance sheet of the Group the sum of (i) restricted equity, (ii) non-restricted equity (including any minority interests for the Group); and (iii) any Subordinated Loans.

"Equity Ratio" means the ratio (expressed as a percentage) of Equity to Net Total Assets.

"Event of Default" means an event or circumstance specified in Clause 13.1.

"Final Maturity Date" means the date falling three years after the First Issue Date.

"Finance Charges" means, for the Reference Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any Group Company according to the latest Financial Report(s) (calculated on a consolidated basis) other than (i) in respect of any Subordinated Loans, or (ii) Transaction Costs and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

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

"Financial Indebtedness" means:

- a) monies borrowed or raised (including under any bank financing or Debt Instrument);
- b) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability), provided that any existing or future leases which would at the First Issue Date have been treated as operating leases, shall not be considered as being finance leases due to any subsequent change in the Accounting Principles;
- c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- d) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;

- e) the marked-to-market value of derivative transactions entered into in connection with protection against, or in order to benefit from, the fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- f) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- g) without double-counting, liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs a) to f) above.

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

"Financial Report" means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available in accordance with Clause 10.1 (*Information from the Issuer*).

"First Call Date" means the date falling 18 months after the First Issue Date.

"First Issue Date" means the date on which the Initial Notes are issued. The Issuing Agent shall confirm the First Issue Date to the CSD and the Agent in writing and the Issuer shall publish the First Issue Date in accordance with Clause 24.2 (*Press releases*).

"Force Majeure Event" has the meaning set forth in Clause 25.1.

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

"Incurrence Test" means the test of the financial incurrence covenants as set out in Clause 12.2 (*Incurrence Test*).

"Initial Notes" means the Notes issued on the First Issue Date.

"Insolvent" means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslag (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 (*lag (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 Coverage Ratio" means the ratio of EBITDA to Net Finance Charges.

"Interest Payment Date" means 15 February, 15 May, 15 August and 15 November of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 15 August 2016 and the last Interest Payment Date shall be the relevant Redemption Date.

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

"Interest Rate" means STIBOR (3 months) plus 5.50 per cent. *per annum*.

"Issuer" means Alcadon Holding AB (publ), a public limited liability company incorporated under the laws of Sweden with Swedish Reg. No. 559009-2382.

"Issuing Agent" means Nordic Fixed Income AB, Swedish Reg. No. 556545-0383 (a subsidiary of Arctic Securities AS), or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD Regulations.

"Leverage Ratio" means the ratio of Net Interest Bearing Debt to EBITDA.

"Main Shareholder" means DistIT AB (publ), Swedish Reg. No. 556116-4384.

"Main Shareholder Notes" means the senior unsecured floating rate notes 2014/2019 with ISIN: SE0005962214 issued by the Main Shareholder.

"Maintenance Test" means the test of the financial maintenance covenant as set out in Clause 12.1 (*Maintenance Test*).

"Make Whole Amount" means the sum of:

- a) the present value on the relevant Record Date of 102.75 per cent. of the Nominal Amount as if such payment should have taken place on the First Call Date; plus
- b) the present value on the relevant Record Date of all remaining scheduled Interest payments until the First Call Date (but excluding accrued but unpaid Interest up to the relevant Redemption Date) (assuming that the Interest Rate for the period from the relevant Redemption Date to the First Call Date will be equal to the Applicable Mid Swap Rate,

both paragraphs a) and b) discounted (for the period starting on the relevant Redemption Date to the First Call Date) using a discount rate equal to the yield to maturity on the Business Day immediately preceding the date on which the applicable notice of redemption is given of the direct obligations of Sweden (*statsobligationer*) with a maturity date on or about the First Call Date plus 0.50 per cent.

For the purpose of calculating the Make Whole Amount, the **"Applicable Mid Swap Rate"** means:

- a) the applicable mid-rate displayed on NASDAQ Stockholm's website for SEK swap fixing as at or around 11.00 a.m. on the Business Day immediately preceding the date on which the relevant notice of redemption is given and for a period equal to the period from the relevant Redemption Date to the First Call Date, and if such period is not equal to the tenor of one displayed mid-rate then the mid-rate shall be obtained:
 - (i) if such period is longer than one year, by linear interpolation from the two applicable mid-rates displayed with tenors closest to the First Call Date; and

- (ii) if such period is one year or shorter, by applying the applicable mid-rate for swaps with a tenor of one year;
- b) if no mid-rate is available from an application of paragraph a), the arithmetic mean of the mid-rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks for a period equal to the period from the Redemption Date to the First Call Date;
- c) if no quotation is available pursuant to paragraph b), the mid-rate which according to the reasonable assessment of the Issuing Agent best reflects the mid-rate for the relevant period, and

if any such mid-rate is below zero, the Applicable Mid Swap Rate will be deemed to be zero.

The Make Whole Amount shall be calculated and determined by the Issuing Agent.

"Market Loan" means any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities (including for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on any regulated or unregulated recognised market place.

"Material Adverse Effect" means a material adverse effect on:

- a) the Issuer's and/or the Group's business or financial position;
- b) the Issuer's ability to fulfil its payment obligations under these Terms and Conditions; or
- c) the validity or enforceability of the rights under these Terms and Conditions.

"Material Group Company" means the Issuer or a Group Company representing more than 10.00 per cent. of the total assets or revenues of the Group on a consolidated basis according to the latest Financial Report(s).

"MTF" means any multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

"Net Finance Charges" means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period (on a consolidated basis) to any Group Company and any interest income relating to cash or cash equivalent investments.

"Net Interest Bearing Debt" means the aggregate interest bearing Financial Indebtedness of the Group (on a consolidated basis) after deducting the amount of:

- a) any guarantees, bank guarantees, or Subordinated Loans; and
- b) any cash and cash equivalent investments of the Group,

calculated in accordance with the Accounting Principles (provided that the outstanding nominal amount of the Notes and any Market Loans shall be used).

"Net Proceeds" means the proceeds from the issuance of the Initial Notes or any Subsequent Notes (as applicable) after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner (if the Sole Bookrunner has requested that its fees and costs shall be deducted) and the Issuing Agent.

"Net Total Assets" means the consolidated book-value of all assets of all Group Companies but excluding financial assets and cash equivalent assets calculated in accordance with the Accounting Principles.

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

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

"Note Loan" means the loan constituted by these Terms and Conditions and evidenced by the Notes.

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

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

"Permitted Debt" means any Financial Indebtedness:

- a) incurred under the Finance Documents, provided that, the maximum aggregate Nominal Amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 140,000,000 without satisfying the Incurrence Test in respect of the Financial Indebtedness in respect of the Subsequent Notes that are in excess thereof;
- b) taken up from a Group Company;
- c) of the Group under any guarantee issued by a Group Company or for the obligations of any Group Company, in the ordinary course of business;
- d) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions, but not any transaction for investment or speculative purposes;
- e) arising under any interest rate hedging transactions in respect of payments to be made under these Terms and Conditions, but not any transaction for investment or speculative purposes;
- f) related to any Subordinated Loans; or
- g) incurred under one or more working capital facilities provided to any Group Company for general corporate purposes in an aggregate amount not exceeding SEK 30,000,000 at any time.

"Quotation Day" means, in relation to:

- a) an Interest Period for which an Interest Rate is to be determined, the date falling two Business Days before the immediately preceding Interest Payment Date (or in respect of the first Interest Period, two Business Days before the First Issue Date);
- b) the Interest Rate payable in connection with a redemption in accordance with Clause 9.3.1, the Business Day immediately preceding the date on which the relevant notice of redemption is given; or
- c) any other period for which an interest rate is to be determined, the date falling two Business Days before the first day of that period (i.e., the day that period commences, even if no Interest accrues on such day.

"Record Date" means the fifth 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) 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 9 (*Redemption and repurchase of the Notes*).

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

"Reference Period" means each period of twelve consecutive calendar months.

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

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

"Securities Markets Act" means the Swedish Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*).

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

"Sole Bookrunner" means Nordic Fixed Income AB (a subsidiary of Arctic Securities AS).

"STIBOR" means:

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

- b) if no rate is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks, for deposits of SEK 100,000,000 for the relevant period; or
- c) if no quotation is available pursuant to paragraph b), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period; and

if any such rate is below zero, STIBOR will be deemed to be zero.

"Subordinated Loan" means any loan incurred by the Issuer or any of its Subsidiaries, if such loan:

- a) according to its terms (or pursuant to a subordination agreement on terms and conditions satisfactory to the Agent), is subordinated to the obligations of the Issuer under these Terms and Conditions;
- b) according to its terms have a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
- c) according to its terms yield only payment-in-kind interest.

"Subsequent Notes" means any Notes issued after the First Issue Date on one or more occasions.

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

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

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

"Transaction Costs" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any Group Company in connection with (i) the issuance and placement of the Initial Notes or any Subsequent Notes, and (ii) the listing of the Initial Notes or any Subsequent Notes.

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

1.2 Construction

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

- a) "assets" includes present and future properties, revenues and rights of every description;
- b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;

- c) a "regulation" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - d) a provision of law is a reference to that provision as amended or re-enacted; and
 - e) a time of day is a reference to Stockholm time.
- 1.2.2 An Event of Default is continuing if it has not been remedied or waived.
- 1.2.3 When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (*Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.2.5 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 are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.
- 2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.3 The nominal amount of each Note is SEK 1,000,000 (the "**Nominal Amount**"). The maximum aggregate nominal amount of the Initial Notes as at the First Issue Date is SEK 140,000,000. All Initial Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- 2.4 The Issuer may, on one or several occasions, issue Subsequent Notes provided that:
- a) the Issuer meets the Incurrence Test, tested pro forma, including such Subsequent Notes; and
 - b) no Event of Default is continuing or would result from such issue.
- 2.5 Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the Initial Notes shall apply to any Subsequent Notes. The issue price of the Subsequent Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum aggregate nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 200,000,000 unless consent from the Noteholders

is obtained in accordance with Clause 15.7 a). Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Notes.

- 2.6 The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory law and except as otherwise provided in the Finance Documents.
- 2.7 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.
- 2.8 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 other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

3. USE OF PROCEEDS

- 3.1 The Issuer shall use the Net Proceeds from the issue of the Initial Notes, to refinance existing intra-group debt and for its general corporate purposes.
- 3.2 The Issuer shall use the Net Proceeds from the issue of any Subsequent Notes, for its general corporate purposes.

4. CONDITIONS FOR DISBURSEMENT

- 4.1 The Issuing Agent shall pay the Net Proceeds from the issuance of the Initial Notes to the Issuer on the later of (i) the First Issue Date and (ii) the date on which the Agent notifies the Issuing Agent that it has received the following, in form and substance satisfactory to the Agent:
- a) the Finance Documents and the Agency Agreement duly executed by the Agent and the Issuer;
 - b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial 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;
 - c) the articles of association and certificate of incorporation of the Issuer; and
 - 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 the Issuer is/are duly authorised to do so.
- 4.2 The Issuing Agent shall pay the Net Proceeds from the issuance of any Subsequent Notes to the Issuer on the later of (i) the date of the issue of such

Subsequent Notes and (ii) the date on which the Agent notifies the Issuing Agent that it has received the following, in form and substance satisfactory to the Agent:

- a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Notes and resolving to enter into documents necessary in connection therewith; and
- b) a certificate from the Issuer confirming that no Event of Default is continuing or would result from the issue of the Subsequent Notes.

4.3 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 or 4.2 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.

4.4 The Agent shall confirm to the Issuing Agent when the conditions in Clause 4.1 or 4.2, as the case may be, 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 (*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 (*skuldbok*) kept by the CSD in respect of the Notes. 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 and 5.4 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Noteholder or third party unless necessary for such purposes.

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 requested by a Noteholder pursuant to these Terms and Conditions, 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. Interest shall accrue in accordance with Clause 8.4 during such postponement.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

8. INTEREST

- 8.1 Each Initial Note carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note will carry Interest at the

Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.

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

9. REDEMPTION AND REPURCHASE OF THE NOTES

9.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

9.2 Purchase of Notes by the Issuer

The Issuer may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

9.3 Voluntary total redemption (call option)

- 9.3.1 Subject to Clause 9.3.2, the Issuer may redeem all, but not some only, of the outstanding Notes in full at any time from (and including):
- a) the First Issue Date to (but excluding) the First Call Date at an amount per Note equal to the Make Whole Amount;
 - b) the First Call Date to (but excluding) the date falling 21 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 50 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest;
 - c) the date falling 21 months after the Issue Date to (but excluding) the date falling 24 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 40 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest;

- d) the date falling 24 months after the Issue Date to (but excluding) the date falling 27 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 30 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest;
- e) the date falling 27 months after the Issue Date to (but excluding) the date falling 33 months after the First Issue Date at an amount per Note equal to the Nominal Amount plus 20 per cent of the Interest Rate (calculated as of the Quotation Date on the Nominal Amount for one year), together with accrued but unpaid Interest; and
- f) the date falling 33 months after the Issue Date at an amount per Note equal to the Nominal Amount, together with accrued but unpaid Interest.

9.3.2 The Issuer may only make a redemption in accordance with Clause 9.3.1 provided that, either (i) the Issuer at such time no longer is a Subsidiary of the Main Shareholder, or (ii) the Main Shareholder Notes have been repaid in full prior to such redemption.

9.3.3 Redemption in accordance with Clause 9.3.1 shall be made by the Issuer giving not more than 30 Business Days' notice and not less than 15 Business Days' notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amount on the specified Redemption Date.

9.4 Early redemption due to illegality (call option)

9.4.1 The Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under any Finance Document.

9.4.2 The Issuer may give notice of redemption pursuant to Clause 9.4.1 no later than 20 Business Days after having received actual knowledge of any event specified therein (after which period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as Noteholder to receive the amounts due on such Redemption Date. The Issuer is bound to redeem the Notes in full at the applicable amount on the specified Redemption Date.

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

9.5.1 Upon the occurrence of a Change of Control Event, each Noteholder shall during a period of 20 Business Days from the effective date of a notice from the Issuer of the Change of Control Event pursuant to Clause 10.1.2 (after which period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such

period may not start earlier than upon the occurrence of the Change of Control Event.

- 9.5.2 The notice from the Issuer pursuant to Clause 10.1.2 shall specify the Record Date on which a person shall be registered as Noteholder to receive Interest and principal, the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 10.1.2. The Redemption Date must fall no later than 40 Business Days after the end of the period referred to in Clause 9.5.1.
- 9.5.3 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer may comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 if so complying with the applicable securities laws and regulations.
- 9.5.4 Any Notes repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained, sold or cancelled.
- 9.5.5 No repurchase of Notes pursuant to this Clause 9.5 shall be required if the Issuer has given notice of a redemption pursuant to Clause 9.3 (*Voluntary total redemption (call option)*) provided that such redemption is duly completed.

10. INFORMATION TO NOTEHOLDERS

10.1 Information from the Issuer

- 10.1.1 The Issuer shall make the following information available to the Noteholders by way of press release and by publication on the website of the Issuer:
- a) as soon as the same become available, but in any event within four months after the end of each financial year, its audited consolidated financial statements 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 months after the end of each quarter of its financial year, its consolidated financial statements or the year-end report (*bokslutskommuniké*) (as applicable) for such period prepared in accordance with the Accounting Principles; and
 - c) any other information required by the Securities Markets Act and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.
- 10.1.2 The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event.

- 10.1.3 When the Financial Report(s) and other information are made available to the Noteholders pursuant to Clause 10.1.1, the Issuer shall send copies of such Financial Report(s) and other information to the Agent.
- 10.1.4 The Issuer shall submit a Compliance Certificate to the Agent:
- a) in connection with publishing a Financial Report;
 - b) prior to making any Dividend (if required to make a Incurrence Test according to Clause 11.1.2); and
 - c) prior to incurring any Financial Indebtedness (if required to make a Incurrence Test according to Clause 11.2.2).

10.2 Information from the Agent

- 10.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 10.2.2, 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 other than in respect of an Event of Default that has occurred and is continuing.
- 10.2.2 If a committee representing the Noteholders' interests under the Finance Documents has been appointed by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

10.3 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.

10.4 Publication of Finance Documents

- 10.4.1 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.
- 10.4.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

11. GENERAL UNDERTAKINGS

11.1 Dividend

- 11.1.1 Subject to Clause 11.1.2, the Issuer shall not, and shall procure that none of its Subsidiaries will make any Dividend.
- 11.1.2 Notwithstanding Clause 11.1.1, the Issuer and its Subsidiaries may:

- a) at any time after 1 January 2018, make Dividends provided that:
 - (i) the aggregate amount of Dividend made by the Issuer in any financial year do not exceed 50 per cent. of the consolidated net income of the Group Companies for the preceding financial year;
 - (ii) the Issuer meets the Incurrence Test, tested pro forma, after such Dividend has been made; and
 - (iii) no Event of Default is continuing or, if applicable, would occur upon the making of the Dividend.
- b) make Dividends to the Issuer or any other Group Company.

11.2 Financial Indebtedness

11.2.1 Subject to Clause 11.2.2, the Issuer shall not, and shall procure that none of its Subsidiaries will incur any Financial Indebtedness.

11.2.2 Notwithstanding Clause 11.2.1, the Issuer and its Subsidiaries may:

- a) incur Permitted Debt;
- b) incur any Market Loan, provided that:
 - (i) it has a maturity date after the Final Maturity Date, and do not have the option of early redemption prior to the Final Maturity Date;
 - (ii) the Issuer meets the Incurrence Test, tested pro forma, including such Market Loan; and
 - (iii) no Event of Default is continuing or, if applicable, would occur upon the incurrence of the Market Loan.
- c) incur any Financial Indebtedness (other than a Market Loan), provided that:
 - (i) the Issuer meets the Incurrence Test, tested pro forma, including such additional Financial Indebtedness; and
 - (ii) no Event of Default is continuing or, if applicable, would occur upon the incurrence of the Financial Indebtedness.

11.3 Compliance with laws

The Group shall comply in all material respects with laws and regulations, to which it may be subject, and its articles of association and other constitutional documents.

11.4 Nature of business and disposals

The Issuer shall procure that (i) no substantial change is made to the general nature of the business of the Group (taken as a whole) from that carried out on the First Issue Date, and (ii) it does not dispose of any Subsidiary if such disposal would have a material adverse effect on its ability to perform its payment obligations under these Terms and Conditions.

11.5 Admission to trading

11.5.1 The Issuer shall use its best efforts to ensure that the Note Loan is admitted to trading on a Regulated Market within 60 days after the First Issue Date, and

that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

- 11.5.2 Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

11.6 Negative pledge

The Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any guarantee or Security over any of its/their assets (present or future) to secure any Market Loan.

11.7 Undertakings relating to the Agency Agreement

- 11.7.1 The Issuer shall, in accordance with the Agency Agreement:

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

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

11.8 CSD related undertakings

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

12. FINANCIAL UNDERTAKINGS

12.1 Maintenance Test

The Issuer shall ensure that the Interest Coverage Ratio of the Group in respect of any Reference Period is not less than 2.00.

12.2 Incurrence Test

- 12.2.1 The Incurrence Test is satisfied if:

- a) tested in connection with a Dividend pursuant to Clause 11.1.2, if, at the relevant time, the Equity Ratio is not less than 25 per cent; or
- b) tested in connection with the incurrence of Financial Indebtedness pursuant to Clause 11.2.2, if, at the relevant time, the Leverage Ratio is not greater than 4.0.

- 12.2.2 The figures for EBITDA, Equity and Net Total Assets for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:

- a) entities acquired or disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included or excluded (as applicable), pro forma, for the entire Reference Period;
- b) any entity to be acquired with the proceeds from additional Financial Indebtedness shall be included, pro forma, for the entire Reference Period; and
- c) the amount of the proposed Dividend shall be taken into account.

12.2.3 The figures for Net Interest Bearing Debt for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but shall be:

- a) reduced to reflect any Net Interest Bearing Debt which has been repaid, repurchased or otherwise discharged after such date;
- b) increased by an amount equal to the Net Interest Bearing Debt incurred after such date; and
- c) increased on a pro forma basis by an amount equal to the Financial Indebtedness to be incurred.

13. ACCELERATION OF THE NOTES

13.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least 50 per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 13.5, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
 - (i) is caused by technical or administrative error; and
 - (ii) is remedied within five Business Days from the due date;
- b) the Issuer does not comply with the Maintenance Test;
- c) the Issuer does not comply with any terms of the Finance Documents to which it is a party (other than those terms referred to in paragraph a) or b) above), unless the non-compliance:
 - (i) is capable of remedy; and
 - (ii) is remedied within 20 Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance;
- d) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such

invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;

- e) any Material Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent;
- f) any corporate action, legal proceedings or other procedure or step (other than vexatious or frivolous and as disputed in good faith and discharged within 60 days of commencement) is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation of any Material Group Company (other than a solvent liquidation or reorganisation of any Group Company other than the Issuer);
 - (ii) a composition, compromise, assignment or arrangement with any creditor of any Material Group Company (other than the Noteholders); or
 - (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of a Group Company other than the Issuer), administrator or other similar officer in respect of any Material Group Company or any of its assets;
- g) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of a Group Company, provided that the market value of such assets exceeds SEK 5,000,000, and is not discharged within 30 Business Days; or
- h) any:
 - (i) Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described);
 - (ii) commitment for any Financial Indebtedness of a Group Company is cancelled or suspended by a creditor as a result of an event of default (however described); or
 - (iii) creditor of a Group Company becomes entitled to declare any Financial Indebtedness of a Group Company due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur under this paragraph h) if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than SEK 15,000,000.

- 13.2 The Agent may not accelerate the Notes in accordance with Clause 13.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 13.3 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with

the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

- 13.4 The Agent shall notify the Noteholders of an Event of Default within five Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within 20 Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 13.5 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 13.6 If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 13.7 In the event of an acceleration of the Notes in accordance with this Clause 13, the Issuer shall redeem all Notes at an amount per Note equal to the redemption amount specified in Clause 9.3 (*Voluntary total redemption*) as applicable considering the date on which the acceleration occurs.

14. DISTRIBUTION OF PROCEEDS

- 14.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 13 (*Acceleration of the Notes*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- a) **firstly**, 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, expenses and indemnities relating to the acceleration of the Notes or the 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 19.2.5, 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 15.15, together with default interest in

accordance with Clause 8.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;

- b) **secondly**, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (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, including default interest in accordance with Clause 8.4 on delayed payments of Interest and repayments of principal under the Notes.

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

- 14.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14.1 a), 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) in connection with the acceleration of the Notes constitute escrow funds (*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 15 Business Days before the payment is made. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7.1 shall apply.

15. DECISIONS BY NOTEHOLDERS

- 15.1 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.
- 15.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten 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.

- 15.3 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.
- 15.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 15.3 being applicable, the Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall upon request provide the convening Noteholder(s) with the information available in the debt register (*skuldbok*) kept by the CSD in respect of the Notes in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- 15.5 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 16.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 17.1, in both cases with a copy to the Agent. After a request from the Noteholders pursuant to Clause 19.4.3, the Issuer shall no later than ten 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 16.1. 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.
- 15.6 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 Business Day specified in the notice pursuant to Clause 16.2, in respect of a Noteholders' Meeting, or
 - b) on the Business Day specified in the communication pursuant to Clause 17.2, 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 a) or b) above must fall no earlier than one Business Day after the effective date of the notice or communication, as the case may be.
- 15.7 The following matters shall require the consent of Noteholders representing at least $66^{2/3}$ 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 17.2:
- a) the issue of any Subsequent Notes, if the total nominal amount of the Notes exceeds, or if such issue would cause the total nominal amount of the Notes to at any time exceed, SEK 200,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Notes are issued);

- b) a change to the terms of any of Clause 2.1, and Clauses 2.4 to 2.8;
- c) a change to the Interest Rate or the Nominal Amount;
- d) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 9 (*Redemption and repurchase of the Notes*);
- e) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of proceeds*);
- f) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 15;
- g) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or Interest on the Notes;
- h) a mandatory exchange of the Notes for other securities; and
- i) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 13 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

15.8 Any matter not covered by Clause 15.7 shall require the consent of Noteholders representing more than 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 17.2. 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 18.1 a) or b)) or an acceleration of the Notes.

15.9 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least 50 per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15.7, and otherwise 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.

15.10 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 16.1) or initiate a second Written Procedure (in accordance with Clause 17.1), 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 15.10, the date of request of the second Noteholders' Meeting pursuant to Clause 16.1 or second Written Procedure pursuant to Clause 17.1, as the case may be, shall be deemed to be the relevant date when the quorum did not

exist. The quorum requirement in Clause 15.9 shall not apply to such second Noteholders' Meeting or Written Procedure.

- 15.11 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.
- 15.12 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.
- 15.13 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 period stipulated for the consideration to be payable or the period for replies in the Written Procedure, as the case may be.
- 15.14 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.
- 15.15 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.
- 15.16 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, 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.
- 15.17 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 15.6 a) or 15.6 b), as the case may be, and 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.

16. NOTEHOLDERS' MEETING

- 16.1 The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is registered as a Noteholder on a date selected by the Agent which falls no more than five Business Days prior to the date on which the notice is sent.

- 16.2 The notice pursuant to Clause 16.1 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), (iv) the day on which a person must be Noteholder in order to exercise Noteholders' rights at the Noteholders' Meeting, and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 16.3 The Noteholders' Meeting shall be held no earlier than ten Business Days and no later than 30 Business Days after the effective date of the notice.
- 16.4 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.

17. WRITTEN PROCEDURE

- 17.1 The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each person who is registered as a Noteholder on a date selected by the Agent which falls no more than five Business Days prior to the date on which the communication is sent.
- 17.2 A communication pursuant to Clause 17.1 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 period within which the Noteholder must reply to the request (such period to last at least ten Business Days and not longer than 30 Business Days from the effective date of the communication pursuant to Clause 17.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 17.3 When consents from Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 15.7 and 15.8 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.7 or 15.8, as the case may be, even if the period for replies in the Written Procedure has not yet expired.

18. AMENDMENTS AND WAIVERS

- 18.1 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 15 (*Decisions by Noteholders*).
- 18.2 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.
- 18.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 18.1, 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 10.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 18.4 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.

19. APPOINTMENT AND REPLACEMENT OF THE AGENT

19.1 Appointment of the Agent

- 19.1.1 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, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*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.
- 19.1.2 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.
- 19.1.3 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.
- 19.1.4 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.

- 19.1.5 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.

19.2 Duties of the Agent

- 19.2.1 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.
- 19.2.2 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.
- 19.2.3 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.
- 19.2.4 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.
- 19.2.5 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 Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 14 (*Distribution of proceeds*).
- 19.2.6 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.
- 19.2.7 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.
- 19.2.8 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.

19.2.9 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 19.2.8.

19.3 Limited liability for the Agent

19.3.1 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.

19.3.2 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.

19.3.3 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.

19.3.4 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 15 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 13.1.

19.3.5 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.

19.4 Replacement of the Agent

19.4.1 Subject to Clause 19.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

19.4.2 Subject to Clause 19.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten 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.

19.4.3 A Noteholder (or Noteholders) representing at least ten 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.

- 19.4.4 If the Noteholders have not appointed a successor Agent within 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.
- 19.4.5 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.
- 19.4.6 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.
- 19.4.7 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.
- 19.4.8 In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents 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.

20. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT

- 20.1 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.
- 20.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.
- 20.3 The Issuing Agent may (subject to the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Notes) transfer its rights and obligations under these Terms and Conditions to Arctic Securities AS, filial Sverige, Swedish Reg. No. 516408-5366 ("**Arctic Securities**"). The Issuing Agent shall prior to making such transfer notify the Agent and the Issuer

of its intention and following such transfer any reference in these Terms and Conditions to the "Issuing Agent" shall be interpreted as a reference to Arctic Securities.

- 20.4 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 these Terms and Conditions.

21. APPOINTMENT AND REPLACEMENT OF THE CSD

- 21.1 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.
- 21.2 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 the listing of the Notes on the Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Securities Markets Act and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

22. NO DIRECT ACTIONS BY NOTEHOLDERS

- 22.1 A Noteholder may not take any steps whatsoever against any Group Company to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of any Group Company in relation to any of the obligations and liabilities of such Group Company under the Finance Documents. Such steps may only be taken by the Agent.
- 22.2 Clause 22.1 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 19.1.2), 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 19.2.8, such failure must continue for at least 40 Business Days after notice pursuant to Clause 19.2.9 before a Noteholder may take any action referred to in Clause 22.1.
- 22.3 The provisions of Clause 22.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Noteholders.

23. PRESCRIPTION

- 23.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three 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.
- 23.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*preskriptionslag (1981:130)*), a new limitation period of ten years with respect to the right to receive repayment of the principal of the Notes, and of three years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

24. NOTICES AND PRESS RELEASES

24.1 Notices

- 24.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
 - b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
 - c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Noteholder in order to receive the communication (or if such date is not specified, one Business day prior to the date of dispatch of such notice), 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.
- 24.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 24.1.1, in case of letter, three Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1, or, in case of email, when received in readable form by the email recipient.
- 24.1.3 Any notice pursuant to the Finance Documents shall be in English.
- 24.1.4 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.

24.2 Press releases

- 24.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 9.3 (*Voluntary total redemption (Call option)*), 9.4 (*Early redemption due to illegality*), 10.1.2, 13.3, 15.7, 16.1, 17.1 and 18.3 shall also be published by way of press release by the Issuer or the Agent, as applicable.
- 24.2.2 In addition to Clause 24.2.1, if any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to issue such press release.

25. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 25.1 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.
- 25.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 25.3 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.
- 25.4 The provisions in this Clause 25 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

26. GOVERNING LAW AND JURISDICTION

- 26.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 26.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Stockholms tingsrätt*).
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We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Stockholm

Date: 26 May 2016

ALCADON HOLDING AB (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.

Place: Stockholm

Date: 26 May 2016

INTERTRUST CN (SWEDEN) AB

as Agent

Name:

1. ADRESSESS

1.1 The Issuer

Alcadon Holding AB
Segelbåtsvägen 7
SE-112 64 Stockholm, Sweden
Telephone No.: +46 (0)8 657 36 00

1.2 Bookrunner

Nordic Fixed Income AB
Birger Jarlsgatan 6
SE-114 34 Stockholm, Sweden
Telephone No.: +46 (0)8 440 11 57

1.3 Agent

Intertrust (Sweden) AB
Sveavägen 9
SE-111 57 Stockholm, Sweden
Telephone No.: +46 (0)8 402 72 00

1.4 Central securities depository

Euroclear Sweden AB
Box 191
SE-101 23 Stockholm, Sweden
Visiting address: Klarabergsviadukten 63
Telephone No.: +46 (0)8 402 90 00

1.5 Auditor

Grant Thornton
Box 7623
SE-103 94 Stockholm, Sweden
Visiting address: Sveavägen 20

1.6 Legal advisor to the Issuer

Advokatfirman Lindahl KB
Box 1065
SE-101 39 Stockholm, Sweden
Visiting address: Mäster Samuelsgatan 20
Telephone No.: +46 (0)8 527 70 800
