

Stockholm, 9 March 2018

**To the noteholders in:**

**ISIN: SE0010414599 – Samhällsbyggnadsbolaget i Norden AB (publ) - up to SEK 1,000,000,000 subordinated perpetual floating rate callable capital notes 2017 (the "Capital Notes")**

## **NOTICE OF WRITTEN PROCEDURE – REQUEST TO AMENDMENT**

**This voting request for procedure in writing has been sent on 9 March 2018 to Noteholders directly registered in the debt register (Sw. *skuldbok*) kept by Euroclear Sweden AB (the "CSD"). If you are an authorised nominee under the Swedish Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) or if you otherwise are holding Notes on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. For further information, please see below under Section 5.3 (*Voting rights and authorisation*).**

Nordic Trustee & Agency AB (publ) acts as agent (the "**Agent**") for the noteholders of the Notes (the "**Noteholders**") in the above mentioned notes issue ISIN SE0010414599 (with an aggregated amount outstanding of SEK 700,000,000) (the "**Capital Notes**") issued by Samhällsbyggnadsbolaget i Norden AB (publ), Reg. No. 556981-7660, (the "**Issuer**"). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing, whereby Noteholders can vote for or against the Issuer's proposals.

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

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

The Agent must receive the Voting Form no later than 17:00 (CET) on 23 March 2018 either by mail, courier or email to the Agent using the contact details set out in Section 5.7 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Noteholder on 14 March 2018 (the "**Record Date**"). This means that the person must be registered on

a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Notes.

**Disclaimer:** *The Proposal is presented to the Noteholders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Proposal (and its effects, should it be adopted) from a legal or commercial perspective of the Noteholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Proposal (and its effects, should it be adopted). The Noteholders are recommended to seek legal advice in order to independently evaluate whether the Proposal (and its effects) is acceptable or not*

## 1. Background

The Issuer wishes to obtain an "Equity Credit" rating from amongst others Standard & Poor's in relation to the Capital Notes. Based on Standard & Poor's analyses of the prospects to obtain "Equity Credit" rating the Issuer has concluded that in order for it to obtain such "Equity Credit" rating, all references to (i) the "Equity Classification Event" and the thereto pertaining Issuer's call option and (ii) the "No Rating Event" should be deleted.

### Equity Classification Event

An Equity Classification Event under the Terms and Conditions occurs when the Issuer has received information from a Rating Agency not later than 29 March 2018 that the Capital Notes has, or will be assigned, an equity credit of less than fifty per cent (50%). Pursuant to the Terms and Conditions, an Equity Classification Event gives the Issuer an independent right to redeem all, but not some only, of the Capital Notes at any time.

### No Rating Event

A "No Rating Event" under the Terms and Conditions occurs if on the date falling ten (10) Business Days prior to the relevant Interest Period, the Issuer has no rating in respect of itself or any of its senior unsecured obligations from a Rating Agency. The occurrence of a "No Rating Event" entails a higher Margin compared to the situation where rating is obtained.

Please note that, as of the date hereof, Noteholders representing more than two thirds (2/3) of the outstanding Capital Notes, consisting the requisite majority as set out in Section 5.6 below, have confirmed that they will vote in favour of the Proposal.

## 2. Proposal

### 2.1 Equity Classification Event and No Rating Event

The Issuer proposes and requests that in accordance with paragraph (c) of Clause 17.7 of the Terms and Conditions:

- (a) in relation to "Equity Classification Event":
  - (i) the defined term "Equity Classification Event" in Clause 1.1 (*Definitions*) will be deleted in its entirety;
  - (ii) the reference to "Equity Classification Event" in paragraph (h) of the defined term "Qualifying Capital Notes" in Clause 1.1 (*Definitions*) will be deleted;
  - (iii) the references to "Equity Classification Event" in Clauses 11.3 and 11.3.1 will be deleted;

- (iv) Clause 11.3.3 will be deleted in its entirety,
- (b) in relation to " No Rating Event":
  - (i) the defined term "No Rating Event" in Clause 1.1 (*Definitions*) will be deleted in its entirety; and
  - (ii) paragraphs (b)(ii), (c)(ii) and (d)(ii) of the defined term Margin in Clause 1.1 (*Definitions*) will be deleted in their entirety.

If the proposal set out in Section 2.1 above is approved by a requisite majority of the Noteholders (two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders reply in a Written Procedure), and upon satisfaction of the conditions set out below in Section 2.3, the Terms and Conditions will be amended and restated as set out in Section 2.2 below.

## **2.2 Amendments to the Terms and Conditions and other documents and agreements**

The Issuer proposes and requests that, in accordance with Clause 17.7 (*Decisions by Noteholders*) of the Terms and Conditions, the Noteholders consent to amending and restating the Terms and Conditions as set out in Section 2.1 above.

Provided that a requisite majority has voted in favour of the Proposal, the Issuer and the Agent will amend and restate the Terms and Conditions accordingly.

We have, for ease of reference, attached hereto as Appendix I a mark-up of the Terms and Conditions setting out the proposed changes in relation to the "Equity Classification Event" and the "No Rating Event" of the Terms and Conditions.

## **2.3 Conditions**

The amendments in accordance with the Proposal will not be effective upon the approval by the Noteholders thereof until the amended and restated Terms and Conditions, in the form set out in Appendix I, has been duly executed by Agent and the Issuer.

The amendments in accordance with the Proposal will take effect simultaneously and the changes in relation to the "Equity Classification Event" are subject to the Noteholders' consent to the changes in relation to the "No Rating Event".

Please note that although the Issuer intends to implement the changes in relation to the "Equity Classification Event" and the "No Rating Event" in the Terms and Conditions it has no obligation to do so even if the Proposal is approved by the Noteholders.

## **2.4 Effective Date**

The Proposal shall be deemed to be approved immediately upon expiry of the voting period and receipt of the required majority as set forth in Section 5.6 below or if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent.

The Issuer and the Agent shall in accordance with Clause 20.3 of the Terms and Conditions publish the amended and restated Terms and Conditions on their respective websites.

The Issuer shall procure that the amended Terms and Conditions are registered with the CSD.

### **3. Consent**

The Noteholders are hereby requested to consent to,:

- (a) in relation to "Equity Classification Event", that:
  - (i) the defined term "Equity Classification Event" in Clause 1.1 (*Definitions*) will be deleted in its entirety;
  - (ii) the reference to "Equity Classification Event" in paragraph (h) of the defined term "Qualifying Capital Notes" in Clause 1.1 (*Definitions*) will be deleted;
  - (iii) the references to "Equity Classification Event" in Clauses 11.3 and 11.3.1 will be deleted; and
  - (iv) Clause 11.3.3 will be deleted in its entirety,

and

- (b) in relation to "No Rating Event", that:
  - (i) the defined term "No Rating Event" in Clause 1.1 (*Definitions*) will be deleted in its entirety; and
  - (ii) paragraphs (b)(ii), (c)(ii) and (d)(ii) of the defined term Margin in Clause 1.1 (*Definitions*) will be deleted in their entirety.

The consents referred to under item (a) - (b) above are hereafter jointly referred to as the "**Proposal**". As stated above, the changes in relation to the "No Rating Event" and the "Equity Classification Event" will take effect simultaneously.

### **4. Non-reliance**

The Proposal is presented to the Noteholders by the Issuer, without any evaluation, advice or recommendations from the Agent whatsoever. No independent advisor has been appointed to review and/or analyse the Proposal (and its effects) from the Noteholders' perspective. The Noteholders are recommended to seek legal advice to independently evaluate whether the Proposal from the Issuer (and its effects) is acceptable or not.

### **5. Written Procedure**

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

#### **5.1 Final date to participate in the Written Procedure**

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 17:00 hours (CET), 23 March 2018. Votes received thereafter may be disregarded.

#### **5.2 Decision procedure**

The Agent will determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Proposal shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

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

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

### **5.3 Voting rights and authorisation**

Anyone who wishes to participate in the Written Procedure must on the Record Date:

- (a) be registered as a direct registered owner of one or several Notes on a Securities Account in the debt register; or
- (b) be registered as an authorised nominee on a Securities Account, with respect to one or several Notes in the debt register.

### **5.4 Notes registered with a nominee**

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

1. You can ask the authorised nominee or other intermediary that holds the Notes on your behalf to vote in its own name as instructed by you.
2. You can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Notes through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as noteholder of the Securities Account, or from each intermediary in the chain of noteholders, starting with the intermediary that is registered in the debt register as a Noteholder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Notes on your behalf (and the agreement between the intermediaries, if there are more than one).

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

### **5.5 Quorum**

To approve the Proposal, Noteholders representing at least fifty (50) per cent of the Adjusted Nominal Amount must reply to the request under the Written Procedure in order to form a quorum.

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

## 5.6 Majority

More than two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders reply under the Written Procedure must consent to the Proposal.

Please note that the changes set out in subsection (a) under Section 2.1 are subject to the Noteholders' consent to the changes in subsection (b) under Section 2.1. Please note that Noteholders representing more than two thirds (2/3) of the outstanding Capital Notes have confirmed that they will vote in favour of the Proposal.

## 5.7 Address for sending replies

Return the Voting Form, as set out in Schedule 1, and, if applicable, the Power of Attorney/Authorisation set out in Schedule 2 or other sufficient evidence, if the Notes are held in custody other than by Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

### By regular mail:

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure / Samhällsbyggnadsbolaget i Norden AB  
P.O. Box 7329  
S-103 90 Stockholm

### By courier:

Nordic Trustee & Agency AB  
Attn: Written Procedure / Samhällsbyggnadsbolaget i Norden AB  
Norrländsgatan 23  
111 43 Stockholm

### By email:

E-mail: [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com)

## 6. FURTHER INFORMATION

For further questions to the Issuer, regarding the request, please contact the Issuer at [ilija@sbbnorden.se](mailto:ilija@sbbnorden.se) or + 46 70 518 39 67.

For further questions to the Agent, regarding the administration of the Written Procedure, please contact the Agent at [sweden@nordictrustee.com](mailto:sweden@nordictrustee.com) or +46 8 783 79 00.

---

Stockholm, 9 March 2018

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

**As Agent**

### Enclosed:

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney/Authorisation

# VOTING FORM

## Schedule 1

**For the Written Procedure in Samhällsbyggnadsbolaget i Norden AB (publ) SEK 1,000,000,000 subordinated perpetual floating rate callable capital notes 2017 ISIN: SE0010414599.**

The undersigned Noteholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Proposal by marking the applicable box below.

*NOTE: If the Voting Person **is not directly registered as Noteholder** on the relevant Securities Account held with Euroclear Sweden (as defined in the Terms and Conditions), the Voting Person **must enclose a Power of Attorney/Authorisation**, see Schedule 2. Noteholders should note that a Voting Form given in respect of the Written Procedure shall remain valid for any second Written Procedure initiated, should the quorum requirement not be met.*

**For** the Proposal

**Against** the Proposal

The undersigned hereby confirms (by putting a cross in the appropriate box above) that this Voting Form shall constitute a vote also for a second Written Procedure (if any) pursuant to the Terms and Conditions with respect to the Proposal.

Name of the Voting Person: \_\_\_\_\_

Capacity of the Voting Person:

Noteholder:

<sup>1</sup>

authorised person:

<sup>2</sup>

Voting Person’s reg.no/id.no  
and country of incorporation/domicile: \_\_\_\_\_

Securities Account number at Euroclear Sweden:  
(if applicable) \_\_\_\_\_

Name and Securities Account number of custodian(s):  
(if applicable) \_\_\_\_\_

Nominal Amount voted for (in SEK): \_\_\_\_\_

Day time telephone number, e-mail address and contact person:  
\_\_\_\_\_

\_\_\_\_\_  
Authorised signature and Name <sup>3</sup>

\_\_\_\_\_  
Place, date:

<sup>1</sup> When voting in this capacity, no further evidence is required.

<sup>2</sup> When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (Schedule 2) from the Noteholder or other proof of authorisation showing the number of votes held on the Record Date.

<sup>3</sup> If the undersigned is not a Noteholder according the Terms and Condition and has marked the box ”authorised person”, the undersigned – by signing this document – confirms that the Noteholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

# POWER OF ATTORNEY/AUTHORISATION

## Schedule 2

**For the Written Procedure in Samhällsbyggnadsbolaget i Norden AB (publ) SEK 1,000,000,000 subordinated perpetual floating rate callable capital notes 2017 ISIN: SE0010414599.**

*NOTE: This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not directly registered as a Noteholder on the Securities Account, held with Euroclear Sweden. There must always be a coherent chain of powers of attorney derived from the Noteholder. In essence, if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Noteholder.*

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

---

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

---

Name of Noteholder or other intermediary giving the authorisation (Sw. *Fullmaktsgivaren*):

---

We hereby confirm that the person/entity specified above (Sw. *Befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK \_\_\_\_\_

We are:

Registered as Noteholder on the Securities Account

Other intermediary and holds the Notes through (specify below):

---

Place, date: \_\_\_\_\_

---

Name:

Authorised signature of Noteholder / other intermediary (Sw. *Fullmaktsgivaren*)



**TERMS AND CONDITIONS FOR  
SAMHÄLLSBYGGNADSBOLAGET I NORDEN  
AB (PUBL)**



**UP TO SEK 1,000,000,000  
SUBORDINATED PERPETUAL  
FLOATING RATE CALLABLE CAPITAL NOTES**

**ISIN: SE0010414599**

*Originally dated 22 September 2017*

*as amended and restated on [\*\*]2018*

---

*No action is being taken that would or is intended to permit a public offering of the Capital Notes or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Capital 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.*

## TABLE OF CONTENTS

1	Definitions and construction .....	3
2	Status of the Capital Notes .....	<del>13</del> <u>12</u>
3	Use of proceeds .....	13
4	Subordination and rights on a winding-up and re-construction ..	<del>14</del> <u>13</u>
5	Conditions for settlement of the Capital Notes.....	<del>15</del> <u>14</u>
6	Capital Notes in book-entry form .....	15
7	Right to act on behalf of a Noteholder .....	<del>16</del> <u>15</u>
8	Payments in respect of the Capital Notes.....	<del>16</del> <u>15</u>
9	Interest Payments .....	16
10	Optional Interest Deferral.....	18
11	Redemption and Repurchase of the Capital Notes.....	19
12	Substitution or Variation.....	<del>21</del> <u>20</u>
13	Preconditions to Special Event Redemption, Change of Control Event Redemption, Substitution and Variation.....	<del>22</del> <u>21</u>
14	Notices.....	22
15	Admission to trading etc. ....	<del>23</del> <u>22</u>
16	Default and enforcement .....	<del>24</del> <u>23</u>
17	Decisions by Noteholders.....	<del>24</del> <u>23</u>
18	Noteholders' Meeting.....	<del>27</del> <u>26</u>
19	Written Procedure .....	<del>28</del> <u>27</u>
20	Amendments and Waivers .....	28
21	Appointment and Replacement of the Agent.....	<del>29</del> <u>28</u>
22	Appointment and Replacement of the Issuing Agent .....	32
23	No Direct Actions by Noteholders .....	<del>33</del> <u>32</u>
24	Prescription .....	<del>33</del> <u>32</u>
25	Taxation.....	33
26	Press releases.....	<del>34</del> <u>33</u>
27	Force Majeure and Limitation of Liability .....	<del>34</del> <u>33</u>
28	Governing Law and Jurisdiction .....	34

- (ii) in the case of (c) above only, any redemption, repurchase, repayment, cancellation, reduction or other acquisition executed in connection with, or for the purpose of (1) any reduction of the quota value of the share capital of the Issuer without a corresponding return of cash, capital or assets to shareholders of the Issuer or (2) any share buyback programme then in force and duly approved by the shareholders' general meeting of the Issuer or the relevant Subsidiary of the Issuer (as applicable) or any existing or future stock option plan or free share allocation plan or other incentive plan, in all cases, reserved for directors, officers and/or employees of the Issuer or the relevant Subsidiary of the Issuer or any associated hedging transaction; and
- (iii) in the case of (d) above only, any redemption, repurchase, repayment, cancellation, reduction or other acquisition executed in whole or in part in the form of a public tender offer or public exchange offer at a consideration per Parity Note below its par value.

~~“Equity Classification Event” shall be deemed to occur if the Issuer has received information not later than 29 March 2018 from a Rating Agency that the Capital Notes according to such Rating Agency’s equity credit criteria effective on the date the equity credit is assigned for the first time, has, or will be assigned, an equity credit (or such other nomenclature that the relevant Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) for the Capital Notes less than fifty per cent (50%).~~

**“Exercise Period”** means the period from the date on which the Change of Control Event occurred to the day which is the earlier of (a) 90 days after such date and (b) the last day on which holders of senior indebtedness of the Issuer, which have a right to put such senior indebtedness for redemption, due to the occurrence of a Change of Control Event, have received the put redemption proceeds.

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

**“First Call Date”** means 29 March 2023.

**“First Issue Date”** means 29 September 2017.

**“Fitch”** means Fitch Ratings Ltd.

**“Force Majeure Event”** has the meaning set forth in Clause 27.1.

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

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

**“Initial Interest Rate”** has the meaning given in Clause 9.3.1.

**“Interest Amount”** has the meaning given in Clause 9.5.

“**Interest Payment**” means, in respect the payment of interest on an Interest Payment Date, the amount of interest payable for the relevant Interest Period in accordance with Clause 9 (*Interest Payments*).

“**Interest Payment Date**” has the meaning given in Clause 9.1.2.

“**Interest Period**” means the period from (but excluding) the First Issue Date to (and including) the first Interest Payment Date and each successive period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date.

“**Interest Rate**” means the Initial Interest Rate or the relevant Interest Rate, as the case may be.

“**Investment Grade Rating Change**” means if any rating assigned to the Issuer by any Rating Agency is changed from an investment grade rating (being at least Baa3 by Moody’s, BBB- by Fitch or BBB- by S&P) to a non-investment grade rating (being Ba1 or lower by Moody’s, or BB+ or lower by Fitch or BB+ or lower by S&P).

“**Issuer**” means Samhällsbyggnadsbolaget i Norden AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556981-7660.

“**Issuer Winding-up**” has the meaning given in Clause 4.1.

“**Issuing Agent**” means Nordea Bank AB, Reg. No. 516406-0120 or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“**Margin**” means:

- (a) in respect of the period from (but excluding) the First Issue Date to (and including) the First Call Date *7.00 per cent*;
- (b) in respect of the period from (but excluding) the First Call Date to (and including) the 2028 Step-up Date, ~~(i) 7.00 per cent or (ii) if a No Rating Event has occurred in respect of that Interest Period, 8.50~~ 7.00 per cent;
- (c) in respect of the period from (but excluding) the 2028 Step-up Date to (and including) the 2043 Step-up Date, ~~(i) 7.25 per cent or (ii) if a No Rating Event has occurred in respect of that Interest Period, 8.75~~ 7.25 per cent; and
- (d) in respect of the period from (but excluding) the 2043 Step-up Date and thereafter, ~~8.00 per cent or (ii) if a No Rating Event has occurred in respect of each such following Interest Period, 9.50 per cent.~~

“**Moody's**” means Moody's Investors Services Ltd.

“**Nasdaq Stockholm**” means the Regulated Market of Nasdaq Stockholm AB (Reg. No. 556420-8394, SE-105 78 Stockholm, Sweden).

~~“**No Rating Event**” shall be deemed to have occurred, in respect of each Interest Period and for the entire relevant Interest Period, if on the date falling ten (10) Business Days prior to the relevant Interest Period the Issuer has not a rating in respect of itself or any of its senior unsecured obligations from a Rating Agency.~~

“**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 (Sw. *ägare*) or nominee (Sw. *förvaltare*) with respect to a Capital Note.

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

“**Ordinary Shares**” means ordinary shares in the capital of the Issuer.

“**Parity Notes**” means any obligations of:

- (a) the Issuer, issued directly or indirectly by it, which rank, or are expressed to rank, *pari passu* with the Capital Notes; and
- (b) any Subsidiary of the Issuer having the benefit of a guarantee or support agreement from the Issuer which ranks or is expressed to rank *pari passu* with the Capital Notes.

“**Potential Change of Control Announcement**” means any public announcement or statement by the Issuer, any actual or potential bidder or any designated advisor thereto relating to any specific and near-term potential Change of Control (where “near-term” shall mean that such potential Change of Control is reasonably likely to occur, or is publicly stated by the Issuer, any such actual or potential bidder or any such designated advisor to be intended to occur, within 120 days of the date of such announcement of statement).

“**Qualifying Capital Notes**” means notes that contain terms not materially less favourable to Noteholders than the terms of the Capital Notes (as reasonably determined by the Issuer in consultation with the Agent and an independent investment bank, independent financial adviser or legal counsel of international standing) and provided that a certification to such effect (and confirming that the conditions set out in (a) to (h) below have been satisfied) of two authorised signatories of the Issuer shall have been delivered to the Agent and the Issuing Agent prior to the substitution or variation of the Capital Notes), provided that:

- (a) they shall (i) be issued by the Issuer or by any wholly-owned direct or indirect finance Subsidiary of the Issuer with a guarantee of the Issuer or (ii) constitute a variation of the Capital Notes in accordance with Clause 12 (*Substitution or Variation*); and
- (b) they (and/or, as appropriate, the guarantee as aforesaid) shall rank *pari passu* on an Issuer Winding-up with the ranking of the Capital Notes; and
- (c) they shall contain terms which provide for the same Interest Rate from time to time applying to the Capital Notes and preserve the same Interest Payment Dates; and
- (d) they shall preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Capital Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption; and

- (e) they shall preserve any existing rights under the Capital Notes to any accrued interest, any Deferred Interest and any other amounts payable under the Capital Notes which, in each case, has accrued to Noteholders and not been paid; and
- (f) they shall not contain terms providing for the mandatory deferral of interest and shall not contain terms providing for loss absorption through principal write-down or conversion to Ordinary Shares or preference shares; and
- (g) they shall, immediately after such exchange or variation, be assigned at least the same credit rating(s) by the same Rating Agency(ies) as may have been assigned to the Capital Notes immediately prior to such exchange or variation (if any); and
- (h) they shall otherwise contain substantially identical terms (as reasonably determined by the Issuer) to the Capital Notes, save where any modifications to such terms are required to be made to avoid the occurrence or effect of a Tax Deductibility Event, a Rating Event, ~~an Equity Classification Event~~ or, as the case may be, a Withholding Tax Event; and
- (i) they shall be (i) listed on the corporate bond list of Nasdaq Stockholm and admitted to trading on Nasdaq Stockholm's Regulated Market or (ii) admitted to trading on any other Regulated Market for the purposes of Directive 2004/39/EC as selected by the Issuer on, or as soon as reasonably practicable after issue; and
- (j) they shall be compatible with the requirements of the CSD.

**"Rating Agency"** means Fitch, Moody's and S&P and any other rating agency of equivalent international standing requested by the Issuer to grant a corporate credit rating to the Issuer and, in each case, their successors or affiliates.

**"Rating Downgrade"** shall be deemed to have occurred in respect of a Change of Control if within the Change of Control Period (i) the rating previously assigned to the Issuer (if any) by any Rating Agency is withdrawn and not subsequently reinstated within the Change of Control Period or (ii) the non-investment grade rating previously assigned to the Issuer by any Rating Agency (if any) is lowered one rating category (for example, from Ba1/BB+ to Ba2/BB or such similar lower or equivalent rating) and not subsequently upgraded within the Change of Control Period or (iii) an Investment Grade Rating Change occurs and is not subsequently reinstated within the Change of Control Period, provided that a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency making the change in rating to which this definition would otherwise apply does not publicly announce or publicly confirm that the withdrawal or reduction was the result of the applicable Change of Control;

**"Rating Event"** shall be deemed to occur if the Issuer has received confirmation from any Rating Agency either directly or via a publication by such Rating Agency, that an amendment, clarification or change has occurred in the equity credit criteria of such Rating Agency effective after the First Issue Date (or effective after the date when the equity credit is assigned for the first time, as applicable) and this has resulted in lower equity credit (or such other nomenclature that the relevant Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) for the Capital Notes than the equity credit assigned on the First Issue Date (or if equity credit is not assigned on the First Issue Date, at the date when the equity credit is assigned for the first time).

- 10.2.1 Deferred Interest may be paid (in whole but not in part) at any time at the option of the Issuer following delivery of a notice to such effect given by the Issuer to the Noteholders in accordance with Clause 14 (*Notices*), the Issuing Agent and the Agent not less than seven (7) Business Days prior to the date (to be specified in such notice) on which the Issuer will pay such Deferred Interest.

*Mandatory settlement*

- 10.2.2 The Issuer shall pay any Deferred Interest, in whole but not in part, on the first to occur of the following dates:
- (a) the tenth (10<sup>th</sup>) Business Day following the date on which a Deferred Interest Payment Event occurs;
  - (b) any Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period; and
  - (c) the date on which the Capital Notes are redeemed or repaid in accordance with Clause 11 (*Redemption and Repurchase of the Capital Notes*) or Clause 16 (*Default and Enforcement*).

Notice of any Deferred Interest Payment Event shall be given by the Issuer to the Noteholders in accordance with Clause 14 (*Notices*), the Issuing Agent and the Agent within three (3) Business Days of such event.

## **11 Redemption and Repurchase of the Capital Notes**

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

The Issuer or any Group Company may, subject to applicable law, at any time and at any price purchase Capital Notes on the market or in any other way at prices aligned with current market prices of the Capital Notes (traded or quoted). The Capital Notes held by the Issuer or any Group Company may at such Group Company's discretion be retained, sold or, if held by the Issuer, cancelled.

### **11.2 Issuer's Call Option**

- 11.2.1 The Issuer may, by giving not less than 30 nor more than 60 days' notice to the Issuing Agent, the Agent and, in accordance with Clause 14 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Capital Notes on the First Call Date or on any Interest Payment Date thereafter at their principal amount together with any Deferred Interest and any other accrued and unpaid interest up to (and including) the redemption date.

- 11.2.2 Upon the expiry of such notice, the Issuer shall redeem the Capital Notes.

### **11.3 Redemption upon a Tax Deductibility Event, ~~or a Rating Event or an Equity Classification~~ Event**

- 11.3.1 If a Tax Deductibility Event, ~~or a Rating Event or an Equity Classification~~ Event has occurred and is continuing, the Issuer may, by giving not less than 30 nor more than 60 days' notice to the Issuing Agent, the Agent and, in accordance with Clause 14

(*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Clause 13 (*Preconditions to Special Event Redemption, Change of Control Redemption, Substitution and Variation*), redeem all, but not some only, of the Capital Notes at any time at an amount equal to:

- (a) 101 per cent. of their principal amount, where such redemption occurs before the First Call Date; or
- (b) 100 per cent. of their principal amount, where such redemption occurs on or after the First Call Date,

together, in each case, with any Deferred Interest and any other accrued and unpaid interest up to (and including) the redemption date.

11.3.2 Upon the expiry of such notice, the Issuer shall redeem the Capital Notes

~~11.3.3 If such redemption is the result of an Equity Classification Event, the Issuer intends (without thereby assuming a legal or contractual obligation) to refinance such redemption with a new issue of capital notes, which shall qualify for an equity credit (or such other nomenclature that the relevant Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) for such new capital notes of at least fifty per cent (50%).~~

#### **11.4 Redemption upon a Withholding Tax Event or a Substantial Repurchase Event**

11.4.1 If a Withholding Tax Event has occurred and is continuing, or if a Substantial Repurchase Event has occurred, the Issuer may, by giving not less than 30 nor more than 60 days' notice to the Issuing Agent, the Agent and, in accordance with Clause 14 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Clause 13 (*Preconditions to Special Event Redemption, Change of Control Redemption, Substitution and Variation*), redeem all, but not some only, of the Capital Notes at any time at their principal amount together with any Deferred Interest and any other accrued and unpaid interest up to (and including) the redemption date.

11.4.2 Upon the expiry of such notice, the Issuer shall redeem the Capital Notes.

#### **11.5 Redemption for Change of Control Event**

11.5.1 If after the First Issue Date (i) a Change of Control occurs and, if a rating has been assigned by a Rating Agency prior to the Change of Control Event, (ii) within the Change of Control Period, a Rating Downgrade in respect of that Change of Control occurs (a "**Change of Control Event**") the Issuer may, at the earliest on the date following the expiry of the Exercise Period, and upon giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Capital Notes at an amount equal to 100 per cent. of their principal amount together with any Deferred Interest and any other accrued and unpaid interest up to (and including) the redemption date.

11.5.2 Immediately upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give notice (a "**Change of Control Notice**") to the Agent and



We hereby certify that the above [amended and restated](#) Terms and Conditions are binding upon ourselves.

Place: [Stockholm](#)

Date: [originally 22 September 2017 and amended and restated on \[\\*\\*\] 2018](#)

**SAMHÄLLSBYGGNADSBOLAGET I  
NORDEN AB (PUBL)  
as Issuer**

---

We hereby undertake to act in accordance with the above [amended and restated](#) Terms and Conditions to the extent they refer to us.

Place: [Stockholm](#)

Date: [originally 22 September 2017 and amended and restated on \[\\*\\*\] 2018](#)

**NORDIC TRUSTEE & AGENCY AB (PUBL)  
as Agent**

---