

# Bond Agreement

Entered into:	25 October 2017
between the <b>Issuer:</b>	<b>Thon Holding AS</b>
Company No.	938 050 287
and the <b>Bond Trustee:</b>	<b>Nordic Trustee ASA</b>
Company No.	963 342 624
on behalf of the Bondholders in:	2.86% Thon Holding AS Senior Secured Open Bond Issue 2017/2027
with ISIN:	NO 0010809148

The Issuer undertakes to issue the Bonds in accordance with the terms set forth in this Bond Agreement.

## 1. Terms of the Issue

The terms of the Issue are as follows, supplemented by the definitions and clarifications set forth in Section 2:

Maximum Amount:	NOK 1,200,000,000	one billion two hundred million Norwegian kroner
Initial Amount:	NOK 700,000,000	seven hundred million Norwegian kroner
Face Value:	1,000,000	
Currency:	NOK (Norwegian Krone)	
Issue Date:	1 November 2017	
Maturity Date:	1 November 2027	
Redemption Price:	100 % of Face Value	
Call:	NA	NA
Put:	On certain conditions, c.f. Clause 3.8.	100 % of Face Value
Coupon Accrual Date:	Issue Date	
Coupon:	2.86% p.a.	
Reference Rate:	NA	
Margin:	NA	
Coupon Date:	1 November each year. First Coupon Date being 1 November 2018.	
Day Count Fraction:	30/360	
Additional Return:	NA	
Business Day Convention:	No adjustment	
Listing:	YES	
Exchange:	Nordic ABM, but the Issuers reserves the right to change the	

	Exchange to Oslo Børs (or an equivalent regulated market place) in the event that the Issuer qualifies for such listing.
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## 2. Clarifications and definitions

When used in this Bond Agreement, the following words and terms shall have the following meaning and definition:

Additional Lenders:	Any Lender providing an Additional Loan.
Additional Loan:	Any bond loan and/or bank loan granted to the Issuer, including, for the avoidance of doubt, any tap issues or subsequent drawings under such bond loan/or bank loan, other than the Issue.
Additional Loan Obligations:	The payment obligations under any Additional Loan.
Additional Return:	If YES is specified, certain conditions set forth in Attachment apply regarding yield. If NA is specified, no provisions regarding Additional Return apply.
Attachment:	Any attachments to this Bond Agreement.
Bond Agreement:	This agreement including any Attachments to which it refers, and any subsequent amendments and additions agreed between the parties hereto.
Bond Obligations:	The Issuer's payment obligations under the Bond Agreement.
Bond Trustee:	Nordic Trustee ASA or its successor(s).
Bondholder:	Holder of Bond(s) as registered in the Securities Register.
Bondholders' Meeting:	Meeting of Bondholders as set forth in Section 5 of this Bond Agreement.
Bonds:	Securities issued pursuant to this Bond Agreement and which is registered in the Securities Register, each a "Bond".
Business Day:	Any day when the Norwegian Central Bank's Settlement System is open and when Norwegian banks can settle foreign currency transactions.
Business Day Convention:	Convention for adjusting any relevant payment date ("Payment Date") if it would otherwise fall on a day that is not a Business Day; (i) If Modified Business Day is specified, the applicable Payment Date shall be the first following Business Day. (ii) If Modified Following Business Day is specified, the applicable Payment Date shall be the first following Business Day unless that day falls in the next calendar month, in which case the date shall be the first preceding Business Day. (iii) If No Adjustment is specified, the applicable Coupon Payment Date shall not be adjusted even if that day is not a Business Day (payments shall be made on the first following Business Day).
Call:	Issuer's early redemption right of Bonds at the date(s) stated (the "Call Date") and corresponding price(s) (the "Call Price"), ref. Clause 3.6. and 3.7. The Call Date shall be adjusted pursuant to the Business Day Convention. If NA is specified, the provisions regarding Call do not apply.

Cash for Refinancing Security:	A first priority cash security granted to the Security Agent in the event of a Refinancing, corresponding to the principal amount of the debt to be refinanced and interest accruing up to relevant maturity date of this debt, serving as the sole and exclusive security for this debt only.
Cash for Refinancing Security Account	A separate bank account established in an investment grade rated bank with a substantial Nordic business presence, with a minimum rating of A (S&P) and/or A2 (Moody's) and a balance sheet above NOK 300 billion or the equivalent in other currencies, acceptable to the Bond Trustee, which is pledged and blocked in favour of the Bond Trustee, where the cash corresponding to the Cash for Refinancing Security shall be deposited and be applied for timely payment of the relevant debt maturing.
Cash for Sale Security:	A first priority cash security granted to the Security Agent in the event of a Sale, corresponding to the aggregate principal outstanding amount under the Secured Debt plus future interests payments until the relevant maturity dates.
Cash for Sale Security Account:	A separate bank account established in an investment grade rated bank with a substantial Nordic business presence, with a minimum rating of A (S&P) and/or A2 (Moody's) and a balance sheet above NOK 300 billion or the equivalent in other currencies, acceptable to the Bond Trustee, which is pledged and blocked in favour of the Bond Trustee, where the cash corresponding to the Cash for Sale Security shall be deposited and be applied for timely payment of the relevant debt maturing (in this case, the whole Secured Debt).
Coupon:	Rate of interest applicable to the Bonds; (i) If the Coupon is stated in percentage points, the Bonds shall bear interest at this rate per annum (based on the Day Count Fraction set forth in Section 1), from and including the Coupon Accrual Date to the Maturity Date. (ii) If the Coupon is stated as Reference Rate + Margin the Bonds shall bear interest at a rate per annum equal to the Reference Rate + Margin (based on the Day Count Fraction set forth in Section 1), from and including the Coupon Accrual Date to the first Coupon Date, and thereafter from and including each Coupon Date to the next Coupon Date until Maturity Date. If the Coupon becomes negative, the Coupon shall be deemed to be zero.
Coupon Accrual Date:	The date on which interest on the Bond starts to accrue. If NA is specified, Coupon Accrual Date does not apply.
Coupon Date:	Date(s) on which the payment of Coupon falls due. The first Coupon Date being 1 November 2018 and the last Coupon Date being the Maturity Date. The Coupon Date shall be adjusted pursuant to the Business Day Convention.
Currency:	The currency in which the Bonds are denominated.
Day Count Fraction:	The convention for calculation of payment of Coupon. (i) If 30/360 is specified, the number of days in the relevant coupon period shall be calculated from and including the Coupon Accrual Date/Coupon Date to the next Coupon Date on basis of a year of 360 days with 12 months of 30 days divided by 360, unless (a) the last day in the relevant

	<p>coupon period is the 31<sup>st</sup> calendar day but the first day of the relevant coupon period is a day other than the 30<sup>th</sup> or the 31<sup>st</sup> day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month, or</p> <p>(b) the last day of the relevant coupon period is the last calendar day in February, in which case February shall not be considered to be lengthened to a 30-day month.</p> <p>(ii) If Actual/360 is specified, the actual number of days in the relevant coupon period shall be from and including the Coupon Accrual Date/Coupon Date to the next Coupon Date. The number of days shall be divided by 360.</p>
Decisive Influence:	<p>A person having, as a result of an agreement or through the ownership of shares or interests in another person:</p> <ol style="list-style-type: none"> <li>1) A majority of the voting rights in that other person; or</li> <li>2) A right to elect or remove a majority of the members of the board of directors of the other person,</li> </ol> <p>When determining the relevant person's number of voting rights in the other person or the right to elect and remove members of the board of directors, rights held by the parent company of the relevant person and the parent company's Subsidiaries shall be included.</p>
Event of Default:	The occurrence of an event set forth in Clause 3.8.
Exchange:	Exchange or other recognized marketplace for securities, on which the Issuer has, or has applied for, listing of the Bonds. If NA is specified, the terms of this Bond Agreement covering Exchange do not apply.
Face Value:	The face value of each Bond.
Finance Documents:	(i) The Bond Agreement, (ii) any Security Document, (iii) the Intercreditor Agreement, (iv) the fee agreement(s) referred to in Clause 4.9.2 (the " <b>Fee Agreement</b> ") and (v) any other document assigned as a Finance Document therein.
Financial Undertaking:	Entity with authorization according to the Norwegian Financial Undertakings Act (2015/17)
Group:	The Issuer and its Subsidiaries from time to time (each a " <b>Group Company</b> ").
Incurrence Test:	Has the meaning set forth in Clause 3.5.3.
Initial Amount:	The amount equal to the aggregate Face Value of the Bonds (minimum) issued under the first Issue.
Intercreditor Agreement:	The intercreditor agreement dated 20 April 2017 between the Issuer (in its capacity as borrower of the Secured Debt), the Property Owner and the Bond Trustee acting as bond trustee on behalf of the Bondholders and as security agent for the Secured Creditors, setting out the rights and obligations of the parties concerning the Security and related matters.
Interest Quotation Day:	In relation to any period for which Interest Rate is to be determined, the day falling 2 Business Days before the first day of the relevant Interest Period.
ISIN:	The identification number of the Bonds (International Securities Identification Number).

Issue:	Any issue of Bonds pursuant to this Bond Agreement.
Issue Date:	The date of the first Issue.
Issuer:	The person or entity that has issued the Bonds and is the borrower (debtor).
Issuer's Bonds:	Bonds owned by the Issuer, any party who has Decisive Influence over the Issuer, or any party over whom the Issuer has Decisive Influence.
Joint Security:	The joint security securing the Secured Debt, including: (a) the Mortgages (with insurances); and (b) if applicable, the New Mortgage Security, or the Cash for Sale Security
Joint Security Documents:	The security documents creating the Joint Security.
Listing:	Indicates listing of the Bonds. If YES is specified, the Issuer shall submit an application in order to have the Bonds listed on the Exchange(s). If NO is specified, no obligation for listing applies, but the Issuer may, at its own discretion, apply for listing.
Margin:	Margin expressed in percentage points to be added to the Reference Rate (if the Margin is negative, it shall be deducted from the Reference Rate). If NA is specified, no Margin applies.
Market Value:	The market value of the Mortgage Properties and/or the New Property, if applicable, as evidenced by a report prepared by an independent and reputable real-estate broker or valuer (other than any related companies) familiar with the Norwegian commercial real estate market appointed by the Issuer and acceptable and addressed to the Bond Trustee.
Material Adverse Effect:	A material adverse effect on: (a) the Issuer's ability to perform and comply with its obligations under the Finance Documents, or (b) the validity or enforceability of the Finance Documents.
Maturity Date:	The date on which the Bonds fall due. The Maturity Date shall be adjusted pursuant to the Business Day Convention.
Maximum Amount:	Amount stating the maximum aggregate Face Value of Bonds which may be issued pursuant to this Bond Agreement. If NA is specified, the aggregate Face Value of the Bonds issued may not exceed the amount specified as the Initial Amount.
Mortgages:	The first priority mortgage over the Mortgage Property in favour of the Bond Trustee as security agent (on behalf of the Secured Creditors), securing the Secured Debt with a maximum secured amount equal to the Total Principal Amount.
Mortgage Property:	The real estate property with land number 77, title number 42, title number 110 section number 107 and title number 1574 in the municipality of Skedsmo.
New Property:	One or more developed commercial real estate properties (i.e. shopping centres, office buildings and/or hotels) replacing the Mortgage Property with a Market Value exceeding at least; (the Secured Debt / 65 per cent).
New Mortgage Security:	A first priority mortgage over the New Property in favour of the Bond Trustee as security agent (on behalf of the Secured Creditors), securing the Secured Debt with a maximum secured amount equal to the Total Principal Amount.
NIBOR:	(Norwegian Interbank Offered Rate) Interest rate fixed for a

	defined period on Oslo Børs' webpage at approximately 12.15 Oslo time. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the Reference Rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate as the initial Reference Rate shall be used. If this is not possible, the Bond Trustee shall calculate the Reference Rate based on comparable quotes from major banks in Oslo.
Outstanding Bonds:	The aggregate value of the total number of Bonds not redeemed or otherwise discharged in the Securities Register.
Paying Agent:	The entity acting as registrar for the Bonds in the Securities Register and paying agent on behalf of the Issuer in the Securities Register.
Property Owner:	AS Vats (org nr. 989 901 486) (being the beneficial owner and title holder to the Mortgage Properties).
Put:	Bondholders' right to demand early redemption of Bonds at the period stated (the "Put Period") and corresponding price(s) (the "Put Price"), ref. Clause 3.8. If NA is specified, the provisions regarding Put do not apply.
Put Event:	Each of the following event: (i) a Sale where Cash for Sale Security is deposited, (ii) a Refinancing where Cash for Refinancing Security is deposited (and where the Put Option will only apply to holders of the Secured Debt to be refinanced)
Redemption Price:	The price, stated as a percent of the Face Value, at which the Bonds shall be redeemed on the Maturity Date.
Reference Rate:	NIBOR rounded to the nearest hundredth of a percentage point on each Reset Date, for the period stated. If NA is specified, Reference Rate does not apply.
Refinancing:	The refinancing of the principal amount of whole or part of the Secured Debt that is to be repaid with an Additional Loan at the maturity date for such Secured Debt.
Reset Date:	Dates on which the Coupon is fixed for the subsequent coupon period for Bonds where Reference Rate applies. The first Reset Date is two Business Days before the Coupon Accrual Date. Thereafter the Reset Date is two Business Days prior to each Coupon Date.
Sale:	A sale of:  (i) a Mortgage Property; or (ii) the ownership interests in the Property Owner,  to any party other than a Group Company or Olav Thon Gruppen AS or any of its current or future Subsidiaries.
Secured Creditors:	The creditors for the Secured Debt.
Secured Debt:	The Bond Obligations and the Additional Loan Obligations.
Securities Register:	The securities register in which the Bonds are registered.
Security:	The Joint Security and the Cash for Refinancing Security.
Subsidiary:	A company over which a company has Decisive Influence.

Total Principal Amount:	The secured amount as indicated in the Mortgages, ref. Clause 3.5.4.
Voting Bonds:	Outstanding Bonds less Issuer's Bonds.
Voting Period:	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.
Written Procedure:	The procedure described in Clause 5.5 ( <i>Written Resolutions</i> ).
Written Resolution:	A written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 5.5 ( <i>Written Resolutions</i> ).

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### **3. Other terms of the Issue**

#### **3.1. The purpose of the Issue**

3.1.1. The purpose of the Issue is general corporate purposes.

#### **3.2. Listing and prospectus**

3.2.1. In the event that the Bonds are listed on the Exchange, matters concerning the listing requiring the approval of the Bondholders shall be resolved pursuant to the terms of this Bond Agreement.

3.2.2. In the event that the Bonds are listed on the Exchange, the Issuer shall submit the documents and the information necessary to maintain the listing.

3.2.3. The Issuer shall ensure that this Bond Agreement shall be incorporated in any prospectus and other subscription or information materials related to the Bonds.

#### **3.3. Status**

3.3.1. The Issuer's Bond Obligations shall rank ahead of all subordinated payment obligations of the Issuer and shall rank at least pari passu with all the Issuer's other obligations, save for obligations which are mandatorily preferred by law.

#### **3.4. Security**

3.4.1. The Bonds shall be secured on first priority by the Joint Security.

3.4.2. The Joint Security shall secure (i) the Bond Obligations and (ii) the Additional Loan Obligations, on a joint and pro rata basis among the Secured Creditors, as further provided for in the Intercreditor Agreement.

3.4.3. The Issuer shall, prior to any Additional Loan being established, ensure that the relevant Secured Creditors accede to the Intercreditor Agreement.

3.4.4. In the event of a Sale, the Issuer shall have the Mortgage Property released from the Mortgage, against providing:

(i) New Mortgage Security acceptable to the Bondholders and/or any Additional Lenders representing at least 50% (fifty percent) of the Secured Debt in accordance with the procedures described in the Intercreditor Agreement, or

(ii) in the event the New Mortgage Security is not accepted by the Bondholders and/or any Additional Lenders, a Cash for Sale Security. Such amount shall be paid in cash to the Cash for Sale Security Account and serve as Joint Security for the Secured Debt.

3.4.5. In the calendar period of three months before a Refinancing, the Issuer may have the right to exclude such principal and the interest accrued thereon from the cover under the Mortgage(s), against providing Cash for Refinancing Security. Such amount shall be paid in cash to the Cash for Refinancing Security Account and serve as the sole and exclusive security for this debt only.



### 3.5. Covenants

- 3.5.1. The Issuer undertakes to (either in one action or as several actions, voluntarily or involuntarily):
- (a) ensure that its obligations under the Bond Agreement shall at all time rank at least *pari passu*, as set out in clause 3.3 (*Status*) of the Bond Agreement;
  - (b) ensure that each other Group Company shall carry on its business in accordance with acknowledged, careful and sound practices in all material aspects and comply in all material respects with all laws and regulations it may be subject to from time to time, and
  - (c) ensure that the Mortgage Properties remain satisfactory insured in accordance with current level, with the Bond Trustee (acting as security agent) named as co-insured.
- 3.5.2. The Issuer undertakes not to, and shall ensure that no Group Company will (either in one action or as several actions, voluntarily or involuntarily):
- (a) sell or otherwise dispose of all or a substantial parts of the Group's assets or operations other than:
    - (i) a sale or transfer of a Mortgage Property or the ownership interests in the Property Owner, to a Group Company or Olav Thon Gruppen AS or any of its current and future Subsidiaries,
    - (ii) a Sale where Cash for Sale Security is put in place;
    - (iii) (in a transaction not concerning a Mortgage Property or shares in the Property Owner) a transaction that is carried out at fair market value on terms and conditions customary for such transactions, where such transaction would not have a Material Adverse Effect.
  - (b) cease to carry on its business, and shall procure that no substantial change is made to the general nature of the business of the Group,
  - (c) merge, or carry out any other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any of the Subsidiaries with any other companies or entities if such action would have a Material Adverse Effect,
  - (d) carry out any de-merger or other corporate reorganization involving a split of the Issuer or any of the Subsidiaries into two or more separate companies or entities (other than a sale or transfer permitted under Clause 3.5.2 (a) above), if such action would have a Material Adverse Effect;
  - (e) enter into any transaction with any person except on arm's length terms and for fair market value (other than as permitted under Clause 3.5.2 (a) (i) and (ii) above);
  - (f) change its type of organization or jurisdiction of incorporation;
  - (g) grant any security, encumbrances or guarantee over any of its/their assets (present or future) to secure any obligation, where this is prohibited under the Intercreditor Agreement.
- 3.5.3. The Issuer shall ensure that during the term of the Bond Issue, the aggregate principal amount outstanding under the Secured Debt in aggregate shall not exceed the lowest of (i) the Total Principal Amount and (ii) 65 percent of the Market Value when the Additional Loan and/or any Tap Issues under this Issue is assumed (the "**Incurrence Test**"). The Incurrence Test shall be based on a Market Value dated no earlier than 90 Business Days prior to the Incurrence Test.

3.5.4. The Total Principal Amount is initially set to NOK 5,000,000,000. If the amount which constitutes 65 percent of the Market Value should exceed the Total Principal Amount, the Issuer shall have the right to increase Total Principal Amount and to notify the Land Registry that the Mortgages shall reflect that increase. The Issuer shall have the right to decrease the Total Principal Amount provided the total amount of Secured Debt does not exceed such decreased Total Principal Amount

3.5.5. The Issuer shall not, and shall ensure that no member of the Group will, issue any security, encumbrances or guarantee over any of its/their assets (present or future) where this is prohibited under the Intercreditor Agreement.

3.5.6. For information covenants, see Clause 4.7.

### **3.6. Payments**

3.6.1. On each Coupon Date the Issuer shall in arrears pay the accrued Coupon amount to the Bondholders.

3.6.2. On the Maturity Date the Issuer shall pay in respect of each Bond the Face Value multiplied by the Redemption Price to the Bondholders.

3.6.3. On the Maturity Date the Issuer shall pay any Additional Return (if applicable) to the Bondholders.

3.6.4. The Issuer may not apply any counterclaims in set-off against its payment obligations pursuant to this Bond Agreement.

3.6.5. If exercising Call or Put, the Issuer shall at the relevant date indicated under Call or Put pay to the Bondholders the Face Value of the Bonds to be redeemed multiplied by the relevant price for the relevant date plus accrued Coupon on the redeemed Bonds.

3.6.6. Amounts payable to the Bondholders by the Issuer shall be available to the Bondholders on the date the amount is due pursuant to this Bond Agreement.

3.6.7. In the event that the Issuer has not fulfilled its payment obligations pursuant to this Bond Agreement, regardless of whether an Event of Default has been declared or not, interest shall accrue on the amount due at the higher of:

(h) the seven day NIBOR plus 3.0 percentage points (to be fixed two Business Days before due date and thereafter weekly), and

(i) the applicable Coupon at the due date plus 3.0 percentage points.

Default interest shall be added to the amount due on a monthly basis and accrue interest together with this (compound interest).

### **3.7. Exercise of Call**

3.7.1. Exercise of Call shall be notified by the Issuer to the Bondholders and the Bond Trustee at least thirty Business Days prior to the relevant Call Date.

3.7.2. Partial exercise of Call shall be carried out pro rata between the Bonds (according to the procedures in the Securities Register).

### **3.8. Exercise of Put**

- 3.8.1. Upon the occurrence of a Put Event, and subject to the terms of the Intercreditor Agreement, each Bondholder shall have the right to demand early redemption of its Bonds at a price of 100% of Face Value plus accrued interest.
- 3.8.2. The Put must be exercised by the Bondholders within 15 Business Days after the Issuer notified the Bondholders of a Put Event. Such notification shall be given as soon as possible and in any event within two (2) Business Days after a Put Event has taken place. The Put may be exercised by the Bondholders by giving written notice of the request to its account manager. The account manager shall notify the Paying Agent of the pre-payment request. The settlement of the Put shall take place within 18 Business Days of the Issuer's notice.

### **3.9. Events of default**

- 3.9.1. The Bond Trustee may declare the Bonds to be in default upon the occurrence of any of the following events:
- (a) the Issuer fails to fulfil any payment obligation pursuant to Clause 3.6 unless, in the opinion of the Bond Trustee, it is obvious that such failure will be remedied, and payment is made, within 5 – five – Business Days following the original due date,
  - (b) the Issuer fails to duly perform any other substantial obligation pursuant to this Bond Agreement, unless, in the opinion of the Bond Trustee, it is obvious that such failure will be remedied and is remedied within 10 – ten – Business Days from the date the Issuer became aware thereof,
  - (c) if any Group Company fails to fulfil any other financial indebtedness (including any guarantee liabilities), which is or could be declared due and repayable prior to its specified maturity as a result of an event of default, provided that the aggregate amount of such financial indebtedness exceeds NOK 50 000 000 (Norwegian Kroner fifty million) or the equivalent in other currencies,
  - (d) the Issuer becomes subject to insolvency or enforcement proceedings, is taken under public administration, enters into debt negotiations, admit to insolvency or if a substantial proportion of the Issuer's assets are impounded, confiscated or subject to distraint,
  - (e) the Issuer is resolved to be dissolved,
  - (f) the Issuer has in respect of the Bonds or this Bond Agreement (in the reasonable discretion of the Bond Trustee) in any material respect made any incorrect or misleading – or otherwise failed to make – representation, warranty, statement or certificate of compliance, or
  - (g) the Issuer is in a situation which, in the reasonable opinion of the Bond Trustee, after consultations with the Issuer, provides reason to assume that the Issuer will be unable to fulfil its obligations under this Bond Agreement.

## **4. Other terms and conditions**

### **4.1. Conditions precedent**

- 4.1.1. The Bond Trustee shall have received the following documentation, no later than 2 – two – Business Days prior to the Issue Date:
- (a) this Bond Agreement duly signed;

- (b) evidence that the Bond Trustee has acceded to the Intercreditor Agreement by way of execution of an accession letter in the form enclosed as Appendix 5 to the Intercreditor Agreement in respect of the Issue (the "**Accession Letter**") duly signed by the Bond Trustee and received by the Security Agent;
- (c) a letter of confirmation (the "**Letter of Confirmation**") from the Issuer (in its capacity as borrower of the Secured Debt) and the Property Owner, confirming inter alia:
  - c.1. that they acknowledge and accept the Accession Letter;
  - c.2. that the Security shall serve as security for the Issue;
  - c.3. that there have been no changes to the insurances in respect of the Mortgage Property; and
  - c.4. that the aggregate principal amount outstanding under the Secured Debt is in compliance with the Incurrence Test (including evidence/calculation thereof to the satisfaction of the Bond Trustee and the Security Agent);
- (d) the Intercreditor Agreement duly updated to reflect that the Bond Agreement has been listed in Appendix 4 to the Intercreditor Agreement;
- (e) the Issuer's corporate resolution to make the Issue, execute the Bond Agreement, the Letter of Confirmation, the Fee Agreement and other relevant documents in relation to the Bond Issue;
- (f) confirmation that the relevant individuals are authorised to sign on behalf of the Issuer this Bond Agreement, the Letter of Confirmation, the Fee Agreement and other relevant documents in relation hereto (Company Certificate, Power of Authority etc.);
- (g) the Issuer's Articles of Association;
- (h) necessary corporate resolutions of the Property Owner to execute the Letter of Confirmation and other relevant documents in relation thereto;
- (i) the Property Owner's Articles of Association;
- (j) confirmation that the relevant individuals are authorised to sign on behalf of the Property Owner the Letter of Confirmation and other relevant documents in relation thereto (Company Certificate, Power of Authority etc.);
- (k) evidence that the Security has been established and perfected to the satisfaction of the Bond Trustee and the Security Agent;
- (l) confirmation that the requirements set forth in Chapter 7 of the Norwegian Securities Trading Act (prospectus requirements) are fulfilled,
- (m) to the extent necessary, any public authorisations required for the Issue,
- (n) confirmation that the Bonds have been registered in the Securities Register,
- (o) any agreement regarding the Bond Trustee's fees and expenses as set forth in Clause 4.9.2 duly signed,
- (p) confirmation according to Clause 4.2.2 if applicable,
- (q) any other relevant documentation presented in relation to the Issue, and
- (r) any statements (including legal opinions) required by the Bond Trustee regarding documentation in this Clause 4.1.1.

4.1.2. The Bond Trustee may, in its reasonable opinion, waive the deadline or requirements for the documentation as set forth in Clause 4.1.1.

4.1.3. The Issuance of the Bonds is subject to the Bond Trustee's written notice to the Issuer, the manager of the Issue and the Paying Agent that the documents have been controlled and that the required conditions precedent are fulfilled.

## 4.2. Representations and warranties

4.2.1. At any Issue, the Issuer represents and warrants that:

- (a) all information which has been presented in relation to such Issue is, to the best knowledge of the Issuer, in accordance with the facts and contains no omissions likely to effect the importance of the information as regards the evaluation of the Bonds, and that the Issuer has taken all reasonable measures to ensure this,
- (b) the Issuer has made a valid resolution to make such Issue, and such Issue does not contravene any of the Issuer's other liabilities, and
- (c) public requirements have been fulfilled (i.a. Norwegian Securities Trading Act Chapter 7), and that any required public authorisations have been obtained.

4.2.2. The Bond Trustee may prior to any Issue require a statement from the Issuer confirming the Issuer's compliance with Clause 4.2.1.

## 4.3. Tap Issues (subsequent Issues)

4.3.1. If Maximum Amount is applicable (Section 1), the Issuer may make subsequent Issues ("Tap Issues") up to the Maximum Amount, provided that

- (a) the Tap Issue is made no later than five – 5 – Business Days prior to the Maturity Date, that
- (b) all conditions set forth in Clauses 4.1.1 and 4.2.1 are still valid, and that
- (c) the aggregate principal amount outstanding under the Secured Debt is in compliance with the Incurrence Test as described in Clause 3.5.3.

Each Tap Issue requires written confirmation from the Bond Trustee, unless (i) the Issuer is a Financial Undertaking and (ii) the Bonds constitute (senior) unsecured indebtedness of the Issuer (i.e. not subordinated).

4.3.2. The Issuer may, upon written confirmation from the Bond Trustee, increase the Maximum Amount. The Bondholders and the Exchange shall be notified of any increase in the Maximum Amount.

#### **4.4. Registration of Bonds**

4.4.1. The Issuer shall continuously ensure the correct registration of the Bonds in the Securities Register.

#### **4.5. Interest Rate Fixing**

4.5.1. If, pursuant to this Bond Agreement, the Coupon shall be adjusted during the term of the Bonds, any adjustments shall be carried out by the Bond Trustee. The Bondholders, the Issuer, the Paying Agent and the Exchange shall be notified of the new Coupon applicable until the next Coupon Date.

#### **4.6. The Issuer's acquisition of Bonds**

4.6.1. The Issuer has the right to acquire and own Bonds and to retain, sell or discharge such Bonds in the Securities Register.

#### **4.7. Information covenants**

4.7.1. The Issuer undertakes to:

- a) without being requested to do so, inform the Bond Trustee promptly of any Event of Default pursuant to this Bond Agreement, and of any situation which the Issuer understands or should understand could lead to an Event of Default,
- b) without being requested to do so, inform the Bond Trustee of any other event which may have a Material Adverse Effect,
- c) without being requested to do so, inform the Bond Trustee if the Issuer intends to sell or dispose of all or a substantial part of its assets or operations or change the nature of its business,
- d) upon request, provide the Bond Trustee with its annual and interim reports and any other information reasonably required by the Bond Trustee,
- e) upon request report to the Bond Trustee the balance of Issuer's Bonds,
- f) without being requested to do so, provide a copy to the Bond Trustee of any notice to its creditors to be made according to applicable laws and regulations,
- g) without being requested to do so, send a copy to the Bond Trustee of notices to the Exchange which have relevance to the Issuer's liabilities pursuant to this Bond Agreement,
- h) without being requested to do so, inform the Bond Trustee of changes in the registration of the Bonds in the Securities Register, and
- i) annually in connection with the release of its annual report, and upon request, confirm to the Bond Trustee compliance with any covenants set forth in this Bond Agreement.

#### **4.8. Notices**

4.8.1. Written notices, warnings, summons etc to the Bondholders made by the Bond Trustee shall be sent via the Securities Register with a copy to the Issuer and the Exchange. Information to the Bondholders may also be published at the web site [www.stamdata.no](http://www.stamdata.no).

4.8.2. The Issuer's written notifications to the Bondholders shall be sent via the Bond Trustee, alternatively through the Securities Register with a copy to the Bond Trustee and the Exchange.

## **4.9. Expenses**

- 4.9.1. The Issuer shall cover all its own expenses in connection with this Bond Agreement and the fulfillment of its obligations hereunder, including the preparation of this Bond Agreement, listing of the Bonds on the Exchange, and the registration and administration of the Bonds in the Securities Register.
- 4.9.2. The expenses and fees payable to the Bond Trustee shall be paid by the Issuer. For Financial Undertakings, and Norwegian governmental issuers, annual fee will be determined according to applicable fee structure and terms and conditions presented at the Trustee's web site ([www.nordictrustee.com](http://www.nordictrustee.com)) at the Issue Date, unless otherwise is agreed with the Trustee. For other issuers a separate fee agreement will be entered into. Fees and expenses payable to the Bond Trustee which, due to insolvency or similar by the Issuer, are not reimbursed in any other way may be covered by making an equivalent reduction in the payments to the Bondholders.
- 4.9.3. Any public fees payable in connection with this Bond Agreement and fulfilling of the obligations pursuant to this Bond Agreement shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds.
- 4.9.4. The Issuer is responsible for withholding any withholding tax imposed by Norwegian law.

## **5. Bondholders' Decisions**

### **5.1. Authority of the Bondholders' Meeting**

- 5.1.1. The Bondholders' Meeting represents the supreme authority of the Bondholders' community in all matters regarding the Bonds. If a resolution by or an approval of the Bondholders is required, such resolution shall be passed at a Bondholders' Meeting. Resolutions passed at Bondholders' Meetings shall be binding and prevail for all Bonds.

### **5.2. Procedural rules for the Bondholders' Meeting**

- 5.2.1. A Bondholders' Meeting shall be held at the request of:
  - (a) the Issuer,
  - (b) Bondholders representing at least 1/10 of the Voting Bonds,
  - (c) the Bond Trustee, or
  - (d) the Exchange.
- 5.2.2. The Bondholders' Meeting shall be summoned by the Bond Trustee. A request for a Bondholders' Meeting shall be made in writing to the Bond Trustee, and shall clearly state the matters to be discussed.
- 5.2.3. If the Bond Trustee has not summoned a Bondholders' Meeting within 10 – ten – Business Days after having received such a request, then the requesting party may summons the Bondholders' Meeting itself.

- 5.2.4. Summons to a Bondholders Meeting shall be dispatched no later than 10 – ten – Business Days prior to the Bondholders’ Meeting. The summons and a confirmation of each Bondholder’s holdings of Bonds shall be sent to all Bondholders registered in the Securities Register at the time of distribution. The summons shall also be sent to the Exchange for publication.
- 5.2.5. The summons shall specify the agenda of the Bondholders’ Meeting. The Bond Trustee may in the summons also set forth other matters on the agenda than those requested. If amendments to this Bond Agreement have been proposed, the main content of the proposal shall be stated in the summons.
- 5.2.6. The Bond Trustee may restrict the Issuer to make any changes in the number of Voting Bonds in the period from distribution of the summons until the Bondholders’ Meeting.
- 5.2.7. Matters that have not been reported to the Bondholders in accordance with the procedural rules for summoning of a Bondholders’ Meeting may only be adopted with the approval of all Voting Bonds.
- 5.2.8. The Bondholders’ Meeting shall be held on premises designated by the Bond Trustee. The Bondholders’ Meeting shall be opened and shall, unless otherwise decided by the Bondholders’ Meeting, be chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders’ Meeting shall be opened by a Bondholder, and be chaired by a representative elected by the Bondholders’ Meeting.
- 5.2.9. Minutes of the Bondholders’ Meeting shall be kept. The minutes shall state the number of Bondholders represented at the Bondholders’ Meeting, the resolutions passed at the meeting, and the result of the voting. The minutes shall be signed by the chairman and at least one other person elected by the Bondholders’ Meeting. The minutes shall be deposited with the Bond Trustee and shall be available to the Bondholders.
- 5.2.10. The Bondholders, the Bond Trustee and representatives of the Exchange have the right to attend the Bondholders’ Meeting. The chairman may grant access to the meeting to other parties, unless the Bondholders’ Meeting decides otherwise. Bondholders may attend by a representative holding proxy. Bondholders have the right to be assisted by an advisor. In case of dispute the chairman shall decide who may attend the Bondholders’ Meeting and vote for the Bonds.
- 5.2.11. Representatives of the Issuer have the right to attend the Bondholders’ Meeting. The Bondholders’ Meeting may resolve that the Issuer’s representatives may not participate in particular matters. The Issuer has the right to be present under the voting.





### **5.3. Resolutions passed at Bondholders' Meetings**

- 5.3.1. At the Bondholders' Meeting each Bondholder may cast one vote for each Voting Bond owned at close of business on the day prior to the date of the Bondholders' Meeting in accordance with the records registered in the Securities Register. Whoever opens the Bondholders' Meeting shall adjudicate any question concerning which Bonds shall count as Issuer's Bonds. Issuer's Bonds have no voting rights.
- 5.3.2. In all matters to be dealt with at the Bondholders' Meeting, the Issuer, the Bond Trustee and any Bondholder have the right to demand vote by ballot. In case of parity of votes, the chairman shall have the deciding vote, regardless of the chairman being a Bondholder or not.
- 5.3.3. In order to form a quorum, at least half (1/2) of the Voting Bonds must be represented at the meeting, see however Clause 5.4. Even if less than half (1/2) of the Voting Bonds are represented, the Bondholders' Meeting shall be held and voting completed.
- 5.3.4. Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, unless otherwise set forth in clause 5.3.5.
- 5.3.5. In the following matters, a majority of at least 2/3 of the votes is required:
  - (a) any amendment of the terms of this Bond Agreement regarding the Coupon, the tenor, redemption price and other terms and conditions affecting the cash flow of the Bonds.
  - (b) the transfer of rights and obligations of this Bond Agreement to another issuer (borrower), or
  - (c) change of Bond Trustee.
- 5.3.6. The Bondholders' Meeting may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 5.3.7. The Bond Trustee shall ensure that resolutions passed at the Bondholders' Meeting are properly implemented.
- 5.3.8. The Issuer, the Bondholders and the Exchange shall be notified of resolutions passed at the Bondholders' Meeting.

### **5.4. Repeated Bondholders' Meeting**

- 5.4.1. If the Bondholders' Meeting does not form a quorum pursuant to Clause 5.3.3, a repeated Bondholders' Meeting may be summoned to vote on the same matters. The attendance and the voting result of the first Bondholders' Meeting shall be specified in the summons for the repeated Bondholders' Meeting.
- 5.4.2. When a matter is tabled for discussion at a repeated Bondholders' Meeting, a valid resolution may be passed even though less than half (1/2) of the Voting Bonds are represented.

## 5.5. Written Resolutions

- 5.5.1. Subject to this Bond Agreement, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 5.1 (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.
- 5.5.2. 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.
- 5.5.3. The summons for the Written Resolution shall be sent to the Bondholders at the time the summons is sent from the Securities Register and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- 5.5.4. The provisions set out in Clause 5.1 (*Authority of the Bondholders' Meeting*), 5.2 (*Procedural rules for the Bondholders' Meeting*) and Clause 5.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
- (a) the provisions set out in Clauses 5.2.8, 5.2.10 and 5.2.11; or
  - (b) provisions which are otherwise in conflict with the requirements of this Clause 5.5 (*Written Resolutions*),
- shall not apply to a Written Procedure.
- 5.5.5. The summons for a Written Resolution shall include:
- (a) 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
  - (b) 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 (the "**Voting Period**"), such Voting Period to be at least three (3) Business Days but not more than twenty (20) Business Days from the date of the Summons, provided however that the Voting Period for a Written Resolution summoned pursuant to Clause 5.4 (*Repeated Bondholders' Meeting*) shall be at least ten (10) Business Days but not more than twenty (20) Business Days from the date of the summons.
- 5.5.6. Only Bondholders of Voting Bonds registered with the Securities Register, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee, will be counted in the Written Resolution.
- 5.5.7. A Written Resolution is passed when the requisite majority set out in Clauses 5.3.4 and 5.3.5 has been achieved, based on the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution may also be passed if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

- 5.5.8. 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 achieved.
- 5.5.9. If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in Clauses 5.3.3 to 5.3.5.

## **6. The Bond Trustee**

### **6.1. The role and authority of the Bond Trustee**

- 6.1.1. The Bond Trustee shall monitor the compliance by the Issuer of its obligations under this Bond Agreement and applicable laws and regulations which are relevant to the terms of this Bond Agreement, including supervision of timely and correct payment of principal or interest, informing the Bondholders, the Paying Agent and the Exchange of relevant information which is obtained and received in its capacity as Bond Trustee (however this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' Meetings, and make the decisions and implement the measures resolved pursuant to this Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set forth in this Bond Agreement.
- 6.1.2. The Bond Trustee may take any step necessary to ensure the rights of the Bondholders in all matters pursuant to the terms of this Bond Agreement. The Bond Trustee may postpone taking action until such matter has been put forward to the Bondholders' Meeting.
- 6.1.3. The Bond Trustee may reach decisions binding for all Bondholders concerning this Bond Agreement, including amendments to the Bond Agreement, which, in the opinion of the Bond Trustee, do not have a material adverse effect on the rights or interests of the Bondholders pursuant to this Bond Agreement, see however Clause 6.1.5.
- 6.1.4. The Bond Trustee may reach decisions binding for all Bondholders in circumstances other than those mentioned in Clause 6.1.3 provided prior notification to the Bondholders is given, see however Clause 6.1.5. Such notice shall contain a proposal of the amendment and the Bond Trustee's evaluation. Further, such notification shall state that the Bond Trustee may not reach a decision binding for all Bondholders in the event that any Bondholder submits a written protest against the proposal within a deadline set by the Bond Trustee. Such deadline may not be less than five (5) Business Days after the date of such notification.
- 6.1.5. The Bond Trustee may not reach decisions pursuant to Clauses 6.1.3 or 6.1.4 for matters set forth in Clause 5.3.5 except to rectify obvious incorrectness, vagueness or incompleteness.

- 6.1.6. The Bond Trustee may not adopt resolutions which may give certain Bondholders or others an unreasonable advantage at the expense of other Bondholders.
- 6.1.7. The Issuer, the Bondholders and the Exchange shall be notified of decisions made by the Bond Trustee pursuant to Clause 6.1 unless such notice obviously is unnecessary.
- 6.1.8. The Bondholders' Meeting can decide to replace the Bond Trustee without the Issuer's approval, as provided for in Clause 5.3.5.

## **6.2. Event of Default, termination and recovery**

- 6.2.1. If an Event of Default occurs, the Bond Trustee may take any action it deems necessary in order to protect the interests of the Bondholders, including declaring the Bonds to be in default, revoking this Bond Agreement and declaring the Bonds plus accrued interest and expenses due for payment, and initiating recovery of all amounts outstanding under this Bond Agreement.
- 6.2.2. Should the Bond Trustee receive a written demand to take action as set forth in Clause 6.2.1 from Bondholders representing at least 1/5 of Voting Bonds, the Bond Trustee shall take such actions unless the Bondholders' Meeting has passed a resolution for alternative solutions,
- 6.2.3. The Bond Trustee shall be indemnified by the Bondholders for any results (including any expenses, costs and liabilities) of taking action pursuant to Clause 6.2.2 or pursuant to the Bondholders' Meeting having declared the Bonds to be in default. The Bond Trustee may claim indemnity and security from the Bondholders who put forward the demand in accordance with clause 6.2.2 or voted for the adopted resolution at the Bondholders' Meeting.

## **6.3. Liability and indemnity**

- 6.3.1. The Bond Trustee is liable only for direct losses incurred by Bondholders or the Issuer as a result of negligence or wilful misconduct by the Bond Trustee in performing its functions and duties as set forth in this Bond Agreement. The Bond Trustee is not liable for the content of information provided to the Bondholders on behalf of the Issuer.
- 6.3.2. The Issuer is liable for and shall indemnify the Bond Trustee fully in respect of all direct losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer to fulfill its obligations under the terms of this Bond Agreement, 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 establishment and performance of this Bond Agreement.

## **6.4. Change of Bond Trustee**

- 6.4.1. Change of Bond Trustee shall be carried out pursuant to the procedures set forth in Section 5. The Bond Trustee shall continue to carry out its duties as bond trustee until such time that a new Bond Trustee is elected.
- 6.4.2. The fees and expenses of a new bond trustee shall be covered by the Issuer pursuant to the terms set out in Clause 4.9, but may be recovered wholly or

partially from the Bond Trustee if the change is due to a breach of the Bond Trustee duties pursuant to the terms of this Bond Agreement or other circumstances for which the Bond Trustee is liable.

- 6.4.3. The Bond Trustee undertakes to co-operate so that the new bond trustee receives without undue delay following the Bondholders' Meeting the documentation and information necessary to perform the functions as set forth under the terms of this Bond Agreement.

## **7. General provisions**

### **7.1. The Bondholders' community**

7.1.1. Through their subscription, purchase or other transfer of Bonds, the Bondholders will be deemed to have acceded to this Bond Agreement and hereby accept that:

- (a) the Bondholders are bound by the terms of this Bond Agreement,
- (b) the Bond Trustee has power and authority to act on behalf of the Bondholders,
- (c) the Bond Trustee has, in order to administrate the terms of this Bond Agreement, access to the Securities Register to review ownership of Bonds registered in the Securities Register,
- (d) this Bond Agreement establishes a community between Bondholders meaning that:
  - (i) the Bonds rank pari passu between each other,
  - (ii) the Bondholders may not, based on this Bond Agreement, act directly towards the Issuer and may not themselves institute legal proceedings against the Issuer,
  - (iii) the Issuer may not, based on this Bond Agreement, act directly towards the Bondholders,
  - (iv) the Bondholders may not cancel the Bondholders' community, and that
  - (v) the individual Bondholder may not resign from the Bondholders' community.

7.1.2. This Bond Agreement shall be publicly available from the Bond Trustee or the Issuer.

### **7.2. Dispute resolution and legal venue**

7.2.1. Disputes arising out of or in connection with this Bond Agreement which are not resolved amicably shall be resolved in accordance with Norwegian law in the Oslo District Court.

### **7.3. Amendments**

7.3.1. Amendments of this Bond Agreement may only be made with the approval of the parties to this Agreement, with the exception of amendments as set forth under Clause 6.1.8.

### **7.4. Contact information**

7.4.1. The Issuer and the Bond Trustee shall ensure that the other party is kept informed of any changes in its postal address, e-mail address, telephone and fax numbers and contact persons.

*Arne B. Sperry*

.....  
**Issuer**

ARNE B. SPERRY

*Morten S. Bredesen*

.....  
**Bond Trustee**

Morten S. Bredesen