



## **DDM Treasury Sweden AB (publ)**

Prospectus regarding admission to trading on  
a Regulated Market of

**up to SEK 500,000,000 Senior Secured Fixed Rate Notes**

**ISIN: SE0005280831**

## IMPORTANT INFORMATION

In this prospectus, the “**Issuer**” or “**DDM**” means DDM Treasury Sweden AB (publ) or, depending on the context, the group in which DDM Treasury Sweden AB (publ) presently is a parent company. The “**Issuer Group**” means the Issuer with its subsidiaries from time to time (each a “**Group Company**”). The “**Group**” means DDM Group AG (as “**Parent**”) and its subsidiaries from time to time. The “**Arranger**” means Nordic Fixed Income AB. “**Euroclear Sweden**” refers to Euroclear Sweden AB. “**SEK**” refers to Swedish kronor.

Words and expressions defined in the Terms and Conditions beginning on page 19 have the same meanings when used in this Prospectus, unless expressly stated or the context requires otherwise.

### Notice to investors

On 28 June 2013 (the “**Issue Date**”) the Issuer issued a three-year bond loan of SEK 200 million with a maximum size of up to SEK 500 million. The nominal amount of each initial note is SEK one million (the “**Nominal Amount**”) (the “**Initial Notes**”). The total nominal amount of the Initial Notes is SEK 200 million (the “**Total Nominal Amount**”). The Issuer may at one or several occasions issue subsequent notes (the “**Subsequent Notes**” and together with the Initial Notes, the “**Notes**”). On 17 October 2013 the Issuer issued Subsequent Notes in an amount of SEK 100 million. The maximum nominal amount of the Notes may not exceed SEK 500 million unless a consent from the Noteholders is obtained pursuant to the Terms and Conditions. This prospectus (the “**Prospectus**”) has been prepared for the listing of the Notes on a Regulated Market. This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Notes.

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**SFSA**”) pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (*lagen (1991:980) om handel med finansiella instrument*) (the “**Trading Act**”). Approval and registration by the SFSA do not imply that the SFSA guarantees that the information provided in the Prospectus is correct and complete.

This Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Prospectus.

This Prospectus may not be distributed in any jurisdiction where such distribution would require any additional prospectus, registration or measures other than those required under Swedish law, or otherwise would conflict with regulations in such jurisdiction. Persons into whose possession this Prospectus may come are required to inform themselves about, and comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (the “**Securities Act**”) or the securities laws of any state or other jurisdiction outside Sweden. Subject to certain exemptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

No person has been authorised to provide any information or make any statements other than those contained in this Prospectus. Should such information or statements nevertheless be furnished, it/they must not be relied upon as having been authorised or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. Neither the publication of this Prospectus nor the offering, sale or delivery of any Bond implies that the information in this Prospectus is correct and current as at any date other than the date of this Prospectus or that there have not been any changes in the Issuer’s, the Issuer Group’s or the Group’s business since the date of this Prospectus. If the information in this Prospectus becomes subject to any material change, such material change will be made public in accordance with the provisions governing the publication of supplements to prospectuses in the Trading Act.

Each potential investor in the Notes must in light of its own circumstances determine the suitability of the investment. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this document or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor’s currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

**TABLE OF CONTENTS**

RISK FACTORS .....	4
DESCRIPTION OF THE NOTES AND USE OF PROCEEDS.....	8
INDUSTRY OVERVIEW AND BUSINESS DESCRIPTION .....	14
BOARD OF DIRECTORS, SENIOR MANAGEMENT AND AUDITORS.....	16
LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION.....	17
TERMS AND CONDITIONS OF THE NOTES.....	19
ADDRESSES .....	51

## Risk Factors

---

*Risk and risk-taking are inevitable parts of investing in the Notes. There are risks both regarding circumstances linked to the Issuer and those which bear no specific relation to the Issuer. In addition to the other information in this Prospectus as well as a general evaluation of external factors, investors should carefully consider the following risk factors before making any investment decision. The occurrence of any of the events discussed below could materially adversely affect the Issuer's and/or the Issuer Group's operations, financial position and results of operations. Moreover, the trading price of the Notes could decline and the Issuer may not be able to pay Interest or principal on Notes when due, and investors could lose all or part of their investment. The risks described below are not the only ones the Issuer and the Issuer Group is exposed to. Additional risks that are not currently known to, or identified as risks by, the Issuer could have a material adverse effect on the Issuer's and or the Issuer Group's business and the Issuer's ability to fulfil its obligations under the Notes. The order in which the risks are presented is not intended to provide an indication of the likelihood of their occurrence or of their relative significance.*

### **RISKS RELATING TO THE ISSUER**

#### **The Issuer's financial performance is affected by borrower credit quality which is influenced by general economic conditions**

Risks arising from changes in credit quality and the recoverability of loans are inherent in the Issuer's business. Adverse changes in the credit quality of the Issuer's debtors arising from a general deterioration in economic conditions or interest rates, unemployment or changes in house prices, could affect the recoverability and value of the Issuer's assets and require an increase in the Issuer's loan loss charge and other provisions.

#### **The debt purchasing industry is competitive**

The Group operates in a fragmented and highly competitive industry. Moreover, many larger sellers retain multiple debt management service providers which exposes the Group to continuous competition in order to remain a preferred buyer. There is a risk that the Group will not be able to compete successfully with its existing or future competitors, and a failure to do so may adversely impact the Issuer's operations, financial position and results. The Issuer may not be able to collect debts contained in its acquired Portfolios. The Issuer acquires consumer debt Portfolios at a deep discount to face value and collects the outstanding debt. There is a risk that future debts contained in the Issuer's Portfolios cannot eventually be collected by the Issuer. The risk in this business is that the Issuer upon acquisition would overestimate its ability to collect amounts or underestimate the costs of collection. If the Issuer were to become unable to collect the expected amounts contained in its Portfolios, the Group's operations, financial position and results may adversely impacted.

#### **Regulatory risk**

Changes in the regulatory environment could affect the profitability of the industry. The Issuer and the Group could be affected by changes in legislation in each of the countries in which it is active, and on a European level. A more debtor-friendly legislation may adversely impact the Issuer's operations, financial position and results.

#### **Employees**

The Issuer's future development depends largely on the skills, experience and commitment of the Group's employees. Therefore it is important for the Issuer's future business activities and development that the Group is able to retain and, where necessary, also recruit suitable employees. If the Group should become unable to retain or recruit suitable employees it could adversely impact the Issuer's operations, financial position and results.

#### **The Issuer may not be able to collect sufficient amounts on its debt Portfolios to fund its operations**

Because of the length of time involved in collecting non-performing debt on acquired Portfolios, the Issuer may not be able to identify economic trends or make changes in its acquiring strategies in a timely manner. This could result in a loss of value in a Portfolio after acquisition. Analytical models may not identify changes that originators make in the quality of the debt Portfolios that they sell. If the Issuer overpays for debt Portfolios, and thus the value of acquired assets and cash flows from operations are less than anticipated, it may have difficulty servicing its own debt obligations and may not be able to acquire new debt Portfolios, and the Issuer's operations, financial position and results will be adversely impacted.

**There may not be a sufficient supply of debt, or appropriately priced debt, to acquire**

The availability of debt Portfolios at prices that generate profits depends on a number of factors, many of which are outside of the Issuer's control. If originators choose to rely more heavily on debt collection agencies, there would be a reduction in the availability of debt that is early in the financial difficulty cycle and has had little or no exposure to collection activity. This "fresher" debt typically has higher collection expectations. If originators were to perform more of their own collections, or were to further outsource collections to debt collection agencies, the volume of debt sales or the quality of debt sold could decrease and consequently, the Issuer may not be able to buy the type and quantity of debt at prices consistent with its historic return targets. If the Issuer is unable to acquire non-performing debt Portfolios from originators at appropriate prices, or if one or more originators stop or decrease their sale of non-performing debt Portfolios, the Issuer could lose a potential source of income and its business may be harmed. If the Issuer does not continually replace serviced debt Portfolios with additional Portfolios, its operations, financial position and results will be adversely impacted.

**It can take several years to realise cash returns on investments in Portfolios debt**

It is not unusual to take several years for entities of the Group to recoup the original acquisition price of investment in debt Portfolios after taking into consideration direct and indirect operating costs, financing costs, taxes and other factors. During this period, significant changes may occur in the economy, the regulatory environment, the Issuer's and the Group's business or markets, which could lead to a substantial reduction in expected returns or reduce the value of the debt Portfolios that have been acquired.

**Acquiring patterns and the seasonality of the Issuer's business may lead to volatility in cash flow**

The Issuer's business depends on the ability to collect on debt Portfolios. Collections within Portfolios tend to be seasonal. Conversely, collections within Portfolios tend to be lower in months where there are fewer working days, for example months with public holidays. Operating expenses are higher following months where there are more volumes of accounts acquired. Furthermore, the acquisition of debt Portfolios is likely to be uneven over the course of a year due to the fluctuating supply and demand within the market. The combination of seasonal collections and uneven servicing costs and acquisitions of debt Portfolios may result in low cash flow at a time when Portfolios appropriate for acquisition become available. A lack of cash flow could prevent the Issuer from acquiring debt Portfolios that it would otherwise acquire as they become available, which could adversely impact the Issuer's operations, financial position and results.

**The Issuer is subject to fluctuations in foreign exchange rates**

The Issuer's income from its Portfolios is denominated in Russian rubles/Romanian Leu while the Notes are denominated and the Issuer reports its financial results in Swedish kronor. Further, it acquires Portfolios with accounts denominated in mainly Russian rubles/Romanian Leu and will service these accounts through the placement and collections process. Any change in the exchange rate between these currencies will affect the Issuer's Financial Statements when the results of its Portfolios are translated into Swedish kronor for reporting purposes. The exchange rate between these currencies may fluctuate substantially, which could materially and adversely affect the Issuer's financial condition, financial returns and results of operations.

**Negative attention and news regarding the debt collection industry and individual debt collectors may have a negative impact on a debtor's willingness to pay debt owed to the Issuer**

Consumers may become more reluctant to pay their debts in full or at all or more willing to pursue legal actions against the Issuer. Print and television media, from time to time, may publish stories about the debt collection or debt purchasing industry that may cite specific examples of real or perceived abusive collection practices. These stories are also published on websites, which can lead to the rapid dissemination of the story and increase the exposure to negative publicity about the Issuer or the industry. The internet has websites where consumers list their concerns about the activities of debt collectors and seek guidance from other website posters on how to handle the situation. These websites are increasingly providing consumers with legal forms and other strategies to protest collection efforts and to try to avoid their obligations. To the extent that these forms and strategies are based upon erroneous legal information, the cost of collections is increased. Consumer blog sites and claims management companies are becoming more common and add to the negative attention given to the industry. Certain of these organisations may also enable consumers to negotiate a larger discount on their payments than the Issuer would otherwise agree to. As a result of this negative publicity, debtors may be more reluctant to pay their debts or could pursue legal action against the Issuer regardless of whether those actions are warranted.

These actions could impact the Issuer's ability to collect on the debts it acquires and materially and adversely affect its financial condition, financial returns and results of operations.

**The Issuer may acquire Portfolios that contain accounts which are not eligible to be collected or could be the subject of fraud when purchasing debt Portfolios**

In the normal course of the Issuer's Portfolio acquisitions, some debts may be included in the Portfolios that fail to conform to the terms of the acquisition agreements and it may seek to return these debts to the seller for payment or replacement. However, the Issuer cannot guarantee that such seller will be able to meet its obligations or that the Issuer will identify non-conforming accounts soon enough to qualify for recourse. Each acquisition agreement specifies which accounts are eligible and which are not. Accounts that would be eligible for recourse if discovered in a timely fashion but that the Issuer is unable to return to sellers are likely to yield no return. If the Issuer acquires Portfolios containing too many accounts that do not conform to the terms of the acquisition agreements or contain accounts that are otherwise uncollectible, it may be unable to recover a sufficient amount and the Portfolio acquisition could be unprofitable, which would have a material adverse effect on its financial condition, financial returns and results of operations. In addition, because of fraud by a seller or by one of the Issuer's employees, the Issuer could acquire so-called "phantom Portfolios" that have been sold to more than one person. The Issuer would not be able to collect on a Portfolio to which someone else held legal ownership, or would need to spend time and resources establishing its own legal ownership of the Portfolio if such ownership was unclear. The internal controls the Issuer has in place to detect such types of fraud may fail. If the Issuer is the victim of fraud, it could lose cash or reduce its collections, in either case potentially adversely impacting the Issuer's operations, financial position and results.

**The Issuer's collections may decrease if the number of consumers becoming subject to personal insolvency procedures increases**

The Issuer recovers on consumer debts that become subject to insolvency procedures under applicable laws, and it also acquires accounts that are currently subject to insolvency proceedings. Various economic trends and potential changes to existing legislation may contribute to an increase in the number of consumers subject to personal insolvency procedures. Under some insolvency procedures a person's assets may be sold to repay creditors, but since the non-performing consumer debt the Issuer services are generally unsecured, it often would not be able to collect on those debts. The Issuer's ability to successfully collect on its debt Portfolios may decline with an increase in personal insolvency procedures or a change in insolvency laws, regulations, practices or procedures. If its actual collections with respect to a non-performing consumer debt Portfolio are significantly lower than projected when the Issuer acquired the Portfolio, its financial condition, financial returns and results of operations could be adversely affected.

**The parent company**

The interests of the Parent could conflict with those of the Noteholders and/or those of the Issuer, particularly if the Issuer encounters difficulties or is unable to pay its debts as they fall due. DDM Group AG may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgement, could enhance their equity investments, although such transactions might involve risks to the Noteholders. In addition, there is nothing that prevents the Parent or any other member of the Group from running businesses that directly compete with the Issuer. If such an event were to arise this may adversely impact the Issuer's operations, financial position and results.

**Dependency on the Group**

The Issuer has no employees and is dependent upon the other entities within the Group in order to conduct its business and manage its loan portfolios. If the Issuer would cease to be assisted by the other entities within the Group in its business, the Issuer's operations, financial position and results could be adversely impacted.

**RISKS RELATING TO THE NOTES**

**Liquidity risk**

Although the Issuer shall use its best efforts to ensure that the Notes are listed on a Regulated Market, there can be no assurance that such application will be accepted or that the Notes will be so admitted. Prior to any admission to trading, there has been no public market for the Notes. There can be no assurance that an active trading market for the Notes will develop or, if developed, will be sustained. The Nominal Amount may not be indicative of the market price for the Notes. Furthermore, following a listing of the Notes, the liquidity and trading price of the Notes may be subject to fluctuations in response to many factors, including those referred to in this section, as well as to market fluctuations and general economic conditions that may adversely affect the

liquidity and price of the Notes, regardless of the actual performance of the Issuer Group. In addition, transaction costs in any secondary market may be high. Therefore, Noteholders may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes. Investors must be prepared to hold the Notes until maturity.

### **Credit risk**

A potential investor should assess the credit risks associated with the Issuer, the Group and the Notes. As there is a credit risk associated with the Issuer and the Group, events that reduce the creditworthiness of the Issuer or the Group should be considered. If the Issuer's or the Group's financial position should decline, there is a risk that the Issuer will not be able to fulfil its obligations under the Notes. A decrease in the Issuer's or the Group's creditworthiness could also lead to a decrease in the market value of the Notes.

### **Interest rate risk**

The Notes' value is dependent on several factors, one of the most significant over time being the level of market interest rates. Investments in the Notes involve a risk that the market value of the Notes may be adversely affected by changes in market interest rates.

### **Risk of early repayment of Notes**

The Issuer has, under the Terms and Conditions, reserved the possibility to repay the Notes before the Final Maturity Date. If the Notes are repaid before the Final Maturity Date, the Noteholders have the right, in most cases, to receive an early repayment amount which exceeds the Nominal Amount. There is, however, a risk that the market value of the Notes may be higher than the early repayment amount.

### **Noteholder representation**

In accordance with the Terms and Conditions, the Agent represents each Noteholder in all matters relating to the Notes. The Terms and Conditions contain provisions to the effect that a Noteholder is prohibited from taking actions of its own against the Issuer. To enable the Agent to represent the Noteholders in court, the Noteholders may have to submit a written power of attorney for legal proceedings. The failure of all Noteholders to submit such a power of attorney could negatively impact the enforcement options available to the Agent on behalf of the Noteholders. Additionally, under the Terms and Conditions the Agent has the right in some cases to make decisions and take measures that bind all Noteholders without first obtaining the prior consent of the Noteholders including: (a) the right to agree to amendments to the Finance Documents provided such amendments do not adversely affect the interest of the Noteholders or such amendments are made solely for the purpose of rectifying obvious errors and mistakes; and (b) the right to accelerate the Notes and exercise any right, remedies, powers or discretions under the Finance Documents upon the occurrence of an Event of Default.

### **Noteholders' meetings**

Pursuant to the Terms and Conditions, certain majorities of Noteholders have the right to make decisions and take measures that bind all Noteholders, including those who vote in a manner contrary to the majority. Consequently, the actions of the majority and the Agent in such matters could impact the Noteholders' rights under the Finance Documents in a manner that would be undesirable for some of the Noteholders.

### **Clearing and settlement**

The Notes are affiliated to Euroclear Sweden's account-based system. Clearing and settlement as well as payment of Interest and the repayment of principal are carried out within this system. The Issuer will discharge its payment obligations under the Notes by making payments to Euroclear Sweden for distribution to the applicable account holders. Investors are therefore dependent on the functionality of Euroclear Sweden's system in order to receive payments under the Notes.

### **Change of law**

The Notes are subject to Swedish and applicable European laws and administrative practice in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision, change to Swedish or European law or administrative practice after the date of this Prospectus, nor can any assurance be given as to whether any such change could adversely impact the ability of the Issuer to make payments under the Notes.

## Description of the Notes and use of proceeds

---

### CERTAIN TERMS AND CONDITIONS OF THE NOTES

The following is a summary description of the terms and conditions of the Notes and is qualified in its entirety by the full Terms and Conditions included in the section “Terms and conditions of the Notes”.

#### The Initial Notes and Subsequent Notes

The Notes have a Nominal amount of SEK 1,000,000 each. The total aggregate nominal amount of the Initial Notes is SEK 200,000,000. In addition to the Initial Notes, Subsequent Notes may be issued at one or several occasions in accordance with and subject to the Terms and Conditions. On 17 October 2013 the Issuer issued Subsequent Notes in an amount of SEK 100,000,000. The maximum total nominal amount of the Notes may not exceed SEK 500,000,000 unless consent from the Noteholders is obtained in accordance with the Terms and Conditions. Subsequent Notes will be issued subject to the Terms and Conditions, including, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date. The price of the Subsequent Notes may however be set at a discount or at a premium compared to the Nominal Amount. The Notes are denominated in Swedish Kronor.

#### ISIN and common code

The Notes have been allocated the ISIN code SE0005280831. The Notes will also be allocated a common code upon admission to trading. Such common code has not been allocated at the date of this Prospectus.

#### Form of the Notes

The Notes are issued in dematerialised book-entry form and registered on a VP account on behalf of the relevant Noteholders. Hence, no physical notes have been issued. The Notes are registered in accordance with the Financial Instruments Accounts Act and registration requests relating to the Notes shall be directed to an Account Operator.

#### Status of the Notes

The Notes constitute direct, unconditional, secured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them.

#### Issue date and redemption

The Initial Notes were issued on 28 June 2013 and the SEK 100,000,000 Subsequent Notes were issued on 17 October 2013. Unless previously redeemed or purchased and cancelled in accordance with the Terms and Conditions, the Issuer shall redeem all outstanding Notes with the Nominal Amount (together with any accrued but not yet paid interest) on 27 June 2016 (the “Final Maturity Date”).

Subject to applicable law, the Issuer may at any time and at any price purchase Notes on the market or in any other way. Notes held by the Issuer may at the Issuer’s discretion be retained, sold or cancelled by the Issuer.

#### Voluntary total redemption (call option)

All, but not only some, Notes can be redeemed early at the option of the Issuer following the Issue Date. The Issuer can exercise its option by giving the Noteholders and the Agent not less than fifteen (15) Business Days’ notice in accordance with the Terms and Conditions. Each Note shall be redeemed at an early redemption amount in accordance with the following:

<i>Time</i>	<i>Price per Note</i>
(a) any time prior to the First Call Date	at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, plus the Applicable Premium;
(b) any time from and including the First Call Date to, but excluding, the first Business Day falling three months prior to the Final Maturity Date	at an amount per Note equal to 104 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and



***Time***

(c) any time from and including the first Business Day falling three months prior to the Final Maturity Date to, but excluding, the Final Maturity Date

***Price per Note***

at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest

***Repurchase in the event of a Change of Control***

Upon a Change of Control Event occurring, each Noteholder shall have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1.2 of the Terms and Conditions (after which time period such right shall lapse).

If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer. The repurchase date must fall no later than forty (40) Business Days after the end of the twenty (20) Business Days period following the notice from the Issuer.

The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with Clause 9.5 of the Terms and Conditions relating to the Repurchase in the event of a Change of Control, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under such provisions in the Terms and Conditions by virtue of the conflict.

Any Notes repurchased by the Issuer pursuant to Clause 9.5 of the Terms and Conditions relating to Repurchase in the event of a Change of Control may at the Issuer's discretion be retained, sold or cancelled.

The Issuer shall not be required to repurchase any Notes pursuant to Clause 9.5 of the Terms and Conditions, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in such provisions (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If the Notes tendered are not purchased within the time limits stipulated in Clause 9.5 of the Terms and Conditions, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.

“**Change of Control Event**” means, in relation to the Parent, (i) an event or series of events resulting in Mr. Kent Hansson and Dr. Manuel Vogel ceasing to, individually or jointly, own and control at least 51 per cent. of the votes and shares in the Parent, or (ii) ceasing to have the power to appoint and remove the majority of the board of directors of the Parent.

**Payments in respect of the Notes**

Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.

The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

**Payment of Interest under the Notes**

Each Initial Note carries Interest at 13 per cent. *per annum* from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note will carry Interest at 13 per cent. *per annum* from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date.

Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis). Payment of Interest in respect of the Notes shall be made to the Noteholders on each of the 5 January and 5 July of each year (or, to the

extent such day is not a Business Day, the first following day that is a Business Day) for the preceding Interest Period.

If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the rate of 13 per cent. *per annum* shall apply instead.

### **Acceleration and prepayment of the Notes**

The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 14.4 of the Terms and Conditions, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
  - (i) is caused by technical or administrative error; and
  - (ii) is remedied within five (5) Business Days from the due date;
- (b) the Issuer does not comply with any of the financial undertakings set out in Clause 13 of the Terms and Conditions (*Financial undertakings*);
- (c) the Issuer or DDM Invest XX does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to (a) and (b) above, unless the non-compliance:
  - (i) is capable of remedy; and
  - (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance;
- (d) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;
- (e) the Issuer or DDM Invest XX is, or is deemed for the purposes of any applicable law to be, Insolvent;
- (f) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer or DDM Invest XX and is not discharged within sixty (60) Business Days;
- (g) (i) any Financial Indebtedness of a member of the Issuer Group is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), (ii) any commitment for any Financial Indebtedness of a member of the Issuer Group is cancelled or suspended by a creditor as a result of an event of default (however described), or (iii) any creditor of a member of the Issuer Group becomes entitled to declare any Financial Indebtedness of a member of the Issuer Group due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (g), i.e. 14.1(g) of the Terms and Conditions, if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than SEK 10,000,000;

- (h) the Issuer ceases to be, directly or indirectly, wholly owned by the Parent; or
- (i) DDM Invest XX ceases to be, directly or indirectly, wholly owned by the Issuer.

For further detail on the provisions for acceleration and prepayment of the Notes, see Clause 14 of the Terms and Conditions.

### **Undertakings**

The Issuer makes certain undertakings in the Terms and Conditions. These include undertakings and limitations relating to:

- (a) compliance with laws
- (b) mergers;
- (c) business of the Issuer Group;
- (d) financial indebtedness;
- (e) negative pledge;
- (f) disposals;
- (g) dealings between Group Companies and Affiliates;
- (h) structure loan notes;
- (i) admission to trading;
- (j) undertakings relating to the Agency Agreement; and
- (k) financial undertakings.

The undertakings are subject to qualifications. See Section 12 and 13 of the Terms and Conditions.

### **Financial Indebtedness**

As long as any Notes remain outstanding, the Issuer undertakes that it shall not incur, or allow to subsist, any Financial Indebtedness, except: (a) the Notes; (b) Financial Indebtedness that is subordinated to, or ranked *pari passu* with, the Notes and with a maturity after the Final Maturity Date; and (c) any Financial Indebtedness not permitted by (a) or (b) above, provided that the aggregate amount of such indebtedness does not exceed SEK 2,000,000.

In addition, as long as any Notes remain outstanding, the Issuer undertakes that it shall procure that DDM Invest XX does not incur or allow to subsist any Financial Indebtedness, except: (a) where DDM Invest XX is borrowing from the Issuer; (b) amounts to be paid as deferred consideration to a seller of distressed consumer debt; or (c) any Financial Indebtedness not permitted by (a) or (b) above, provided that the aggregate amount of such indebtedness does not exceed SEK 2,000,000.

### **Negative pledge**

As long as any Notes remain outstanding, the Issuer undertakes that it shall not, and shall procure that DDM Invest XX does not, create or allow to subsist any Security over its assets for any Financial Indebtedness, except for: the Security pursuant to the Security Documents or any Security arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by the Issuer.

### **Admission to trading**

The Issuer will use its best efforts to ensure that the loan evidenced by the Notes is admitted to trading on a Regulated Market within twelve (12) months from the First Issue Date, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

It is estimated that DDM's costs in conjunction with the admission to trading will be no higher than SEK 250,000. See "Risk factors -There has been no active trading market for the Notes".

### **Structure Loan Notes and Security Documents**

The Issuer shall lend all proceeds from each issuance of Notes to DDM Invest XX against a Structure Loan Note. A Structure Loan Note is documented in the form of a promissory note for the aggregate Nominal Amount of the relevant Notes, payable on demand in case of an Event of Default, non-amortising and containing a provision that no payment of interest may be made following an Event of Default and governed by Swiss law.

The Issuer has granted to the Secured Parties represented by the Agent:

- (a) a Swiss law pledge over all shares in DDM Invest XX; and
- (b) a Swiss law pledge over the Structure Loan Note issued in relation to the Initial Notes.

Furthermore, the Issuer shall grant Security over each Structure Loan Note and it is noted that DDM Invest XX may not make any repayment of principal under such loan (other than to the Agent) until the Notes have been duly repaid in full and the Security has been released.

### **Decisions by Noteholders**

A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.

Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (Right to act on behalf of a Noteholder) from a person who is, registered as a Noteholder:

- (a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting or
- (b) on the Business Day specified in the communication pursuant to Clause 19.3, in respect of a Written Procedure;

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the definition of Adjusted Nominal Amount.

A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.

Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Group and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

### **Noteholders' Committee**

The Noteholders may appoint a Noteholders' Committee to represent the interests of the Noteholders. A Noteholders' Committee shall consist of no less than three (3) natural persons. All members of a Noteholders' Committee shall be elected at a Noteholders' Meeting.

A Noteholders' Committee may enter into discussions with the Issuer and other creditors of the Issuer and by majority decision among its members (i) adopt such procedural rules as it considers appropriate and (ii) prepare proposals and recommendations to the Noteholders. A Noteholders' Committee may not bind the Noteholders to any agreement or decision. The Agent shall provide reasonable assistance to the Noteholders' Committee and participate in its meetings.

The Noteholders' Committee may agree with the Issuer not to disclose information received from the Issuer provided that it, in the reasonable opinion of the Noteholders' Committee, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the Noteholders' Committee.

### **Prescription**

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

### **Governing law**

The Terms and Conditions of the Notes and any non-contractual obligations arising out of or in connection therewith shall be governed by and construed in accordance with the laws of Sweden. The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Stockholms tingsrätt*).

### **THE CSD**

Euroclear Sweden AB, Swedish Corporate ID No. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden, is initially acting as Central Securities Depository (CSD) and registrar in respect of the Notes.

The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.

For the purpose of or in connection with any Noteholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.

The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

### **THE ISSUING AGENT**

Nordic Fixed Income AB, Swedish Corporate ID No. Reg. No. 556545-0383, Birger Jarlsgatan 6, 114 34 Stockholm Sweden is acting as Issuing Agent.

### **THE AGENT AND THE AGENCY AGREEMENT**

CorpNordic Sweden AB, Swedish Corporate ID No. 556625-5476, P.O. Box 16285, SE-103 25 Stockholm, Sweden, Fax: +46 8 402 72 99, email: trustee@corpnordic.com, is acting as Agent.

Pursuant to the Agency Agreement that was entered into on 27 June 2013 between the Issuer and the Agent, the Agent has undertaken to represent the Noteholders in accordance with the Terms and Conditions. The Issuer has undertaken to, among other things, pay certain fees to the Agent and to indemnify the Agent against costs, losses or liabilities incurred by the Agent in acting as Agent under any Finance Documents.

The Agency Agreement is governed by Swedish law.

### **RATINGS**

The Notes have not been assigned an official credit rating by any credit rating agency.

### **USE OF PROCEEDS**

The proceeds of each issuance of Notes shall be applied by the Issuer towards the extension of an intra-group loan to DDM Invest XX to finance its business as set out in Clause 12.3.2 of the Terms and Conditions. Such intra-group loan shall be evidenced by a Structure Loan Note.

## Industry overview and business description

---

### INDUSTRY OVERVIEW

The industry of acquisition of distressed debt can broadly be divided into commercial and consumer debts, and within those two there are debts with and without security attached to them. DDM is primarily engaging in acquisition and management of distressed consumer debts, with a focus on lower average amounts in the Russian and Romanian markets.

Servicing of the distressed debt is done by collection agencies, which typically are independent entities not owned or controlled by DDM. Instead there are service level agreements between DDM and the local agency that governs the collection activities performed by the agency.

### BUSINESS DESCRIPTION

#### Business overview

DDM is providing liquidity to lenders on certain lending markets by acquiring distressed consumer debt, enabling the lenders to continue supporting loans to companies and individuals. DDM then assists the consumers to restructure their overdue debt.

DDM was founded in 2007 by Kent Hansson after resigning from the Intrum Justitia Group with 17 years of service. At resignation Kent was responsible for Intrum's Pan European Purchased Debt Company, analysing more than 1000 portfolios and acquiring portfolios of approx. EUR 100 million annually.

Driven by regulations, banks and financial institutions are in the continuous process of improving capital ratios and optimizing their balance sheets. This includes divestments of non-performing assets. This provides DDM, a niche player in the business of purchasing and managing non-performing consumer receivables, with opportunities to provide liquidity for the selling banks.

DDM focuses on small ticket, distressed consumer bank debt in Russia and Romania where the debtor has not serviced its debt for 1 - 5 years. The Group acquires its portfolios from financial institutions at a discount. Such discount gives DDM room to negotiate realistic instalment plans with debtors. DDM targets portfolios with a market value of EUR 1 - 20 million.

Since inception, DDM has been successful in valuing non-performing receivables. A disciplined purchase process ensures efficient operations and allows for collections in line with forecasts. The valuation of a prospective debt portfolio is based on quantitative models linked to a reference database and considers criteria such as jurisdiction, zip code, claim size, borrower age, previous payment history and vendor type. DDM's database covers all the key markets with current and historical information at an individual and transactional level.

As at the date of this Prospectus, the Group has more than 1.8 million claims under its management representing approximately EUR 1 billion of principal claim (including interest and fees) with an average claim size of approximately EUR 600.

DDM's well established relationships with the largest financial institutions in Russia and Romania provide DDM with invitations to the majority of the tender offers of distressed debt in the region. Furthermore, ongoing business relations with market participants create business opportunities and preferable conditions for DDM in the tender processes.

The Group itself does not conduct any in-house debt collecting. Collections under the portfolios are managed by selected and well-reputed local debt collection agencies. Commissions paid to collection agencies are mainly performance-based and increase as receivables become older and more difficult to collect.

### General corporate and group information

#### *The Issuer*

The Issuer was established as a special purpose vehicle for the purpose of raising funds to be lent to DDM Invest XX in order to acquire and manage debt portfolios. According to the Issuer's Articles of Association, the purpose of the Issuer's business is to issue bond loans in the capital market, to lend borrowed funds to group companies against security and to conduct related activities, but without conducting business that requires permit under the Banking and Financing Business Act (*SFS 2004:297*).

The Issuer's legal and commercial name is DDM Treasury Sweden AB (publ) and its Swedish Corporate ID No. is 556910-3053. The registered office is Sankt Eriksgatan 63, 112 34 Stockholm. The phone number of the Issuer is +41 41 766 1420. The Issuer was incorporated in Sweden on 10 September 2012 and registered with the Swedish Companies Registration Office (*Bolagsverket*) on 13 November 2012. The Issuer is a public limited liability company (*publikt aktiebolag*) regulated by the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

Under its current Articles of Association, the Issuer's share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000, divided into not fewer than 500,000 shares and not more than 2,000,000 shares. The Issuer's current share capital is SEK 500,000 divided into 500,000 shares.

#### ***Legal Group structure***

The Issuer is a 100% owned subsidiary of the Parent and DDM Invest XX is a 100% owned subsidiary of the Issuer. The ultimate shareholders of the Parent are Mr. Kent Hansson and Dr. Manuel Vogel, together with management and staff.

## Board of Directors, Senior Management and Auditors

---

### BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Board of the Issuer consists of three members.

#### KENT HANSSON

*Born 1966. Board member since 2013. Chairman of the board since 2013.*

**Principal education and work experience:** MBA, Copenhagen Business School. Previously several senior positions within the Intrum Justitia Group including responsibility for Intrum's Pan European Purchased Debt company, responsibility for Mergers & Acquisitions, head of Outsourcing Business Division and IPO director.

**Other current assignments include:** Chairman of the board of the Parent with subsidiaries, chairman of the board of Nick Söderblom AB and board member of Form - Health & Design Sweden AB.

#### MANUEL VOGEL

*Born 1969. Board member since 2013.*

**Principal education and work experience:** Dr. oec., University of St Gallen and certified tax expert. Previously responsible for tax and accounting for Intrum's Pan European Purchased Debt operations and partner at KBT Treuhand AG.

**Other current assignments include:** CFO and board member of the Parent with subsidiaries. Dr Vogel also holds a number of board seats in Swiss and international companies.

#### FREDRIK WAKER

*Born 1966. Member of the Board since 2013.*

**Principal education and work experience:** Master of Science in Business and Economics, Stockholm University 1989. Previously a number of assignments as CFO in both listed and unlisted companies.

**Other current assignments include:** Founder, owner and CEO of Wakers Consulting AB, with business in accounting and financial advice. A number of directorships in private companies and in the industry association for accounting consultants.

#### GUSTAV HULTGREN

*Born 1974. CEO of DDM since 2013.*

**Principal education and work experience:** BA (Hons) International Business Administration, European Business School (EBS), London, UK.

**Other current assignments include:** None.

### AUDITORS

PricewaterhouseCoopers AB (SE-113 97 Stockholm, Sweden) is the Issuer's auditor since 2013. Daniel Algotsson, born 1982, is the auditor in charge. Daniel Algotsson is an authorised public accountant and member of FAR, the professional institute for accountants in Sweden. Mikael Larsson, born 1961, of Ernst & Young AB (P.O. Box 205, SE-851 04 Sundsvall, Sweden) was the Issuer's auditor for the period 2012 to 2013. Mikael Larsson is an authorised public accountant and member of FAR, the professional institute for accountants in Sweden.

### OTHER INFORMATION REGARDING THE BOARD OF DIRECTORS

#### Business address

The address for all Board members and members of the Group management is c/o DDM Group AG, Schochenmühlestrasse 4, 6340 Baar, Switzerland.

#### Conflicts of interest

As far as the Board of Directors is aware, there are no conflicts of interest between the duties of the Board members in respect of DDM and their private interests and/or other duties.



## **Legal considerations and supplementary information**

---

### **AUTHORISATION AND RESPONSIBILITY**

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Notes and the performance of its obligations relating thereto. The issuance of the Initial Notes on 28 June 2013 was authorised by a resolution of the Board of the Issuer on 24 June 2013.

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Board of Directors of the Issuer is, to the extent provided by law, responsible for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

### **MATERIAL CONTRACTS**

Other than the agreements described under Section “Description of the Notes and use of proceeds - Structure Loan Notes and Security Documents”, the Issuer has not concluded any material agreements not entered into in the ordinary course of the Issuer’s business, which could result in any member of the Group Company being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligation to security holders in respect of the Notes.

### **Shareholders’ agreement**

As far as the Board of Directors of the Issuer is aware, there are no shareholders’ agreements or other agreements that could result in a change of control of the Issuer.

### **LEGAL AND ARBITRATION PROCEEDINGS**

The Group conducts operations in several countries and is from time to time subject to disputes, claims and administrative proceedings as a part of the ordinary course of business. However, the Group has not been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened which the Issuer is aware of) during the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer’s and/or the Group’s financial position or profitability.

### **CERTAIN MATERIAL INTERESTS**

Nordic Fixed Income AB was the Arranger in conjunction with the issuance of the Notes. The Arranger (and closely related companies) has provided, and may in the future provide, certain investment banking and other services to the Issuer and the Group for which it has received, or will receive, remuneration. Accordingly, conflicts of interest may exist or may arise as a result of the Arranger having previously engaged, or in the future engaging, in transactions with other parties, having multiple roles or carrying out other transactions for third parties.

### **TREND INFORMATION**

There has been no material adverse change in the prospects of the Issuer since 30 April 2013, being the end of the last financial period for which audited financial information of the Issuer was presented.

### **SIGNIFICANT CHANGES SINCE 30 APRIL 2013**

Other than as described below, there have been no significant changes in the financial or trading position of the Issuer Group since 30 April 2013, being the end of the last financial period for which audited financial information of the Issuer was presented.

On 28 June 2013 the Issuer issued the Initial Notes and on 17 October 2013 the Issuer issued SEK 100,000,000 Subsequent Notes. The Initial Notes and the Subsequent Notes are issued pursuant to the Terms and Conditions. On 30 September 2013 the Issuer issued SEK 55,000,000 subordinated notes in a private placement, such notes not intended to be listed on any securities exchange. The subordinated notes are governed by separate terms and conditions and are subordinated to all present and future claims on the Issuer under the Initial Notes and Subsequent Notes.

DDM Invest XX have continued to acquire distressed consumer debt with the proceeds from the issuances described above.

### **INCORPORATION BY REFERENCE**

The following information has been incorporated into this Prospectus by reference and should be read as part of this Prospectus:

<b>Annual Report</b>	as regards the auditor reviewed financial information for the period 2012-11-13 to 2013-04-30.
<b>Quarterly Report</b>	as regards the non-audited financial information for the period 2013-06-20 to 2013-09-30.

The Issuer's Annual Report has been prepared in accordance with generally accepted accounting principles in Sweden. The Quarterly Report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. With the exception of the Annual Report, no information in this Prospectus has been audited or reviewed by the Issuer's auditor.

### **DOCUMENTS ON DISPLAY**

Copies of the following documents are available at the Issuer's office, Sankt Eriksgatan 63, 112 34 Stockholm, during the validity period of this Prospectus (regular office hours):

- the Issuer's Articles of Association;
- the Issuer's Annual Report (including auditor's report) for the period 2012-11-13 to 2013-04-30;
- the Issuer's Quarterly Report for the period 2013-06-20 to 2013-09-30;
- the Finance Documents; and
- the Agency Agreement.



ddm

**TERMS AND CONDITIONS FOR  
DDM TREASURY SWEDEN AB (publ)  
UP TO SEK 500,000,000  
SENIOR SECURED FIXED RATE NOTES  
ISIN: SE0005280831**

---

*No action is being taken that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.*

---

---

1.	DEFINITIONS AND CONSTRUCTION .....	21
2.	STATUS OF THE NOTES .....	26
3.	USE OF PROCEEDS .....	27
4.	CONDITIONS FOR DISBURSEMENT .....	27
5.	NOTES IN BOOK-ENTRY FORM .....	28
6.	RIGHT TO ACT ON BEHALF OF A NOTEHOLDER .....	28
7.	PAYMENTS IN RESPECT OF THE NOTES .....	29
8.	INTEREST .....	29
9.	REDEMPTION AND REPURCHASE OF THE NOTES .....	30
10.	TRANSACTION SECURITY .....	32
11.	INFORMATION TO NOTEHOLDERS .....	32
12.	GENERAL UNDERTAKINGS .....	34
13.	FINANCIAL UNDERTAKINGS .....	36
14.	ACCELERATION OF THE NOTES .....	36
15.	DISTRIBUTION OF PROCEEDS .....	38
16.	NOTEHOLDERS' COMMITTEE .....	39
17.	DECISIONS BY NOTEHOLDERS .....	40
18.	NOTEHOLDERS' MEETING .....	42
19.	WRITTEN PROCEDURE .....	43
20.	AMENDMENTS AND WAIVERS .....	44
21.	APPOINTMENT AND REPLACEMENT OF THE AGENT .....	44
22.	APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT .....	47
23.	NO DIRECT ACTIONS BY NOTEHOLDERS .....	47
24.	PRESCRIPTION .....	48
25.	NOTICES AND PRESS RELEASES .....	48
26.	FORCE MAJEURE AND LIMITATION OF LIABILITY .....	49
27.	GOVERNING LAW AND JURISDICTION .....	49

## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

In these terms and conditions (the “**Terms and Conditions**”):

“**Account Operator**” means a bank or other party duly authorised to operate as an account operator pursuant to the Financial Instruments Accounts Act and through which a Noteholder has opened a Securities Account in respect of its Notes.

“**Accounting Principles**” means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

“**Adjusted Nominal Amount**” means the Total Nominal Amount less the Nominal Amount of all Notes owned by a Group Company or an Affiliate, irrespective of whether such person is directly registered as owner of such Notes.

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

“**Agency Agreement**” means the agency agreement entered into on or before the First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent.

“**Agent**” means CorpNordic Sweden AB, Swedish Reg. No. 556625-5476, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

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

- (a) 1.00 per cent. of the Nominal Amount; and
- (b) an amount equal to
  - (i) 104 per cent. of the Nominal Amount; plus
  - (ii) all remaining scheduled Interest payments on the Note until the First Call Date (but excluding accrued but unpaid Interest up to the relevant Redemption Date),

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

- (iii) the Nominal Amount.

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (*midsommarafton*), Christmas Eve (*julafton*) and New Year’s Eve (*nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

“**Business Day Convention**” means the first following day that is a Business Day.

“**Cash Balance**” means the positive balance of cash held by DDM Invest XX on a SEK-denominated bank account.

“**Change of Control Event**” means, in relation to the Parent, (i) an event or series of events resulting in Mr. Kent Hansson and Dr. Manuel Vogel ceasing to, individually or jointly, own and control at least 51 per cent. of the votes and shares in the Parent, or (ii) ceasing to have the power to appoint and remove the majority of the board of directors of the Parent.

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

“**DDM Invest XX**” means DDM Invest XX AG, a limited liability company (De: *Aktiengesellschaft*) incorporated under the laws of Switzerland with Reg. No. CH – 170.3.037.020 - 6.

“**Debt Instruments**” means bonds, notes or other debt securities (however defined), which are or are intended to be quoted, listed, traded or otherwise admitted to trading on a Regulated Market or an MTF.

“**Event of Default**” means an event or circumstance specified in Clause 14.1.

“**Equity**” means the Total Assets minus the sum of all Financial Indebtedness owed by the Issuer Group (other than Financial Indebtedness owed by the Issuer and which is subordinated to the Notes), calculated in accordance with the Accounting Principles.

“**Final Maturity Date**” means 27 June 2016.

“**Finance Documents**” means these Terms and Conditions, the Security Documents, the Loan Agreement, each Structure Loan Note and any other document designated by the Issuer and the Agent as a Finance Document.

“**Financial Indebtedness**” means:

- (a) moneys borrowed (including under any bank financing);
- (b) the amount of any liability under any finance leases (a lease which in accordance with the Accounting Principles is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any amount raised pursuant to any note purchase facility or the issue of any bond or note or similar instrument;

- (e) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as borrowing under the Accounting Principles;
- (f) the marked-to-market value of derivative transactions entered into in connection with protection against or benefit from fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (g) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (h) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

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

“**First Call Date**” means 27 June 2015.

“**First Issue Date**” means 27 June 2013.

“**Force Majeure Event**” has the meaning set forth in Clause 26.1.

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

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

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

“**Interest**” means the interest on the Notes calculated in accordance with Clauses 8.1 to 8.3.

“**Interest Payment Date**” means 5 January and 5 July of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 5 January and the last Interest Payment Date shall be the relevant Redemption Date.

“**Interest Period**” means (i) in respect of the first Interest Period, the period from (but excluding) the First Issue Date to (and including) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant). An Interest Period shall not be adjusted due to an application of the Business Day Convention.

“**Interest Rate**” means 13 per cent. *per annum*.

“**Issuer**” means Goldcup 8035 AB under name change to DDM Treasury Sweden AB (publ), a public limited liability company (*publikt aktiebolag*) incorporated under the laws of Sweden with Reg. No. 556910-3053.

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

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

“**Loan Agreement**” means the loan agreement in respect of loans provided by the Issuer to DDM Invest XX and evidenced by Structure Loan Notes.

“**MTF**” means any multilateral trading facility (as defined in Directive 2004/39/EC on markets in financial instruments).

“**Net Collection**” means the gross collection in respect of the debt portfolios held by DDM Invest XX minus commission to collection agencies.

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

“**Noteholder**” means the person who is registered on a Securities Account as direct registered owner (*ägare*) or nominee (*förvaltare*) with respect to a Note.

“**Noteholders’ Committee**” has the meaning set forth in Clause 16 (*Noteholders’ Committee*).

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

“**Note**” means a debt instrument (*skuldförbindelse*) with ISIN SE0005280831 for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions, including the Initial Notes and any Subsequent Notes.

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

“**Record Date**” means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 15 (*Distribution of proceeds*), (iv) the date of a Noteholders’ Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and repurchase of the Notes*).

“**Reference Date**” means each of 31 March, 30 June, 30 September and 31 December in each year during the term of the Notes.

“**Regulated Market**” means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).



“**Secured Obligations**” means all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents and the Agency Agreement.

“**Secured Parties**” means the Noteholders and the Agent (including in its capacity as Agent under the Agency Agreement).

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

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

“**Security Documents**” means the pledge agreement(s) in respect of the shares in DDM Invest XX and any Structure Loan Note.

“**Structure Loan Note**” means a promissory note issued by DDM Invest XX to the Issuer.

“**Subsequent Notes**” means any Notes issued after the First Issue Date on one or more occasions.

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

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

“**Total Assets**” means the total assets of the Issuer Group in accordance with the Accounting Principles.

“**Total Nominal Amount**” means the total aggregate Nominal Amount of the Notes outstanding at the relevant time.

“**Transaction Security**” means the Security provided for the Secured Obligations pursuant to the Security Documents.

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 19 (*Written Procedure*).

## 1.2 Construction

Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) “**assets**” includes present and future properties, revenues and rights of every description;

- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (c) a “**regulation**” includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (d) an Event of Default is continuing if it has not been remedied or waived;
  - (e) a provision of law is a reference to that provision as amended or re-enacted; and
  - (f) a time of day is a reference to Stockholm time.
- 1.2.1 When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (*Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.2 A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area promptly and in a non-discriminatory manner.
- 1.2.3 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. STATUS OF THE NOTES

- 2.1 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.
- 2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.3 The nominal amount of each Initial Note is SEK 1,000,000 (the “**Nominal Amount**”). The total nominal amount of the Initial Notes is SEK 200,000,000. All Initial Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- 2.4 Provided that no Event of Default is continuing or would result from such issue, the Issuer may, at one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The price of the Subsequent Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 500,000,000 unless a consent from the Noteholders is obtained in accordance with Clause 17.6. Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Notes.

- 2.5 The Notes constitute direct, unconditional, secured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them.
- 2.6 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

### 3. USE OF PROCEEDS

The Issuer shall use the proceeds from each issue of Notes to extend an intra-group loan to DDM Invest XX to finance its business as set out in Clause 12.3.2. Such intra-group loan shall be evidenced by a Structure Loan Note.

### 4. CONDITIONS FOR DISBURSEMENT

- 4.1 The Issuer shall provide to the Agent, prior to the issuance of the Initial Notes the following, in form and substance satisfactory to the Agent:
- (a) the Finance Documents and the Agency Agreement duly executed by the Issuer, the Agent and/or DDM Invest XX, as applicable;
  - (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial Notes, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
  - (c) a copy of a resolution from the board of directors of DDM Invest XX approving the terms of a Structure Loan Note in the form set out in Clause 12.8.1 and resolving to issue such Structure Loan Note to the Issuer;
  - (d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement and any other documents in connection therewith on behalf of the Issuer or DDM Invest XX, as the case may be, is/are duly authorised to do so; and
  - (e) such other documents and information as is specified in the Security Documents or otherwise agreed between the Agent and the Issuer.
- 4.2 The Issuer shall provide to the Agent, prior to the issuance of any Subsequent Notes the following, in form and substance satisfactory to the Agent:
- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Notes and resolving to enter into documents necessary in connection therewith;

- (b) a copy of a resolution from the board of directors of DDM Invest XX approving the terms of a Structure Loan Note in the form set out in Clause 12.8.1 and resolving to issue such Structure Loan Note to the Issuer;
- (c) a certificate from the Issuer confirming that no Event of Default is continuing or would result from the issue of the Subsequent Notes; and
- (d) such other documents and information as is specified in the Security Documents or otherwise agreed between the Agent and the Issuer.

4.3 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 or 4.2 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.

4.4 The Agent shall confirm to the Issuing Agent when the conditions in Clause 4.1 or 4.2, as the case may be, have been satisfied.

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

5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.

5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

5.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.

5.4 For the purpose of or in connection with any Noteholders' Meeting or any Written Procedure, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.

5.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

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

6.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.

- 6.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face.

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

- 7.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 7.2 If a Noteholder has registered, through an Account Operator, that principal and interest shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8.4 during such postponement.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## **8. INTEREST**

- 8.1 Each Initial Note carries Interest at the Interest Rate from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note will carry Interest at the Interest Rate from (but excluding) the Interest Payment Date falling immediately prior to its issuance up to (and including) the relevant Redemption Date.
- 8.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.

- 8.3 Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).
- 8.4 If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

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

### **9.1 Redemption at maturity**

The Issuer shall redeem all, but not some only, of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

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

The Issuer may, subject to applicable law, at any time and at any price purchase Notes on the market or in any other way. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

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

- 9.3.1 The Issuer may redeem all, but not some only, of the outstanding Notes in full:
- (a) any time prior to the First Call Date, at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, plus the Applicable Premium;
  - (b) any time from and including the First Call Date to, but excluding, the first Business Day falling three months prior to the Final Maturity Date at an amount per Note equal to 104 per cent. of the Nominal Amount, together with accrued but unpaid Interest; and
  - (c) any time from and including the first Business Day falling three months prior to the Final Maturity Date to, but excluding, the Final Maturity Date, at an amount equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest.
- 9.3.2 Redemption in accordance with Clause 9.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amounts.

**9.4 Early redemption due to illegality (call option)**

- 9.4.1 The Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest on a date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.
- 9.4.2 The Issuer shall give notice of any redemption pursuant to Clause 9.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).
- 9.4.3 A notice of redemption in accordance with Clause 9.4.1 is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Notes in full at the applicable amounts.

**9.5 Mandatory repurchase due to a Change of Control Event (put option)**

- 9.5.1 Upon a Change of Control Event occurring, each Noteholder shall have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 11.1.2 (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- 9.5.2 The notice from the Issuer pursuant to Clause 11.1.2 shall specify the repurchase date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 11.1.2. The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 9.5.1.
- 9.5.3 If Noteholders representing more than 80 per cent. of the Total Nominal Amount have requested that Notes held by them are repurchased pursuant to this Clause 9.5, the Issuer shall send a notice to the remaining Noteholders giving them a further opportunity to request that Notes held by them be repurchased on the same terms during a period of twenty (20) Business Days following such notice. Such notice shall specify the repurchase date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a person designated by the Issuer, shall repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to this Clause 9.5.3. The repurchase date must fall no later than forty (40) Business Days after the end of the period of twenty (20) Business Days referred to in this Clause 9.5.3.
- 9.5.4 The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9.5 by virtue of the conflict.
- 9.5.5 Any Notes repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained, sold or cancelled.

- 9.5.6 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 9.5, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in this Clause 9.5 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If the Notes tendered are not purchased within the time limits stipulated in this Clause 9.5, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.

## **10. TRANSACTION SECURITY**

- 10.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer grants on each Issue Date the Transaction Security, as relevant, to the Secured Parties as represented by the Agent.
- 10.2 The Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents. The Issuer shall enter into the Security Documents and perfect the Transaction Security in accordance with the Security Documents on or before each Issue Date, as relevant.
- 10.3 Unless and until the Agent has received instructions from the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*), the Agent shall (without first having to obtain the Noteholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security, creating further Security for the benefit of the Secured Parties or for the purpose of settling the Noteholders' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Finance Documents.

## **11. INFORMATION TO NOTEHOLDERS**

### **11.1 Information from the Issuer**

- 11.1.1 The Issuer will make the following information available to the Noteholders by way of press release and by publication on the website of the Group ([www.ddm-group.ch](http://www.ddm-group.ch)):
- (a) as soon as the same become available, but in any event within five (5) months after the end of each financial year, its audited consolidated financial statements for that financial year;
  - (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year from the quarter ending 30 September 2013, its unaudited consolidated financial statements or the year-end report (*bokslutskommuniké*) (as applicable) for such period;
  - (c) as soon as practicable following an acquisition or disposal of Notes by a Group Company, the aggregate Nominal Amount held by Group Companies, or the amount of Notes cancelled by the Issuer; and
  - (d) any other information required by the Swedish Securities Markets Act (*lag (2007:582) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.



- 11.1.2 The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.
- 11.1.3 When the financial statements and other information are made available to the Noteholders pursuant to Clause 11.1.1, the Issuer shall send copies of such financial statements and other information to the Agent. Together with the financial statements, the Issuer shall submit to the Agent a compliance certificate (i) containing a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it, and (ii) attaching copies of any notices sent to the Regulated Market on which the Notes are admitted to trading. The compliance certificate shall be in a form agreed between the Issuer and the Agent and include figures in respect of the financial undertakings set out in Clauses 13.1 (*Equity to Total Assets*) and 13.2 (*Cash Balance to Total Nominal Amount*) and the basis on which they have been calculated.
- 11.1.4 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

## **11.2 Information from the Agent**

- 11.2.1 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 16.4, the Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.
- 11.2.2 Notwithstanding Clause 11.2.1, the Agent shall comply with an agreement regarding the non-disclosure of information received from the Issuer, which is entered into with the members of a Noteholders' Committee and the Issuer pursuant to Clause 16.4.

## **11.3 Publication of Finance Documents**

- 11.3.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.
- 11.3.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

## **12. GENERAL UNDERTAKINGS**

### **12.1 Compliance with laws**

The Issuer shall comply, and shall procure that DDM Invest XX complies, in all material respects with all laws and regulations to which it may be subject and its articles of association and other constitutional documents.

### **12.2 Mergers**

The Issuer shall not, and shall procure that DDM Invest XX does not, enter into any merger unless where it is the surviving entity.

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

12.3.1 The Issuer shall not carry out any other business than issuing bonds on the capital market, lending the proceeds from such bonds to DDM Invest XX, owning the shares in DDM Invest XX, and any business incidental thereto.

12.3.2 The Issuer shall procure that DDM Invest XX does not conduct any other business than acquiring and managing distressed consumer debt where the debtors and originators in respect of the consumer debt are domiciled in the jurisdictions of Russia and Romania and any other jurisdictions approved by the Noteholders, and any business incidental thereto.

### **12.4 Financial Indebtedness**

12.4.1 The Issuer shall not incur or allow to subsist any Financial Indebtedness, except:

- (a) the Notes;
- (b) Financial Indebtedness that is subordinated to, or ranked *pari passu* with, the Notes and with a maturity after the Final Maturity Date;
- (c) any Financial Indebtedness not permitted by paragraphs (a) or (b) above, provided that the aggregate amount of such indebtedness does not exceed SEK 2,000,000.

12.4.2 The Issuer shall procure that DDM Invest XX does not incur or allow to subsist any Financial Indebtedness, except:

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

### **12.5 Negative pledge**

The Issuer shall not, and shall procure that DDM Invest XX does not, create or allow to subsist any Security over its assets for any Financial Indebtedness, except:

- (a) the Security pursuant to the Security Documents; or

- (b) any Security arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by the Issuer.

## 12.6 Disposals

The Issuer shall not, and shall procure that DDM Invest XX does not, enter into a single transaction or a series of transactions (whether related or not) to sell, lease, transfer or otherwise dispose of any asset, except where the higher of the market value and the consideration receivable in respect of assets disposed of during a single calendar year does not in aggregate exceed five (5) per cent. of the Total Assets pursuant to the most recent published consolidated annual report of the Issuer.

## 12.7 Dealings between Group Companies and Affiliates

12.7.1 The Issuer shall not, and shall procure that DDM Invest XX does not, pay any fees or commissions to any person other than on open-market terms and for the purpose of and in the ordinary course of business and, in any case, not pay any management or operating fees, royalty or similar fees to, or any costs incurred by, the shareholders of any Group Company or any Group Company and/or any Affiliates.

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

12.7.3 Notwithstanding Clauses 12.7.1 and 12.7.2, the Issuer Group may pay an operating fee to a Group Company for the management of the debt portfolios owned by the DDM Invest XX. In respect of each calendar year, such management fee may not exceed two (2) per cent. of the Net Collection for that calendar year.

## 12.8 Structure Loan Notes

12.8.1 The Issuer shall lend all proceeds from each issuance of Notes to DDM Invest XX against a Structure Loan Note issued by DDM Invest XX to the Issuer pursuant to the terms of the Loan Agreement and which is:

- (a) documented in the form of a promissory note for the aggregate Nominal Amount of the relevant Notes;
- (b) payable on demand in the case of an Event of Default;
- (c) non-amortising and containing a provision that no payment of interest may be made following an Event of Default; and
- (d) governed by Swiss law.

12.8.2 The Issuer shall grant Security over each Structure Loan under the Security Documents and it is noted that DDM Invest XX may not make any repayment of principal under such loans (other than to the Agent) until the Notes have been duly repaid in full and the Security has been released.

## 12.9 Admission to trading

12.9.1 The Issuer shall use its best efforts to ensure that the loan constituted by these Terms and Conditions and evidenced by the Notes is admitted to trading on a Regulated Market within twelve (12) months from the First Issue Date, and that it remains admitted or, if

such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market.

- 12.9.2 Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

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

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

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

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

## **13. FINANCIAL UNDERTAKINGS**

The Issuer undertakes for so long as any amount is outstanding under the Notes to comply or, as relevant, procure the compliance with the financial covenants set out in this Clause 13 based on the consolidated financial statements for the Issuer most recently delivered under Clause 11.1.1.

### **13.1 Equity to Total Assets**

Equity shall not be less than 15 per cent. of the Total Assets on each Reference Date.

### **13.2 Cash Balance to Total Nominal Amount**

Cash Balance to the Total Nominal Amount shall on each Reference Date:

- (a) from and including the Business Day falling 24 months after the First Issue Date to, but excluding, the Business Day falling 30 months after the First Issue Date, not be less than 25 per cent.; and
- (b) from and including the Business Day falling 30 months after the First Issue Date not be less than 50 per cent.

## **14. ACCELERATION OF THE NOTES**

14.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount

(such demand may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 14.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
  - (i) is caused by technical or administrative error; and
  - (ii) is remedied within five (5) Business Days from the due date;
- (b) the Issuer does not comply with any of the financial undertakings set out in Clause 13 (*Financial undertakings*);
- (c) the Issuer or DDM Invest XXX does not comply with any terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in paragraphs (a) or (b) above), unless the non-compliance:
  - (i) is capable of remedy; and
  - (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance;
- (d) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;
- (e) the Issuer or DDM Invest XX is, or is deemed for the purposes of any applicable law to be, Insolvent;
- (f) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer or DDM Invest XX and is not discharged within sixty (60) Business Days;
- (g) (i) any Financial Indebtedness of a member of the Issuer Group is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), (ii) any commitment for any Financial Indebtedness of a member of the Issuer Group is cancelled or suspended by a creditor as a result of an event of default (however described), or (iii) any creditor of a member of the Issuer Group becomes entitled to declare any Financial Indebtedness of a member of the Issuer Group due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (g) if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness referred to herein is less than SEK 10,000,000;
- (h) the Issuer ceases to be, directly or indirectly, wholly owned by the Parent; or

- (i) DDM Invest XX ceases to be, directly or indirectly, wholly owned by the Issuer.
- 14.2 The Agent may not accelerate the Notes in accordance with Clause 14.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 14.3 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.
- 14.4 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 14.5 If the right to accelerate the Notes is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- 14.6 In the event of an acceleration of the Notes in accordance with this Clause 14, up to, but excluding, the First Call Date the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent. of the Nominal Amount plus the Applicable Premium and thereafter, as applicable considering when the acceleration occurs, the redemption amount specified in Clause 9.3 (*Voluntary total redemption*).

## 15. DISTRIBUTION OF PROCEEDS

- 15.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 14 (*Acceleration of the Notes*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, the enforcement of the Transaction Security or the protection of the Noteholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 21.2.5, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 17.13;

- (b) *secondly*, in or towards payment *pro rata* of any cost and expenses incurred by a Noteholders' Committee in accordance with an agreement with the Issuer pursuant to Clause 16.5 that have not been reimbursed by the Issuer;
- (c) *thirdly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (d) *fourthly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
- (e) *fifthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (e) above shall be paid to the Issuer.

- 15.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1(a) or (b), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1(a) or (b).
- 15.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Transaction Security constitute escrow funds (*redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.
- 15.4 If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7.1 shall apply.

## **16. NOTEHOLDERS' COMMITTEE**

- 16.1 The Noteholders may appoint a committee (a "**Noteholders' Committee**") to represent the interests of the Noteholders. A Noteholders' Committee shall consist of no less than three (3) natural persons. All members of a Noteholders' Committee shall be elected at a Noteholders' Meeting.
- 16.2 Each Noteholder is entitled to nominate candidates to the Noteholders' Committee by notice to Agent no later than two (2) Business Days prior to the Noteholders' Meeting. At the Noteholders Meeting all candidates so nominated shall be presented to the Noteholders. Each Noteholder that is entitled to vote shall for such election have the same number of votes to cast for each Note as the total number of persons to be elected. A Noteholder may cast its votes for one or several of the candidates. The candidates that receive the most votes shall be elected to the Noteholders' Committee.
- 16.3 A Noteholders' Committee may enter into discussions with the Issuer and other creditors of the Issuer and by majority decision among its members (i) adopt such procedural rules as it considers appropriate and (ii) prepare proposals and recommendations to the Noteholders. A Noteholders' Committee may not bind the Noteholders to any agreement or

decision. The Agent shall provide reasonable assistance to the Noteholders' Committee and participate in its meetings.

16.4 The Noteholders' Committee may agree with the Issuer not to disclose information received from the Issuer provided that it, in the reasonable opinion of the Noteholders' Committee, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the Noteholders' Committee.

16.5 The Noteholders' Committee and the Issuer may agree that the Issuer shall pay certain costs and expenses incurred by the Noteholders' Committee. Otherwise the Noteholders' Committee is not entitled to be reimbursed for any costs or expenses.

## 17. DECISIONS BY NOTEHOLDERS

17.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.

17.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting. Notwithstanding the foregoing, the appointment of a Noteholders' Committee shall always be dealt with at a Noteholders' Meeting.

17.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.

17.4 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is, registered as a Noteholder:

- (a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 19.3, in respect of a Written Procedure,

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the definition of Adjusted Nominal Amount.

17.5 The following matters shall require the consent of Noteholders representing at least eighty (80) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a



Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3:

- (a) the issue of any Subsequent Notes after the Issue Date, if the total nominal amount of the Notes exceeds, or if such issue would cause the total nominal amount of the Notes to at any time exceed, SEK 500,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Notes are issued);
- (b) a change to the terms of any of Clause 2.1, and Clauses 2.5 to 2.7;
- (c) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 9 (*Redemption and repurchase of the Notes*);
- (d) a change to the Interest Rate or the Nominal Amount;
- (e) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of proceeds*);
- (f) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 17;
- (g) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (h) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
- (i) a mandatory exchange of the Notes for other securities; and
- (j) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 14 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

17.6 Any matter not covered by Clause 17.5 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19.3. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 20.1(a) or (b)), an acceleration of the Notes, the appointment of a Noteholders' Committee or the enforcement of any Transaction Security.

17.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.5, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

- 17.8 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 17.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 17.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.10 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.11 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 17.12 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- 17.13 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.14 If a decision shall be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Note is owned by a Group Company or an Affiliate.
- 17.15 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Group and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **18. NOTEHOLDERS' MEETING**

- 18.1 The Agent shall convene a Noteholders' Meeting by sending a notice thereof to each Noteholder no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).

- 18.2 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Clause 18.1 with a copy to the Agent. After a request from the Noteholders pursuant to Clause 21.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 18.1.
- 18.3 The notice pursuant to Clause 18.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 18.4 The Noteholders' Meeting shall be held no earlier than fifteen (15) Business Days and no later than thirty (30) Business Days from the notice.
- 18.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **19. WRITTEN PROCEDURE**

- 19.1 The Agent shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Noteholder on the Record Date prior to the date on which the communication is sent.
- 19.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19.1 to each Noteholder with a copy to the Agent.
- 19.3 A communication pursuant to Clause 19.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 19.1). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- 19.4 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 17.5 and 17.6 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.5 or 17.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **20. AMENDMENTS AND WAIVERS**

- 20.1 The Issuer and the Agent (acting on behalf of the Noteholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Noteholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 17 (*Decisions by Noteholders*).
- 20.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.
- 20.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 11.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.
- 20.4 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

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

### **21.1 Appointment of Agent**

- 21.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder including any legal or arbitration proceedings relating to the perfection, preservation, protection or enforcement of the Transaction Security. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 21.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- 21.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

21.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

21.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **21.2 Duties of the Agent**

21.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents, including *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Noteholders and, where relevant, enforcing the Transaction Security on behalf of the Noteholders. Except as specified in Clause 4 (*Conditions for disbursement*), the Agent is not responsible for the execution or enforceability of the Finance Documents or the perfection of the Transaction Security.

21.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.

21.2.3 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.

21.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

21.2.5 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or the Transaction Security which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).

21.2.6 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.

21.2.7 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.

21.2.8 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of

any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 21.2.7.

### **21.3 Limited liability for the Agent**

- 21.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 21.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 21.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 21.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 17 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 14.1.
- 21.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

### **21.4 Replacement of the Agent**

- 21.4.1 Subject to Clause 21.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 21.4.2 Subject to Clause 21.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 21.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 21.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint

a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 21.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 21.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 21.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 21.4.8 In the event that there is a change of the Agent in accordance with this Clause 21.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **22. APPOINTMENT AND REPLACEMENT OF THE ISSUING AGENT**

- 22.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Notes.
- 22.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

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

- 23.1 A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (*företagsrekonstruktion*) or bankruptcy (*konkurs*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- 23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to

take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 21.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 21.2.7, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.8 before a Noteholder may take any action referred to in Clause 23.1.

- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 9.5 (*Mandatory repurchase due to a Change of Control Event*) or other payments which are due by the Issuer to some but not all Noteholders.

## **24. PRESCRIPTION**

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

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

## **25. NOTICES AND PRESS RELEASES**

### **25.1 Notices**

- 25.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- (a) if to the Agent, shall be given at the address specified on its website ([www.corpnordic.se](http://www.corpnordic.se)) on the Business Day prior to dispatch;
  - (b) if to the Issuer, shall be given at the address specified on the website of the Group ([www.ddm-group.ch](http://www.ddm-group.ch)) on the Business Day prior to dispatch; and
  - (c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the Record Date prior to dispatch, and by either courier delivery or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Group and the Agent.
- 25.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1.1 or, in case of letter, three (3) Business Days after being



deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1.1.

- 25.1.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## **25.2 Press releases**

- 25.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 9.3 (*Voluntary total redemption (Call option)*), 9.4 (*Early redemption due to illegality (call option)*), 11.1.2, 14.3, 17.15, 18.1, 19.1 and 20.3 shall also be published by way of press release by the Issuer or the Agent, as applicable.

- 25.2.2 In addition to Clause 25.2.1, if any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to issue such press release.

## **26. FORCE MAJEURE AND LIMITATION OF LIABILITY**

- 26.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 26.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 26.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 26.4 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **27. GOVERNING LAW AND JURISDICTION**

- 27.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 27.2 The Issuer submits to the non-exclusive jurisdiction of the City Court of Stockholm (*Stockholms tingsrätt*).

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

Place:

Date:

GOLDCUP 8035 AB under name change to DDM TREASURY SWEDEN AB (publ)  
as Issuer

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

\_\_\_\_\_

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

Place:

Date:

CORPNORDIC SWEDEN AB  
as Agent

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

## Addresses

---

### **THE ISSUER**

#### **DDM Treasury Sweden AB (publ)**

Sankt Eriksgatan 63  
112 34 Stockholm  
Sweden

Telephone: +41 (0)417661420  
[www.ddm-group.ch](http://www.ddm-group.ch)

### **LEGAL ADVISOR TO THE ISSUER**

#### **as to Swedish law**

#### **Mannheimer Swartling Advokatbyrå**

P.O. Box 1711  
SE-111 87 Stockholm  
Sweden

[www.mannheimerswartling.se](http://www.mannheimerswartling.se)

### **ARRANGER**

#### **Nordic Fixed Income AB**

SE-102 40 Stockholm  
Sweden

[www.nordicfixedincome.se](http://www.nordicfixedincome.se)

### **LEGAL ADVISOR TO THE ISSUER**

#### **as to Swiss law**

#### **MSG Rechtsanwälte & Notare AG**

Visiting address: Vorstadt 32  
Postal address: Postfach 4755  
CH-6304 Zug  
Switzerland

[www.msg-law.ch](http://www.msg-law.ch)

F



ddm

DDM TREASURY SWEDEN AB (publ)  
[www.ddm-group.ch](http://www.ddm-group.ch)