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**TERMS AND CONDITIONS FOR  
DDM TREASURY SWEDEN AB (publ)  
UP TO SEK 55,000,000  
SUBORDINATED NOTES 2013/2016**

**ISIN: SE0005424272**

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

“**Agency Agreement**” means the agency agreement entered into on or before the 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 CorpNordic Sweden AB, Swedish Reg. No. 556625-5476, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

“**Applicable Premium**” means the higher of:

- (a) 1.00 per cent. of the Nominal Amount; and
- (b) an amount equal to
  - (i) 115 per cent. of the Nominal Amount; plus
  - (ii) all remaining scheduled Interest payments on the Note until the First Call Date (but excluding accrued but unpaid Interest up to the relevant Redemption Date),

discounted (for the time period starting from the relevant Redemption Date to the First Call Date or the relevant Interest Payment Date, as the case may be) using a discount rate equal to the yield of the Swedish Government Bond with a maturity date on or about the First Call Date plus 0.50 per cent., minus

- (iii) the Nominal Amount.

“**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.

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

“**Event of Default**” means an event or circumstance specified in Clause 13.1.

“**Final Maturity Date**” means 30 September 2016.

“**Financial Indebtedness**” means:

- (a) moneys borrowed (including under any bank financing);
- (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);
- (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 amount raised pursuant to any note purchase facility or the issue of any bond or note or similar instrument;
- (e) 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;
- (f) the marked-to-market value of derivative transactions entered into in connection with protection against or benefit from fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (g) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (h) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

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

“**First Call Date**” means 28 June 2015.

“**First Issue Date**” means 30 September 2013.

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

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

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

“**Insolvent**” means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors (other than the Noteholders) 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 9.1 to 9.3.

“**Interest Payment Date**” means 5 January and 5 July 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 5 January 2014 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). An Interest Period shall not be adjusted due to an application of the Business Day Convention.

“**Interest Rate**” means 18 per cent. *per annum*.

“**Issuer**” means DDM Treasury Sweden AB (publ), a public limited liability company (*publikt aktiebolag*) incorporated under the laws of Sweden with Reg. No. 556910-3053.

“**Issuer Group**” means the Issuer and its Subsidiaries from time to time.

“**Issuing Agent**” means Nordic Fixed Income AB, Reg. No. 556545-0383, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Net Collection**” means the gross collection in respect of the debt portfolios held by a member of the Issuer Group minus commission to collection agencies.

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

“**Noteholder**” means the person who is registered on a Securities Account as direct registered owner (*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*).

“**Note**” means a debt instrument (*skuldförbindelse*) with ISIN SE0005424272 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.

“**Parent**” means DDM Group AG, a limited liability company (De: *aktiengesellschaft*) incorporated under the laws of Switzerland with Reg. No. CH - 170.3.034.050 - 0.

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

“**Redemption Date**” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and repurchase of the Notes*).

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

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

“**Senior Noteholder**” means a person who is a “Noteholder” pursuant to the Senior Notes.

“**Senior Notes**” means the claims on the Issuer pursuant to the senior secured fixed rate notes 2013/2016 with ISIN: SE0005280831.

“**Senior Notes Event of Default**” means an event of default under the Senior Notes.

“**Senior Notes Obligations**” means all present, future and contingent obligations and liabilities of the Issuer under the Senior Notes.

“**Subsidiary**” means, in relation to any person, any legal entity (whether incorporated or not), in respect of which such person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, or (iv) exercises control as determined in accordance with the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

“**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.

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

## 1.2 Construction

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) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted; and
- (f) a time of day is a reference to Stockholm time.

1.2.1 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](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.

1.2.2 A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.

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

## 2. STATUS OF THE 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 Terms and Conditions and by acquiring Notes, each subsequent Noteholder confirms such agreement.

2.3 The nominal amount of each Initial Note is SEK 1,000,000 (the “**Nominal Amount**”). The total nominal amount of the Initial Notes is SEK 31,000,000. All Initial Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.

2.4 Provided that no Event of Default is continuing or would result from such issue, the Issuer may, at one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The price of the Subsequent Notes may be set at a

discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 55,000,000 unless a consent from the Noteholders is obtained in accordance with Clause 15.6. Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 9.1, and otherwise have the same rights as the Initial Notes.

- 2.5 The Notes constitute direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them. The Notes are subordinated to the Senior Notes in accordance with these Terms and Conditions.
- 2.6 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.
- 2.7 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.
- 2.8 The Issuer has no intention to seek a listing or admission to trading on any securities exchange of the loan constituted by the Notes.

### 3. SUBORDINATION

- 3.1 The Notes are fully subordinated to all present and future claims on the Issuer under the Senior Notes. In the absence of a duly given consent from the Senior Noteholders and for as long as any Senior Notes Obligations are outstanding:
- (a) a Noteholder may not:
    - (i) receive payment, prepayment or repayment of, or accept discharge by way of set-off, of any principal under the Notes;
    - (ii) receive payment, or accept discharge by way of set-off, of any Interest on the Notes after the occurrence of a Senior Notes Event of Default;
    - (iii) receive or permit to subsist, any Security or guarantee in respect of the Notes; or
    - (iv) commence any proceedings against the Issuer or any Group Company in respect of the Notes, including applying for enforcement of any amount outstanding or for liquidation or bankruptcy; and
  - (b) the Issuer may not make any payment or repayment in relation to, or grant any Security for, the Notes in breach of Clause 3.1(a).
- 3.2 Following a Senior Notes Event of Default and for as long as it is continuing, no payments may be made by the Issuer to the Noteholders under or in relation to the Notes (notwithstanding any other provisions to the contrary in these Terms and Conditions). For the avoidance of doubt, the failure by the Issuer to timely make any payments due under



the Notes shall constitute an Event of Default and the unpaid amount shall carry default interest pursuant to Clause 9.4.

- 3.3 In case the Issuer becomes Insolvent, the Financial Indebtedness incurred by the Issuer under the Notes will be subordinated to the Senior Notes Obligations as set out in Clause 14 (*Distribution of Proceeds*).

#### **4. USE OF PROCEEDS**

The proceeds from each issue of Notes shall be used for financing Group Companies' acquisitions of distressed consumer debt where the debtors and originators in respect of the consumer debt are domiciled in the jurisdictions of Russia or Romania.

#### **5. CONDITIONS FOR DISBURSEMENT**

- 5.1 The Issuer shall provide to the Agent, prior to the issuance of the Initial Notes the following, in form and substance satisfactory to the Agent:

- (a) the Terms and Conditions and the Agency Agreement duly executed by the Issuer and the Agent, as applicable;
- (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial Notes, the Terms and Conditions and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith; and
- (c) evidence that the person(s) who has/have signed the Terms and Conditions, the Agency Agreement and any other documents in connection therewith on behalf of the Issuer is/are duly authorised to do so.

- 5.2 The Issuer shall provide to the Agent, prior to the issuance of any Subsequent Notes 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.

- 5.3 The Agent may assume that the documentation delivered to it pursuant to Clause 5.1 or 5.2 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.

- 5.4 The Agent shall confirm to the Issuing Agent when the conditions in Clause 5.1 or 5.2, as the case may be, have been satisfied.

#### **6. NOTES IN BOOK-ENTRY FORM**

- 6.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in

accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.

- 6.2 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.
- 6.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 6.4 For the purpose of or in connection with any Noteholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.
- 6.5 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.

## **7. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER**

- 7.1 If any person other than a Noteholder wishes to exercise any rights under the Terms and Conditions, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 7.2 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 Terms and Conditions 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.
- 7.3 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 7.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

## **8. PAYMENTS IN RESPECT OF THE NOTES**

- 8.1 Any payment or repayment under the Terms and Conditions, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 8.2 If a Noteholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on

the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.

- 8.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 9.4 during such postponement.
- 8.4 If payment or repayment is made in accordance with this Clause 8, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 8.5 The Issuer is not liable to gross-up any payments under the Terms and Conditions by virtue of any withholding tax, public levy or the similar.

## **9. INTEREST**

- 9.1 Each Initial Note carries Interest at the Interest Rate 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 from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date.
- 9.2 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.
- 9.3 Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- 9.4 If the Issuer fails to pay any amount payable by it 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 (2) 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.

## **10. REDEMPTION AND REPURCHASE OF THE NOTES**

### **10.1 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.

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

Provided that no Senior Notes Obligations are outstanding, or following a duly given consent from the Senior Noteholders, the Issuer may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

## **10.3 Voluntary total redemption (call option)**

10.3.1 Provided that no Senior Notes Obligations are outstanding, or following a duly given consent from the Senior Noteholders, the Issuer may redeem all, but not some only, of the outstanding Notes in full:

- (a) any time prior to the First Call Date, at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, plus the Applicable Premium;
- (b) any time from and including the First Call Date to, but excluding, the first Business Day falling nine (9) months prior to the Final Maturity Date at an amount per Note equal to 115 per cent. of the Nominal Amount, together with accrued but unpaid Interest;
- (c) any time from and including the first Business Day falling nine (9) months prior to the Final Maturity Date to, but excluding, the day falling five (5) Business Days prior to the Final Maturity Date at an amount per Note equal to 110 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
- (d) any time from and including, the day falling five (5) Business Days prior to the Final Maturity Date to, but excluding, the Final Maturity Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest.

10.3.2 Redemption in accordance with Clause 10.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amounts.

## **10.4 Early redemption due to illegality (call option)**

10.4.1 Provided that no Senior Notes Obligations are outstanding, or following a duly given consent from the Senior Noteholders, 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 date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Terms and Conditions.

10.4.2 The Issuer shall give notice of any redemption pursuant to Clause 10.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).

10.4.3 A notice of redemption in accordance with Clause 10.4.1 is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Notes in full at the applicable amounts.

## 11. INFORMATION TO NOTEHOLDERS

### 11.1 Information from the Issuer

- 11.1.1 The Issuer will make the following information available to the Noteholders by way of press release and by publication on the website of the Group ([www.ddm-group.ch](http://www.ddm-group.ch)):
- (a) as soon as the same become available, but in any event within five (5) months after the end of each financial year, its audited consolidated financial statements for that financial year; and
  - (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, its unaudited consolidated financial statements or the year-end report (*bokslutskommuniké*) (as applicable) for such period.
- 11.1.2 If the Agent is investigating an event or circumstance which it reasonably believes is an Event of Default or 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, the Issuer shall within five (5) Business Days from the Agent's request submit a compliance certificate to the Agent. Such compliance certificate shall be in a form agreed between the Issuer and the Agent and shall contain 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).
- 11.1.3 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.

### 11.2 Information from the Agent

- 11.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 11.2.2, 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.
- 11.2.2 If a committee representing the Noteholders' interests under the Terms and Conditions 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.

### **11.3 Publication of the Terms and Conditions**

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

## **12. GENERAL UNDERTAKINGS**

### **12.1 Compliance with laws**

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

### **12.2 Mergers**

The Issuer shall not enter into any merger unless where it is the surviving entity.

### **12.3 Business of the Issuer**

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

### **12.4 Financial Indebtedness**

12.4.1 The Issuer shall not incur or allow to subsist any Financial Indebtedness that is subordinated to the Senior Notes or to any Financial Indebtedness replacing the Senior Notes, unless such Financial Indebtedness incurred:

- (a) is also subordinated to, or ranked *pari passu* with, the Notes;
- (b) is not supported by any Security provided by a Group Company; and
- (c) has a maturity date after the Final Maturity Date.

12.4.2 The Issuer shall procure that a Subsidiary of the Issuer does not incur or allow to subsist any Financial Indebtedness, except:

- (a) where such Subsidiary is borrowing from the Issuer;
- (b) amounts to be paid by such Subsidiary as deferred consideration to a seller of distressed consumer debt; or
- (c) any Financial Indebtedness not permitted by paragraphs (a) or (b) above, provided that the aggregate amount of such indebtedness does not exceed SEK 2,000,000.

### **12.5 Dealings between Group Companies and Affiliates**

12.5.1 The Issuer shall not, and shall procure that no member of the Issuer Group, pay any fees or commissions to any person other than on open-market terms and for the purpose of and in the ordinary course of business and, in any case, not pay any management or operating fees, royalty or similar fees to, or any costs incurred by, the shareholders of any Group Company or any Group Company and/or any Affiliates.

12.5.2 The Issuer shall not make any dividend or other distribution in relation to its share capital or make any transfer of value (*värdeöverföring*).

12.5.3 Notwithstanding Clauses 12.5.1 and 12.5.2, each member of the Issuer Group may pay an operating fee to a Group Company for the management of the debt portfolios owned by such member of the Issuer Group. In respect of each calendar year, such management fee may in aggregate for the Issuer Group not exceed two (2) per cent. of the Net Collection for that calendar year.

## **12.6 Undertakings relating to the Agency Agreement**

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

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

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

## **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 fifty (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 13.4, 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 Terms and Conditions, 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 Terms and Conditions, if:

- (a) the Issuer does not pay on the due date any amount payable by it under the Terms and Conditions, unless the non-payment:
  - (i) is caused by technical or administrative error; and
  - (ii) is remedied within five (5) Business Days from the due date;
- (b) the Issuer does not comply with any terms or conditions of the Terms and Conditions (other than those terms referred to in paragraph (a) above), unless the non-compliance:
  - (i) is capable of remedy; and

- (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance;
  - (c) the Terms and Conditions become invalid, ineffective or varied (other than in accordance with the provisions of the Terms and Conditions), and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;
  - (d) a Senior Notes Event of Default occurs and is continuing;
  - (e) the Issuer is, or is deemed for the purposes of any applicable law to be, Insolvent;
  - (f) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer and is not discharged within sixty (60) Business Days;
  - (g) (i) any Financial Indebtedness of the Issuer is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), or (ii) any commitment for any Financial Indebtedness of a member of the Issuer Group is cancelled or suspended by a creditor as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (g) if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than SEK 20,000,000; or
  - (h) the Issuer ceases to be, directly or indirectly, wholly owned by the Parent.
- 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 Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the 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.
- 13.4 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 Terms and Conditions, unless the relevant Event of Default is no longer continuing.
- 13.5 If the right to accelerate the Notes is based upon a decision of a court of law 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.



- 13.6 In the event of an acceleration of the Notes in accordance with this Clause 13, up to, but excluding, the First Call Date the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent. of the Nominal Amount plus the Applicable Premium and thereafter, as applicable considering when the acceleration occurs, the redemption amount specified in Clause 10.3 (*Voluntary total redemption*).

#### 14. DISTRIBUTION OF PROCEEDS

- 14.1 All payments by the Issuer relating to the Notes and the Senior Notes (i) following an acceleration of the Notes in accordance with Clause 13 (*Acceleration of the Notes*), (ii) for as long as a Senior Notes Event of Default is continuing, or (iii) when the Senior Notes for any reason are due and payable in their entirety, shall be distributed in the following order of priority:

- (a) *first*, to satisfy the Senior Notes Obligations in full;
- (b) *secondly*, 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 15.13;
- (c) *thirdly*, 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);
- (d) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (e) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Terms and Conditions.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (e) 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(b), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14.1(b).
- 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 fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the

payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 8.1 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 Terms and Conditions 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 (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Terms and Conditions shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way of a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.

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

- (a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 17.3, 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 definition of Adjusted Nominal Amount.

15.5 The following matters shall require the consent of Noteholders representing at least eighty (80) 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 17.3:

- (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 55,000,000 (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 2.5 to 2.7;
- (c) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 10 (*Redemption and repurchase of the Notes*);

- (d) a change to the Interest Rate or the Nominal Amount;
  - (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.
- 15.6 Any matter not covered by Clause 15.5 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 17.3. This includes, but is not limited to, any amendment to, or waiver of, the terms or conditions of the Terms and Conditions that does not require a higher majority (other than an amendment permitted pursuant to Clause 18.1(a) or (c)) or an acceleration of the Notes.
- 15.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15.5, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 15.8 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 relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 15.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 15.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate. For the benefit of the Subordinated Noteholders, any decision which negatively affects or limits the subordinated nature of the Notes or on a redemption of the Notes, shall for as long as any Senior Notes Obligations are outstanding, be subject to a duly given consent from the Senior Noteholders.
- 15.10 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.

- 15.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 15.12 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.
- 15.13 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.
- 15.14 If a decision shall be taken by the Noteholders on a matter relating to the Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Note is owned by a Group Company or an Affiliate.
- 15.15 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Group and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant 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 by sending a notice thereof to each Noteholder no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 16.2 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Clause 16.1 with a copy to the Agent. After a request from the Noteholders pursuant to Clause 19.4.3, the Issuer shall no later than five (5) 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.
- 16.3 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) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

- 16.4 The Noteholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- 16.5 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 no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Noteholder on the Record Date prior to the date on which the communication is sent.
- 17.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 17.1 to each Noteholder with a copy to the Agent.
- 17.3 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 time period within which the Noteholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 17.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 17.4 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 15.5 and 15.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.5 or 15.6, as the case may be, even if the time 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 Terms and Conditions or waive any provision in the Terms and Conditions, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Noteholders;
  - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
  - (c) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (d) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*).
- 18.2 Notwithstanding Clause 18.1 and for the benefit of the Subordinated Noteholders, any action which negatively affects or limits the subordinated nature of the Notes or on a

redemption of the Notes, shall for as long as any Senior Notes Obligations are outstanding, be subject to a duly given consent from the Senior Noteholders.

- 18.3 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Terms and Conditions. It is sufficient if such consent approves the substance of the amendment.
- 18.4 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 Terms and Conditions are published in the manner stipulated in Clause 11.3 (*Publication of the Terms and Conditions*). The Issuer shall ensure that any amendments to the Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 18.5 An amendment to the Terms and Conditions shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## **19. APPOINTMENT AND REPLACEMENT OF THE AGENT**

### **19.1 Appointment of 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 Terms and Conditions, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder. 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 Terms and Conditions. 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 Terms and Conditions.
- 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 Terms and Conditions and the Agency Agreement and the Agent's obligations as Agent under the Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.
- 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 Terms and Conditions. Except as specified in Clause 5 (*Conditions for disbursement*), the Agent is not responsible for the execution or enforceability of the Terms and Conditions.

- 19.2.2 When acting in accordance with the Terms and Conditions, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Terms and Conditions in a reasonable, proficient and professional manner, with reasonable care and skill.
- 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 Terms and Conditions.
- 19.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Terms and Conditions, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Terms and Conditions.
- 19.2.5 The Agent is entitled to engage external experts when carrying out its duties under the Terms and Conditions. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event 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 Terms and Conditions. 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 Terms and Conditions shall be distributed in accordance with Clause 14 (*Distribution of proceeds*).
- 19.2.6 Notwithstanding any other provision of the Terms and Conditions to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 19.2.7 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, 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.
- 19.2.8 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Terms and Conditions or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 19.2.7.

### **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 the Terms and Conditions, 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 Terms and Conditions to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 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 Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Terms and Conditions.

#### **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 (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 19.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 19.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 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 Terms and Conditions.
- 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 Terms and Conditions but shall remain entitled to the benefit of the Terms and Conditions and remain liable under the Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor,



the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Terms and Conditions as they would have had if such successor had been the original Agent.

- 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 Terms and Conditions and the Agency Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **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.

## **21. NO DIRECT ACTIONS BY NOTEHOLDERS**

- 21.1 A Noteholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Terms and Conditions, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Terms and Conditions.
- 21.2 Clause 21.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Terms and Conditions to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 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 by the Issuer of any fee or indemnity due to the Agent under the Terms and Conditions or the Agency Agreement or by any reason described in Clause 19.2.7, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.8 before a Noteholder may take any action referred to in Clause 21.1.

## **22. PRESCRIPTION**

- 22.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for

payments in respect of which the Noteholders' right to receive payment has been prescribed and has become void.

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

## 23. NOTICES

### 23.1 Notices

- 23.1.1 Any notice or other communication to be made under or in connection with the Terms and Conditions:
- (a) if to the Agent, shall be given at the address specified on its website ([www.corpnordic.se](http://www.corpnordic.se)) on the Business Day prior to dispatch;
  - (b) if to the Issuer, shall be given at the address specified on the website of the Group ([www.ddm-group.ch](http://www.ddm-group.ch)) on the Business Day prior to dispatch; and
  - (c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the Record Date prior to dispatch, and by either courier delivery or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Group and the Agent.
- 23.1.2 Any notice or other communication made by one person to another under or in connection with the Terms and Conditions shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 23.1.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1.1.
- 23.1.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## 24. FORCE MAJEURE AND LIMITATION OF LIABILITY

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

24.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

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

**25. GOVERNING LAW AND JURISDICTION**

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

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

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

Place:

Date:

DDM TREASURY SWEDEN AB (publ)  
as Issuer

\_\_\_\_\_  
Name:

\_\_\_\_\_

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

Place:

Date:

CORPNORDIC SWEDEN AB  
as Agent

\_\_\_\_\_  
Name: