

*Execution version*

**BOND TERMS**

**FOR**

**Karbon Equity AS FRN Senior Secured NOK 700,000,000 Bonds 2024/2027**

**ISIN NO0013265173**

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<b>BOND TERMS between</b>	
<b>ISSUER:</b>	Karbon Equity AS, a company existing under the laws of Norway with registration number 933 225 313 and LEI-code 6367007M7NLYF85KBI69 and
<b>BOND TRUSTEE:</b>	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
<b>DATED:</b>	24 June 2024
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

**"Acceptable Bank"** means (i) a bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of BBB or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or Baa2 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognized credit rating agency or (ii) such other bank or financial institution reasonably acceptable to the Bond Trustee.

**"Accounting Standard"** means GAAP.

**"Additional Bonds"** means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

**"Affiliate"** means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

**"Annual Financial Statements"** means the audited unconsolidated annual financial statements of each of the Issuer and the Parent for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

**"Attachment"** means any schedule, appendix or other attachment to these Bond Terms.

**"Bank Account"** means each bank account held in the name of the Issuer from time to time (other than the Escrow Account and each Exempted Account).

**"Bond Currency"** means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Bond Terms"** means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

**"Bond Trustee"** means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

**"Bond Trustee Fee Agreement"** means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

**"Bondholder"** means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

**"Bondholders' Meeting"** means a meeting of Bondholders as set out in Clause 15 (*Bondholders' Decisions*).

**"Bonds"** means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

**"Book Equity"** means, at any time and with respect to the Issuer or the Parent (as the context require), respectively, the aggregate book value of its (on an unconsolidated basis) total equity treated as equity in accordance with Accounting Standard, as set out in its latest Financial Report, adjusted so that (i) any Subordinated Loans shall for this purpose be treated as paid in share capital and, for as long as the Issuer applies Norwegian Generally Accepted Accounting Principles (NGAAP), (ii) adjusting the value of listed securities to the mark-to-market value applicable for such listed securities on each Quarter Date (or, if the relevant Quarter Date was not a day the market was open for trading in the relevant securities, the immediately preceding day open for trading in the securities).

**"Business Day"** means a day on which both the relevant CSD settlement system is open and the relevant settlement system for the Bond Currency is open.

**"Business Day Convention"** means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

**"Call Option"** has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

**"Call Option Repayment Date"** means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

**"Change of Control Event"** means any event whereby a person or group of persons, other than the Permitted Transferees, acting in concert gaining Decisive Influence over the Issuer or Parent.

**"Closing Procedure"** has the meaning ascribed to such term in paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

**"Compliance Certificate"** means a statement substantially in the form as set out in Attachment 1 hereto.

**"CSD"** means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

**"Cure Amount"** means cash actually received by the Issuer (i) in exchange for fully paid shares in the Issuer or (ii) as Subordinated Loans.

**"Decisive Influence"** means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

**"Default Notice"** has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

**"Default Repayment Date"** means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

**"Distribution"** means (other than any such payment, consideration or transfer (a) from one Group Company to another Group Company or (b) made by a Group Company (other than the Issuer and the Parent) to a direct shareholder which is not a direct or indirect shareholder of the Issuer or the Parent or an Affiliate of such direct or indirect shareholder of the Issuer or the Parent) any (i) payment of dividend on shares including preferred shares, (ii) repurchase of own shares, (iii) redemption of share capital or other restricted equity with repayment to shareholders, (iv) repayment or service of any Subordinated Loans, or (v) any other similar distribution or transfers of value to the direct and indirect shareholders of the Issuer or the Parent or the Affiliates of such direct and indirect shareholders.

**"Escrow Account"** means an account in the name of the Issuer, blocked and pledged on first priority as security for the Issuer's obligations under the Finance Documents.

**"Escrow Account Pledge"** means the pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

**"Event of Default"** means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

**"Exchange"** means:

- (a) Nordic ABM, a self-regulated marketplace organised and operated by Oslo Børs;
- (b) Oslo Børs (the Oslo Stock Exchange); or
- (c) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

**"Exempted Account"** means each bank account that serves as an escrow account for any Additional Bonds, each withholding account (No: *skattetrekkkonto*) and bank account in which a total aggregate amount of less than NOK 100,000 is deposited (but limited to five (5) such accounts).

**"Finance Documents"** means these Bond Terms, the Bond Trustee Fee Agreement, any Transaction Security Document, any Subordination Statement, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

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

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;

- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than one hundred and twenty (120) calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

**"Financial Reports"** means the Annual Financial Statements and the Interim Accounts.

**"Financial Support"** means (i) any loans, credit, guarantees, indemnity or other financial support from or by one person to or for the benefit of another person or (ii) the making by one person of any investment in the capital of or ownership interest in any other person.

**"First Call Date"** means the Interest Payment Date falling in December 2025.

**"GAAP"** means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

**"Group"** means each Issuer Group Company and each Parent Group Company.

**"Group Company"** means any person which is a member of the Group.

**"Holding Company"** means a Subsidiary incorporated or acquired after the Initial Issue Date (excluding companies in which the Issuer is a shareholder as of the Initial Issue Date) which does not trade, carry on any business or own any material assets or is a holding company for real estate investments only (directly or indirectly), except for ownership of shares in its Subsidiaries, bank accounts, cash and the granting of any Intercompany Loans.

**"IFRS"** means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

**"Incurrence Test"** has the meaning ascribed to such term in Clause 13.3 (*Financial covenants and Incurrence Test*).

**"Initial Bond Issue"** means the amount to be issued on the Initial Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Initial Issue Date"** means 28 June 2024.

**"Initial Nominal Amount"** means the Nominal Amount of each Bond on the Initial Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Insolvent"** means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

**"Intercompany Loans"** means any loan or credit made by any Issuer HoldCo Group Company to any other Issuer HoldCo Group Company, provided that any Intercompany Loan in respect of which the Issuer is the debtor, shall be a Subordinated Loan.

**"Interest Payment Date"** means the last day of each Interest Period, the first Interest Payment Date being 28 September 2024 and the last Interest Payment Date being the Maturity Date.

**"Interest Period"** means, subject to adjustment in accordance with the Business Day Convention, the periods between 28 March, 28 June, 28 September and 28 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

**"Interest Quotation Day"** means, in relation to any period for which Interest Rate is to be determined, two (2) Quotation Business Days before the first day of the relevant Interest Period.

**"Interest Rate"** means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

**"Interim Accounts"** means the unaudited unconsolidated quarterly financial statements of the Issuer and the Parent, respectively, for the quarterly period ending on each Quarter Date in each year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and an accompanying management summary.

**"ISIN"** means International Securities Identification Number.

**"Issuer"** means the company designated as such in the preamble to these Bond Terms.

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

**"Issuer HoldCo Group"** means the Issuer and all its Subsidiaries which are Holding Companies from time to time (each an **"Issuer HoldCo Group Company"**).

**"Issuer's Bonds"** means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.



**"Liquidity"** means, at any time and in respect of the Issuer or the Parent (as the context require), the aggregate amount of its freely available and unrestricted cash and bank deposits (and for clarity, excluding any amount on the Escrow Account).

**"Listing Failure Event"** means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within six (6) months following the Initial Issue Date,
- (b) in the case of a successful admission to listing, that a period of six (6) months has elapsed since the Bonds ceased to be admitted to listing on an Exchange, or
- (c) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within three (3) months following the issue date for such Temporary Bonds.

**"Loan-to-Value Ratio"** means the ratio, expressed as a percentage, of (i) the amount of Net Interest-Bearing Debt to (ii) the Market Value.

**"Make Whole Amount"** means an amount equal to the sum of the present value on the Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the price as set out in paragraph (a) (ii) 10.2(a)(ii) of Clause 10.2 (*Voluntary early redemption – Call Option*) as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date) to the First Call Date,

where the present value shall be calculated by using a discount rate of 4.64 per cent. per annum, and where the Interest Rate applied for the remaining interest payments until the First Call Date shall be the applicable Interest Rate on the Call Option Repayment Date.

**"Managers"** means ABG Sundal Collier ASA and Nordea Bank Abp, filal i Norge.

**"Margin"** means 7.00 per cent.

**"Market Value"** means, at any time and in respect of the Issuer or the Parent (as the context require), the aggregate booked value of its assets as set out in its latest Financial Report (on an unconsolidated basis), however (i) adjusted to exclude the value of assets lost or disposed of and include assets acquired, in each case since the date of the relevant Financial Report and (ii) and, for as long as the Issuer applies Norwegian Generally Accepted Accounting Principles (NGAAP), adjusted by adjusting the value of listed securities to the mark-to-market value applicable for such listed securities on each Quarter Date (or, if the relevant Quarter Date was not a day the market was for open for trading in the relevant securities, the immediately preceding day open for trading in the securities) (or each other date when the Market Value is determined).

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

- (a) the ability of any Obligor to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

**"Maturity Date"** means 28 June 2027, adjusted according to the Business Day Convention.

**"Maximum Issue Amount"** means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Minimum Book Equity"** has the meaning ascribed to such term in paragraph (a) (i) of Clause 13.3 (*Financial covenants and Incurrence Test*).

**"Minimum Liquidity"** has the meaning ascribed to such term in paragraph (a) (iii) of Clause 13.3 (*Financial covenants and Incurrence Test*).

**"Net Interest-Bearing Debt"** means, at any time, the sum of all interest-bearing Financial Indebtedness of the Issuer (on an unconsolidated basis) or, if calculated in respect of the Parent, the aggregate amount of all interest-bearing Financial Indebtedness of each of the Parent HoldCo Group Companies (calculated on an unconsolidated basis for each such Parent HoldCo Group Company), respectively, and excluding:

- (a) Intercompany Loans owned by it;
- (b) Subordinated Loans owed by it; and
- (c) in respect of the Issuer, Bonds owned by the Issuer,

*less* its Liquidity and any amount deposited on its accounts which are pledged and/or blocked for the benefit of Financial Indebtedness included in the calculation.

**"Net Proceeds"** means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds), including in respect of any Additional Bonds under a Tap Issue.

**"Nominal Amount"** means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

**"Obligor"** means the Issuer and the Parent.

**"Outstanding Bonds"** means any Bonds not redeemed or otherwise discharged.

**"Overdue Amount"** means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

**"Parent"** means Karbon Invest AS, a company existing under the laws of Norway with registration number 922 699 097.

**"Parent Bank Facility"** means a bridge facility agreement entered into by the Parent as the borrower and Nordea Bank Abp as the lender.

**"Parent Bank Facility Security"** means the Security granted by any Issuer Holdco Group Company in favour of Nordea Bank Abp under the Parent Bank Facility.

**"Parent Group"** means the Parent and all its Subsidiaries from time to time, but excluding any Issuer Group Company (each a **"Parent Group Company"**).

**"Parent Guarantee"** means the joint and several unconditional and irrevocable Norwegian law guarantee and indemnity (Norwegian: "*selvskyldnerkausjon*") issued by the Parent in respect of the Secured Obligations.

**"Parent HoldCo Group"** means the Parent and all its Subsidiaries which are Holding Companies from time to time (each a **"Parent HoldCo Group Company"**) but excluding any Issuer Group Company.

**"Partial Payment"** means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

**"Paying Agent"** means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

**"Payment Date"** means any Interest Payment Date or any Repayment Date.

**"Permitted Distribution"** means any Distribution:

- (a) made by the Issuer, in an aggregate amount that does not exceed NOK 40,000,000 per calendar year and where its Loan-to-Value Ratio will not exceed thirty-five (35) per cent. immediately after the Distribution is made, provided that the first Distribution made by the Issuer shall be based on its Annual Financial Statements for 2024; and
- (b) made by the Parent:
  - (i) in an aggregated amount that does not exceed NOK 16,000,000, provided that the Distribution is made no later than 15 July 2024; and
  - (ii) in an aggregate amount that does not exceed NOK 40,000,000 per calendar year and where its Loan-to-Value Ratio does not exceed thirty-five (35) per cent. immediately after the Distribution is made, provided that the first Distribution made by the Parent under this sub-paragraph (b) shall be based on its Annual Financial Statements for 2024,

in each case provided that no Event of Default is continuing or would result from the Distribution.

**"Permitted Financial Indebtedness"** means any Financial Indebtedness:

- (a) arising under the Finance Documents, provided that any Tap Issue shall satisfy the Incurrence Test;
- (b) in the form of any Intercompany Loans;
- (c) in the form of any Subordinated Loans;
- (d) in the form of any seller credit (or earn-out if categorised as Financial Indebtedness) granted to any Issuer Holdco Group Company in connection with an acquisition of an entity or business or portion thereof (from a person who is not the Parent or an Affiliate of the Parent), provided that (a) it is the buyer of the shares that becomes the only debtor for such seller credit and the seller credit does not exceed 1/3 of the consideration for the acquisition of the relevant entity or business, (b) the applicable interest per annum on the relevant seller credit does not exceed a rate per annum in excess of the Interest Rate for any corresponding period, (c) if granted to the Issuer, the seller's credit is a Subordinated Loans (however so that interest and principal may be serviced as long as no Event of Default has occurred and is continuing), and (d) the Issuer complies with the Incurrence Test if tested pro forma immediately after the incurrence of such new Financial Indebtedness;
- (e) related to hedging of interest rates in the ordinary course of business and on a non-speculative basis;
- (f) under any pension, deferred employee compensation and tax liabilities, or in connection with the financing of insurance premiums, in each case incurred in the ordinary course of business;
- (g) incurred in connection with the redemption of the Bonds in full in order to refinance the Bonds and provided further that such Financial Indebtedness is either undrawn or fully cash collateralised up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, *inter alia*, the full redemption of the Bonds; and
- (h) not otherwise permitted above limited to an amount of NOK 15,000,000 (or its equivalent in other currencies) in aggregate for the Issuer HoldCo Group at any time.

**"Permitted Financial Support"** means any Financial Support:

- (a) granted under the Finance Documents;
- (b) in the form of any Intercompany Loan;
- (c) in form of any Portfolio Company Loan;
- (d) in the form of any seller credit granted by any Issuer Holdco Group Company to a third-party buyer (who is not the Parent or an Affiliate of the Parent) in connection with the sale of an entity or business or portion thereof;

- (e) arising in the ordinary course of banking arrangements for the purposes of netting debit and credit balances of any Issuer HoldCo Group Companies;
- (f) from an Issuer HoldCo Group Company in the form of security over its shares in or monetary claims against another Issuer Group Company (other than an Issuer HoldCo Group Company); and
- (g) not otherwise permitted above limited to an amount of NOK 15,000,000 (or its equivalent in other currencies) in aggregate for the Group at any time, and where this basket can also be used for Financial Support in the form of cash collateral.

**"Permitted Security"** means:

- (a) any Security created under the Finance Documents;
- (b) any Security constituting Permitted Financial Support;
- (c) any Parent Bank Facility Security, provided that such Security is released in accordance with the Closing Procedure;
- (d) any cash pooling, netting or set-off arrangement arising in the ordinary course of banking arrangements for the purposes of netting debt and credit balances between Issuer HoldCo Group Companies;
- (e) created in the form of a pledge over one or more escrow accounts to which the proceeds incurred in relation to a refinancing of the Bonds are intended to be received and are subsequently received; and
- (f) any Security not otherwise permitted above limited to NOK 15,000,000 (or its equivalent in other currencies) in aggregate for the Group at any time,

provided that no other Security shall be granted over assets subject to Transaction Security.

**"Permitted Transferees"** means any of Jens Rugseth and Rune Syversen, and any of their respective spouses, children and linear descendants.

**"Portfolio Company Loan"** means any loan granted by any Issuer HoldCo Group Company to any Subsidiaries of any Issuer Holdco Group Company or to any other entity or business in which any Issuer Holdco Group Company is a shareholder.

**"Put Option"** has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**"Put Option Event"** means a Change of Control Event.

**"Put Option Repayment Date"** means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**"Quarter Date"** means 31 March, 30 June, 30 September and 31 December each year.

**"Quotation Business Day"** means a day on which Norges Bank's settlement system is open.

**"Reference Rate"** means NIBOR; (Norwegian Interbank Offered Rate) being;

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:
  - (i) the linear interpolation between the two closest relevant Interest Periods, and with the same number of decimals, quoted under paragraph (a) above; or
  - (ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
  - (i) any relevant replacement reference rate generally accepted in the market; or
  - (ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

**"Relevant Jurisdiction"** means the country in which the Bonds are issued, being Norway.

**"Relevant Record Date"** means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

**"Reorganisation"** means assignment of the following assets from the Parent to the Issuer:

- (a) 3,415,941 shares in The Social Gaming Group Holding AS, registration number 929 455 703, ("**TSGG**") representing 83.50% of the total 4,090,923 shares issued in TSGG;
- (b) 917,059 shares in PetXL Group AS, registration number 918 969 950, ("**PetXL**") representing 53.16% of the total 1,724,945 shares issued in PetXL;

- (c) 3,921,967 shares in Holdco Spirit AS, registration number 927 233 045, ("**Ecura**"), representing 38.16% of the total 10,276,683 shares issued in Ecura;
- (d) 4,007,023 shares in Holdco Compact AS, registration number 928 119 963, ("**Evo**"), representing 40.43% of the total 9,910,000 shares issued in Evo;
- (e) 359,561 shares in Lettbutikk AS, registration number 916 376 278, ("**Lettbutikk**"), representing 79.77% of the total 450,753 shares issued in Lettbutikk;
- (f) 4,534,386 shares in Rift Labs AS, registration number 895 734 942, ("**Rift Labs**"), representing 33.86% of the total 13,392,163 shares issued in Rift Labs;
- (g) 3,895,457 shares in Holdco Play AS, registration number 928 339 521, ("**Sprell**"), representing 39.2% of the total 9,930,000 shares issued in Sprell;
- (h) 95,000,000 A-shares and 4,500,000 B-shares in Karbon Eiendom AS, registration number 916 177 461, ("**Karbon Eiendom**"), representing 100% of the of the total 95,000,000 A-shares issued in Karbon Eiendom and 90% of the total 5,000,000 B-shares issued in Karbon Eiendom;
- (i) 416 shares in Defigo AS, registration number 913 704 665, ("**Defigo**"), representing 1.534% of the total 27,112 shares issued in Defigo;
- (j) 90,932.6 IK fund shares in Norselab Meaningful Equity II, ISIN: IE000S0MEHC5,
- (k) Receivables on Karbon Eiendom (as debtor) in the amount of NOK 10,166,138;
- (l) Receivables on Karbon Eiendom Utvikling (as debtor), registration number 917 867 275, in the amount of NOK 6,916,610; and
- (m) Receivables on The Social Gaming Group AS (as debtor), registration number 929 455 762, in the amount of NOK 5,971,477,

in which (i) the shares in TSGG listed in paragraph (a) above shall be assigned under reorganisation agreement with the consideration settled by issue of the Reorganisation Consideration and a Subordinated Loan and (ii) the remaining assets listed in paragraph (b)-(m) are assigned as contribution in kind in the Issuer with the subsequent assignment of the consideration shares received by the Parent in the Issuer as contribution in kind in Karbon Equity Holding AS, registration number 933 225 283.

**"Reorganisation Consideration"** means the consideration payable by the Issuer to the Parent in respect of the Reorganisation, approx. NOK 310,000,000, and which the Parent shall use in repayment of the Parent Bank Facility.

**"Repayment Date"** means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date, or the Maturity Date.

**"Secured Obligations"** means all present and future liabilities and obligations of any Group Company to any of the Secured Parties under the Finance Documents.

**"Secured Parties"** means the Security Agent and the Bond Trustee on behalf of itself and the Bondholders.

**"Securities Trading Act"** means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

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

**"Security Agent"** means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

**"Security Agent Agreement"** means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

**"Security Provider"** means any person granting Transaction Security.

**"Subordinated Loan"** means any loan granted or to be granted to an Issuer HoldCo Group Company, with terms and final structure to ensure that (i) such loan is fully subordinated to the Secured Obligations, and (ii) any repayment of, or payment of interest in cash under any such loan is subject to all present and future obligations and liabilities under the Secured Obligations having been discharged in full (other than any repayment by the application of cash equity injected into the Issuer HoldCo Group Company for such purpose or any repayment by an Issuer HoldCo Group Company to another Issuer HoldCo Group Company whilst no Event of Default is continuing), in each case pursuant to a Subordination Statement from the lender.

**"Subordination Statement"** means a statement of subordination executed by the relevant creditor and made in favour of the Bond Trustee in respect of Subordinated Loans confirming that the relevant subordinated instrument is subordinated as contemplated by the terms of this Term Sheet.

**"Subsidiary"** means a person over which another person has Decisive Influence.

**"Summons"** means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

**"Tap Issue"** has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Tap Issue Addendum"** has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Tax Event Repayment Date"** means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

**"Temporary Bonds"** has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).



**"Transaction Security"** means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

**"Transaction Security Documents"** means, collectively, the Escrow Account Pledge and all of the documents which shall be executed or delivered pursuant to Clause 2.5 (*Initial Transaction Security*) and Clause 2.6 (*Additional Transaction Security*).

**"Voting Bonds"** means the Outstanding Bonds less the Issuer's Bonds.

**"Written Resolution"** means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of "**law**" are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*);
- (j) references to persons "**acting in concert**" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is "**continuing**" if it has not been remedied or waived.

## 2. THE BONDS

### 2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to NOK 700,000,000 (the "**Maximum Issue Amount**"). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of NOK 400,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be at par, at a premium relative to the Initial Nominal Amount, but not at a discount to the Initial Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a "**Tap Issue Addendum**").

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the "**Temporary Bonds**"). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

- (a) The Bonds are denominated in Norwegian Kroner (NOK), being the legal currency of Norway
- (b) The Initial Nominal Amount of each Bond is NOK 100,000.
- (c) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (d) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders' Meeting*).

### 2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Initial Issue Date to but excluding the Maturity Date.

### 2.3 Use of proceeds

- (a) The Issuer shall apply the Net Proceeds from the Initial Bond Issue as follows:
- (i) the refinancing of existing debt of the Parent, approx. NOK 310,000,000, in form of repayment by the Issuer of the Reorganisation Consideration; and
- (ii) the remaining amount, for general corporate purposes.

- (b) The Issuer will use the Net Proceeds from the issuance of any Additional Bonds for such purpose (if any) which is set out in the marketing materials of the respective Additional Bonds.

## 2.4 Status of the Bonds

The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

## 2.5 Initial Transaction Security

- (a) As Security for the due and punctual fulfilment of the Secured Obligations, including but not limited to payment of principal, interest, premiums and expenses, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent on behalf of the Secured Parties with first priority within the times agreed in paragraphs (b) and (c) of this Clause 2.5 (*Initial Transaction Security*):

### Pre-settlement Security

- (i) an Escrow Account Pledge;

### Pre-disbursement Security

- (ii) a pledge over all shares and voting rights in the Issuer, as may exist from time to time;
  - (iii) charges over the Issuer's Bank Accounts; and
  - (iv) the Parent Guarantee.
- (b) The Pre-Settlement Security shall be established in due time before the Initial Issue Date, as described in and subject to the terms of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).
  - (c) The Pre-Disbursement Security shall be established prior to or in connection with the disbursement from the Escrow Account (at which time the Bond Trustee may (acting in its sole discretion) release the Pre-Settlement Security), as described in and subject to the terms of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).
  - (d) The Transaction Security (referred to both in this Clause 2.5 and Clause 2.6 below) shall be entered into on such terms and conditions as the Security Agent and the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document and will remain in force until the Secured Obligations have been repaid in full.
  - (e) The Security Agent is irrevocably authorised to (i) release any Transaction Security over assets which are sold or otherwise disposed of (directly or indirectly) (A) in any merger, de-merger or disposal permitted in compliance with Clauses 13.1.6 (*Mergers and de-*

*mergers*), 13.2.2 (*Mergers and de-mergers*) or 13.1.9 (*Disposals*) and (B) following an enforcement.

## **2.6 Additional Transaction Security**

- (a) If new shares in the Issuer are issued or if the Issuer opens a new Bank Account (each a "**New Security Asset**"), then the Issuer shall ensure that the New Security Assets shall immediately become subject to Transaction Security under such Transaction Security Documents as the Bond Trustee shall require.
- (b) The Issuer shall deliver to the Bond Trustee such documents and evidence as the Bond Trustee shall reasonably require with respect to the relevant Security Provider and the New Security Asset, including but not limited to constitutional documents, corporate authorisations, governmental approvals and third-party consents. The Bond Trustee may, at the cost of the Issuer, require legal opinions to be issued.

## **3. THE BONDHOLDERS**

### **3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

### **3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

### **3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the

Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

**4. ADMISSION TO LISTING**

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within six (6) months of the Initial Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. The Issuer shall use its reasonable endeavours to ensure that any Temporary Bonds are listed on an Exchange within three (3) months of the issue date for such Temporary Bonds.

**5. REGISTRATION OF THE BONDS**

**5.1 Registration in the CSD**

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

**5.2 Obligation to ensure correct registration**

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

**5.3 Country of issuance**

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

**6. CONDITIONS FOR DISBURSEMENT**

**6.1 Conditions precedent for disbursement to the Issuer**

**Pre-settlement**

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Initial Issue Date each of the following documents and evidence, in form and substance satisfactory to the Bond Trustee:
  - (i) these Bond Terms duly executed by all parties hereto;
  - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
  - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation

evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;

- (iv) copies of the Issuer's articles of association and certificate of registration (No: *firmaattest*) in respect of the Issuer evidencing that the Issuer is validly existing;
- (v) the Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law;
- (vi) copies of the latest Financial Reports (if any);
- (vii) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
- (viii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
- (ix) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
- (x) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
- (xi) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
- (xii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).

**Pre-disbursement**

- (b) The Net Proceeds from the issuance of the Bonds (on the Escrow Account) will not be disbursed to the Issuer (to be applied in accordance with Clause 2.3 (*Use of proceeds*)) unless the Bond Trustee has received or is satisfied that it will receive in due time (as reasonably determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee:
  - (i) a duly executed release notice from the Issuer, as set out in Attachment 2;
  - (ii) unless delivered under paragraph (a) above, as pre-settlement conditions precedent and in respect of each Obligor, Security Provider or any party to a Subordination Statement (each a "**Relevant Party**"):
    - (A) copies of all necessary corporate resolutions of each Relevant Party required to provide the Transaction Security and execute the Finance Documents to which it is a party;
    - (B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Relevant Party to relevant individuals for their

execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the relevant Relevant Party; and

- (C) copies of the articles of association and a full extract from the relevant company register in respect of each Relevant Party evidencing that it is validly existing;
  - (iii) all relevant Transaction Security Documents duly executed by all parties thereto and evidence of the establishment and perfection of the Transaction Security with its intended priority in accordance with applicable law;
  - (iv) any other Finance Document (unless delivered under paragraph (a) above and to the extent applicable) duly executed by all parties thereto;
  - (v) copies of documents evidencing the terms of any Subordinated Loans or Intercompany Loans (in each case) existing or arising in connection with such disbursement, each duly executed;
  - (vi) a confirmation from the Issuer that the Reorganisation has been completed;
  - (vii) a funds flow statement evidencing that the proceeds from the first disbursement from the Escrow Account will, together with other funds available to the Issuer or the Parent, be enough to repay the Parent Bank Facility in full and will be used for such purpose;
  - (viii) a confirmation from the lender under the Parent Bank Facility that its Security over the shares in the Issuer and in the assets of the Group will be released upon receipt of the repayment amount for the Parent Bank Facility;
  - (ix) such further confirmations from the Parent and/or any third-party lender regarding the availability of funds and their use towards repayment of the Parent Bank Facility as the Bond Trustee shall require;
  - (x) evidence that any Subordinated Loans are subordinated to the Issuer's obligations under the Finance Documents by delivering duly executed Subordination Statements for such loans by the relevant creditors; and
  - (xi) legal opinions or other statements as may be required by the Bond Trustee, including in respect of corporate matters relating to the Obligors and the legality, validity and enforceability of the Finance Documents (unless delivered under paragraph (a) as pre-settlement conditions precedent).
- (c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or agree to postpone the delivery of certain documents or decide that such delivery shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer (the "**Closing Procedure**"). The purpose of the Closing Procedure will, *inter alia*, be to document and agree on the steps that will

ensure that the funds from the first disbursement from the Escrow Account are released to the Issuer for application towards repayment of the Parent Bank Facility more or less simultaneously with the application of other funds required for the full repayment of the Parent Bank Facility and the release of Security over the shares in the Issuer and over the assets of the Group securing the Parent Bank Facility. The Closing Procedure may involve the granting and perfection of Transaction Security over the shares in the Issuer and the assets of the Group after the first release from the Escrow Account has occurred, but so that such Transaction Security shall not be granted less than two (2) Business Days after the date of the first disbursement from the Escrow Account.

## **6.2 Disbursement of the proceeds**

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

## **6.3 Tap Issues**

- (a) Settlement and disbursement of the Net Proceeds from the issuance of any Additional Bonds to the Issuer (whether from the Escrow Account or directly from the settlement following the issuance of the Additional Bonds), shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to such disbursement, each of the following documents and evidence, in form and substance satisfactory to the Bond Trustee:
  - (i) a Tap Issue Addendum duly executed by all parties thereto;
  - (ii) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents (if applicable);
  - (iii) copies of the Issuer's articles of association and certificate of registration (No. *firmaattest*);
  - (iv) a guarantee and security confirmation from each Obligor;
  - (v) confirmation that the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds;
  - (vi) confirmation that no Event of Default has occurred and is continuing;
  - (vii) evidence that the Issuer meets the Incurrence Test applicable in respect of a Tap Issue pursuant to Clause 13.3 (*Financial covenants and Incurrence Test*);
  - (viii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality,



validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable)); and

- (ix) such other documents and evidence as the Bond Trustee shall reasonably require with respect to the relevant Security Provider and the New Security Assets.
- (b) The Bond Trustee, acting in its sole discretion, may waive or postpone the delivery of certain conditions precedent related to the Tap Issue(s), and the Bond Trustee may on behalf of the Bondholders agree on a closing procedure with the Issuer.

## **7. REPRESENTATIONS AND WARRANTIES**

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and Warranties*), in respect of itself and in respect of each other Obligor and Issuer HoldCo Group Company to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Initial Issue Date;
- (c) on each date of disbursement of proceeds from the Escrow Account; and
- (d) on the date of issuance of any Additional Bonds:

### **7.1 Status**

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

### **7.2 Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

### **7.3 Valid, binding and enforceable obligations**

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

### **7.4 Non-conflict with other obligations**

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

## **7.5 No Event of Default**

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

## **7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

## **7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

## **7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

## **7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

## **7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

## **7.11 No withholdings**

It is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

**7.12 Pari passu ranking**

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

**7.13 Security**

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

**8. PAYMENTS IN RESPECT OF THE BONDS**

**8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

**8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bond Terms will accrue at the Interest Rate plus two (2) percentage point per annum. In the

event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

### **8.3 Partial Payments**

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
  - (ii) secondly, towards accrued interest due but unpaid; and
  - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
  - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
  - (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

### **8.4 Taxation**

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

## **8.5 Currency**

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within five (5) Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

## **8.6 Set-off and counterclaims**

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

## **9. INTEREST**

### **9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

### **9.2 Payment of interest**

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

## **10. REDEMPTION AND REPURCHASE OF BONDS**

### **10.1 Redemption of Bonds**

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to one hundred (100) per cent. of the Nominal Amount.

## 10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem all or a portion of the Outstanding Bonds (the "**Call Option**") on any Business Day from and including:
  - (i) the Initial Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
  - (ii) the First Call Date to, but not including, the Interest Payment Date in June 2026 at a price equal to 105.87 per cent. of the Nominal Amount for each redeemed Bond;
  - (iii) the Interest Payment Date falling in June 2026 to, but not including, the Interest Payment Date falling in December 2026 at a price equal to 103.87 per cent. of the Nominal Amount for each redeemed Bond; and
  - (iv) the Interest Payment Date falling in December 2026 to, but not including, the Maturity Date at a price equal to 101.88 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date. Any redemption notice given in respect of a Call Option may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, in which case the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived by the Issuer at least three (3) Business Days prior to such Call Option Repayment Date.
- (d) When the Make Whole Amount is applicable, and unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three (3) Business Days from the date of the notice.
- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

## 10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to one hundred and one (101) per cent. of the Nominal Amount of the repurchased Bonds (plus accrued and unpaid interest on the repurchased Bonds).
- (b) The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has

occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.

- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth (5<sup>th</sup>) Business Day after the end of fifteen (15) Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than ninety (90) per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at a price of one hundred and one (101) per cent. of the Nominal Amount by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

#### **10.4 Early redemption option due to a tax event**

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than forty (40) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

### **11. PURCHASE AND TRANSFER OF BONDS**

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

The Issuer may purchase and hold Bonds and such Bonds may be retained or sold (but not discharged) in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

#### **11.2 Restrictions**

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Reports**

- (a) The Issuer shall, and shall ensure that the Parent will, prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform such as Stamdata) as soon as they become available, and not later than one hundred and twenty (120) days after the end of the financial year (first time for the financial year of 2024).
- (b) The Issuer shall, and shall ensure that the Parent will, prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform such as Stamdata) as soon as they become available, and not later than sixty (60) days after the end of the relevant interim period (first time for the Quarter Date on 30 September 2024).

### **12.2 Requirements as to Financial Reports**

- (a) The Issuer shall, and shall ensure that the Parent will, supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer and the Parent, respectively, certifying *inter alia* that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.3 (*Financial covenants and Incurrence Test*) as at such date.
- (b) The Issuer shall, and shall ensure that the Parent will, procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

### **12.3 Put Option Event**

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

### **12.4 Listing Failure Event**

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

### **12.5 Information: Miscellaneous**

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;



- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

### **13. GENERAL AND FINANCIAL UNDERTAKINGS**

#### **13.1 Issuer's general undertakings**

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.1 at any time during the term of these Bond Terms.

##### **13.1.1 Holding Company**

The Issuer shall not trade, carry on any business or own any material assets, except for: (a) the provision of administrative and procurement services to its Subsidiaries, (b) ownership of shares in companies (including its Subsidiaries), bank accounts, treasury, cash and cash equivalents and (c) the granting of any Intercompany Loans and Portfolio Company Loans.

##### **13.1.2 Authorisations**

The Issuer shall, and shall procure that each other Issuer HoldCo Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time to the extent that failure to comply with such authorisation, approval, license and consent would have a Material Adverse Effect.

##### **13.1.3 Compliance with laws**

The Issuer shall, and shall procure that each other Issuer HoldCo Group Company will, comply with all laws and regulations to which it may be subject from time to time to the extent that failure to comply with such laws and regulations would have a Material Adverse Effect.

##### **13.1.4 Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business of the Issuer HoldCo Group from that carried on by the Issuer HoldCo Group at the Initial Issue Date.

### **13.1.5 Corporate status**

The Issuer shall not change its type of organization or jurisdiction of incorporation, except for converting to a Norwegian public limited liability company (No: *allmennaksjeselskap*).

### **13.1.6 Mergers and de-mergers**

- (a) The Issuer shall not, and shall ensure that no other Issuer HoldCo Group Company will, carry out any merger, amalgamation, or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any such Issuer HoldCo Group Company with any other company or entity if such transaction would have a Material Adverse Effect, and provided that in any merger, other business combination, or corporate reorganisation involving the Issuer, the surviving entity shall be the Issuer.
- (b) The Issuer shall not, and shall ensure that no other Issuer HoldCo Group Company will, carry out any de-merger or other corporate reorganisation, except for any de-merger or other corporate reorganisation of any Issuer HoldCo Group Company (other than the Issuer) into two or more separate companies or entities which are (directly or indirectly) wholly-owned (or, in the case of an Issuer HoldCo Group Company that was not wholly-owned prior to such de-merger, owned with the same ownership percentage as the original Issuer HoldCo Group Company), and provided further that any such de-merger or other corporate reorganisation is carried out on arm's length terms and does not have a Material Adverse Effect.

### **13.1.7 Financial Indebtedness**

The Issuer shall not, and shall ensure that no other Issuer HoldCo Group Company will, incur any additional Financial Indebtedness or maintain or prolong any existing Financial Indebtedness, other than any Permitted Financial Indebtedness.

### **13.1.8 Negative pledge**

The Issuer shall not, and shall ensure that no other Issuer HoldCo Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (whether present or future), other than any Permitted Security.

### **13.1.9 Disposals**

The Issuer shall not, and shall procure that no other Issuer HoldCo Group Company will, sell, transfer or otherwise dispose of all or substantially all of its assets (including shares or other securities in any person) or operations (other than to another Issuer Group Company), unless such sale, transfer or disposal is carried out in the ordinary course of business of the Issuer Holdco Group and would not have a Material Adverse Effect.

### **13.1.10 Arm's length transactions**

Without limiting Clause 13.1.3 (*Compliance with laws*), the Issuer shall, and shall ensure that each other Issuer Group Company will, enter into any transaction with any Affiliate which is not an Issuer Group Company at market terms and otherwise on an arm's length basis or in the form of a Permitted Distribution.

**13.1.11 Subsidiaries' distributions**

The Issuer shall procure that no other Issuer Group Company creates or permits to exist any contractual obligation (or encumbrance) restricting the right of any such Issuer Group Company to pay dividends or make other distributions to other Group Companies in their capacity as its shareholders, other than such contractual obligation which is not reasonably likely to prevent the Issuer from complying with its payment obligations under these Bond Terms.

**13.1.12 Issuer's distributions**

The Issuer shall not, and shall ensure that no other Issuer Group Company will, make any Distribution other than any Permitted Distribution.

**13.1.13 Financial Support**

The Issuer shall not, and shall ensure that no other Issuer HoldCo Group Company will make, grant or allow to subsist, retain, provide, prolong or renew any Financial Support, other than Permitted Financial Support.

**13.2 Parent's general undertakings**

The Issuer shall ensure that the Parent will comply with the following general covenants and undertakings set forth in this Clause 13.2 at any time during the term of these Bond Terms.

**13.2.1 Authorisations**

The Parent shall in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time.

**13.2.2 Mergers and de-mergers**

- (a) The Parent shall not carry out any merger, amalgamation or other business combination or corporate reorganisation involving the consolidation of the assets and obligations of the Parent with any other company or entity if such transaction would have a Material Adverse Effect and provided that in any merger or other business combination or corporate reorganisation involving the Parent, the surviving entity shall be the Parent.
- (b) The Parent shall not carry out any de-merger or other corporate reorganisation unless such de-merger or other corporate reorganisation is carried out on arm's length terms and does not have a Material Adverse Effect.

**13.2.3 Continuation of business**

The Parent shall ensure that no material change is made to the general nature of its business from that carried on by it at the Initial Issue Date.

**13.2.4 Corporate status**

The Parent shall not change its type of organisation or jurisdiction of incorporation, except for converting to a Norwegian public limited liability company (No: *allmennaksjeselskap*).

### **13.2.5 Compliance with laws**

The Parent shall comply with all laws and regulations to which it may be subject from time to time to the extent that failure to comply with such laws and regulations would have a Material Adverse Effect.

### **13.2.6 Arm's length transactions**

The Parent shall not, and it shall ensure that none of its Subsidiaries will, enter into any transaction with any Affiliate that is not Subsidiary of the Parent other than at market terms and otherwise on arm's length basis or in the form of a Permitted Distribution.

### **13.2.7 Distributions**

The Parent shall not, and shall ensure that no other Parent Group Company will, make any Distribution other than any Permitted Distribution.

### **13.2.8 Re-investments**

The Parent shall ensure that net proceeds received from divestment of listed shares owned by the Parent shall (a) be kept as cash and/or (b) be used towards (i) repayment of Financial Indebtedness of the Parent, (ii) equity injections by the Parent into the Issuer, (iii) Permitted Distribution by the Parent and/or (iv) to cover general and administrative expenses in the Parent.

## **13.3 Financial covenants and Incurrence Test**

(a) The Issuer shall, and shall ensure that the Parent will, comply with the following financial covenants:

(i) *Minimum Book Equity:*

(A) The Issuer shall maintain a minimum Book Equity of at least NOK 300,000,000.

(B) The Parent shall maintain a minimum Book Equity of at least NOK 600,000,000

(ii) *Loan-to-Value Ratio:*

(A) The Issuer shall ensure that its Loan-to-Value Ratio does not exceed fifty (50) per cent.

(B) The Parent shall ensure that its Loan-to-Value Ratio does not exceed fifty (50) per cent.

(iii) *Minimum Liquidity:*

The Issuer (on an unconsolidated basis) shall maintain a minimum Liquidity which exceed an amount equal to five (5) per cent. of the amount of interest-bearing Financial Indebtedness of the Issuer.

- (b) The Issuer shall ensure the Issuer's and the Parent's compliance with the financial covenants above at all times. Such compliance shall be certified separately by each of the Issuer and the Parent through the Compliance Certificate, which the Issuer shall, and shall ensure that the Parent will, deliver to the Bond Trustee at the same time as the Issuer's and the Parent's respective publication of each of their Financial Reports in accordance with Clause 12.1 (*Financial Reports*). The Bond Trustee may share the Compliance Certificates with the Bondholders.
- (c) Testing and calculation of the Incurrence Test:
  - (i) The Incurrence Test is met in respect of a Tap Issue, if the Loan-to-Value Ratio in respect of the Issuer does not exceed thirty (30) per cent. immediately after the completion of the Tap Issue.
  - (ii) Compliance with the Incurrence Test is subject to, in each case, that no Event of Default is outstanding or would result from the relevant event for which compliance with the Incurrence Test is required.
  - (iii) The calculation of the Loan-to-Value Ratio or the Book Equity shall be made as per a testing date determined by the Issuer, falling no earlier than the last day of the period covered by the most recent Financial Report delivered to the Bond Trustee prior to the event relevant for the application of the Incurrence Test.
  - (iv) The Net Interest-Bearing Debt shall be measured on the relevant testing date as determined, shall include the full principal amount of the Financial Indebtedness to which the Incurrence Test is applied, and shall exclude any Financial Indebtedness that will be refinanced with the new Financial Indebtedness. Any cash balance resulting from the incurrence of a Tap Issue shall not reduce the Net Interest-Bearing Debt.
- (d) Equity cure:
  - (i) If the Issuer fails (or would otherwise fail) to comply with the relevant financial covenants set out in this Clause 13.3 at any relevant Quarter Date and the Issuer receives or has received any Cure Amount during the period from the last Quarter Date up to the date of delivery to the Bond Trustee of the Compliance Certificate in respect of such period, then such financial covenants shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase the Liquidity for the purpose of calculating the Loan-to-Value Ratio and the Minimum Liquidity and be accounted for in the calculation of Minimum Book Equity.
  - (ii) If, after the Financial Covenants are recalculated as set out above in paragraph (i), the breach has been prevented or cured, the Financial Covenants shall be deemed to have been satisfied on the relevant reporting date.
  - (iii) The Issuer shall be limited to use the equity cure as set out above in paragraph (d) (i) to one (1) time during the term of the Bonds.

## **14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS**

### **14.1 Events of Default**

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

*(a) Non-payment*

An Obligor or an Issuer HoldCo Group Company fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five (5) Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five (5) Business Days following the original due date.

*(b) Breach of other obligations*

An Obligor or an Issuer HoldCo Group Company does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within twenty (20) Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

*(c) Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by any Obligor or any Issuer HoldCo Group Company (if applicable) under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

*(d) Cross default*

If for any Obligor or any Issuer HoldCo Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness 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
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or

- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of NOK 5,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

Any Obligor or any Issuer HoldCo Group Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
  - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
  - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations (including payment obligations) under these Bond Terms; or
  - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
  - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above; or
  - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within twenty (20) Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Obligor or any Issuer HoldCo Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within twenty (20) Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for any Obligor or any Issuer HoldCo Group Company to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of such Obligor or Issuer HoldCo Group Company (as applicable) to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

**14.2 Acceleration of the Bonds**

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

**14.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

**14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.



However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

## **15. BONDHOLDERS' DECISIONS**

### **15.1 Authority of the Bondholders' Meeting**

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least fifty (50) per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a)(i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

### **15.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
  - (i) the Issuer;
  - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
  - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
  - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from

participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.

- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### **15.3 Voting rules**

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

### **15.4 Repeated Bondholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within ten (10) Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.

- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

### **15.5 Written Resolutions**

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,
 shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and

- (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the Summons (the "**Voting Period**").
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of the Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the Summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of the Bondholders' Meeting*).

## **16. THE BOND TRUSTEE**

### **16.1 Power to represent the Bondholders**

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

### **16.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, *inter alia*, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event

of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.

- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee 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.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

**16.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

**16.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts;  
or
  - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligors, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

## **16.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.



- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

#### **16.6 Security Agent**

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.
- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.
- (d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require each Obligor and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

## **17. AMENDMENTS AND WAIVERS**

### **17.1 Procedure for amendments and waivers**

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

### **17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

### **17.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

## **18. MISCELLANEOUS**

### **18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

**18.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

**18.3 Notices, contact information**

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received; and
  - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):

- (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
- (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
- (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

#### **18.4 Defeasance**

- (a) Subject to paragraph (b) below and provided that:
  - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");
  - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and
  - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,then;
  - (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*);
  - (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and
  - (C) any Obligor shall be released from any guarantee including the Parent Guarantee or other obligation applicable to it under any Finance Document.
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.

- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

## **19. GOVERNING LAW AND JURISDICTION**

### **19.1 Governing law**

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

### **19.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

### **19.3 Alternative jurisdiction**

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Obligor or any of its/their respective assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

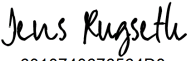
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These Bond Terms have been executed by way of electronic signatures.

**SIGNATURES:**

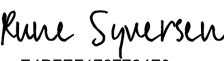
**The Issuer:**

**Karbon Equity AS**

DocuSigned by:  
  
.....6010740676564D8.....

By: Jens Rugseth

Position: Chairman and authorised signatory


DocuSigned by:  
  
.....E4D7EF1737764F8.....

By: Rune Syversen

Position: Director and authorised signatory

**As Bond Trustee and Security Agent:**

**Nordic Trustee AS**

DocuSigned by:  
  
.....847A306451CB461.....

By: Lars Erik Lærum

Position: Authorised Signatory

**ATTACHMENT 1  
COMPLIANCE CERTIFICATE**

[date]

**Karbon Equity AS FRN Senior Secured Bonds 2024/2027 ISIN NO0013265173**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and Karbon Equity AS as Issuer. Pursuant to Clause [●] of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

The financial covenants set out in Clause 13.3 (*Financial covenants and Incurrence Test*) are met, please see the calculations and figures in respect of the covenants attached hereto.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

[Issuer/Parent]

\_\_\_\_\_

Name of authorised person

*Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]*

**ATTACHMENT 2  
RELEASE NOTICE – ESCROW ACCOUNT**

[date]

Dear Sirs,

**Karbon Equity AS FRN Senior Secured Bonds 2024/2027 ISIN NO0013265173**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw [Alt 1: the amount specified in Enclosure I (*Flow of Funds*)]/[Alt 2: all amounts] from the Escrow Account to be applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (i) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (ii) we confirm that the representations and warranties set out in the Bond Terms are true and accurate in all material respects at the date hereof.

Yours faithfully,

NX

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Name of authorised person

*Enclosure I: Flow of Funds*