

Stockholm, 17 February 2020

NOTICE OF WRITTEN PROCEDURE

ISIN: SE0011923267

**Baseload Capital Sweden AB (publ) (the “Issuer”)
SEK 500,000,000 Senior Secured Floating Rate Green Bonds 2019/2023 (the “Bonds”)**

At the request of the Issuer, the Agent hereby initiates a written procedure (“Written Procedure”) in accordance with the terms and conditions of the Bonds (the “Terms and Conditions”). Bondholders (as defined in the Terms and Conditions) are urged to carefully review and consider the details of this notice of Written Procedure (the “Notice”) in its entirety.

If you are an authorised nominee (Sw. *förvaltare*) holding Bonds on behalf of someone else, please forward this Notice to the Bondholder you represent at your earliest convenience.

Terms defined in the Terms and Conditions shall have the same meaning in this Notice, unless otherwise defined herein.

Key information:

Record Date for being eligible to vote:	21 February 2020
Deadline for voting:	15:00 12 March 2020
Quorum requirement:	At least (50) per cent. of the Adjusted Nominal Amount, for <u>Request 1</u> (as defined below). At least (20) per cent. of the Adjusted Nominal Amount for <u>Request 2</u> (as defined below).
Majority requirement:	At least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount for <u>Request 1</u> . More than fifty (50) per cent. of the Adjusted Nominal Amount for <u>Request 2</u> .
Consent Fee:	A consent fee of 0.50 per cent. of the Nominal Amount of each Bond held

	will be paid in consideration of approval of the Requests.
Record Date for the Consent Fee:	Three (3) Business Days after approval of the Requests.

Important information

Each Bondholder is solely responsible for making its own independent evaluation of all matters as such Bondholder deems appropriate (including those relating to the Requests (as defined herein) and the Issuer), and each Bondholder must make its own decision as to whether to participate in the Requests. Bondholders should consult their own tax, accounting, financial and legal adviser regarding the impact to themselves of voting in favour for or against the Requests. Neither the Issuer nor any director, officer, employee, agent or affiliate of the Issuer, is acting for any Bondholder or will be responsible for providing any protections which would be afforded to its clients to any such Bondholder or for providing advice in relation to the Requests. None of the Issuer or the Agent, nor any director, officer, employee, agent or affiliate of any such person, makes any recommendation as to whether such Bondholders should vote in favour for or against the Requests.

Bondholders are responsible for complying with all of the procedures for submitting a Voting Form. Neither the Issuer or the Agent assumes any responsibility for informing any Bondholder of irregularities with respect to such Bondholder's participation in the Written Procedure (including any errors or other irregularities, manifest or otherwise, in any Voting Form).

1. Background

The Issuer wishes to amend and restate the Terms and Conditions as described under items A–E below. The overall objective of the amendments proposed herein is to, along with a convertible shareholder loan of SEK 94,200,000 granted to the Parent on 17 February 2020, enable the Issuer and the Group to better facilitate execution of its current and future investments and projects as well as strengthen its financial position and generate profit.

Item A – Project Holdco

It is imperative for the Group and the expansion of its business to successfully recruit and maintain key partners in the various jurisdictions in which it operates. Therefore, the Issuer wishes to be able to sell equity stakes to partners that can contribute substantially to developing the business in the respective country. Typical contributions from such partners would include brand name, extensive local contact network, project development skills and/or balance sheet. A small portion could also be used to incentivise such partners based upon the success of the Project Holdcos.

A Project Holdco is, under the Terms and Conditions, defined as an entity that is wholly owned by the Issuer. The Issuer wishes to amend the definition of Project Holdco and lower the requirement of the Issuer's ownership to at least seventy (70) per cent. to be able to incentivise its partners by way of offering equity interests and making them equity partners in the Project Holdcos.

For the same purpose as described in the paragraph above, the Issuer also wishes to make subsequent amendments to the Terms and Conditions so that only the Issuer's shares in any current and future Project Holdco shall become subject to security for the benefit of the Secured Parties – consequently leaving any minority investor's shares in a Project Holdco unencumbered. As a consequence of approving and incorporating this amendment to the Terms and Conditions, the Secured Parties may in certain cases only receive security over seventy (70) per cent. of the shares in a Project Holdco (instead of one-hundred (100) per cent. as the Terms and Conditions currently provide for).

By approving and incorporating the above referenced amendments to the Terms and Conditions, a Restricted Payment may be made to a third party shareholder in a Project Holdco, and not only a third party shareholder in a Project Entity as the Terms and Conditions currently provide for, in accordance with the provisions of Clause 13.2(b)(ii) of the Terms and Conditions (i.e. provided that such a Restricted Payment is made on at least a *pro rata* basis to the Issuer or a wholly owned direct or indirect Subsidiary of the Issuer). No further restrictions are proposed to be imposed on the possibility of making Restricted Payments to a third party shareholder.

In furtherance of the abovementioned purpose, the Issuer also wishes to make certain amendments to the Japanese law governed pledge over the shares in the Japanese Holdco entered into on 9 May 2019 (the “**Japanese Share Pledge Agreement**”) (currently encompassing all present and future shares in the Japanese Holdco) for the purpose of allowing new unencumbered shares to be issued to one or several minority investors, consequently ensuring that only shares owned by the Issuer in the Japanese Holdco shall become subject to security in favour of the Bondholders as per the proposal set out in this Item A.

Item B – Accession of Baseload Taiwan to the Guarantee and Adherence Agreement

Pursuant to the Terms and Conditions, the Issuer shall ensure that each Project Holdco, prior to using any funds standing to the credit of the Proceeds Account to make Project Investments through such Project Holdco, accedes to the Guarantee and Adherence Agreement and that the shares owned by the Issuer in each Project Holdco are pledged to the Bondholders.

The Issuer wishes to amend the Terms and Conditions so that its subsidiary, Baseload Power Taiwan Inc. (“**Baseload Taiwan**”), is excluded in its entirety from the obligation to accede to the Guarantee and Adherence Agreement as a Guarantor and to reflect that granting security over the shares in Baseload Taiwan is not possible pursuant to Taiwanese law.

However, in order to allow Baseload Taiwan to, despite it not acceding to the Guarantee and Adherence Agreement, incur debt from the Issuer and any Project Investments as well as from any Project Entity for the purpose of carrying out Projects similarly to how it would have been able to should it have acceded to the Guarantee and Adherence Agreement, the Issuer wishes to amend sub-paragraphs (m) and (n) of the definition of “Permitted Debt”, respectively, so that they also make reference Financial Indebtedness being incurred by Baseload Taiwan.

Having consulted with a reputable Taiwanese law firm, it has been confirmed to the Agent that granting security over the shares of Baseload Taiwan is not possible in such a manner as set out in the Terms and Conditions. Consequently, no security over the shares in

Baseload Taiwan will be granted and the Issuer wishes for this to be reflected in the Terms and Conditions by way of including an explicit carve out in Clause 13.14(a).

From a strictly legal standpoint, Taiwanese law permits Baseload Taiwan to accede to the Guarantee and Adherence Agreement under which it would guarantee, as principal obligor (Sw. *proprieborgen*) as for its own debt, the full and punctual payment and performance of the Secured Obligations. However, a consequence of having Baseload Taiwan accede to the Guarantee and Adherence Agreement would be that Baseload Taiwan and its annual accounts and financial reports become subject to the scrutiny of the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “SFSA”) and the requirements of the Prospectus Regulation (Regulation (EU) 2017/1129) within the scope of the Issuer’s on-going work with its listing prospectus for the Bonds.

The Prospectus Regulation and the SFSA establishes very cumbersome requirements on the financial accounts of Baseload Taiwan, which are further exacerbated by the fact that the Prospectus Regulation and the SFSA does not recognize Taiwanese GAAP as a comparable accounting form to IFRS or Swedish GAAP. This has forced the Issuer to spend considerable amounts of money on legal and accounting fees and will, should Baseload Taiwan have to accede to the Guarantee and Adherence Agreement, force the Issuer to pay for and conduct a fully-fledged time consuming audit of Baseload Taiwan’s financial accounts (which is not otherwise required pursuant to Taiwanese law and which will also be required to be translated) and to further increase its expenditures on accounting and legal fees in order to have the financial accounts meet the requirements necessary to get an approved listing prospectus (e.g. having to compare and describe each and every deviation between applicable Taiwanese accounting principles and IFRS).

Having the above in mind and that Baseload Taiwan is a newly established entity that will not become subject to any share security (but noting that the Issuer, being its immediate parent company, is subject to a share pledge in favour of the Bondholders), as well as that the amounts of money spent (and that would need to be spent) on legal and accounting fees will be disproportionate to the value and benefit of the Guarantee provided under the Guarantee and Adherence Agreement, the Issuer wishes to incorporate an explicit carve out for Baseload Taiwan in Clause 13.14(a) where its obligation to accede to the Guarantee and Adherence Agreement is set out.

Item C – Project Investments

Pursuant to the Terms and Conditions, a Project Investment shall, until the date when any Project in Japan has produced electricity which has been delivered to the Japanese grid network, be financed to at least fifty (50) per cent. with cash held by the Issuer or a Project Holdco, after which the Issuer may finance any Project in full with funds standing to the credit of the Proceeds Account.

The Issuer wishes to amend the Terms and Conditions so that the minimum cash financing requirement in respect of Project Investments made prior to the date on which a Project in Japan has produced electricity which has been delivered to the Japanese grid network is lowered from fifty (50) per cent. down to thirty-three (33) per cent.

This would enable the Group to make rational investment decisions, utilize investment opportunities and to use a larger amount its outstanding Bond facility regardless of timing issues relating to electricity delivery to the Japanese grid network.

In order to facilitate such a change as described above, the Issuer has agreed to and wishes to amend the Terms and Conditions so that the Issuer may not make use of any funds standing to the credit of the Proceeds Account to finance the Initial Japanese Project Entities (as defined in the draft amended and restated Terms and Conditions set out in Schedule 5 (*Mark up of amendments relating to the Requests*)).

Item D – Operational Projects Investments to EBITDA Ratio

The Issuer wishes to amend the Operational Projects Investments to EBITDA Ratio so that (i) it applies only to Operational Projects which have been financed by Net Proceeds (in whole or in part), (ii) that no breach, Default or Event of Default is deemed to have occurred in respect of the Operational Projects Investments to EBITDA Ratio solely as a result of there not being any Operational Projects, (iii) the relevant ratio is increased from equal to or below 6.00:1 to equal to or below 10.00:1 and (iv) the amount of EBITDA relating to the Operational Projects shall be calculated as the *pro rata* share of EBITDA attributable to the Project Investment(s) made by the Issuer (directly or indirectly) with Net Proceeds in such Operational Projects.

From time to time the Issuer is presented with projects that already has producing wells with steady income from e.g. district heating, mineral sales or other sources of income. Such projects present less operational and financial risk to the Issuer and Bondholder alike, but naturally also offer lower returns. Increasing the Operational Projects Investments to EBITDA Ratio would increase the number of Projects fundable with Net Proceeds.

Item E – Listing Failure Event

The Issuer wishes to amend the definition of Listing Failure Event to prolong the permitted time for the listing of the Bonds from twelve (12) months to fourteen (14) months, calculated from the First Issue Date. The amendment will provide the Issuer with the flexibility and time needed to produce the Group's audited and consolidated financial report for the financial year 2019 and ensure that the information contained in the listing prospectus better reflects the financial position of the Group.

2. Proposal for amendments to the Terms and Conditions and request for consent

With reference to the above, the Issuer hereby kindly requests the Bondholders' consent to:

1. the amendments to the Terms and Conditions described above under items A–C and as detailed in the consolidated page-pull mark up attached as Schedule 3 (*Mark up of amendments relating to Request 1*) (“**Request 1**”); and
2. the amendments to the Terms and Conditions described above under items D–E, and as detailed in the consolidated page-pull mark up attached as Schedule 4 (*Mark up of amendments relating to Request 2*) (“**Request 2**”).

Request 1 and Request 2 are jointly referred to as the “**Requests**”.

Attached to this document as Schedule 5 (*Mark up of amendments relating to the Requests*) is a full mark up illustrating the amendments proposed pursuant to the Requests.

3. Effectiveness

The amendments proposed pursuant to Request 1 and/or Request 2 shall be deemed to be approved:

1. immediately upon expiry of the voting period and receipt of the required majority as set forth in section 5.5 below; or
2. if earlier, when the requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent,

Provided that the requisite majority has voted in favor of Request 1 and/or Request 2, the Issuer and the Agent shall, upon the Issuer's request, amend and restate the Terms and Conditions and the Japanese Share Pledge Agreement accordingly (it being noted that there shall only be one set of amended and restated Terms and Conditions and one set of the Japanese Share Pledge Agreement reflecting the amendments proposed by the Requests) as well as enter into and deliver any other agreements and/or documents that are necessary and/or desirable for the purpose of effectuating the proposals and requests set out in this Notice. The Issuer shall, following the execution of such amendment and restatement, procure that the duly executed amended and restated Terms and Conditions are registered with the CSD.

Please note that as of the date of this Notice, Bondholders representing approximately sixty-seven (67) per cent. of the Adjusted Nominal Amount have indicated that they look favorably upon both Requests.

Please note that although the Issuer intends to implement the amendments as proposed pursuant to the Requests, it has no obligation to do so even if any of the Requests are approved by the Bondholders.

The Issuer shall in accordance with Clause 16(o) of the Terms and Conditions publish information about the decision in relation to the Requests on the website of the Group (<https://www.baseloadcap.com>).

4. Fees

4.1 Consent Fee

Subject to the approval of both Request 1 and Request 2, the Issuer will pay a consent fee in an amount equal to 0.50 per cent. of the Nominal Amount of each Bond (the “**Consent Fee**”) to the Bondholders.

If only one of the Requests are approved, no Consent Fee will be paid.

The Agent does not administer the Consent Fee and is not involved in or in any way responsible for the Consent Fee.

4.2 Payment of Consent Fee

To be eligible to receive of the Consent Fee, you must be a Bondholder on the date falling three (3) Business Days from the date on which the amendments proposed pursuant to both Request 1 and Request 2 have been deemed approved in accordance with section 3 (*Effectiveness*) above (the “**Fee Record Date**”)

The Consent Fee shall be calculated based on the aggregate principal amount held by the relevant Bondholder on the Fee Record Date and settlement of the Consent Fee is expected to occur on the date falling five (5) Business Days from the Fee Record Date.

Any payment of the Consent Fee will be effected to Bondholders through Euroclear Sweden AB, which will credit the income account (Sw. *avkastningskonto*) to which interest payments on the Bonds are made to the relevant Bondholder.

Payment is expected to be made without withholding or deduction for any applicable taxes and each Bondholder must make its own determination as to whether or not it is required to pay tax on any amounts it receives in connection with the Requests.

5. Written Procedure

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

5.1 Voting procedure

To be eligible to vote, you must be a Bondholder on 21 February 2020 (the “**Record Date**”). This means that you must be registered in the debt register with the CSD (Sw. *skuldbok*) for the Bonds (the “**Debt Register**”) as direct registered owner (Sw. *direktregistrerad ägare*) or as authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

If you hold Bonds through an authorised nominee and wish to exercise voting rights in respect of such Bonds, you will need to instruct your nominee to vote on your behalf. Alternatively, you may request your nominee to issue a power of attorney preferably in the format set out in Schedule 2 (*Power of Attorney*) to this Notice authorising you to vote. If your Bonds are held through several intermediaries (*i.e.* your authorised nominee is not registered in the Debt Register), you will need to obtain a power of attorney from the Bondholder listed in the Debt Register, or otherwise obtain a coherent chain of powers of attorney starting with the Bondholder listed in the Debt Register.

Bondholders participate in the Written Procedure by completing and sending a voting form in the format set out in Schedule 1 (*Voting Form*) to this Notice (the “**Voting Form**”) and, if applicable, a power of attorney, to the Agent.

A Bondholder who has submitted a valid Voting Form undertakes by such submission not to revoke such valid Voting Form.

Bonds owned by the Issuer, another Group Company or an Affiliate do not entitle such owner to any voting rights.

5.2 Final date to vote in the Written Procedure

The Agent must receive the duly completed Voting Form **no later than 15.00 (CET) on 12 March 2020** either by regular mail, courier or email using the contact details set out in Clause 5.6 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

5.3 Decision procedure

The Agent will determine if a submitted Voting Form will be counted as a valid vote in the Written Procedure.

When a requisite majority of votes in favour of the Requests have been received by the Agent, the Requests shall be deemed to be adopted even if the time period for replies in the Written Procedure has not yet expired.

A notice of the outcome of the Written Procedure will promptly be sent by regular mail to the Bondholders and be published on the websites of the Issuer (<https://www.baseloadcap.com>) and the Agent (www.nordictrustee.com and www.stamdata.com).

Any matter decided upon through the Written Procedure will be binding for all Bondholders.

5.4 Quorum

Bondholders representing at least fifty (50) per cent. in relation to Request 1, or, in relation to Request 2, twenty (20) per cent of the Adjusted Nominal Amount must participate in the Written Procedure (by way of casting votes) in order to form quorum.

If the required quorum is not reached, the Agent shall, if requested by the Issuer, initiate a second Written Procedure for which no quorum requirement will apply.

If a quorum exists for only one of the Requests, a binding decision may be taken in relation to that request without prejudice to the other Request for which there was no quorum.

5.5 Majority

In respect of Request 1, the Agent must receive votes in favour thereof in the Written Procedure representing at least sixty-six and two thirds ($66\frac{2}{3}$) per cent. of the Adjusted Nominal Amount of the Bondholders voting in the Written Procedure in order for Request 1 to be approved, since Request 1 relates to general undertakings set out in Clause 13 (*General Undertakings*) in the Terms and Conditions.

In respect of Request 2, the Agent must receive votes in favour thereof in the Written Procedure representing more than fifty (50) per cent. of the Adjusted Nominal Amount of the Bondholders voting in the Written Procedure in order for Request 2 to be approved.

5.6 Address for sending replies

By regular mail:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure Baseload Capital Sweden AB (publ)
P.O. Box 7329
SE-103 90 Stockholm

By courier:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure Baseload Capital Sweden AB (publ)
Norrandsgatan 23
111 43 Stockholm

By email:

E-mail: voting.sweden@nordictrustee.com

6. Role of the Agent

The role of the Agent under this Written Procedure is solely mechanical and administrative in nature. The information set out herein is presented to the Bondholders without any evaluation, advice or recommendations from the Agent whatsoever. The Agent is not an advisor to any party and has not reviewed or assessed the information set out herein from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice (or the effect(s) of the Requests, should it be adopted). The Bondholders are recommended to seek legal advice in order to independently evaluate whether the Requests (and their effect(s), should they be adopted) are acceptable or not.

Further to the above and as set out in the Terms and Conditions, the Agent may assume that any documentation and other evidence delivered to it or to be entered into by it in relation to the Written Procedure is accurate, legally valid, correct and complete and the Agent does not have to verify the contents of such documentation or evidence.

7. Further information

For questions regarding the Requests, please contact the Issuer at johan.edin@baseloadcap.com or +46 764 666 921. Management will be available for meetings and Q&A with investors on request.

For questions to the Agent regarding the administration of the Written Procedure, please contact the Agent at voting.sweden@nordictrustee.com or +46 8 783 79 00.

Stockholm, 17 February 2020

NORDIC TRUSTEE & AGENCY AB (PUBL)

as Agent

at the request of Baseload Capital Sweden AB (publ)

Enclosed:

Schedule 1	Voting Form
Schedule 2	Power of Attorney
Schedule 3	Mark up of amendments relating to Request 1
Schedule 4	Mark up of amendments relating to Request 2
Schedule 5	Mark up of amendments relating to the Requests

VOTING FORM

Schedule 1

For the Written Procedure in Baseload Capital Sweden AB (publ) - SEK 500,000,000 Senior Secured Floating Rate Green Bonds 2019/2023 ISIN: SE0011923267

The undersigned Bondholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Request 1 and Request 2, respectively, by marking the applicable box below.

NOTE: Request 1 and Request 2 must be voted for separately, i.e., two (2) votes are required.

NOTE: If you are not registered in the debt register with the CSD (Sw. skuldbok (direktregistrerade)) as a direct registered owner (Sw. direktregistrerad ägare) or as an authorised nominee (Sw. förvaltare), you cannot submit this Voting Form without enclosing an executed Power of Attorney, see Schedule 2 to the Notice.

Name of the Voting Person: _____

Capacity of the Voting Person: Bondholder: ☐ ¹ authorised person: ☐ ²

☐ **For** Request 1

☐ **Against** Request 1

☐ **For** Request 2

☐ **Against** Request 2

Voting Person's reg.no/id.no: _____

Securities Account number at Euroclear Sweden:
(if applicable) _____

Name and Securities Account number of authorised nominee (Sw. förvaltare): (if applicable) _____

Nominal Amount voted for (in SEK): _____

Telephone number, email address and contact person:

Name of authorised signatory:³

Place, date

¹ When voting in this capacity, no further evidence is required.

² When voting in this capacity, the Voting Person must also enclose Power of Attorney (Schedule 2) from the Bondholder or other proof of authorisation showing the number of votes held on the Record Date.

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

POWER OF ATTORNEY

Schedule 2

For the Written Procedure in Baseload Capital Sweden AB (publ) - SEK 500,000,000 Senior Secured Floating Rate Green Bonds 2019/2023 ISIN: SE0011923267

NOTE: This Power of Attorney and authorisation document shall be filled out if the Voting Person is not registered as Bondholder (as defined in the Terms and Conditions) in the debt register (Sw. skuldbok (direktregistrerade)), held with the CSD. If the Voting Person's Bonds are held through several intermediaries, the Voting Person will need to obtain a Power of Attorney from the Bondholder (as defined in the Terms and Conditions), or otherwise obtain a coherent chain of powers of attorney starting with the Bondholder.

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

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

Name of the Bondholder or other intermediary giving the authorisation (Sw. *fullmaktsgivaren*):

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

We represent an aggregate Nominal Amount of: SEK _____

We are:

☐ Registered as Bondholder on the Securities Account

☐ Other intermediary and holds the Bonds through (specify below):

Place, date: _____

Name of authorised signatory of Bondholder/other intermediary (Sw. *fullmaktsgivaren*)

MARK UP OF AMENDMENTS RELATING TO REQUEST 1

Schedule 3

"Green Bond Framework" means the Issuer's framework for green bonds from time to time.

"Group" means the Issuer and each of its Subsidiaries from time to time, and **"Group Company"** means any of them.

"Guarantee and Adherence Agreement" means the guarantee and adherence agreement pursuant to which, subject to the Intercreditor Agreement (if any), the Guarantors shall, amongst other, (i) irrevocably and unconditionally, jointly and severally, as principal obligor (Sw. *proprieborgen*) guarantee all amounts outstanding under the Senior Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, (ii) agree to subordinate all subrogation claims, and (iii) undertake to adhere to the terms of the Senior Finance Documents.

"Guarantees" means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

"Guarantors" means the Parent, the Japanese Holdco and any Project Holdco (other than the Taiwanese Holdco), which for the avoidance of doubt shall not include any entity already incorporated in Iceland or the United States of America prior to the First Issue Date, to the extent that granting of a guarantee is permitted under laws applicable to such Subsidiary.

"Hedging Obligations" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

"Incurrence Test" means each of the New Debt Incurrence Test and the Project Entity Indebtedness Incurrence Test (as applicable).

"Initial Bond Issue" means the issuance of the Initial Bonds.

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

"Initial Japanese Project Entities" means Shika Power LLC, corporate identity no. 0104-03-020870 and Kitsune Power LLC, corporate identity no. 0104-03-020869, both being Project Entities incorporated in Japan.

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

"Intercreditor Agreement" means the intercreditor agreement to be entered into between, amongst other, the Issuer, the Super Senior RCF Creditor, any hedge counterparty, the Agent (representing the Bondholders), any providers of such New

- (i) is incurred as a result of a Subsequent Bond Issue; or
- (ii) ranks *pari passu* with the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur on or after the Final Maturity Date; or
- (iii) is subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date;
- (h) Project Entity Indebtedness incurred by a Project Entity, and not otherwise permitted hereunder, if the Project Entity Indebtedness Incurrence Test is met tested *pro forma* including such incurrence;
- (i) incurred under Advance Purchase Agreements;
- (j) incurred under any pension and tax liabilities in the ordinary course of business by any Group Company;
- (k) arising under 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 in the ordinary course of business of a Group Company;
- (l) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking the CSD Regulations into account), for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (m) incurred by a Guarantor [or by the Taiwanese Holdco](#) from the Issuer and any Project Investments;
- (n) incurred by the Issuer ~~or~~ a Guarantor [or by the Taiwanese Holdco](#) from any Project Entity provided that any such Financial Indebtedness shall be offset against dividends from such Project Entity as soon as practicably possible;
- (o) incurred under any Project Loan; and
- (p) not covered under paragraphs (a)-(o) above in an aggregate maximum amount of SEK 15,000,000.

"Permitted Security" means any Security:

- (a) provided under the Finance Documents and otherwise permitted pursuant to the Intercreditor Agreement (if any);
- (b) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;

"**Project Holdco**" means the Japanese Holdco and any other entity which is ~~wholly~~ owned to at least seventy (70) per cent. by the Issuer and incorporated (or acquired as an off the shelf company) for the purpose of making Project Investments.

"**Project Investment**" means a Project Loan Entity Investment, the granting of Project Loans, a Project Equity Investment or a Project Minority Equity Investment.

"**Project Investment Amount**" means in relation to a Project the aggregate amount invested by the Issuer (or any Project Holdco) by way of Project Minority Equity Investments, Project Equity Investments or Project Loans.

"**Project Investment Certificate**" means a certificate in relation to a Project Investment where duly authorised signatories of the Issuer has confirmed (i) that the relevant Project is an Eligible Project, (ii) that the main terms of the power purchase agreement (being the price and tenor) has been agreed or otherwise determined, (iii) that the land lease agreement has been duly executed (iv) the name of the counterparties under the power purchase agreement and the land lease agreement, (v) the amount of and type of the Project Investment (including a list of any project costs exceeding SEK 1,000,000 that will be paid with the proceeds disbursed pursuant to the Project Investment Certificate and the due date for such payments), (vi) the budget for the relevant Project (or a revised budget if a budget has already been circulated for the relevant Project) including a confirmation that the estimated internal rate of return for the relevant project is equal to or exceeds 10 per cent., (vii) the time plan for the relevant Project and (viii) a brief description of the relevant Project. The Project Investment Certificate shall include a funds flow statement evidencing the recipient(s) of the Project Investment.

"**Project Loan**" means (i) a loan granted by a Project Loan Entity to a Project Entity (other than any Project Entity into which a Project Equity Investment has been made) or (ii) a loan granted by the Issuer or a Project Holdco to a Project Entity into which a Project Equity Investment has been made.

"**Project Loan Entity**" means an entity held by the Issuer and any Project Co-Investor in which such Project Co-Investor is the controlling party and the Issuer has invested in preference shares with the same economic terms as the relevant Project Loan granted by such Project Loan Entity.

"**Project Loan Entity Investment**" means an equity investment made by the Issuer or a Project Holdco in a Project Loan Entity.

"**Project Loan Entity Investment SHA**" means any shareholder agreement entered into in relation to any Project Loan Entity where the Issuer or a Project Holdco has made a Project Loan Entity Investment.

"**Project Minority Equity Investment**" means an equity investment in a Project Entity where the Project Co-Investor controls a majority of the votes in the Project Entity.

"**Project Sale Profit**" means the proceeds (after deducting transaction costs) received in connection with the disposal of a Project Entity or Project Investment less the relevant Project Investment Amount (or, if a Project Entity or Project Investment is partly

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

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

"Subsequent Bond Issue" has the meaning set forth in Clause 2(e).

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

"Subsidiary" means, in respect of which such Person, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners; or
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

"Super Senior Debt" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

"Super Senior RCF" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

"Super Senior RCF Creditor" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

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

"Taiwanese Holdco" means [Baseload Power Taiwan Inc \(government uniform invoice number 85001923\)](#).

- (c) any loans granted prior to the First Issue Date (not exceeding an aggregate amount of SEK 50,000,000);
- (d) intercompany loans provided by Baseload Capital Holding AB to the Issuer (provided that such loans become subject to Transaction Security to the benefit of the Secured Parties); or
- (e) any other loans not covered under items (a) to (d) above in an amount not exceeding SEK 30,000,000.

13.9 Clean Down of Super Senior RCF

If a Super Senior RCF has been entered into, the Issuer shall procure that during each calendar year there shall be a period of three (3) consecutive days during which the amount outstanding under the Super Senior RCF (excluding any non-cash elements of ancillary facilities), less cash and cash equivalents of the Group, amounts to zero (0) or less. Not less than six (6) months shall elapse between two such periods. The clean down shall be confirmed in a Compliance Certificate.

13.10 Mergers and demergers

Each Obligor shall procure that none of its Subsidiaries will enter into a merger or demerger unless such merger or demerger is not likely to have a Material Adverse Effect and, if the merger involves the Issuer, the Issuer is the surviving entity.

13.11 Dealings at arm's length terms

Each Obligor shall, and shall procure that its Subsidiaries, conduct all dealings with any Person (other than Group Companies) at arm's length terms.

13.12 Compliance with laws and authorisations

Each Obligor shall, and shall make sure that its Subsidiaries will, (i) comply with all laws and regulations applicable from time to time and (ii), obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

13.13 Green Bond Framework

The Issuer shall maintain a Green Bond Framework and shall ensure that the proceeds from any Bond Issue is used in accordance with the Green Bond Framework applicable from time to time.

13.14 Project Holdcos

- (a) The Issuer shall ensure that each Project Holdco [\(other than the Taiwanese Holdco\)](#), prior to using any funds standing to the credit of the Proceeds Account to make Project Investments through such Project Holdco, accedes to the Guarantee and Adherence Agreement (subject to any limitations pursuant to

any applicable law) and that the shares owned by the Issuer in each Project Holdco (other than the Taiwanese Holdco) are pledged to the Bondholders represented by the Agent (subject to any limitations pursuant to any applicable law) and the Issuer shall in connection with a Project Holdco's accession to the Guarantee and Adherence Agreement deliver to the Agent:

- (i) constitutional documents and corporate resolutions for (A) the pledgor of the shares in the relevant Project Holdco and (B) the relevant Project Holdco (approving the accession to the Guarantee and Adherence Agreement and the execution of the pledge agreement over the shares owned by the Issuer in the relevant Project Holdco), together constituting evidence that the pledge agreement over the Issuer's shares in the relevant Project Holdco and the Guarantee and Adherence Agreement has been duly executed; and
 - (ii) a legal opinion issued by a reputable law firm, in form and substance satisfactory to the Agent, on (A) the capacity and authority of any party not being incorporated in Sweden and (B) the validity and enforceability of the share pledge agreement other than if the pledge agreement is governed by the laws of Sweden.
- (b) Notwithstanding paragraph (a) above, a Project Holdco does not need to accede to the Guarantee and Adherence Agreement and does not need to procure that security is provided over its shares owned by the Issuer if the relevant Project Holdco delivers to the Agent a confirmation from a reputable law firm stating that:
- (i) it is not possible to create and/or grant the relevant security and/or guarantee in such a manner as set out herein; or
 - (ii) registration fees, stamp duties, notary fees or any similar costs or fees (for the avoidance of doubt, not including legal fees) in relation to such security or guarantee will exceed USD 30,000 or its equivalent in any other currency.

13.15 Project Investments

- (a) The Issuer (and each Project Holdco) may use the funds standing to the Proceeds Account to make Project Investments. The Issuer may submit several Project Investment Certificates in relation to a Project Entity.
- (b) The Agent shall upon receipt of a duly executed Project Investment Certificate instruct the account bank to transfer the amount of the Project Investment from the Proceeds Account for payment in accordance with the Project Investment Certificate (which, for the avoidance of doubt, may be transferred directly (i) to the Project Holdco for immediate disbursement by the Project Holdco to the relevant Project Entity or (ii) to the relevant Project Entity in accordance with the Project Investment Certificate). The disbursement from the Proceeds Account shall be made to the relevant Project Entity in accordance with the Project Investment Certificate provided that in relation to each Project

Investment Certificate an amount of up to SEK 30,000,000 may be disbursed to an Obligor from the Proceeds Account for disbursement by such Obligor to the relevant Project Entity within three (3) months in accordance with the Project Investment Certificate.

- (c) The Issuer (and each Project Holdco) shall ensure that no contractual restrictions (other than pursuant to applicable laws) exists in relation to payment of cash from any Project Entity by way of dividends or repayment on Project Loans.
- (d) The Issuer (or any Project Holdco) shall ensure that each Project Entity adheres to the Project Entity Provisions by including such provisions in each Project Equity Investment SHA, Project Loan Entity Investment SHA, Project Minority Equity Investment SHA or Project Loan and use its best efforts to enforce such provisions.
- (e) Notwithstanding (a) to (d) above but subject to (f) below, prior to the date when any Project in Japan has produced electricity which has been delivered to the Japanese grid network (for purpose of this paragraph (e), the "**Relevant Date**"), each Project Investment shall to at least ~~50~~-33 per cent. be financed with cash held by the Issuer or a Project Holdco (not including the cash standing to the credit of the Proceeds Account but including any amounts already invested in the relevant Project Entity (not including any investment with cash made to comply with this paragraph (e) and cash from the Proceeds Account) by the Issuer or the Project Holdco) and the Issuer shall up until the Relevant Date provide to the Agent evidence that the relevant Project Investment is financed to at least ~~50~~-33 per cent. with cash held by the Issuer or a Project Holdco (not including the cash standing to the credit of the Proceeds Account but including any amounts already invested in the relevant Project Entity (not including any investment with cash made to comply with this paragraph (e) and cash from the Proceeds Account) by the Issuer or the Project Holdco) by way of including a confirmation to such effect in the Project Investment Certificate.
- (f) Notwithstanding (e) above, the Issuer may not use the funds standing to the credit of the Proceeds Account to finance the Initial Japanese Project Entities.

13.16 Environmental

Each Obligor shall, and shall ensure that its Subsidiaries will, comply with all environmental laws and obtain, maintain and ensure compliance with all requisite environmental permits, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

13.17 Incurrence of New Debt

The Issuer shall ensure that, in connection with the incurrence of New Debt, an amount equal to at least 90 per cent. of the principal amount of such New Debt shall be deposited on the Proceeds Account unless such New Debt is used to refinance any existing New Debt on its maturity date or the Bonds on the Final Maturity Date.

MARK UP OF AMENDMENTS RELATING TO REQUEST 2

Schedule 4

Debt as set out in paragraphs (g)(ii)-(g)(iii) in the definition of "Permitted Debt" (or their agent) and any provider of Subordinated Debt upon the incurrence of such New Debt as set out in paragraphs (g)(ii)-(g)(iii) in the definition of "Permitted Debt" or debt pursuant to the Hedging Obligations or the Super Senior RCF, on substantially such principle terms as set out in the Intercreditor Term Sheet.

"Intercreditor Term Sheet" means the term sheet setting out the principle terms upon which the Intercreditor Agreement shall be entered into on upon the incurrence of such New Debt as set out in paragraphs (g)(ii)-(g)(iii) in the definition of "Permitted Debt" or debt pursuant to the Hedging Obligations or the Super Senior RCF, as set out in the term sheet appended hereto in Schedule 1 (*Intercreditor Term Sheet*).

"Interest" means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

"Interest Payment Date" means 22 March, 22 June, 22 September and 22 December each year. The first Interest Payment Date shall be 22 June 2019. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a Business Day, the relevant Interest Payment Date shall be the Business Day following from an application of the Business Day Convention.

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

"Interest Rate" means STIBOR 3-months plus the Floating Rate Margin.

"Issuer" means Baseload Capital Sweden AB (publ), a limited liability company incorporated in Sweden with reg. no. 559143-5051.

"Issuing Agent" means DNB Bank ASA, Filial Sverige, a Swedish branch office with reg. no. 516406-0161, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

"Japanese Holdco" means Baseload Power Japan Corporation (Reg. No. 0104-01-141634).

"Listing Failure Event" means:

- (a) that the Bonds have not been admitted to listing on the sustainable bond list of Nasdaq Stockholm or the Nordic Derivatives Exchange operated by NGM (or another Regulated Market) within ~~twelve (12)~~fourteen (14) months after the First Issue Date;
- (b) any Subsequent Bonds have not been admitted to listing on the sustainable bond list of Nasdaq Stockholm or the Nordic Derivatives Exchange operated by NGM (or another Regulated Market) within sixty (60) days after the issuance of such Subsequent Bonds (unless the Subsequent Bonds are issued before the

date falling ~~twelve (12)~~fourteen (14) months after the First Issue Date in which case such Subsequent Bonds shall be listed within ~~twelve (12)~~fourteen (14) months after the First Issue Date); or

- (c) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on the sustainable bond list of Nasdaq Stockholm or the Nordic Derivatives Exchange operated by NGM (or another Regulated Market) without being admitted to trading on another Regulated Market.

"Main Shareholders" means Blue Seed AB (Reg. No. 559126-5904), Breakthrough Energy Ventures, LLC (Delaware file number 6173328), Gullspång Invest AB (Reg. No. 559022-7046) and LMK Forward AB (Reg. No. 556757-1897).

"Maintenance Covenants" means the maintenance covenants set out in Clause 12.1 (*Maintenance Covenants*).

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

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

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the ability of the Obligors (taken as a whole) to comply with their obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

"MTF" means any multilateral trading facility as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

"Net Finance Charges" means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any member of the Group and any interest income relating to cash or cash equivalent investment (and excluding any interest capitalised on Subordinated Debt).

"Net Interest Bearing Debt" means the aggregate interest bearing Financial Indebtedness less Cash and Cash Equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding guarantees, bank guarantees, Subordinated Debt, any claims subordinated pursuant to the Intercreditor Agreement (if any) and interest bearing Financial Indebtedness borrowed from any Group Company).

"Net Proceeds" means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

"**New Debt**" means debt incurred by the Issuer as permitted under paragraph (g) in the definition "Permitted Debt".

"**New Debt Incurrence Test**" means the test pursuant to Clause 12.4 (*New Debt Incurrence Test*).

"**NGM**" means Nordic Growth Market NGM Aktiebolag, Reg. No. 556556-2138.

"**Nominal Amount**" has the meaning set forth in Clause 2(c).

"**Obligors**" means the Issuer and each Guarantor.

"**Operational Projects**" means ~~a~~ any Project funded with Net Proceeds (in whole or in part) that has been operational and running for at least a full quarter.

"**Operational Projects Investments to EBITDA Ratio**" means the aggregate amount of Project Investments made in the Operational Projects to EBITDA relating to the Operational Projects during the Reference Period. For these purposes ~~EBITDA relating to each Operational Project, (i) the EBITDA included in the calculations shall be the pro rata amount of EBITDA attributable to the Project Investment(s) made by the Issuer (directly or indirectly) with Net Proceeds in such Operational Projects and (ii)~~ for each Reference Period ending on a date which is less than twelve (12) months after the date when such Operational Project became operational (each a "**Start Date**"), EBITDA relating to each Operational Project shall be calculated by reference to the amount of EBITDA relating to such Operational Project for the period after the relevant Start Date, annualised on a straight line basis).

"**Parent**" means Baseload Capital Holding AB, reg. no. 559172-8224.

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

- (a) incurred under the Bonds (other than Subsequent Bonds);
- (b) arising under any interest rate hedging transactions, but not any transaction for investment or speculative purposes;
- (c) arising under a foreign exchange transaction or a commodity transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business but not any transaction for investment or speculative purposes;
- (d) of the Group under any guarantee issued by a Group Company in the ordinary course of business;
- (e) incurred under any Subordinated Debt;
- (f) incurred by any member of the Group under the Super Senior RCF in an amount not exceeding five (5) per cent. of the aggregate amount outstanding under the Bonds and any New Debt;
- (g) incurred by the Issuer, and not otherwise permitted hereunder, if such Financial Indebtedness meets the New Debt Incurrence Test tested *pro forma* including such incurrence, and

11.3 Publication of Finance Documents

- (a) The latest version of these Terms and Conditions (including any documents amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.
- (b) The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

12. Financial Undertakings

12.1 Maintenance Covenants

The Issuer shall ensure that:

- (a) Operational Projects Investments to EBITDA Ratio is equal to or below ~~6.00:1~~10.00:1;
- (b) The Adjusted Equity Ratio is at least 20 per cent.; and
- (c) Cash and Cash Equivalents held by the Issuer and the Guarantors is equal to or exceeds the lower of:
 - (i) Finance Charges for the next twelve (12) months; and
 - (ii) SEK 100,000,000.

12.2 Testing of the Maintenance Covenants

- (a) The Maintenance Covenants shall be calculated in accordance with the Accounting Principles applicable to the Issuer.
- (b) The Operational Projects Investments to EBITDA Ratio shall be tested by reference to the latest Financial Report on each Reference Date with respect to the Reference Period ending on such Reference Date. The Adjusted Equity Ratio and the amount of Cash and Cash Equivalents held by the Issuer and the Guarantors shall be tested on each Reference Date by reference to the latest Financial Report. In the event that the Operational Projects Investments to EBITDA Ratio cannot be tested as a result of there not being any Operational Projects, the test thereof will be deemed to have been met on the relevant Reference Date and no breach of this ratio, Default or Event of Default will be deemed to have occurred.
- (c) For the purpose of testing the Maintenance Covenants, Finance Charges shall be the projected Finance Charges for the period from the relevant Reference Date to the date falling twelve (12) months from the relevant Reference Date based on the Financial Indebtedness outstanding on the relevant Reference Date.
- (d) The first test date of the Maintenance Covenants shall be 31 March 2020.

MARK UP OF AMENDMENTS RELATING TO THE REQUESTS

Schedule 5

"**Green Bond Framework**" means the Issuer's framework for green bonds from time to time.

"**Group**" means the Issuer and each of its Subsidiaries from time to time, and "**Group Company**" means any of them.

"**Guarantee and Adherence Agreement**" means the guarantee and adherence agreement pursuant to which, subject to the Intercreditor Agreement (if any), the Guarantors shall, amongst other, (i) irrevocably and unconditionally, jointly and severally, as principal obligor (Sw. *proprieborgen*) guarantee all amounts outstanding under the Senior Finance Documents, including but not limited to the Bonds, plus accrued interests and expenses, (ii) agree to subordinate all subrogation claims, and (iii) undertake to adhere to the terms of the Senior Finance Documents.

"**Guarantees**" means the guarantees provided by the Guarantors under the Guarantee and Adherence Agreement.

"**Guarantors**" means the Parent, the Japanese Holdco and any Project Holdco (other than the Taiwanese Holdco), which for the avoidance of doubt shall not include any entity already incorporated in Iceland or the United States of America prior to the First Issue Date, to the extent that granting of a guarantee is permitted under laws applicable to such Subsidiary.

"**Hedging Obligations**" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

"**Incurrence Test**" means each of the New Debt Incurrence Test and the Project Entity Indebtedness Incurrence Test (as applicable).

"**Initial Bond Issue**" means the issuance of the Initial Bonds.

"**Initial Bonds**" means the Bonds issued on the First Issue Date.

"**Initial Japanese Project Entities**" means Shika Power LLC, corporate identity no. 0104-03-020870 and Kitsune Power LLC, corporate identity no. 0104-03-020869, both being Project Entities incorporated in Japan.

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

"**Intercreditor Agreement**" means the intercreditor agreement to be entered into between, amongst other, the Issuer, the Super Senior RCF Creditor, any hedge counterparty, the Agent (representing the Bondholders), any providers of such New

Debt as set out in paragraphs (g)(ii)-(g)(iii) in the definition of "Permitted Debt" (or their agent) and any provider of Subordinated Debt upon the incurrence of such New Debt as set out in paragraphs (g)(ii)-(g)(iii) in the definition of "Permitted Debt" or debt pursuant to the Hedging Obligations or the Super Senior RCF, on substantially such principle terms as set out in the Intercreditor Term Sheet.

"Intercreditor Term Sheet" means the term sheet setting out the principle terms upon which the Intercreditor Agreement shall be entered into on upon the incurrence of such New Debt as set out in paragraphs (g)(ii)-(g)(iii) in the definition of "Permitted Debt" or debt pursuant to the Hedging Obligations or the Super Senior RCF, as set out in the term sheet appended hereto in Schedule 1 (*Intercreditor Term Sheet*).

"Interest" means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

"Interest Payment Date" means 22 March, 22 June, 22 September and 22 December each year. The first Interest Payment Date shall be 22 June 2019. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full). To the extent any of the above dates is not a Business Day, the relevant Interest Payment Date shall be the Business Day following from an application of the Business Day Convention.

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

"Interest Rate" means STIBOR 3-months plus the Floating Rate Margin.

"Issuer" means Baseload Capital Sweden AB (publ), a limited liability company incorporated in Sweden with reg. no. 559143-5051.

"Issuing Agent" means DNB Bank ASA, Filial Sverige, a Swedish branch office with reg. no. 516406-0161, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

"Japanese Holdco" means Baseload Power Japan Corporation (Reg. No. 0104-01-141634).

"Listing Failure Event" means:

- (a) that the Bonds have not been admitted to listing on the sustainable bond list of Nasdaq Stockholm or the Nordic Derivatives Exchange operated by NGM (or another Regulated Market) within ~~twelve (12)~~fourteen (14) months after the First Issue Date;
- (b) any Subsequent Bonds have not been admitted to listing on the sustainable bond list of Nasdaq Stockholm or the Nordic Derivatives Exchange operated by NGM (or another Regulated Market) within sixty (60) days after the issuance of such Subsequent Bonds (unless the Subsequent Bonds are issued before the

date falling ~~twelve (12)~~fourteen (14) months after the First Issue Date in which case such Subsequent Bonds shall be listed within ~~twelve (12)~~fourteen (14) months after the First Issue Date); or

- (c) in the case of a successful admission to listing, that the Bonds cease to be admitted to listing on the sustainable bond list of Nasdaq Stockholm or the Nordic Derivatives Exchange operated by NGM (or another Regulated Market) without being admitted to trading on another Regulated Market.

"Main Shareholders" means Blue Seed AB (Reg. No. 559126-5904), Breakthrough Energy Ventures, LLC (Delaware file number 6173328), Gullspång Invest AB (Reg. No. 559022-7046) and LMK Forward AB (Reg. No. 556757-1897).

"Maintenance Covenants" means the maintenance covenants set out in Clause 12.1 (*Maintenance Covenants*).

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

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

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the ability of the Obligors (taken as a whole) to comply with their obligations under the Finance Documents; or
- (c) the validity or enforceability of the Finance Documents.

"MTF" means any multilateral trading facility as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

"Net Finance Charges" means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable for that Reference Period to any member of the Group and any interest income relating to cash or cash equivalent investment (and excluding any interest capitalised on Subordinated Debt).

"Net Interest Bearing Debt" means the aggregate interest bearing Financial Indebtedness less Cash and Cash Equivalents of the Group in accordance with the Accounting Principles (for the avoidance of doubt, excluding guarantees, bank guarantees, Subordinated Debt, any claims subordinated pursuant to the Intercreditor Agreement (if any) and interest bearing Financial Indebtedness borrowed from any Group Company).

"Net Proceeds" means the proceeds from a Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

"**New Debt**" means debt incurred by the Issuer as permitted under paragraph (g) in the definition "Permitted Debt".

"**New Debt Incurrence Test**" means the test pursuant to Clause 12.4 (*New Debt Incurrence Test*).

"**NGM**" means Nordic Growth Market NGM Aktiebolag, Reg. No. 556556-2138.

"**Nominal Amount**" has the meaning set forth in Clause 2(c).

"**Obligors**" means the Issuer and each Guarantor.

"**Operational Projects**" means ~~a~~ any Project funded with Net Proceeds (in whole or in part) that has been operational and running for at least a full quarter.

"**Operational Projects Investments to EBITDA Ratio**" means the aggregate amount of Project Investments made in the Operational Projects to EBITDA relating to the Operational Projects during the Reference Period. For these purposes ~~EBITDA relating to each Operational Project, (i) the EBITDA included in the calculations shall be the pro rata amount of EBITDA attributable to the Project Investment(s) made by the Issuer (directly or indirectly) with Net Proceeds in such Operational Projects and (ii)~~ for each Reference Period ending on a date which is less than twelve (12) months after the date when such Operational Project became operational (each a "**Start Date**"), EBITDA relating to each Operational Project shall be calculated by reference to the amount of EBITDA relating to such Operational Project for the period after the relevant Start Date, annualised on a straight line basis).

"**Parent**" means Baseload Capital Holding AB, reg. no. 559172-8224.

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

- (a) incurred under the Bonds (other than Subsequent Bonds);
- (b) arising under any interest rate hedging transactions, but not any transaction for investment or speculative purposes;
- (c) arising under a foreign exchange transaction or a commodity transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business but not any transaction for investment or speculative purposes;
- (d) of the Group under any guarantee issued by a Group Company in the ordinary course of business;
- (e) incurred under any Subordinated Debt;
- (f) incurred by any member of the Group under the Super Senior RCF in an amount not exceeding five (5) per cent. of the aggregate amount outstanding under the Bonds and any New Debt;
- (g) incurred by the Issuer, and not otherwise permitted hereunder, if such Financial Indebtedness meets the New Debt Incurrence Test tested *pro forma* including such incurrence, and

- (i) is incurred as a result of a Subsequent Bond Issue; or
- (ii) ranks *pari passu* with the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur on or after the Final Maturity Date; or
- (iii) is subordinated to the obligations of the Issuer under the Finance Documents and has a final maturity date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date;
- (h) Project Entity Indebtedness incurred by a Project Entity, and not otherwise permitted hereunder, if the Project Entity Indebtedness Incurrence Test is met tested *pro forma* including such incurrence;
- (i) incurred under Advance Purchase Agreements;
- (j) incurred under any pension and tax liabilities in the ordinary course of business by any Group Company;
- (k) arising under 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 in the ordinary course of business of a Group Company;
- (l) incurred in connection with the redemption of the Bonds in order to fully refinance the Bonds and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking the CSD Regulations into account), for the purpose of securing, *inter alia*, the redemption of the Bonds;
- (m) incurred by a Guarantor [or by the Taiwanese Holdco](#) from the Issuer and any Project Investments;
- (n) incurred by the Issuer ~~or~~ a Guarantor [or by the Taiwanese Holdco](#) from any Project Entity provided that any such Financial Indebtedness shall be offset against dividends from such Project Entity as soon as practicably possible;
- (o) incurred under any Project Loan; and
- (p) not covered under paragraphs (a)-(o) above in an aggregate maximum amount of SEK 15,000,000.

"Permitted Security" means any Security:

- (a) provided under the Finance Documents and otherwise permitted pursuant to the Intercreditor Agreement (if any);
- (b) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (c) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including any group cash pool arrangements;

"**Project Holdco**" means the Japanese Holdco and any other entity which is ~~wholly~~ owned to at least seventy (70) per cent. by the Issuer and incorporated (or acquired as an off the shelf company) for the purpose of making Project Investments.

"**Project Investment**" means a Project Loan Entity Investment, the granting of Project Loans, a Project Equity Investment or a Project Minority Equity Investment.

"**Project Investment Amount**" means in relation to a Project the aggregate amount invested by the Issuer (or any Project Holdco) by way of Project Minority Equity Investments, Project Equity Investments or Project Loans.

"**Project Investment Certificate**" means a certificate in relation to a Project Investment where duly authorised signatories of the Issuer has confirmed (i) that the relevant Project is an Eligible Project, (ii) that the main terms of the power purchase agreement (being the price and tenor) has been agreed or otherwise determined, (iii) that the land lease agreement has been duly executed (iv) the name of the counterparties under the power purchase agreement and the land lease agreement, (v) the amount of and type of the Project Investment (including a list of any project costs exceeding SEK 1,000,000 that will be paid with the proceeds disbursed pursuant to the Project Investment Certificate and the due date for such payments), (vi) the budget for the relevant Project (or a revised budget if a budget has already been circulated for the relevant Project) including a confirmation that the estimated internal rate of return for the relevant project is equal to or exceeds 10 per cent., (vii) the time plan for the relevant Project and (viii) a brief description of the relevant Project. The Project Investment Certificate shall include a funds flow statement evidencing the recipient(s) of the Project Investment.

"**Project Loan**" means (i) a loan granted by a Project Loan Entity to a Project Entity (other than any Project Entity into which a Project Equity Investment has been made) or (ii) a loan granted by the Issuer or a Project Holdco to a Project Entity into which a Project Equity Investment has been made.

"**Project Loan Entity**" means an entity held by the Issuer and any Project Co-Investor in which such Project Co-Investor is the controlling party and the Issuer has invested in preference shares with the same economic terms as the relevant Project Loan granted by such Project Loan Entity.

"**Project Loan Entity Investment**" means an equity investment made by the Issuer or a Project Holdco in a Project Loan Entity.

"**Project Loan Entity Investment SHA**" means any shareholder agreement entered into in relation to any Project Loan Entity where the Issuer or a Project Holdco has made a Project Loan Entity Investment.

"**Project Minority Equity Investment**" means an equity investment in a Project Entity where the Project Co-Investor controls a majority of the votes in the Project Entity.

"**Project Sale Profit**" means the proceeds (after deducting transaction costs) received in connection with the disposal of a Project Entity or Project Investment less the relevant Project Investment Amount (or, if a Project Entity or Project Investment is partly

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

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

"Subsequent Bond Issue" has the meaning set forth in Clause 2(e).

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

"Subsidiary" means, in respect of which such Person, directly or indirectly:

- (a) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners;
- (b) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners; or
- (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

"Super Senior Debt" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

"Super Senior RCF" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

"Super Senior RCF Creditor" has the meaning given thereto in (i) prior to the entering into of the Intercreditor Agreement, the Intercreditor Term Sheet, and (ii) after the entering into of the Intercreditor Agreement, the Intercreditor Agreement.

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

"Taiwanese Holdco" means [Baseload Power Taiwan Inc \(government uniform invoice number 85001923\)](#).

11.3 Publication of Finance Documents

- (a) The latest version of these Terms and Conditions (including any documents amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent.
- (b) The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

12. Financial Undertakings

12.1 Maintenance Covenants

The Issuer shall ensure that:

- (a) Operational Projects Investments to EBITDA Ratio is equal to or below ~~6.00:1~~10.00:1;
- (b) The Adjusted Equity Ratio is at least 20 per cent.; and
- (c) Cash and Cash Equivalents held by the Issuer and the Guarantors is equal to or exceeds the lower of:
 - (i) Finance Charges for the next twelve (12) months; and
 - (ii) SEK 100,000,000.

12.2 Testing of the Maintenance Covenants

- (a) The Maintenance Covenants shall be calculated in accordance with the Accounting Principles applicable to the Issuer.
- (b) The Operational Projects Investments to EBITDA Ratio shall be tested by reference to the latest Financial Report on each Reference Date with respect to the Reference Period ending on such Reference Date. The Adjusted Equity Ratio and the amount of Cash and Cash Equivalents held by the Issuer and the Guarantors shall be tested on each Reference Date by reference to the latest Financial Report. In the event that the Operational Projects Investments to EBITDA Ratio cannot be tested as a result of there not being any Operational Projects, the test thereof will be deemed to have been met on the relevant Reference Date and no breach of this ratio, Default or Event of Default will be deemed to have occurred.
- (c) For the purpose of testing the Maintenance Covenants, Finance Charges shall be the projected Finance Charges for the period from the relevant Reference Date to the date falling twelve (12) months from the relevant Reference Date based on the Financial Indebtedness outstanding on the relevant Reference Date.
- (d) The first test date of the Maintenance Covenants shall be 31 March 2020.

- (c) any loans granted prior to the First Issue Date (not exceeding an aggregate amount of SEK 50,000,000);
- (d) intercompany loans provided by Baseload Capital Holding AB to the Issuer (provided that such loans become subject to Transaction Security to the benefit of the Secured Parties); or
- (e) any other loans not covered under items (a) to (d) above in an amount not exceeding SEK 30,000,000.

13.9 Clean Down of Super Senior RCF

If a Super Senior RCF has been entered into, the Issuer shall procure that during each calendar year there shall be a period of three (3) consecutive days during which the amount outstanding under the Super Senior RCF (excluding any non-cash elements of ancillary facilities), less cash and cash equivalents of the Group, amounts to zero (0) or less. Not less than six (6) months shall elapse between two such periods. The clean down shall be confirmed in a Compliance Certificate.

13.10 Mergers and demergers

Each Obligor shall procure that none of its Subsidiaries will enter into a merger or demerger unless such merger or demerger is not likely to have a Material Adverse Effect and, if the merger involves the Issuer, the Issuer is the surviving entity.

13.11 Dealings at arm's length terms

Each Obligor shall, and shall procure that its Subsidiaries, conduct all dealings with any Person (other than Group Companies) at arm's length terms.

13.12 Compliance with laws and authorisations

Each Obligor shall, and shall make sure that its Subsidiaries will, (i) comply with all laws and regulations applicable from time to time and (ii), obtain, maintain, and comply with, the terms and conditions of any authorisation, approval, licence or other permit required for the business carried out by a Group Company, in each case, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

13.13 Green Bond Framework

The Issuer shall maintain a Green Bond Framework and shall ensure that the proceeds from any Bond Issue is used in accordance with the Green Bond Framework applicable from time to time.

13.14 Project Holdcos

- (a) The Issuer shall ensure that each Project Holdco [\(other than the Taiwanese Holdco\)](#), prior to using any funds standing to the credit of the Proceeds Account to make Project Investments through such Project Holdco, accedes to the Guarantee and Adherence Agreement (subject to any limitations pursuant to

any applicable law) and that the shares owned by the Issuer in each Project Holdco (other than the Taiwanese Holdco) are pledged to the Bondholders represented by the Agent (subject to any limitations pursuant to any applicable law) and the Issuer shall in connection with a Project Holdco's accession to the Guarantee and Adherence Agreement deliver to the Agent:

- (i) constitutional documents and corporate resolutions for (A) the pledgor of the shares in the relevant Project Holdco and (B) the relevant Project Holdco (approving the accession to the Guarantee and Adherence Agreement and the execution of the pledge agreement over the shares owned by the Issuer in the relevant Project Holdco), together constituting evidence that the pledge agreement over the Issuer's shares in the relevant Project Holdco and the Guarantee and Adherence Agreement has been duly executed; and
 - (ii) a legal opinion issued by a reputable law firm, in form and substance satisfactory to the Agent, on (A) the capacity and authority of any party not being incorporated in Sweden and (B) the validity and enforceability of the share pledge agreement other than if the pledge agreement is governed by the laws of Sweden.
- (b) Notwithstanding paragraph (a) above, a Project Holdco does not need to accede to the Guarantee and Adherence Agreement and does not need to procure that security is provided over its shares owned by the Issuer if the relevant Project Holdco delivers to the Agent a confirmation from a reputable law firm stating that:
- (i) it is not possible to create and/or grant the relevant security and/or guarantee in such a manner as set out herein; or
 - (ii) registration fees, stamp duties, notary fees or any similar costs or fees (for the avoidance of doubt, not including legal fees) in relation to such security or guarantee will exceed USD 30,000 or its equivalent in any other currency.

13.15 Project Investments

- (a) The Issuer (and each Project Holdco) may use the funds standing to the Proceeds Account to make Project Investments. The Issuer may submit several Project Investment Certificates in relation to a Project Entity.
- (b) The Agent shall upon receipt of a duly executed Project Investment Certificate instruct the account bank to transfer the amount of the Project Investment from the Proceeds Account for payment in accordance with the Project Investment Certificate (which, for the avoidance of doubt, may be transferred directly (i) to the Project Holdco for immediate disbursement by the Project Holdco to the relevant Project Entity or (ii) to the relevant Project Entity in accordance with the Project Investment Certificate). The disbursement from the Proceeds Account shall be made to the relevant Project Entity in accordance with the Project Investment Certificate provided that in relation to each Project

Investment Certificate an amount of up to SEK 30,000,000 may be disbursed to an Obligor from the Proceeds Account for disbursement by such Obligor to the relevant Project Entity within three (3) months in accordance with the Project Investment Certificate.

- (c) The Issuer (and each Project Holdco) shall ensure that no contractual restrictions (other than pursuant to applicable laws) exists in relation to payment of cash from any Project Entity by way of dividends or repayment on Project Loans.
- (d) The Issuer (or any Project Holdco) shall ensure that each Project Entity adheres to the Project Entity Provisions by including such provisions in each Project Equity Investment SHA, Project Loan Entity Investment SHA, Project Minority Equity Investment SHA or Project Loan and use its best efforts to enforce such provisions.
- (e) Notwithstanding (a) to (d) above but subject to (f) below, prior to the date when any Project in Japan has produced electricity which has been delivered to the Japanese grid network (for purpose of this paragraph (e), the "**Relevant Date**"), each Project Investment shall to at least ~~50~~-33 per cent. be financed with cash held by the Issuer or a Project Holdco (not including the cash standing to the credit of the Proceeds Account but including any amounts already invested in the relevant Project Entity (not including any investment with cash made to comply with this paragraph (e) and cash from the Proceeds Account) by the Issuer or the Project Holdco) and the Issuer shall up until the Relevant Date provide to the Agent evidence that the relevant Project Investment is financed to at least ~~50~~-33 per cent. with cash held by the Issuer or a Project Holdco (not including the cash standing to the credit of the Proceeds Account but including any amounts already invested in the relevant Project Entity (not including any investment with cash made to comply with this paragraph (e) and cash from the Proceeds Account) by the Issuer or the Project Holdco) by way of including a confirmation to such effect in the Project Investment Certificate.
- (f) Notwithstanding (e) above, the Issuer may not use the funds standing to the credit of the Proceeds Account to finance the Initial Japanese Project Entities.

13.16 Environmental

Each Obligor shall, and shall ensure that its Subsidiaries will, comply with all environmental laws and obtain, maintain and ensure compliance with all requisite environmental permits, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

13.17 Incurrence of New Debt

The Issuer shall ensure that, in connection with the incurrence of New Debt, an amount equal to at least 90 per cent. of the principal amount of such New Debt shall be deposited on the Proceeds Account unless such New Debt is used to refinance any existing New Debt on its maturity date or the Bonds on the Final Maturity Date.