Securities Document

5 December 2023

KMC Properties ASA

(a company existing under the laws of Norway with registration number 990 727 007 and LEI-code 5967007LIEEXZX8NJK85)

Listing of

KMC Properties ASA FRN senior secured NOK 1,500,000,000 bonds 2023/2026

ISIN NO 0012955105

The information in this Securities Note (the "**Securities Note**") relates to, and has been prepared in connection with the listing on Oslo Børs, a stock exchange operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of KMC Properties ASA FRN senior secured NOK 1,500,000,000 bonds 2023/2026 with ISIN NO 0012955105 (together the "**Bonds**") issued by KMC Properties ASA (the "**Issuer**", and together with its Subsidiaries, the "**Group**", and the Issuer together with the guarantors under the Bond Terms (the "**Guarantors**"), the "**Issuer Group**")) on 6 July 2023, pursuant to a bond agreement dated 3 July 2023 (the "**Bond Terms**") entered into between the Issuer and Nordic Trustee AS (the "**Bond Trustee**", "**Trustee**" or "**Security Agent**") (the "**Bond Issue**").

This Securities Note does not constitute an offer or an invitation to buy, subscribe or sell the securities described herein. This Securities Note serves as part of a listing prospectus as required by applicable laws, and no securities are being offered or sold pursuant to this Securities Note.

Investing in the Issuer and the Bonds involves a high degree of risk. Prospective investors should read the entire document and, in particular, consider Section 1 "*Risk factors related to the Bonds*" below when considering an investment in the Issuer and the Bonds.

IMPORTANT INFORMATION

For the definition of certain capitalised terms used throughout this Securities Note, see Section 6 "*Definitions and Glossary of Terms*".

This Securities Note has been prepared by the Issuer in connection with the listing of the Bonds on the Oslo Stock Exchange and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129, as amended and implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**Prospectus Regulation**"), and comprises, inter alia, the information requested in the checklist for securities notes for wholesale non-equity securities (Annex 15) and guarantees (Annex 21).

This Securities Note together with the Registration Document constitutes the Prospectus. This Securities Note has been prepared solely in the English language.

The Prospectus is valid for a period of up to 12 months following its approval by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**NFSA**") on 5 December 2023, as competent authority under the Prospectus Regulation. The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. New information that is significant for the Issuer or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the Bonds. Such information will be published as a supplement to the Securities Note pursuant to the Prospectus Regulation. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Issuer may not have been changed.

The NFSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, and such approval should not be considered as an endorsement of the Issuer or the quality of the securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the securities.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Securities Note or any other information supplied in connection with the Bonds, and if given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

The distribution of this Securities Note in certain jurisdictions may be restricted by law. This Securities Note does not constitute an offer of, or an invitation to purchase, any of the Bonds in any jurisdiction. This Securities Note may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Securities Note are required to inform themselves of and observe any such restrictions. In addition, the Bonds may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The content of this Securities Note is not to be construed as legal, credit, business or tax advice. Each investor should consult its own legal, credit, business or tax advisor as to a legal, credit, business or tax advice. In making an investment decision, investors must rely on their own examination of the Issuer and the Bonds, including the merits and risks involved.

This Securities Note shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Securities Note.

TABLE OF CONTENTS

1 RISK FACTORS RELATED TO THE BONDS....4
1.1 General....4
1.2 Risks relating to super senior creditors....4
1.3 Risks related to early redemptions and put options....4
1.4 Interest rate risk....4
1.5 Risks related to the collateral....4
1.6 Risks related to general and specific limitations in respect of collateral....5
2 RESPONSIBILITY FOR THE SECURITIES NOTE....6
2.1 Person responsible for the information....6
2.2 Declaration of responsibility....6
2.3 Regulatory statements....6
3 INFORMATION ABOUT THE BONDS....7
3.1 The terms and details of the Bonds....7
3.2 Listing....15
3.3 Interest of natural and legal persons involved in the Bond Issue....15
3.4 Information sourced from third parties and expert opinions....15
4 DESCRIPTION OF THE SECURITY UNDER THE BOND TERMS....15
4.1 Introduction....15
4.2 Description of the guarantee and the Transaction Security....15
5 ADDITIONAL INFORMATION....18
6 DEFINITIONS AND GLOSSARY OF TERMS....18

1 RISK FACTORS RELATED TO THE BONDS

1.1 General

An investment in the Bonds involves inherent risks. These risks include, but are not limited to, risks attributable to the Issuer and the Group. An investor should carefully consider all information set out below before making an investment decision. An investment in the Bonds is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of the entire investment. The risks and uncertainties described in this section are the material known risks and uncertainties related to the Bonds as of the date hereof and represent those risk factors that the Group believes to represent the most material Bond-related risks for investors when making their investment decision in respect of the Bonds.

1.2 Risks relating to super senior creditors

Under the Bond Terms, the Company is permitted to incur liabilities which may be significant, may not be limited in amount and that will rank senior in priority to the Bonds, including certain derivative exposures, including currency and interest rate swaps. The intercreditor agreement dated 3 July 2023 and made between, among others, the Issuer, the Bond Trustee, the Security Agent and the counterparties under any Permitted Hedging Obligation to document the super senior status of the Permitted Hedging Obligations (the "**Intercreditor Agreement**") contains certain provisions regulating instruction rights for senior creditors over the security agent, including instructions as to enforcement. Such senior creditors may have conflicting interests with the bondholders in a default and enforcement scenario, which in turn may lead to enforcement steps being taken against bondholders interests or with the result that enforcement proceeds will be insufficient to cover both the prior senior ranking creditors and the claims under and in relation to the Bonds.

1.3 Risks related to early redemptions and put options

Under the Bond Terms, the Bonds are subject to optional redemption by the Issuer (a call option) at their outstanding principal amount, plus accrued and unpaid interest to the date of redemption, plus in some events a premium calculated in accordance with the bond terms. This feature is likely to limit the market value of the Bonds. During any period when the Issuer may elect to redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Issuer may be expected to redeem the Bonds when its cost of borrowing is lower than the interest rate on the Bonds. There is a risk that the market value of the Bonds at such time is higher than the early redemption amount so that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

Under the Bond Terms, the Bonds are subject to prepayment at the option of each bondholder (put options) upon a change of control event or a de-listing event. There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required payments of the Bonds.

1.4 Interest rate risk

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest rates. The Bonds will bear a floating interest rate which is the aggregate of a reference rate plus a margin (per annum). The reference rate is 3 months NIBOR. Hence, the interest rate is to a certain extent adjusted for changes in market interest rates. There is a risk that an increase in the market interest rates will adversely affect the value of the Bonds. The market interest rates are to a high degree affected by the state of the Norwegian and the international economy and are outside the Group's control.

1.5 Risks related to the collateral

Although the Bonds are secured obligations of the Issuer, there can be no assurance that the value of the assets securing the Bonds and the Issuer's other assets will be sufficient to cover all the outstanding Bonds together with accrued interests and expenses in case of a default and/or if the Issuer goes into liquidation. The value of the collateral greatly depends on the development in the real estate market, which may be affected by changes in the local economy or the world economy and are outside the Group's control.

1.6 Risks related to general and specific limitations in respect of collateral

The Transaction Security and guarantees are subject to both general and specific limitations. The Guarantors are incorporated in several jurisdictions, where, inter alia, legal restrictions may exist on the right for companies to grant security and guarantees related to acquisition of shares in the company (and/or other companies within the group) as well as requirements to receive sufficient corporate benefit as consideration of the granting of security and guarantees for the outstanding obligations under the finance documents. The Bond Terms contain several agreed security principles pursuant to which the members of the Group are not required to grant security and/or guarantees under such and certain other circumstances or such security and/or guarantees are granted subject to a limitation language.

The security principles includes a provision stating that no security and/or guarantees will be effective if and to an extent such security and/or guarantee is contrary to mandatory provision under the relevant local law. The actual scope of security and/or guarantee granted by a subsidiary of the Issuer could therefore be substantially limited and, in fact, it is possible that due to the application of mandatory local law relating to e.g. the corporate benefit requirement, as applied to the provision of security and/or guarantee, no liabilities or obligations would under the local law be held to be effectively secured and/or guaranteed which would have an adverse effect on the bondholders' security position.

2 RESPONSIBILITY FOR THE SECURITIES NOTE

2.1 Person responsible for the information

This Securities Note has been prepared by the Issuer in connection with the listing of the Bonds on the Oslo Stock Exchange. The legal person responsible for the information given in this Securities Note is as follows:

KMC Properties ASA
Dyre Halses gate 1A, 7042 Trondheim, Norway

2.2 Declaration of responsibility

The Issuer accepts on the date of this Securities Note, 5 December 2023, responsibility for the information contained in this Securities Note. The Issuer confirms that, after having taken all reasonable care to ensure that such is the case, the information contained in this Securities Note is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

2.3 Regulatory statements

The Issuer confirms that:

a) this Prospectus has been approved by the NFSA, as competent authority under the Prospectus Regulation;

b) the NFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation;

c) such approval shall not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus;

d) investors should make their own assessment as to the suitability of investing in the securities.

5 December 2023

KMC Properties ASA

Name: Christian Linge
Title: Authorised Signatory

3 INFORMATION ABOUT THE BONDS

3.1 The terms and details of the Bonds

The Bond Issue is governed by the Norwegian law bond terms entered into on 3 July 2023 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as the bond trustee on behalf of the Bondholders (the "**Bond Trustee**"). Below is an overview of the Bond Terms. A copy of the Bond Terms is attached to the Securities Note as Schedule 1.

In this Section 3.1 "*The terms and details of the Bonds*" capitalised terms used and not defined herein shall have the same meaning as in the Bond Terms.

ISIN code:	NO0012955105
Bonds:	KMC Properties ASA FRN senior secured NOK 1,500,000,000 bonds 2023/2026
Issuer:	KMC Properties ASA, a company existing under the laws of Norway with registration number 990 727 007
LEI code:	5967007LIEEXZX8NJK8
Date of Bond Terms:	3 July 2023
Security type:	Senior secured bonds
Group Company:	The Issuer and its Subsidiaries from time to time.
Property Group:	KMC Properties AS (org. no. 924 527 714, incorporated in Norway) and its Subsidiaries from time to time, and a "**Property Group Company**" means each of KMC Properties AS or any of its Subsidiaries.
Guarantors:	Each Original Guarantor and any Property Group Company being or becoming the direct or indirect owner of any Additional Properties. On the date of this Securities Note, the Guarantors comprise: - KMC Properties AS (reg. no. 924 527 714, incorporated in Norway); - Pesca Property AS (reg. no. 920 129 765, incorporated in Norway); - Pesca Property Invest AS (reg. no. 922 307 563, incorporated in Norway); - KMC Properties Nederland AS (reg. no. 925 719 501, incorporated in Norway); - KMC Properties VI AS (reg. no. 926 446 312, incorporated in Norway); - Pesca Property Danmark A/S (reg. no. 40552480, incorporated in Denmark); - KMC Industrial Properties Denmark ApS (reg. no. 39120550, incorporated in Denmark); - KMC Hvide Sande A/S (reg. no. 40981632, incorporated in Denmark); - KMC Frederikshavn A/S (reg. no. 40992685, incorporated in Denmark); - KMC Nykøbing Mors A/S (reg. no. 31499879, incorporated in Denmark); - KMC Farsø A/S (reg. no. 31500028, incorporated in Denmark); - KMC Hedensted ApS (reg. no. 43849611, incorporated in Denmark); - Holland Industrial Properties B.V. (reg. no. 81185251, incorporated in the Netherlands); - Zwartsluis Investment Properties B.V. (reg. no. 81273797, incorporated in the Netherlands); - Wijchen Investment Properties B.V. (reg. no. 81274572, incorporated in the Netherlands); - Oldenzaal Investment Properties B.V. (reg. no. 81274068, incorporated in the Netherlands); - Someren Investment Properties B.V. (reg. no. 81274386, incorporated in the Netherlands); - KMC Properties VI Finland Oy (reg. no. 3313590-5, incorporated in Finland); - KMC Muurlantie Oy (reg. no. 3324395-7, incorporated in Finland); - KMC Pajakatu Oy (reg. no. 3324396-5, incorporated in Finland);

- KMC Toravantie Oy (reg. no. 3324397-3, incorporated in Finland);
- Pesca Property Finland Oy (reg. no. 3097852-8, incorporated in Finland); and
- KMC Kuopio Oy (reg. no. 2863190-4, incorporated in Finland).

Maximum Issue Amount:	1,500,000,000
Initial Bond Issue:	900,000,000
Initial Nominal Amount:	2,000,000
Currency:	NOK
Securities form:	The Bonds are electronically registered in book-entry form with the CSD, with the Paying Agent in charge of keeping the records.
Issue Date:	6 July 2023 for the initial issuance of NOK 900,000,000
Interest bearing:	From and including 6 July 2023 until the Maturity Date.
Maturity Date:	6 July 2026, adjusted according to the Business Day Convention
Interest Rate:	Percentage rate per annum which is the aggregate of the Reference Rate plus the Margin.
Interest Period:	Subject to adjustment in accordance with the Business Day Convention, the periods between January and April, and July and October each year, provided however that an Interest Period shall not extend beyond the Maturity Date.
Calculation of interest:	Each Outstanding Bond accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period. Any Additional Bond accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance above. Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis).
Interest Payment Date:	The last day of each Interest Period, the first Interest Payment Date being 6 October 2023 and the last Interest Payment Date being the Maturity Date.
Business Day:	A day on which both the relevant CSD settlement system is open, and the relevant Bond currency settlement system is open.
CSD:	The central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA, P.O. Box 1174 Sentrum, 0107 Oslo, Norway.
Day count fraction:	Interest is computed on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee, who will notify the Issuer, the Paying Agent and Oslo Stock Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.
Business Day Convention:	If the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day.
Indication of yield:	The yield is 9.82% p.a. (based on mid quotes as of 20 September 2023). The yield is dependent on the market price for the Bonds with floating rate. Yield for each interest period can be determined when the interest is known, normally two Business Days before the period. The yield is calculated in accordance with "Anbefaling til Konvensjoner for det norske sertifikat- og obligasjonsmarkedet" prepared by Norske Finansanalytikeres Forening in January 2020.
Calculation Agent:	The Bond Trustee
Margin:	5.00 per cent. per annum.
Maturity:	The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.
Reference Rate:	NIBOR

NIBOR:	The Norwegian Interbank Offered Rate being (a) the interest rate fixed for a period comparable to the relevant interest period by Global Rate Set Systems (GRSS) at approximately 12.00 (Oslo time) on the Interest Quotation Day or (b) if no screen rate is available for the relevant Interest Period, (i) the linear interpolation between the two closest relevant Interest Periods, and with the same number of decimals, quoted under paragraph (a) above; or (ii) a rate for deposits in the NOK for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to: (i) any relevant replacement reference rate generally accepted in the market or (ii) such interest rate that best reflects the interest rate for deposits in NOK offered for the relevant Interest Period. In each case, if such rate is below zero, NIBOR will be deemed to be zero.
Additional Bonds:	The Issuer may, provided that the conditions set out in Clause 6.4 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximal Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in the Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be above the Nominal Amount.
Voluntary early redemption – Call Option:	The Issuer may redeem all or some of the Outstanding Bonds (the "**Call Option**") on any Business Day from and including: (i) the Issue Date to, but excluding, the First Call Date at a price equal to the Make Whole Amount; (ii) the First Call Date to, but excluding, the Interest Payment Date in July 2025 at a price equal to 102.500 per cent. (the "**First Call Price**") of the Nominal Amount of the redeemed Bonds; (iii) the Interest Payment Date in July 2025 to, but excluding, the Interest Payment Date in January 2026 at a price equal to 101.667 per cent. of the Nominal Amount of the redeemed Bonds; (iv) the Interest Payment Date in January 2026 to, but excluding, the Interest Payment Date in April 2026 at a price equal to 100.833 per cent. of the Nominal Amount of the redeemed Bonds; and (v) the Interest Payment Date in April 2026 to, but excluding, the Maturity Date at a price equal to 100 per cent. of the Nominal Amount of the redeemed Bonds. Any redemption of Bonds pursuant to paragraph (i) through (v) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date. The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed Call Option Repayment Date or, in the event of a prepayment by application of funds on the Disposal Account in accordance with Clause 13.21 (*Disposal Account*) of the Bond Terms, by such prior notice as further set out therein. Such call notice given in respect of redemptions of Bonds shall be irrevocable, but may, at the Issuer's discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than three (3) Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been lifted by that date, the call notice shall be null and void Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at

	the latest within three (3) Business Days from the date of the notice. Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.
First Call Date:	The Interest Payment Date falling in January 2025.
Make Whole Amount:	An amount equal to the sum of the present value on the Repayment Date of each of: (i) the First Call Price for the redeemed Bonds as if such payment originally had taken place on the First Call Date and (ii) the remaining interest payments of the redeemed Bonds up to and including the First Call Date (excluding accrued but unpaid interest on the redeemed Bonds up to the Call Option Repayment Date),
Call Option Repayment Date:	The settlement date for any Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) of the Bond Terms or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.
Decisive Influence::	Means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly): (i) a majority of the voting rights in that other person or (ii) a right to elect or remove a majority of the members of the board of directors of that other person.
Nominal Amount:	The Initial Nominal Amount (less the aggregate amount by which each Bond has been partially redeemed, if any, pursuant to Clause 10 (*Redemption and repurchase of Bonds*) of the Bond Terms), or any other amount following a split of Bonds pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*) of the Bond Terms.
Mandatory repurchase due to a Put Option Event:	Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount. The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*) of the Bond Terms. Once notified, the Bondholders' right to exercise the Put Option is irrevocable. Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of fifteen (15) Business Days exercise period referred to in the paragraph above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date. If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3 of the Bond Terms, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated above (i.e. a price equal to 101 per cent. of the Nominal Amount) by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.
Put Option Event:	Means a Change of Control Event and a De-Listing Event.
Change of Control Event:	An event where any person or group of persons acting in concert (in each case other than (directly or indirectly owned by) Bewi Invest AS (reg.no. 920 225 268) (or any of its Affiliates) acting alone or in concert), obtain Decisive Influence over the Issuer.
De-listing Event:	An event where the shares of the Issuer cease to be listed on Oslo Børs or any other Exchange.
Put Option Repayment Date:	The settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) of the Bond Terms.
Early redemption due to tax event:	If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) of the Bond Terms as a result of a change in applicable law implemented after

	the date of the Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than forty (40) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.
Tax Event Repayment Date:	The date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*) of the Bond Terms.
Mandatory early redemption due to a Mandatory Redemption Event:	Upon a Mandatory Redemption Event, the Issuer shall, within five (5) Business Days after the Mandatory Redemption Event, redeem the Outstanding Bonds at a price of 100 per cent. (regardless of any Event of Default continuing at the time) of the Nominal Amount, by inter alia applying the funds deposited on the Escrow Account for such redemption. The Issuer shall redeem the: (i) Bonds issued under the Surviving ISIN (i.e. ISIN NO 0012955105) in cash (with a right to apply the funds deposited on the Escrow Account for such redemption); and (ii) Initial Temporary Bonds, in either cash and/or by delivery of Existing Bonds (as payment-in-kind to the holders of the Initial Temporary Bonds (valued at their respective nominal amounts)). Any accrued and unpaid interest on the Initial Temporary Bonds shall be payable in cash, provided however, that the Issuer is entitled to withhold (by set-off) any accrued and unpaid interest on the Existing Bonds (used for repayment to each holder of Initial Temporary Bonds). Any redemption in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.
Mandatory Redemption Event:	The event that: (i) that the conditions precedent set out in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) of the Bond Terms have not been fulfilled within the Longstop Date; or (ii) the Issuer at any time prior to the Longstop Date have determined in its discretion that such conditions will not be fulfilled or waived before the Longstop Date.
Mandatory Redemption Repayment Date:	The settlement date for the Mandatory Redemption Event pursuant to Clause 10.5 (*Mandatory early redemption due to a Mandatory Redemption Event*) of the Bond Terms.
Longstop Date:	6 October 2023.
Repayment Date	Any Call Option Repayment Date, the Default Repayment Date, the Put Option Repayment Date, the Tax Event Repayment Date, the Mandatory Redemption Repayment Date or the Maturity Date.
Status of the bonds:	The Bonds shall constitute senior obligations of the Issuer. The Bonds shall rank pari passu between themselves and shall rank at least pari passu with all other senior obligations of the Issuer other than obligations which are mandatorily preferred by law. The Bonds shall rank ahead of any subordinated capital. The Bonds will be secured on a pari passu basis with the other Secured Parties in respect of the Transaction Security (other than the Escrow Account Pledge and the Existing Bonds Escrow Account Pledge), subject to the super senior status of the Permitted Hedging Obligations. The counterparties under any Permitted Hedging Obligation will receive (i) the proceeds from any enforcement of the Transaction Security and the Guarantees and

	certain distressed disposals and (ii) any payment following any other enforcement event in respect of any Security (collectively the "**Enforcement Proceeds**"), prior to the Bondholders and the Bond Trustee, but shall otherwise rank pari passu in right of payment with the Bonds, in accordance with any Intercreditor Agreement, subject to obligations which are mandatorily preferred by law.
Permitted Hedging Obligation	Any obligation of the Issuer or any Property Group Company under a derivative transaction entered into with one or more hedge counterparties in connection with protection against or benefit from fluctuation in any rate or price, where such exposure arises in the ordinary course of business or in respect of payments to be made under the Bond Terms. Any Permitted Hedging Obligation may be secured by the Security provided under the Security Documents and any additional Security as permitted under paragraph (b) of the definition of the term Permitted Security, which shall be shared between the Secured Parties in accordance with the terms of the Intercreditor Agreement (pursuant to which it shall have super senior status with respect to any Enforcement Proceeds).
Finance Documents:	The Bond Terms, the Security Documents, the Escrow Account Pledge, the Existing Bonds Escrow Account Pledge, the Intercreditor Agreement, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.
Intercreditor Agreement:	The intercreditor agreement dated 3 July 2023, entered into between, among others, the Issuer, the Bond Trustee, the Security Agent and the counterparties under any Permitted Hedging Obligation to document the super senior status of the Permitted Hedging Obligations, to be based on customary terms and conditions (from the Loan Market Association) and with no individual enforcement rights for any counterparty under the Permitted Hedging Obligations.
Transaction Security:	the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Escrow Account Pledge, the Existing Bonds Escrow Account Pledge and the Security Documents. For further information on the Transaction Security please refer to Section 4 "*Description of the Security under the Bond Terms*" of this Securities Note.
Undertakings:	Undertakings apply to the Issuer, including but not limited to certain information undertakings and certain financial covenants. See Clauses 12 (*Information undertakings*) and 13 (*General and financial undertakings*) of the Bond Terms for more information.
Listing:	The Issuer shall ensure that (i) the Bonds are listed on an Exchange within 9 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full, and that (ii) any Temporary Bonds are listed on an Exchange where the other Bonds are listed within 3 months of the issue date for such Temporary Bonds.
Listing Failure Event:	Means that: (i) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within 9 months following the Issue Date; (ii) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or (iii) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within 3 months following the issue date for such Temporary Bonds. Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under the Bonds Terms will accrue at the Interest Rate plus 2 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.
Use of proceeds:	The Issuer will use the Net Proceeds from the issuance of the Bonds for:

	prepayment of parts of the Existing Debt and the surplus (if any) for general corporate purposes of the Property Group. The Issuer will use the Net Proceeds from the issuance of any Additional Bonds towards financing in part the BEWI Acquisition.
Existing Bond Issue:	The Issuer's senior secured NOK 1,850,000,000 bond issue with ISIN NO0010908163 pursuant to the bond terms dated 10 December 2020 entered into between the Issuer as issuer and Nordic Trustee AS as bond trustee for the Existing Bondholders.
Existing Debt:	The Financial Indebtedness under (a) the Existing Bond Issue, together with accrued interest and the applicable call premium and (b) the Existing RCF, which shall be refinanced using part of the proceeds of the issuance of the Bonds.
Existing RCF:	The Issuer's NOK 200,000,000 revolving credit facility pursuant to a facility agreement dated 23 March 2021 entered into between, among others, the Issuer as borrower and DNB Bank ASA as lender.
Bond Terms, being the bond agreement for the Bond Issue:	The Bond Terms have been entered into by the Issuer and the Bond Trustee and constitute the terms and conditions of the Bond Issue. The Bondholders shall be bound by the terms and conditions of the Bond Terms and any other Finance Document without any further action required to be taken or formalities complied with by the Bond Trustee, the Bondholders, the Issuer or any other party. The Bond Trustee acts as the representative of all the Bondholders, monitoring the Issuer's performance of obligations pursuant to the Bond Terms, supervising the timely and correct payment of principal or interest, arranging Bondholders' Meetings, and taking action on behalf of all the Bondholders as and if required. The Bond Trustee is always acting with binding effect on behalf of all the Bondholders. For further details of the Bond Trustee's role and authority as the Bondholders' representative, see Clause 16 (*The Bond Trustee*) of the Bond Terms.
Bondholders' Meeting:	A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of the Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes, however with the limitations set out in Section 15 (*Bondholders' Decisions*) of the Bond Terms. For further information on the Bondholders' Meeting, including the authority of the Bondholders' Meeting, the procedure for arranging a Bondholders' Meeting, and rules regarding voting, repeated Bondholders' Meeting and written resolutions, see Section 15 (*Bondholders' Decisions*) of the Bond Terms.
Limitation of claims:	All claims under the Finance Documents for payment, including interest and principal, will be subject to the applicable Norwegian legislation regarding time-bar provisions.
Bond Trustee:	Nordic Trustee AS, P.O. Box 1470 Vika, 0161 Oslo, Norway.
Manager:	DNB Markets (a part of DNB Bank ASA), Pareto Securities AS, and SpareBank 1 Markets AS.
Role of Bond Trustee:	The Bond Terms has been entered into by the Issuer and the Bond Trustee. The Bondholders shall be bound by the terms and conditions of the Bond Terms and any other Finance Document without any further action or formality being required to be taken or satisfied. The Bond Trustee acts as the representative of all the Bondholders, monitoring the Issuer's performance of obligations pursuant to the Bond Terms, supervising the timely and correct payment of principal or interest, arranging Bondholders' Meetings, and taking action on behalf of all the Bondholders as and if required. The Bond Trustee is always acting with binding effect on behalf of all the Bondholders. For further details of the Bond Trustee's role and authority as the Bondholders' representative, see clause 16 of the Bond Terms, which is publicly available at www.stamdata.com.

Paying Agent:	The legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD, at the date of the Securities Note being DNB Bank ASA, P.O. box 1600 Sentrum, 0021 Oslo.
Transfer of Bonds:	Subject to the restrictions set forth in Clause 11 (*Purchase and transfer of Bonds*) of the Bond Terms, the Bonds are freely transferable and may be pledged. The Issuer has the right to acquire and own the Bonds. Such Bonds may at the Issuer's discretion be retained by the Issuer or sold (but not discharged) (other than in relation to a process of full redemption of all Outstanding Bonds), including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) of the Bond Terms. Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense. A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to the Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.
Taxation:	Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents. The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required and (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
Legislation under which the Bonds have been created:	Norwegian law governing the issue of the Bonds.
Fees and Expenses:	The Issuer shall cover all public fees in connection with the Bonds and the Finance Documents. Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
Fees:	Prospectus fee (NFSA): NOK 113,000 Listing fee 2023 (Oslo Børs): NOK 46,750 Registration fee (Oslo Børs): NOK 56,650 Legal fees in connection with the listing: approx. NOK 600,000
Market making:	No market-maker agreement has been made for the Bond Issue.
Rating:	No credit rating has been assigned to the Bonds as of the date of this Securities Note.
Securities Note:	This Securities Note is dated 5 December 2023.

3.2 Listing

The Issuer will apply for a listing of the Bonds on the Oslo Stock Exchange as soon as possible after approval by the NFSA of the Prospectus.

The Issuer has not applied for listing of the Bonds on any other regulated market, third country market, SME Growth Market or MTF.

3.3 Interest of natural and legal persons involved in the Bond Issue

The natural and legal persons involved in the Bond Issue have no interest, nor conflicting interests, that are material to the Bond Issue.

3.4 Information sourced from third parties and expert opinions

Any information sourced from third parties in this Securities Note has been accurately reproduced and, as far as the Issuer is aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition the source of such information has been identified where relevant.

The Issuer confirms that no statement or report attributed to a person as an expert is included in this Securities Note.

4 DESCRIPTION OF THE SECURITY UNDER THE BOND TERMS

4.1 Introduction

All defined terms in this Section 4 "*Description of the Security under the Bond Terms*" shall have the meaning prescribed to such terms in the Bond Terms (attached to this Securities Note as Schedule 1 and made available at www.kmcp.no/investors/financing) unless otherwise stated.

The Transaction Security (as described below) has been granted by the Issuer and certain direct and indirect Subsidiaries of the Issuer (the Guarantors), as security for all present and future obligations and liabilities of the Issuer under the Finance Documents (the "**Secured Obligations**"), which include the Issuer's obligations related to the Bonds.

The Transaction Security and the Guarantee is shared between certain finance parties under the Existing RCF, the Bond Trustee, the Security Agent and any hedge counterparties pursuant to the Intercreditor Agreement.

The Transaction Security and the Guarantee are the arrangement intended to ensure that any obligation material to the Bond Issue will be duly serviced, such as the obligations to repay the Bonds and/or the payment of interest are fulfilled. There are no other arrangements in place, such as a surety, keep well agreement, mono-line Insurance policy or other equivalent commitment.

4.2 Description of the guarantee and the Transaction Security

Each Guarantor has irrevocably and unconditionally issued a joint and several guarantee (the "**Guarantee**"), subject to any limitations set out in the guarantee agreement (attached to this Securities Note as Schedule 2 and made available at www.kmcp.no), to each Secured Party for the punctual payment, at the place and in the currency in which an amount is expressed to be payable, and at the performance by each member of the Property Group of all that Property Group Company's obligations under the Finance Documents:

Date of Guarantee:	The Guarantee is included in a guarantee agreement dated 7 July 2023 (attached to this Securities Note as Schedule 2).
Beneficiary:	Nordic Trustee AS as security agent on behalf of the Secured Parties.

Secured Obligations:	All present and future liabilities and obligations at any time due, owing or incurred by the Issuer or any Property Group Company to any Secured Party under the Finance Documents and any finance documents related to any Permitted Hedging Obligations, both actual and contingent.
Guarantee and payments and demands:	Each Guarantor hereby, jointly and severally, irrevocably and unconditionally, on the terms and conditions set out herein: (i) guarantee as independent primary obligors (Nw. *selvskyldnerkausjonist*) to the Security Agent (on behalf of the Secured Parties) the payment, discharge and punctual performance of the Secured Obligations until the expiry of the Security Period; (ii) undertakes with the Security Agent (on behalf of the Secured Parties) that it shall whenever any Debtor (as defined in the Intercreditor Agreement, attached to this Securities Note as Schedule 3 and made available at www.kmcp.no) does not pay to any Secured Party any amount when due under or in connection with any Finance Document, within five (5) Business Days of first written notice of demand from the Security Agent pay any amount owed by an Debtor in connection with the Secured Obligations as if it was the principal obligor; (iii) undertakes that it will indemnify the Security Agent (on behalf of the Secured Parties) against any cost, loss or liability suffered by the Security Agent or the Secured Parties if any of the Secured Obligations is or becomes unenforceable, invalid or illegal; and (iv) undertakes, to the extent required by applicable law, if any, that each Guarantor's aggregate liability under this Guarantee shall never exceed NOK 1,950,000,000 plus interest thereon, fees, costs, expenses and indemnities as set out in the Finance Documents. Any proceeds collected or received by the Security Agent on behalf of the Secured Parties after an enforcement of the Guarantee (or any receiver appointed to collect or receive such proceeds) shall be applied by the Security Agent in payment of the Secured Obligations in accordance with the provisions of the Intercreditor Agreement (but without prejudice to the right of the Secured Parties to recover any shortfall from the Issuer or the Guarantors).
Limitations included in the Guarantee:	*Norwegian Guarantors*: Notwithstanding anything to the contrary in this Guarantee, the obligations and liabilities of each Guarantor incorporated in Norway pursuant to this Guarantee shall be limited to the extent necessary to comply with mandatory provisions of law applicable to it, including sections 8-7 and 8-10 cf. section 1-3 of the Norwegian Private Limited Companies Act of 13 June 1997 no. 44 (Nw. *aksjeloven*) (as amended) or any other provision of law limiting the legal capacity or ability of that Norwegian Guarantor to give the intended guarantee. It is understood that the obligations and liabilities of each Norwegian Guarantor under this Guarantee shall always be interpreted so as to make such Norwegian Guarantor liable to the fullest extent permitted by Norwegian law. *Danish Guarantors*: Notwithstanding anything to the contrary in this Guarantee, the Intercreditor Agreement, the Bond Terms or any other Debt Documents, the limitations set out in Clause 21.4.2 (*Danish law limitations*) of the Intercreditor Agreement shall apply mutatis mutandis to the obligations incurred under this Guarantee by each Guarantor incorporated in Denmark (a "**Danish Guarantor**") or, solely in the case of paragraph a) of Clause 21.4.2 (*Danish law limitations*) of the Intercreditor Agreement, to the obligations incurred under this Guarantee by such Danish Guarantor's Subsidiaries. *Finnish Guarantors*: Notwithstanding anything to the contrary in this Guarantee or any other Debt Document, the obligations and liabilities of any Guarantor incorporated in Finland (each a "**Finnish Guarantor**") under this Guarantee shall not include (and shall be deemed and

	construed to expressly exclude) any obligations and liabilities to the extent they would constitute an unlawful distribution of assets as provided in Chapter 13, Section 1 of the Finnish Companies Act (Osakeyhtiölaki (624/2006), as amended) or unlawful financial assistance, as provided in Chapter 13, Section 10 of the Finnish Companies Act, or breach any other applicable mandatory provisions of Finnish corporate law, provided that it is acknowledged that the obligations and liabilities of each Finnish Guarantor shall apply to the fullest extent permitted by the aforementioned provisions of the Finnish Companies Act and other applicable mandatory provisions of Finnish corporate law.
Governing law:	Norwegian law with Oslo District Court as legal venue.
Service of process:	Without prejudice to any other mode of service allowed under any relevant law, each Guarantor (other than a Guarantor incorporated in Norway) has a) irrevocably appointed the Issuer as its agent for service of process in relation to any proceedings before the Norwegian courts in connection with the Guarantee and the Issuer has accepted such appointment, and b) agrees that a failure by a process agent to notify the relevant Debtor (as defined in the Intercreditor Agreement) of the process will not invalidate the proceedings concerned.
Waiver of Defences:	The obligations of the Guarantors under the Guarantee shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Guarantors from its obligations under this Guarantee or prejudice or diminish those obligations in whole or in part (unless such release or exoneration is intended), including (but not limited to): (i) any time or waiver granted to, or composition with, a Guarantor or any other person; (ii) any release of a Guarantor or any other person under the terms of any composition or arrangement with a Guarantor or any other person; (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, a Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security; (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Guarantor or any other person; (v) any amendment or replacement of any Finance Documents or any other document or security interest; (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Documents or any other document or security interest; or (vii) any insolvency or similar proceedings.
Continuing guarantee:	The Guarantee is a continuing guarantee, and shall extend to the ultimate balance of the Secured Obligations and shall continue in full force and effect notwithstanding any intermediate payment or discharge in whole or in part of the Secured Obligations and shall be effective until the Security Agent has confirmed in writing that the Secured Obligations have been irrevocably discharged in full.
Secured Parties:	The Security Agent, any Receiver or Delegate and each of the Primary Creditors from time to time but, in the case of each Primary Creditor, only if it (or, in the case of a Pari Passu Bondholder, its Creditor Representative) is a Party or has acceded to the Intercreditor Agreement in the proper capacity pursuant to the terms of the Intercreditor Agreement.
Security Agent:	Nordic Trustee AS as Security Agent on behalf of the Secured Parties.

Pursuant to the Bond Terms, the following Transaction Security has been granted in favour of Nordic Trustee AS, as the bond trustee and security agent on behalf of the Bondholders and the Secured Parties (the "**Security Agent**"), as security for the due and punctual fulfilment of the Secured Obligations:

(i) the Guarantor Share Pledges;
(ii) the Assignment of Intercompany Loans;
(iii) the Bank Account Pledges;
(iv) the Mortgages;
(v) assignment by way of:
  (A) a floating charge over the trade receivables (Nw.: *factoringpant*) of each Guarantor incorporated in Norway;
  (B) an enterprise mortgage security interest over and against the assets of any Guarantor incorporated in Finland in accordance with the Finnish Act on Enterprise Mortgages (634/1984, as amended);
  (C) a transfer of existing business mortgage certificates issued in the business of any Guarantor incorporated in Sweden;
  (D) a transfer of any existing registration documents in respect of floating charges over the business of any Guarantor incorporated in Denmark; and
  (E) to the extent legally and practically possible, a floating charge over the assets of any Guarantor incorporated in any other jurisdiction,
  together, the "**Floating Charges**".
(vi) the Assignment of Insurances; and
(vii) the Guarantees.

Please refer to the Bond Terms Clause 1.1 (*Definitions*) for definitions of capitalised terms and Clause 2.5 (*Transaction Security*) for more about the Transaction Security.

5 ADDITIONAL INFORMATION

Advokatfirmaet Thommessen AS has acted as Norwegian legal counsel to the Issuer and assisted with the preparation of this Securities Note.

DNB Markets (a part of DNB Bank ASA), Pareto Securities AS and Sparebank 1 Markets AS has acted as the Issuer's manager for the Bond Issue.

There are no credit ratings assigned to the Bonds as of the date of this Securities Note.

The Bond Terms and the Guarantee Agreement are available at www.kmcp.no/investors/financing.

6 DEFINITIONS AND GLOSSARY OF TERMS

Bonds	The bonds issued in KMC Properties ASA 11.75% senior secured NOK 1,500,000,000 bonds 2023/2026 with ISIN NO 0012955105.
Bond Terms	The bond agreement dated 3 July 2023.
Bond Issue	The bonds issued in KMC Properties ASA 11.75% senior secured NOK 1,500,000,000 bonds 2023/2026 with ISIN NO 0012955105.
Bond Trustee	Nordic Trustee AS, a Norwegian private limited liability company with company registration number 963 342 624.
Group	The Issuer and its Subsidiaries as at the date of this Securities Note.
ISIN	International securities identification number of bonds
Issuer	KMC Properties ASA
LEI	Legal Entity Identifier
NFSA	The Financial Supervisory Authority of Norway.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 No. 75 (as amended).

Oslo Stock Exchange	Oslo Børs ASA, or, as the context may require, Oslo Børs, a Norwegian regulated stock exchange operated by Oslo Børs ASA.
Prospectus	The Registration Document and Securities Note together.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the Securities Note to be published when securities are offered to the public or admitted to trading on a regulated market, repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act.
Registration Document	The Issuer's registration document dated 5 December 2023.
Securities Note	This document dated 5 December 2023.
Subsidiaries	A company over which another company has as a result of an agreement or through the ownership of shares or interest in another person (directly or indirectly): (i) a majority of the voting rights in that other person or (ii) a right to elect or remove a majority of the members of the board of directors of that other person.
NOK	Norwegian Kroner, being the legal currency of Norway

KMC Properties ASA
Dronning Eufemias gate 30, 0191 Oslo
www.kmcp.no

SCHEDULE 1: BOND TERMS

Execution version

BOND TERMS

FOR

KMC Properties ASA FRN senior secured NOK 1,500,000,000 bonds 2023/2026

ISIN NO0012955105

ISIN NO0012955113 (Initial Temporary Bonds)

Contents

Clause		Page
1.	INTERPRETATION	3
2.	THE BONDS	22
3.	THE BONDHOLDERS	25
4.	ADMISSION TO LISTING	26
5.	REGISTRATION OF THE BONDS	26
6.	CONDITIONS FOR DISBURSEMENT	27
7.	REPRESENTATIONS AND WARRANTIES	31
8.	PAYMENTS IN RESPECT OF THE BONDS	33
9.	INTEREST	35
10.	REDEMPTION AND REPURCHASE OF BONDS	35
11.	PURCHASE AND TRANSFER OF BONDS	38
12.	INFORMATION UNDERTAKINGS	38
13.	GENERAL AND FINANCIAL UNDERTAKINGS	40
14.	EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS	46
15.	BONDHOLDERS' DECISIONS	49
16.	THE BOND TRUSTEE	53
17.	AMENDMENTS AND WAIVERS	58
18.	MISCELLANEOUS	59
19.	GOVERNING LAW AND JURISDICTION	61

ATTACHMENT 1 COMPLIANCE CERTIFICATE
ATTACHMENT 2 RELEASE NOTICE – ESCROW ACCOUNT
ATTACHMENT 3 AGREED SECURITY PRINCIPLES
ATTACHMENT 4 ORIGINAL GUARANTORS
ATTACHMENT 5 INITIAL PROPERTIES
ATTACHMENT 6 BEWI ACQUISITION PROPERTIES

BOND TERMS between	
ISSUER:	KMC Properties ASA, a company existing under the laws of Norway with registration number 990 727 007 and LEI-code 5967007LIEEXZX8NJK85; and
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	3 July 2023
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

"**Acceptable Bank**" means, in relation to Cash and Cash Equivalents, a commercial bank, savings bank or trust company which has a rating of BBB or higher from Standard & Poor's Ratings Service or Baa2 or higher from Moody's Investor Service Limited or a comparable rating from a nationally recognized credit rating agency for its long term debt obligations.

"**Accepted Appraiser**" means an independent appraiser appointed by the Issuer and acceptable to the Bond Trustee (and for this purpose Akershus Eiendom AS, Newsec AS and Cushman & Wakefield Realkapital shall be deemed acceptable to the Bond Trustee).

"**Accounting Standard**" means GAAP.

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

"**Additional Properties**" means, to the extent acquired by a member of the Property Group after the Issue Date:

(a) any BEWI Acquisition Properties; and

(b) any industrial and/or logistic properties or land plots with the purpose of developing such properties (for the avoidance of doubt, excluding the Initial Properties, but including both leasehold and freehold properties) which:

(i) is either (a) acquired, in whole or in part, with funds deposited on a Disposal Account or (b) designated in writing by the Issuer to the Bond Trustee to be an Additional Property;

(ii) are geographically located in the Nordic Region (save for any Additional Properties which, at the time of acquisition, has or will have a lease contract with BEWI ASA or Insula AS, or any of their Subsidiaries or Affiliates (including any joint ventures)); and

(iii) have a lease contract on arms-length terms with a minimum lease term of no less than five (5) years remaining at the time of acquisition (and with respect to any land plots acquired for the purpose of constructing industrial and/or logistic properties having the intention of entering into such lease contract).

"**Additional Security**" means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to Clause 2.6 (*Additional Security*).

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

(a) any person which is a Subsidiary of that person;

(b) any person with Decisive Influence over that person (directly or indirectly); and

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

"**Aggregated Market Value**" means:

(a) in relation to the calculation of the Loan-to-Value Ratio, the aggregated Market Value of all Properties plus:

(i) any amount deposited on the Disposal Account; and

(ii) the amount of any undisputed claims against insurance companies related to damage or loss on a Property and,

(b) in relation to the calculation of the Net Loan-to-Value Ratio, the aggregated Market Value of all Properties and other properties (including leasehold and freehold properties) owned by the Group plus the amount of any undisputed claims against insurance companies related to damage or loss on a property, in each case based on the latest Valuation Report.

"**Agreed Security Principles**" means the security principles set out in Attachment 3 to hereto.

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

"**Assignments of Intercompany Loans**" means the first priority assignments of the Intercompany Loans in favour of the Security Agent.

"**Assignments of Insurances**" means the first priority assignments of all monetary claims or confirmation from the relevant insurance companies (or the insurance broker) or, in respect of

any Properties located in Denmark, undertaking from the relevant owner of the beneficial interest in the relevant Property, that the Security Agent is registered as co-insured under all insurances in respect of insurance policies related to each Property.

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

"**Bank Account Pledges**" means the first priority pledges in each Guarantor's bank accounts, such accounts to be unblocked (except if an Event of Default has occurred and is continuing).

"**BEWI Acquisition**" means any acquisition of a BEWI Acquisition Property in whole or in part, by using the proceeds from any Tap Issue.

"**BEWI Acquisition Property**" means any properties listed in Attachment 5 hereto or any other properties or land plots acquired, in whole or in part, by using the proceeds from any Tap Issue as part of the BEWI Acquisition.

"**BEWI Acquisition Property Owner**" means any Property Group Company which is or becomes the owner of or holder of leasehold rights over (as applicable) a BEWI Acquisition Property following completion of any BEWI Acquisition.

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

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

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

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

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

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

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

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

"**Business Day Convention**" means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first

following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

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

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

"**Cash and Cash Equivalents**" means on any date, the aggregate equivalent in NOK on such date of the then current market value of:

(a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with an Acceptable Bank; and

(b) time deposits with Acceptable Banks and certificates of deposit issued, and bills of exchange accepted, by an Acceptable Bank;

in each case to which any Group Company or Property Group Company (as the case may be) is beneficially entitled at the time and to which any Group Company or Property Group Company (as the case may be) has free and unrestricted access and which is not subject to Security where such account is blocked or becomes blocked under that Security (other than in favour of the Secured Parties).

"**Change of Control Event**" means an event where any person or group of persons acting in concert (in each case other than (directly or indirectly owned by) Bewi Invest AS (reg.no. 920 225 268) (or any of its Affiliates) acting alone or in concert), obtain Decisive Influence over the Issuer.

"**Closing Procedure**" means a closing procedure agreed between the Bond Trustee and the Issuer where the parties may agree that certain pre-disbursement conditions precedent are to be delivered prior to, in connection with the release of funds from the Escrow Account or as conditions subsequent, provided, however, that perfection of the Transaction Security (except for the Escrow Account Pledge and the Existing Bonds Escrow Account Pledge) shall be established as soon as possible in accordance with the terms of such Closing Procedure on or immediately after the release of funds from the Escrow Account, including to allow for certain matters to be handled post disbursement, as customary or required for practical reasons, and, without limiting the generality of the foregoing and for the sake of good order, the Bond Trustee is authorised, under any Closing Procedure, to agree that the granting and/or perfection of Transaction Security over assets subject to security securing the Existing Debt shall be done immediately after the Existing Debt have been repaid and that the net proceeds from the issuance of the Bonds may be released from the Escrow Account to the Settlement Escrow Account prior to such Security having been granted and/or perfected, provided it is agreed that the relevant Security will be granted and/or perfected upon release of funds from the Settlement Escrow Account in accordance with a Closing Procedure.

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

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

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

"**Danish Capital Markets Act**" means the Danish Capital Markets Act (in Danish: *lov om kapitalmarkeder*), Consolidated Act no. 41 of 13 January 2023 as amended.

"**De-Listing Event**" means an event where the shares of the Issuer cease to be listed on Oslo Børs or any other Exchange.

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

(a) a majority of the voting rights in that other person; or

(b) a right to elect or remove a majority of the members of the board of directors of that other person.

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

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

"**Disposal Account**" means an account where:

(a) the proceeds from a disposal pursuant to paragraph (b) of the definition of Permitted Disposal are paid; and/or

(b) the proceeds from a Loss Event are paid pursuant to Clause 13.22 (*Loss Event*),

and which is blocked and pledged in favour of the Security Agent as Security for the Secured Obligations and may be used only in accordance with Clause 13.21 (*Disposal Account*).

"**Disposal Proceeds**" means the gross proceeds of any sale or disposal of a Property (or as the case may be, the shares of a Property Group Company) to any third party that is not a member of the Property Group less (i) an amount equal to the reasonable costs and expenses associated with that disposal and (ii) any tax incurred and required to be paid by the seller in connection with that disposal (as reasonably determined by the seller, on the basis of existing rates and taking account of any available credit, deduction or allowance).

"**Distribution**" means any dividend payment, repurchase of shares, or other distributions or payments to shareholders (including but not limited to payment of principal or interest on any Subordinated Loans in cash), including without limitation any total return swaps, payments in respect of preference shares or instruments with similar effect.

"**EBITDA**" means, for any Relevant Period (on a consolidated basis for the Group) operating profit before deducting any amount attributable to interest, taxes, depreciation, amortisation, impairment and non-cash expenses.

"**Enforcement Proceeds**" shall have the meaning ascribed to such term in paragraph (b) of Clause 2.4 (*Status of the Bonds*).

"**Escrow Account**" means an account in NOK established as a client account with an Acceptable Bank in the name of NT Services AS as escrow agent, with the Issuer being the beneficial owner of such account, and blocked and pledged on first priority as security for the Issuer's obligations under the Finance Documents.

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

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

"**Exchange**" means:

(a) Oslo Børs (the Oslo Stock Exchange); or

(b) any Nordic regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

"**Excluded Subsidiaries**" means KMC Properties IV Denmark ApS and any direct or indirect Subsidiaries of the Property Group Parent which are not designated as Original Guarantors (and which has not been acquired after the Issue Date).

"**Existing Debt**" means the Financial Indebtedness under:

(a) the Existing Bond Issue, together with accrued interest and the applicable call premium; and

(b) the Existing RCF,

which shall be refinanced using part of the proceeds of the issuance of the Bonds.

"**Existing Bond Issue**" means the Issuer's senior secured NOK 1,850,000,000 bond issue with ISIN NO0010908163 pursuant to the bond terms dated 10 December 2020 entered into between the Issuer as issuer and Nordic Trustee AS as bond trustee for the Existing Bondholders.

"**Existing Bondholders**" means the persons who are registered in the CSD as directly registered owner or nominee holder of the bonds issued under the Existing Bond Issue.

"**Existing Bonds**" means the bonds issued under the Existing Bond Issue.

"**Existing Bonds Escrow Account**" means the blocked CSD account established as a client account in the name of NT Services AS as escrow agent which the Existing Bonds (received

as payment-in-kind for the Initial Temporary Bonds) will be credited. The Bond Escrow Account shall be pledged to the Bond Trustee on behalf of the holders of Initial Temporary Bonds under the Existing Bonds Escrow Account Pledge and blocked so that no withdrawals can be made therefrom without the Bond Trustee's prior written consent. The Existing Bonds on the Existing Bonds Escrow Account shall be (i) discharged in full once all Pre-Disbursement Conditions Precedents are duly fulfilled (or waived by the Bond Trustee), or (ii) applied, if required, for mandatory redemption in accordance with Clause 10.5 (*Mandatory early redemption due to a Mandatory Redemption Event*) timely (in respect of both paragraphs (i) and (ii)) in accordance with the Closing Procedure.

"**Existing Bonds Escrow Account Pledge**" means the first priority pledge over the Existing Bonds Escrow Account.

"**Existing RCF**" means the Issuer's NOK 200,000,000 revolving credit facility pursuant to a facility agreement dated 23 March 2021 entered into between, among others, the Issuer as borrower and DNB Bank ASA as lender.

"**Finance Documents**" means:

(a) these Bond Terms;

(b) the Security Documents;

(c) the Escrow Account Pledge;

(d) the Existing Bonds Escrow Account Pledge;

(e) the Bond Trustee Fee Agreement;

(f) the Intercreditor Agreement;

(g) and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

"**Financial Covenants**" means the financial undertakings set out in Clause 13.23 (*Financial Covenants*).

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

(a) moneys borrowed (and debit balances at banks or other financial institutions);

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);

(f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);

(g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Property Group Company which liability would fall within one of the other paragraphs of this definition;

(h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;

(i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;

(j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and

(k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs a) to j) above.

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

"**Financial Support**" means any loans, credit or guarantee or indemnity.

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

"**First Call Price**" means the call price in the Issuer must pay in relation to its exercise of the Call Option pursuant to paragraph (a)(ii) under Clause 10.2 (*Voluntary early redemption – Call Option*), being 102.50 per cent. of the Nominal Amount.

"**Floating Charges**" shall have the meaning ascribed to such term in paragraph (a) of Clause 2.5 (*Transaction Security*).

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

"**Group**" means the Issuer and all its Subsidiaries from time to time.

"**Group Company**" means each of the Issuer or any of its Subsidiaries.

"**Guarantee**" means the unconditional and irrevocable corporate guarantee (Norwegian: "*selvskyldnerkausjon*") in accordance with Norwegian or any other applicable law issued by each of the Guarantors in respect of the Secured Obligations.

"**Guarantor**" means each Original Guarantor and any Property Group Company being or becoming the direct or indirect owner of any Additional Properties.

"**Guarantor Share Pledges**" means the first priority share pledge over all of the shares in each Guarantor.

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

"**Incurrence Test**" means the test of the relevant financial covenants set out in Clause 13.25 (*Incurrence Test*).

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

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

"**Initial Properties**" means the properties owned (by leasehold or freehold, as relevant in each case) by the Original Guarantors on the Issue Date, as further set out in Attachment 5 hereto.

"**Initial Temporary Bonds**" has the meaning ascribed to such term in Clause 2.7 (*Initial Temporary Bonds*).

"**Initial Valuation**" means the initial valuation of each of the Properties as determined by Cushman & Wakefield Realkapital, and giving an aggregated Market Value in the amount of approximately NOK 1,524,000,000 (or equivalent in other currencies) as of 31 March 2023.

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

(a) is unable or admits inability to pay its debts as they fall due;

(b) suspends making payments on any of its debts generally; or

(c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

"**Intercompany Loan**" means any loans granted or to be granted by a Group Company to a Property Group Company, where (i) the loan or credit is scheduled to be outstanding for at least 6 months and (ii) the principal amount thereof is at least of NOK 5,000,000 (or the equivalent amount in another currency), provided that no Financial Indebtedness under any cash pooling arrangement shall constitute an Intercompany Loan.

"**Intercreditor Agreement**" means the intercreditor agreement to be entered into between, among others, the Issuer, the Bond Trustee, the Security Agent and the counterparties under any Permitted Hedging Obligation to document the super senior status of the Permitted Hedging Obligations, to be based on customary terms and conditions (from the Loan Market Association) and with no individual enforcement rights for any counterparty under the Permitted Hedging Obligations.

"**Interest Cover Ratio**" means, for each Relevant Period, the ratio of EBITDA to Net Interest Cost.

"**Interest Payment Date**" means the last day of each Interest Period, the first Interest Payment Date being 6 October 2023 and the last Interest Payment Date being the Maturity Date.

"**Interest Period**" means, subject to adjustment in accordance with the Business Day Convention, the periods between January, April, July and October each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

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

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

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

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

"**Issue Date**" means 6 July 2023.

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

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

"**Liquidity**" means the aggregate book value of the Cash and Cash Equivalents of the Group.

"**Listing Failure Event**" means:

(a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within 9 months following the Issue Date;

(b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or

(c) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within 3 months following the issue date for such Temporary Bonds.

"**Loan-to-Value Ratio**" means the ratio of (i) the aggregate interest bearing Financial Indebtedness less Cash and Cash Equivalents (set out in paragraphs (a) and (b) of that definition) of the Issuer and the Property Group (excluding any Subordinated Loan and loans between Property Group Companies, and after including or deducting, as the case may be, any positive or negative mark-to-market value under any permitted currency rate hedging transactions entered into for the purpose of hedging the Issuer's and the Property Group's currency exposure in relation to Financial Indebtedness) to (ii) the most recent Aggregated Market Value, provided that the amount of any Subordinated Loan and any Financial Indebtedness of the Issuer which is not incurred under the Finance Documents or Permitted Hedging Obligations shall be excluded from the calculation of Financial Indebtedness.

"**Longstop Date**" means 6 October 2023.

"**Loss Event**" means an event where:

(a) there is a total or constructive loss of a Property; or

(b) damages (and any related repair costs) to a Property exceed NOK 20,000,000.

"**LTV Account**" shall have the meaning ascribed to such term under paragraph (b) of Clause 13.24 (*Financial Covenants cure*).

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

(a) the First Call Price for the redeemed Bonds as if such payment originally had taken place on the First Call Date; and

(b) the remaining interest payments of the redeemed Bonds up to and including the First Call Date (excluding accrued but unpaid interest on the redeemed Bonds up to the Call Option Repayment Date),

where the present value shall be calculated by using a discount rate of 5.32 per cent. per annum, and where the Interest Rate applied for the remaining interest payments until the First Call Date shall be the applicable Interest Rate on the Call Option Repayment Date.

"**Managers**" means DNB Markets, a part of DNB Bank ASA, Pareto Securities AS and SpareBank 1 Markets AS.

"**Mandatory Redemption Event**" means in the event that:

(a) that the conditions precedent set out in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have not been fulfilled within the Longstop Date; or

(b) the Issuer at any time prior to the Longstop Date have determined in its discretion that such conditions will not be fulfilled or waived before the Longstop Date.

"**Mandatory Redemption Repayment Date**" means the settlement date for the Mandatory Redemption Event pursuant to Clause 10.5 (*Mandatory early redemption due to a Mandatory Redemption Event*).

"**Margin**" means 5.00 per cent. per annum.

"**Market Value**" means the market value of a property as determined by an Accepted Appraiser. Such Market Value shall be determined in respect of the Properties on a semi-annual basis (the first time no later than 31 December 2023) (or more often at the discretion of the Issuer) and shall be dated no earlier than 60 days prior to 30 June and 31 December in each year. Prior to the first valuation being received, the Market Value of the Properties shall be based on the Initial Valuation.

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

(a) the ability of the Issuer or any Guarantor to perform and comply with its obligations under any Finance Document; or

(b) the validity or enforceability of any of the Finance Documents.

"**Maturity Date**" means 6 July 2026, adjusted according to the Business Day Convention.

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

"**Mortgages**" means a first priority mortgage over the Properties, provided, however, that mortgages over any Properties located in Sweden or Denmark shall be limited to a transfer of existing security registration documents and, to the extent legally and practically possible, registration of new security registration documents by use of any existing stamp duty mortgages.

"**Net Cash Earnings**" means, on a consolidated basis for the Group, Net Income From Property Management less payable tax.

"**Net Income From Property Management**" means, the aggregate rental income less property expenses and other operational expenses and net realised financials.

"**Net Interest Bearing Debt**" means the aggregate interest bearing Financial Indebtedness (excluding any Subordinated Loan and intra-group loans) less Cash and Cash Equivalents (set out in paragraphs (a) and (b) of that definition) of the Group, and after adding back or deducting, as the case may be, any positive or negative mark-to-market value under any permitted currency rate hedging transactions entered into for the purpose of hedging the Group's currency exposure in relation to Financial Indebtedness.

"**Net Interest Cost**" means, for any Relevant Period, the aggregate gross cash interest costs of the Group related to the Group's interest-bearing debt less the aggregate gross cash interest income of the Group for that Relevant Period.

"**Net Loan-to-Value Ratio**" means the ratio of Net Interest Bearing Debt to the most recent Aggregated Market Value.

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

"**NIBOR**" means Norwegian Interbank Offered Rate being:

(a) the interest rate fixed for a period comparable to the relevant interest period by Global Rate Set Systems (GRSS) at approximately 12.00 (Oslo time) on the Interest Quotation Day; or

(b) if no screen rate is available for the relevant Interest Period;

  (i) the linear interpolation between the two closest relevant Interest Periods, and with the same number of decimals, quoted under paragraph (a) above; or

  (ii) a rate for deposits in the NOK for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or

(c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:

  (i) any relevant replacement reference rate generally accepted in the market; or

  (ii) such interest rate that best reflects the interest rate for deposits in NOK offered for the relevant Interest Period.

In each case, if such rate is below zero, NIBOR will be deemed to be zero.

"**NOK**" means Norwegian Kroner, being the legal currency of Norway.

"**Nominal Amount**" means the Initial Nominal Amount (less the aggregate amount by which each Bond has been partially redeemed, if any, pursuant to Clause 10 (*Redemption and repurchase of Bonds*)), or any other amount following a split of Bonds pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

"**Nordic Region**" means Norway, Sweden, Denmark and Finland.

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

"**Original Guarantor**" means each company listed in Attachment 4 hereto.

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

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

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

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

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

"**Permitted Acquisition**" means an acquisition by any Property Group Company of any additional property or additional property owning companies, provided that:

(a) no Event of Default is continuing on the closing date for the acquisition or would occur as a result of the acquisition; and

(b) the acquired company, business, undertaking or property is meeting the requirements set out under paragraph (b) of the definition of the term Additional Properties (unless the acquired company, business, undertaking or property is a part of the BEWI Acquisition).

"**Permitted Disposal**" means a disposal, including by way of de-merger, which is carried out at a fair market value, on terms and conditions customary for such transactions, and which:

(a) consists of a disposal of parts of a Property which:

    (i) is not a part of that Property on which any main building on that Property is situated and which is not otherwise necessary for the current or planned operations or activities on that Property; and

    (ii) will not result in net proceeds from such disposal in excess of NOK 20,000,000 (or its equivalent in other currencies); or

(b) consists of a sale or disposal of a Property (or as the case may be, the shares of a Property Group Company) to any third party that is not a member of the Property Group, provided that the Disposal Proceeds from any such sale or disposal are paid directly into the Disposal Account,

provided, in each case, that any such disposal does not have a Material Adverse Effect.

"**Permitted Distribution**" means any Distributions in each calendar year in aggregate not exceeding 50 per cent. of the Issuer's Net Cash Earnings for the previous calendar year, provided always that:

(a) the Issuer complies with the Incurrence Test if tested pro forma immediately after the making of such Distribution; and

(b) any unutilized portion of the Permitted Distribution in any calendar year may not be carried forward.

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

(a) incurred under the Finance Documents;

(b) incurred under any Intercompany Loans or other intra-group liabilities between Group Companies;

(c) incurred under any advance or deferred purchase agreement on normal commercial terms by any Property Group Company from any of its trading partners in the ordinary course of its trading activities;

(d) in existence as a result of a Permitted Acquisition where such Financial Indebtedness is (i) in the form of a seller's credit or (ii) already incurred by the acquired company, in each case to the extent such Financial Indebtedness is repaid within 90 days from completion of the acquisition;

(e) any Financial Indebtedness arising under any Permitted Hedging Obligations;

(f) incurred under any pension and tax liabilities incurred in the ordinary course of business;

(g) incurred under any netting or set-off arrangement entered into by any Property Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of Property Group Companies (if applicable); and

(h) not otherwise permitted under (a)–(g) above in the aggregate total amount for the Property Group which does not exceed NOK 20,000,000 (or its equivalent in other currencies).

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

(a) granted under the Finance Documents;

(b) created in respect of any Permitted Hedging Obligation;

(c) constituting Permitted Security;

(d) granted in respect of Permitted Financial Indebtedness referred to in paragraph (d) of the definition thereof, provided that such Financial Support is granted by Property Group Companies directly or indirectly acquired through the relevant Permitted Acquisition and that such Financial Support is discharged upon the repayment of such Permitted Financial Indebtedness (in accordance with the terms hereof);

(e) up until the first release of funds from the Escrow Account (or otherwise in accordance with the Closing Procedure), existing under the Existing Debt;

(f) made, granted or given by any Property Group Company for the benefit of another Property Group Company in the ordinary course of business;

(g) given in respect of (i) any netting or set-off arrangements permitted or (ii) any group account system or other cash pool arrangement, in each case as permitted in accordance with Clause 13.9 (*Negative pledge*);

(h) in the form of an intra-group loan from a Group Company to another Group Company; and

(i) not otherwise permitted by the preceding paragraphs which does exceed NOK 20,000,000 (or its equivalent in other currencies), in aggregate for the Property Group at any time.

"**Permitted Hedging Obligations**" means any obligation of the Issuer or any Property Group Company under a derivative transaction entered into with one or more hedge counterparties in connection with protection against or benefit from fluctuation in any rate or price, where such exposure arises in the ordinary course of business or in respect of payments to be made under the Bond Terms. Any Permitted Hedging Obligation may be secured by the Security provided under the Security Documents and any additional Security as permitted under paragraph (b) of the definition of the term Permitted Security, which shall be shared between the Secured Parties in accordance with the terms of the Intercreditor Agreement (pursuant to which it shall have super senior status with respect to any Enforcement Proceeds).

"**Permitted Reorganisation**" means:

(a) any transfer of shares in Excluded Subsidiaries from the Property Group Parent (or any of its Subsidiaries) to any other Group Company;

(b) any corporate merger on a solvent basis between an Excluded Subsidiary and an Original Guarantor with the Original Guarantor as the surviving entity; and

(c) the acquisition by the Property Group Parent (directly or indirectly) of any other Original Guarantor.

Notwithstanding anything to the contrary in these Bond Terms (i) the Excluded Subsidiaries shall at all times be excluded from the Property Group and shall not at any time be deemed a Property Group Company, and (ii) no other term set out in this term sheet shall restrict the Issuer or any Property Group Company from completion of the Permitted Reorganisation, provided no Event of Default is continuing.

"**Permitted Security**" means any Security:

(a) created under the Finance Documents;

(b) created in respect of any Permitted Hedging Obligation, provided that such security is extended to and shared between the Secured Parties pursuant to the terms of the Intercreditor Agreement;

(c) up until the first release of funds from the Escrow Account (or otherwise in accordance with the Closing Procedure), securing any Existing Debt;

(d) securing Permitted Financial Indebtedness referred to in paragraph (g) of the definition thereof;

(e) securing Permitted Financial Indebtedness referred to in paragraph (d) of the definition thereof, provided that such Security is limited to Security over assets directly or indirectly acquired through the relevant Permitted Acquisition and that such Security is

discharged upon the repayment of such Permitted Financial Indebtedness (in accordance with the terms hereof);

(f) arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Property Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any Property Group Company;

(g) in the form of any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;

(h) any assignment (by way of Security) of receivables arising under any group account system or other cash pool arrangement as security for any member of the Group's obligations under such group account system or other cash pool arrangement in favour of a provider of such group account system or other cash pool arrangement;

(i) any lien arising by operation of law;

(j) Security in the form of cash collateral securing any counter-indemnity obligation for guarantees, bonds, standby or documentary credits or any other instrument issued by a bank, financial institution or insurance company to any contractor performing work on or services in relation to any Property; and

(k) not otherwise permitted by the preceding paragraphs which does not secure any obligations of more than NOK 20,000,000 (or its equivalent in other currencies), in aggregate for the Property Group at any time.

"**Properties**" means the Initial Properties and any Additional Properties (always excluding Properties disposed through a Permitted Disposal).

"**Property Group**" means the Property Group Parent and its Subsidiaries from time to time.

"**Property Group Company**" means each of the Property Group Parent or any of its Subsidiaries.

"**Property Group Parent**" means KMC Properties AS (org.no. 924 527 714, incorporated in Norway).

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

"**Put Option Event**" means a Change of Control Event and a De-Listing Event.

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

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

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

"**Reference Rate**" means NIBOR.

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

"**Relevant Page**" means the relevant page on Bloomberg or such other information service provider that displays the relevant information.

"**Relevant Period**" means each period of twelve months ending on the relevant Quarter Date.

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

(a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or

(b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

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

"**Reporting Date**" means the date falling 120 days after the end of the financial year in respect of the Annual Financial Statements and the date falling 60 days after a Quarter Date in respect of the Interim Accounts, where the Issuer must make available its Financial Reports in accordance with Clause 12.1 (*Financial Reports*).

"**Secured Obligations**" means all present and future liabilities and obligations at any time due, owing or incurred by the Issuer or any Property Group Company to any Secured Party under the Finance Documents and any finance documents related to any Permitted Hedging Obligations, both actual and contingent.

"**Secured Parties**" means the Security Agent, the Bond Trustee (on behalf of itself and the Bondholders) and any counterparties under any Permitted Hedging Obligation or security agent acting on behalf thereof.

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

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

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

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

"**Security Documents**" means all of the documents which shall be executed or delivered pursuant to paragraph (iii) to (ix) under paragraph (a) Clause 2.5 (*Transaction Security*) and Clause 2.6 (*Additional Security*).

"**Settlement Escrow Account**" means an escrow account in NOK established as a client account in the name of NT Services AS as escrow agent, with the Issuer being the beneficial owner of such account, which shall be pledged in favour of the Bond Trustee and the other creditors providing the requisite funds to refinance the Existing Debt (on a pro rata basis).

"**Subordinated Loan**" means any loan or credit provided to the Issuer by a shareholder of the Issuer, provided that it is subordinated in right of payment to the Bonds, and does not (i) require the payment of cash interest at any time during the tenor of the Bonds, (ii) mature or require any amortisation or other payment prior to the latest Maturity Date, and (iii) provide for its acceleration or confer any right to declare any event of default prior to the latest Maturity Date.

"**Subsidiary**" means an entity over which the Issuer directly or indirectly has a Decisive Influence.

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

"**Surviving ISIN**" has the meaning ascribed to such term in Clause 2.7 (*Initial Temporary Bonds*).

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

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

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

"**Transaction Security**" means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Escrow Account Pledge, the Existing Bonds Escrow Account Pledge and the Security Documents.

"**Valuation Report**" means any report setting out the aggregated Market Value of all Properties on the relevant dates.

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

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

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

(a) headings are for ease of reference only;

(b) words denoting the singular number will include the plural and vice versa;

(c) references to Clauses are references to the Clauses of these Bond Terms;

(d) references to a time are references to Central European Time unless otherwise stated;

(e) references to a provision of "**law**" are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;

(f) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline by any official body;

(g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;

(h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;

(i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*);

(j) references to persons "**acting in concert**" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and

(k) an Event of Default is "**continuing**" if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

(a) The Issuer has resolved to issue a series of Bonds up to NOK 1,500,000,000 (the "**Maximum Issue Amount**"). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of NOK 900,000,000. The Issuer may, provided that the conditions set out in Clause 6.4 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a "**Tap Issue Addendum**").

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

(c) The Bonds are denominated in Norwegian Kroner (NOK), being the legal currency of Norway.

(d) The Initial Nominal Amount of each Bond is NOK 2,000,000.

(e) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.

(f) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders' Meeting*).

2.2 Tenor of the Bonds

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

2.3 Use of proceeds

(a) The Issuer will use the Net Proceeds from the issuance of the Bonds for:

(i) prepayment of parts of the Existing Debt; and

(ii) the surplus (if any) for general corporate purposes of the Property Group.

(b) The Issuer will use the Net Proceeds from the issuance of any Additional Bonds towards financing in part the BEWI Acquisition.

2.4 Status of the Bonds

(a) The Bonds shall constitute senior obligations of the Issuer. The Bonds shall rank pari passu between themselves and shall rank at least pari passu with all other senior obligations of the Issuer other than obligations which are mandatorily preferred by law. The Bonds shall rank ahead of any subordinated capital.

(b) The Bonds will be secured on a pari passu basis with the other Secured Parties in respect of the Transaction Security (other than the Escrow Account Pledge and the Existing Bonds Escrow Account Pledge), subject to the super senior status of the Permitted Hedging Obligations. The counterparties under any Permitted Hedging Obligation will receive (i) the proceeds from any enforcement of the Transaction Security and the Guarantees and certain distressed disposals and (ii) any payment following any other enforcement event in respect of any Security (collectively the "**Enforcement Proceeds**"), prior to the Bondholders and the Bond Trustee, but shall otherwise rank pari

passu in right of payment with the Bonds, in accordance with any Intercreditor Agreement, subject to obligations which are mandatorily preferred by law.

2.5 Transaction Security

(a) As Security (subject to mandatory limitations under applicable law and the Agreed Security Principles) for all amounts outstanding to the Secured Parties under the Secured Obligations (including any interest, default interest, costs and expenses) the following first priority security has been or will be executed (all in favour of the Security Agent (on behalf of the Secured Parties), except for the Security created over the Escrow Account and the Existing Bonds Escrow Account which shall only be granted in favour of the Bond Trustee (on behalf of the Bondholders)) within the times agreed in Clause 6 (*Conditions for disbursement*):

Pre-settlement Security:

(i) the Escrow Account Pledge;

(ii) the Existing Bonds Escrow Account Pledge;

Pre-disbursement Security:

(iii) the Guarantor Share Pledges;

(iv) the Assignment of Intercompany Loans;

(v) the Bank Account Pledges;

(vi) the Mortgages;

(vii) assignment by way of:

(A) a floating charge over the trade receivables (No.: "*factoringpant*") of each Guarantor incorporated in Norway;

(B) an enterprise mortgage security interest over and against the assets of any Guarantor incorporated in Finland in accordance with the Finnish Act on Enterprise Mortgages (634/1984, as amended);

(C) a transfer of existing business mortgage certificates issued in the business of any Guarantor incorporated in Sweden;

(D) a transfer of any existing registration documents in respect of floating charges over the business of any Guarantor incorporated in Denmark; and

(E) to the extent legally and practically possible, a floating charge over the assets of any Guarantor incorporated in any other jurisdiction,

together, the "**Floating Charges**".

(viii) the Assignment of Insurances; and

(ix) the Guarantees.

The Escrow Account Pledge, the Existing Bonds Escrow Account Pledge and the Security Documents shall remain in force until the Bonds have been repaid in full or otherwise released pursuant to paragraph (c) below.

(b) The Escrow Account Pledge, the Existing Bonds Escrow Account Pledge, the Security Documents and the Intercreditor Agreement shall be entered into on such terms and conditions as the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.

(c) The Security Agent shall be irrevocably authorised to release any Guarantees and Transaction Security over assets which are sold or otherwise disposed of (directly or indirectly) (A) in any merger, de-merger or disposal permitted in compliance with Clauses 13.6 (*Mergers)* or Clause 13.7 *(de-mergers*) or 13.11 (*Disposal of assets*) and (B) following an enforcement.

2.6 Additional Security

The security interests created pursuant to the Security Documents referred to in paragraphs (iii) to (ix) in Clause 2.5 (*Transaction Security*) shall also be granted in respect of any Additional Properties and any additional Property Group Companies (as applicable), to the extent not previously provided, upon assuming the ownership of such Additional Property or shares of any such additional Property Group Company.

2.7 Initial Temporary Bonds

Bonds issued pursuant to these Bond Terms and settled in cash will be issued with ISIN NO0012955105, which will be the surviving ISIN (the "**Surviving ISIN**") for the Bonds. Bonds issued pursuant to these Bond Terms and settled in kind by delivery of Existing Bonds will be issued with temporary ISIN NO0012955113 (the "**Initial Temporary Bonds**"). The ISIN for the Initial Temporary Bonds will be merged with the Surviving ISIN in connection with disbursement of funds to the Issuer and release of Existing Bonds (for discharge) from the Existing Bonds Escrow Account. The CSD and the Bond Trustee are authorised to carry out the aforesaid in the best practical way.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

(a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.

(b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

(a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these

Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.

(b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

(a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.

(b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 (*Bondholders' rights*) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall ensure that:

(a) the Bonds are listed on an Exchange within 9 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full; and

(b) any Temporary Bonds are listed on an Exchange where the other Bonds are listed within 3 months of the issue date for such Temporary Bonds.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

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

5.2 Obligation to ensure correct registration

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

5.3 Country of issuance

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

to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

(a) Payment of the proceeds from the issuance of the Bonds to the Escrow Account and transfer of any Existing Bonds (delivered as payment-in-kind for new Bonds) to the Existing Bonds Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:

(i) these Bond Terms duly executed by all parties hereto;

(ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;

(iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;

(iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;

(v) the Escrow Account Pledge and the Existing Bonds Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law;

(vi) copies of the Issuer's latest Financial Reports (if any);

(vii) confirmation that the applicable prospectus requirements (ref the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;

(viii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;

(ix) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);

(x) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;

(xi) the Bond Trustee Fee Agreement duly executed by the parties thereto; and

(xii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).

(b) The release of the proceeds from the issuance of the Bonds (on the Escrow Account) will not be disbursed to the Issuer unless the Bond Trustee has received or is satisfied that it will receive in due time (as determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee (other than any post-closing deliveries):

(i) a duly executed release notice from the Issuer, as set out in Attachment 2;

(ii) the Security Documents duly executed by all parties thereto and evidence of the establishment and perfection of the Transaction Security;

(iii) the Intercreditor Agreement duly executed by all relevant parties thereto;

(iv) unless delivered under paragraph (a) of this Clause 6.1 (C*onditions precedent for disbursement to the Issuer*) as pre-settlement conditions precedent:

(A) copies of all necessary corporate resolutions of each Obligor required to provide the Transaction Security and execute the Finance Documents to which it is a party;

(B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Obligor to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the relevant Obligor;

(C) copies of each Obligor's articles of association and of a full extract from the relevant company register in respect of each Obligor evidencing that the Obligors are validly existing;

(v) a copy of the Initial Valuation;

(vi) if required, a Closing Procedure, including a description of flow of funds, acceptable to the Bond Trustee;

(vii) evidence that (i) the Existing Debt will be repaid in full as soon as reasonably practicable after first disbursement and (ii) any Security for the Existing Debt will be released, in each case subject to the Closing Procedure;

(viii) confirmation from the Issuer that no Financial Indebtedness, Security or Financial Support exists within the Property Group other than as permitted pursuant to these Bond Terms;

(ix) unless included in the release notice referred to in paragraph (i) above, a written confirmation from the Issuer that no Event of Default has occurred and is continuing or will result from the release of funds from the Escrow Account;

(x) any other Finance Documents duly signed by all parties thereto; and

(xi) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Obligors and the legality, validity and enforceability of the Finance Documents (unless delivered under paragraph (a) of this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) as pre-settlement conditions precedent)).

(c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to a Closing Procedure.

6.2 Disbursement of the proceeds

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

6.3 Conditions subsequent

Except to the extent otherwise explicitly stated in these Bond Terms, the Issuer shall:

(a) as soon as possible, and in no event later than within 60 days of the date of the first disbursement from the Escrow Account, deliver to the Bond Trustee, in form and substance satisfactory to the Bond Trustee, the Security Documents in respect of (i) the Mortgages, (ii) the Floating Charges, (iii) the Assignments of Insurances, (iv) the Guarantor Share Pledges in respect of any Original Guarantor incorporated in the Netherlands and (v) the Guarantor Share Pledge in respect of KMC Industrial Properties Denmark ApS, duly executed by all parties thereto and evidence of the establishment and perfection of such Security;

(b) as soon as possible, and in no event later than within 90 days of the date of the first disbursement from the Escrow Account, procure that the Permitted Reorganisation is completed to the effect that all the Original Guarantors are or become Subsidiaries of the Property Group Parent; and

(c) in respect of paragraphs (a) and (b):

(i) the corporate documents referred to under paragraph (b)(iv) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) in respect of each entity being party to any Finance Document which is entered into or amended in connection therewith;

(ii) any other Finance Documents, security and guarantee confirmations or similar documentation reasonably requested by the Bond Trustee, duly signed by all parties thereto; and

(iii) legal opinions as may be required by the Bond Trustee (including in respect of corporate matters relating to the relevant Obligors and the legality, validity and enforceability of the Bond Terms and the Finance Documents).

6.4 Tap Issues

The Issuer may issue Additional Bonds if:

(a) a Tap Issue Addendum has been duly executed by all parties thereto;

(b) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents have been delivered;

(c) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds;

(d) the Issuer meets the Incurrence Test tested pro forma including the new Financial Indebtedness incurred as a result of issuing such Additional Bonds;

(e) as soon as possible, and in no event later than within fifteen (15) Business Days, after completion of the acquisition of any BEWI Acquisition Property (subject to mandatory limitations under applicable law in respect of financial assistance or otherwise):

    (i) the corporate documents referred to under paragraph (b)(iv) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) in respect of each BEWI Acquisition Property Owner; and

    (ii) the Security Documents in respect of the Guarantees, Assignments of Intercompany Loans and Bank Account Pledges to be granted by, and the Guarantor Share Pledges to be granted in each BEWI Acquisition Property Owner;

(f) as soon as possible, and in no event later than within sixty (60) Business Days, after completion of the acquisition of any BEWI Acquisition Property, deliver to the Bond Trustee, in form and substance satisfactory to the Bond Trustee (subject to mandatory limitations under applicable law in respect of financial assistance or otherwise), the Security Documents in respect of the Mortgages, the Floating Charges and the Assignments of Insurances to be granted by each BEWI Acquisition Property Owner; and

(g) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable)).

The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.4, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to a Closing Procedure.

6.5 Additional Properties

Any Additional Properties shall be subject to Additional Security and become subject to delivery of relevant conditions precedent documents described under Clause 6.1 (*Conditions*

precedent disbursement to the Issuer) in relation to such Property and Property Group Companies no later than forty-five (45) Business Days after (i) completion of such acquisition or (ii) the effective date of any Property being designated by the Issuer as an Additional Property in accordance with the definition of "Additional Properties".

7. REPRESENTATIONS AND WARRANTIES

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

(a) on the date of these Bond Terms;

(b) on the Issue Date;

(c) on each date of disbursement of proceeds from the Escrow Account; and

(d) on the date of issuance of any Additional Bonds.

7.1 Status

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

7.2 Power and authority

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

7.3 Valid, binding and enforceable obligations

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

7.4 Non-conflict with other obligations

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

7.5 No Event of Default

(a) No Event of Default exists or is likely to result from the making of disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.

(b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorizations and consents

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings, notarizations or registrations required:

(a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and

(b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

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

7.7 Litigation

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

7.8 Financial Reports

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

7.9 No Material Adverse Effect

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

7.10 No misleading information

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

7.11 No withholdings

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

7.12 Pari passu ranking

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

7.13 Security

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

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

(a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.

(b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.

(c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.

(d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

(a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.

(b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.

(c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 2 percentage points per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

8.3 Partial Payments

(a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:

(i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);

(ii) secondly, towards accrued interest due but unpaid; and

(iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.

(b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;

(i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*), or

(ii) if a resolution according to Clause 15 (*Bondholders' decisions*) has been made.

8.4 Taxation

(a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.

(b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:

(i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and

(ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.

(c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.

(d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

(a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account

connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.

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

8.6 Set-off and counterclaims

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

9. INTEREST

9.1 Calculation of interest

(a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.

(b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.

(c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

9.2 Payment of interest

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

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

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

10.2 Voluntary early redemption – Call Option

(a) The Issuer may redeem all or part of the Outstanding Bonds (the "**Call Option**") on any Business Day from and including:

(i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;

(ii) the First Call Date to, but not including, the Interest Payment Date in July 2025 at a price equal to 102.500 per cent. of the Nominal Amount for each redeemed Bond (the "**First Call Price**");

(iii) the Interest Payment Date in July 2025 to, but not including, the Interest Payment Date in January 2026 at a price equal to 101.667 per cent. of the Nominal Amount for each redeemed Bond;

(iv) the Interest Payment Date in January 2026 to, but not including, the Interest Payment Date in April 2026 at a price equal to 100.833 per cent. of the Nominal Amount for each redeemed Bond

(v) the Interest Payment Date in April 2026 to, but not including, the Maturity Date at a price equal to 100 per cent. of the Nominal Amount for each redeemed Bond.

(b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.

(c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed Call Option Repayment Date or, in the event of a prepayment by application of funds on the Disposal Account in accordance with Clause 13.21 (*Disposal Account*), by such prior notice as further set out therein. Such call notice given in respect of redemptions of Bonds shall be irrevocable, but may, at the Issuer's discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than 3 Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been lifted by that date, the call notice shall be null and void Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three (3) Business Days from the date of the notice.

(d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Mandatory repurchase due to a Put Option Event

(a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.

(b) The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.

(c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of fifteen (15) Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.

(d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

10.4 Early redemption option due to a tax event

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

10.5 Mandatory early redemption due to a Mandatory Redemption Event

(a) Upon a Mandatory Redemption Event, the Issuer shall, within five (5) Business Days after the Mandatory Redemption Event, redeem the Outstanding Bonds at a price of 100 per cent. (regardless of any Event of Default continuing at the time) of the Nominal Amount, by inter alia applying the funds deposited on the Escrow Account for such redemption.

(b) The Issuer shall redeem the:

(i) Bonds issued under the Surviving ISIN in cash (with a right to apply the funds deposited on the Escrow Account for such redemption); and

(ii) Initial Temporary Bonds, in either cash and/or by delivery of Existing Bonds (as payment-in-kind to the holders of the Initial Temporary Bonds (valued at their respective nominal amounts)). Any accrued and unpaid interest on the Initial Temporary Bonds shall be payable in cash, provided however, that the Issuer is entitled to withhold (by set-off) any accrued and unpaid interest on the Existing Bonds (used for repayment to each holder of Initial Temporary Bonds).

(c) Any redemption in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer's purchase of Bonds

The Issuer has the right to acquire and own the Bonds. Such Bonds may at the Issuer's discretion be retained by the Issuer or sold (but not discharged) (other than in relation to a process of full redemption of all Outstanding Bonds), including with respect to Bonds purchased pursuant to Clause 10.3 (Mandatory repurchase due to a Put Option Event).

11.2 Restrictions

(a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

(b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

The Issuer shall without being requested to do so, prepare:

(a) Annual Financial Statements in the English language and make them available on its website (alternatively by arranging for publication at Stamdata) as soon as they become available, and not later than 120 days after the end of the financial year.

(b) Interim Accounts in the English language and make them available on its website (alternatively by arranging for publication at Stamdata) as soon as they become available, and not later than 60 days after the relevant Quarter Date.

12.2 Requirements as to Financial Reports

(a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto.

(b) The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.21 (*Financial covenants*) as at such date.

(c) The Issuer shall include a list of current Property Group Companies and Properties with each Compliance Certificate together with the delivery of each Annual Financial Statement.

(d) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

12.3 Permitted Distributions

In addition to the obligation to provide a Compliance Certificate under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), the Issuer shall:

(a) in respect of any Tap Issue;

(b) prior to the making of a Permitted Distribution,

submit to the Bond Trustee a Compliance Certificate which shall also contain calculations and figures in respect of compliance with the Incurrence Test. The Bond Trustee may make any such compliance certificates available to Bondholders.

12.4 Valuation Reports

The Issuer shall on the first Reporting Date after 30 June and 31 December each year deliver the most recent updated Valuation Report to the Bond Trustee.

12.5 Put Option Event

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

12.6 Listing Failure Event

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

12.7 Information: Miscellaneous

The Issuer shall:

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

(b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);

(c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;

(d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;

(e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;

(f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and

(g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to comply with the undertakings set forth in this Clause 13 (*General and financial undertakings*).

13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

13.3 Continuation of business

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

13.4 Pari passu ranking

The Issuer shall, and shall ensure that each Obligor will, ensure that their obligations under the Finance Documents shall at all times rank at least pari passu as set out in Clause 2.4 (*Status of the Bonds*).

13.5 Corporate status

The Issuer shall not change its type of organization or jurisdiction of incorporation.

13.6 Mergers

The Issuer shall ensure that no Property Group Company shall carry out any merger or other business combination or corporate reorganisation involving a consolidation of the assets and obligations of any Property Group Company with any other companies or entities, if such transaction would have a Material Adverse Effect.

13.7 De-mergers

(a) Except as permitted under paragraph (b) below, the Issuer shall ensure that no Property Group Company will carry out any de-merger or other corporate reorganisation, other than any de-merger or other corporate reorganisation of any Property Group Company into two or more separate companies or entities which are (directly or indirectly) wholly-owned by the Property Group Parent (or, in the case of a Property Group Company that was not wholly-owned prior to such de-merger, owned with the same ownership percentage as the original Property Group Company was) and provided further that any

such de-merger or other corporate reorganisation is carried out at arm's length terms and does not have a Material Adverse Effect.

(b) Paragraph (a) above does not apply to any Permitted Disposal.

13.8 Financial Indebtedness

(a) Except as permitted under paragraph (b) below, the Issuer shall ensure that no Property Group Company will incur or allow to remain outstanding any Financial Indebtedness.

(b) Paragraph (a) above shall not prohibit any Group Company to incur, maintain or prolong any Permitted Financial Indebtedness.

13.9 Negative pledge

(a) Except as permitted under paragraph (b) below, the Issuer shall ensure that no Property Group Company will create or allow to subsist, retain, provide, prolong or renew any Security over any of its assets (whether present or future) or enter into arrangements having a similar effect.

(b) Paragraph (a) above does not apply to any Permitted Security.

13.10 Financial support

(a) Except as permitted under paragraph (b) below, the Issuer shall ensure that no Property Group Company will make or grant any Financial Support to or for the benefit of any person or group or otherwise voluntarily assume any financial liability, whether actual or contingent, in respect of any other person or group, not being a member of the Property Group.

(b) Paragraph (a) above does not apply to any Permitted Financial Support.

13.11 Disposal of assets

The Issuer shall ensure that no Property Group Company will sell transfer or otherwise dispose of directly or indirectly (A) shares in any Property Group Company, (B) any of the Properties or (C) all or a substantial part of its other assets or operations (other than to a Property Group Company), unless that transaction constitutes a Permitted Disposal.

13.12 Related party transactions

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall, and shall procure that all other Group Companies will, conduct all business transactions with any Affiliate which is not a Group Company on an arm's length basis.

13.13 Distributions

(a) Except as permitted under paragraph (b) below, the Issuer shall not declare or make any Distributions.

(b) Paragraph (a) above does not apply to any Permitted Distribution.

13.14 Subsidiaries distributions

The Issuer shall not permit any of its Subsidiaries to create or permit to exist any contractual obligation (or encumbrance) restricting the right of any Subsidiary to pay dividends or make other distributions to its shareholders, other than permitting to subsist such contractual obligation which is not reasonably likely to prevent the Issuer from complying with its payment obligations under these Bond Terms.

13.15 Intercompany Loans

The Issuer shall at all times ensure that any Intercompany Loans shall at all times be subject to an Assignment of Intercompany Loans and otherwise comply with the requirements set out herein.

13.16 Ownership

The Issuer shall remain the sole owner (directly or indirectly) of the Property Group Companies and ensure that the Property Group Companies shall continue to directly hold legal title to and own the entire beneficial interest in the respective Properties (or, in case of any leasehold property, hold the beneficial interest in the relevant lease agreements), except for any such change of ownership resulting from a Permitted Disposal.

13.17 Inspection

The Issuer shall at any time upon request of the Bond Trustee while an Event of Default is continuing, arrange for the Bond Trustee, and/or any persons appointed by the Bond Trustee, to inspect the Properties at the reasonable expense of the Issuer.

13.18 Insurances

The Issuer shall ensure that each Property Group Company shall at all times maintain (or ensure that the same is maintained) insurances in full force and effect, which include comprehensive and sufficient insurance cover (including full value insurance (No.: "*fullverdiforsikring*") or similar) of the Properties (including fixtures and improvements), in accordance with normal market practice for a prudent company in the same business, geography and market as the relevant Property Group Company and in such amounts, form, and with such insurance companies or underwriters as are consistent with prudent business practice.

13.19 Proper management and maintenance of the Properties

The Issuer shall ensure that each Property Group Company will procure that all buildings, plant, machinery, fixtures and fittings (to the extent legally owned by such Property Group Company) on each of its Properties are properly managed and maintained in accordance with good commercial real estate industry standard.

13.20 No alteration

The Issuer shall not, and shall ensure that the Property Group Companies will not, alter, use or demolish, or permit the alteration, use or demolition of the Properties where the consequences of such alteration, use or demolition would have a Material Adverse Effect.

13.21 Disposal Account

The Issuer shall procure that funds paid into the Disposal Account shall remain pledged and blocked in favour of the Security Agent (on behalf of the Secured Parties) until they are applied towards either:

(a) financing (in whole or in part) of any Permitted Acquisition (in relation to which Additional Security shall be granted) or the development, repair or re-building of any Property; or

(b) prepayment of Bonds (including accrued and unpaid interest) at the prevailing Call Option prices at the time of a (no less than five (5) Business Days) prior notice to the Bond Trustee and the Bondholders.

13.22 Loss Event

Upon a Loss Event occurring, the Issuer shall, as soon as sufficient insurance proceeds related to such event are made available to the Property Group, ensure that any insurance proceeds received in connection with a Loss Event shall be paid directly into the Disposal Account for application in accordance with Clause 13.21 (*Disposal Account*) above.

13.23 Financial Covenants

(a) The Issuer shall comply with the following covenants:

(i) **Interest Cover Ratio**: The Issuer shall ensure to maintain an Interest Cover Ratio of not less than 1.5x;

(ii) **Net Loan-to-Value Ratio**: The Issuer shall ensure that the Group maintains a Net Loan-to-Value Ratio below 75 per cent.;

(iii) **Liquidity**: The Issuer shall ensure that the Group maintains minimum Liquidity of an amount equal to the Net Interest Costs for the next 3 months; and

(iv) **Loan-to-Value Ratio**: The Issuer shall ensure that the Property Group maintains a Loan-to-Value Ratio below 75 per cent.

(b) The Issuer undertakes to comply with the Interest Cover Ratio, Net Loan-to-Value Ratio and Loan-to-Value Ratio at the relevant testing dates and Liquidity at all times, such compliance to be measured and tested on each Quarter Date and certified by the Issuer by the delivery of a Compliance Certificate.

(c) All Financial Covenants shall be calculated on a consolidated basis for the Group and the Property Group (as the case may be).

13.24 Financial Covenants cure

(a) *Interest Cover Ratio and Net Loan-to-Value Ratio covenant cures:*

(i) If the Issuer fails (or would otherwise fail) to comply with the Interest Cover Ratio and/or Net Loan-to-Value Ratio at any Reporting Date and the Issuer receives or has received any Cure Amount (as defined below) during the period from the last day of the Relevant Period up to the date of delivery to the Bond Trustee of the

Compliance Certificate in respect of such period, then the Interest Cover Ratio and/or Net Loan-to-Value Ratio (as the case may be) shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase EBITDA and/or reduce the Net Interest Bearing Debt for the Relevant Period to which the breach relates.

(ii) If, after the Interest Cover Ratio and/or Net Loan-to-Value Ratio is recalculated as set out above, the breach has been prevented or cured, the Interest Cover Ratio and/or Net Loan-to-Value Ratio (as the case may be) shall be deemed to have been satisfied on the relevant Reporting Date.

(iii) For the avoidance of doubt, any Cure Amount shall be applied for recalculation of the Interest Cover Ratio and the Net Loan-to-Value Ratio.

(b) *Loan-to-Value Ratio covenant cure:*

(i) If the Issuer fails (or would otherwise fail) to comply with the Loan-to-Value Ratio at any testing date, the Issuer shall be entitled to deposit funds on a separate bank account (the "**LTV Account**"), blocked and pledged in favour of the Security Agent as Security for the Secured Obligations.

(ii) If, on a Reporting Date or, if deposited later, on the date of delivery of a Compliance Certificate to the Bond Trustee, amounts are deposited on the LTV Account, an equal amount shall be deducted from the amount of Financial Indebtedness otherwise used for the calculation of the Loan-to-Value Ratio and, if the relevant amount were deposited after the relevant Reporting Date, the Loan-to-Value Ratio calculated on that Reporting Date shall be recalculated accordingly. If the recalculated Loan-to-Value Ratio is below 75 per cent., the Loan-to-Value Ratio shall be deemed to have been satisfied on the relevant Reporting Date.

(iii) If the Loan-to-Value Ratio is again satisfied (without including the relevant amount in the LTV Account), the Security Agent shall release and discharge the pledge over the LTV Account.

(c) *Maximum number of financial covenant cures:*

(i) The Issuer shall be limited to a maximum of two (2) Financial Covenant cures of actual failures to satisfy the Financial Covenants during the term of the Bonds. There shall be a minimum period of 12 months between each application of the Financial Covenant Cures.

(ii) No consecutive Financial Covenant cures are permitted.

(d) *Application of Cure Amount:*

The Financial Covenants Cure (other than in respect of the Loan-to-Value Ratio) is always subject to the Cure Amount in respect of any cure being deposited on a pledged account blocked in favour of the Security Agent as Security for the Secured Obligations

until the Financial Covenants are again satisfied (without including the relevant Cure Amount in the Financial Covenants calculation), in which case the Security Agent shall release and discharge the pledge over the account where the Cure Amount is deposited.

13.25 Incurrence Test

(a) The Incurrence Test is met if no Event of Default is continuing or would result from the relevant transaction and:

(i) in respect of any Distribution from the Issuer:

(A) the Net Loan-to-Value Ratio is less than 65.00 per cent.; and

(B) the Liquidity is higher than 1.5x minimum Liquidity; and

(ii) in respect of the incurrence of any Tap Issue:

(A) the Loan-to-Value Ratio is less than 65.00 per cent.; and

(B) the ratio of (i) the aggregate interest bearing Financial Indebtedness to be incurred under the respective Tap Issue to (ii) the market value (determined as set out in paragraph (a) (i) of Clause 13.26 (*Calculations and calculation adjustments*) below) of the relevant BEWI Acquisition Properties (to be acquired with the relevant Tap Issue proceeds) is equal to or less than 60.00 per cent.

13.26 Calculations and calculation adjustments

(a) The calculation of the Net Loan-to-Value Ratio, the Loan-to-Value Ratio and the Liquidity in accordance with the Incurrence Test shall be made as per a testing date determined by the Issuer, falling no earlier than fifteen (15) Business Days prior to the relevant Distribution or any Tap Issue, and where the Aggregated Market Value employed in the calculation shall be based on the latest available Valuation Report, provided that the Aggregated Market Value:

(i) of any BEWI Acquisition Properties to be acquired with the proceeds from any Tap Issue in respect of which the Incurrence Test is applied, shall be calculated using the purchase price of such BEWI Acquisition Property; and

(ii) shall include or exclude (as relevant) the Market Value of any other Properties or properties (as relevant) acquired, disposed of or discontinued by the Property Group or the Group (as relevant) after the date of the latest Valuation Report,

and shall be included or excluded (as applicable), pro forma in the calculation of the Aggregated Market Value.

(b) The calculation of interest bearing Financial Indebtedness in respect of any Tap Issue, shall take into account the increased debt resulting from the Tap Issue. Any cash balance resulting from the Tap Issue shall not reduce the interest bearing Financial Indebtedness.

(c) The calculation of Liquidity (in respect of any Distribution) shall be made on a pro forma basis as if the relevant Distribution had already been made.

14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

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

(a) *Non-payment*

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

(i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five (5) Business Days following the original due date; or

(ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five (5) Business Days following the original due date.

(b) *Breach of other obligations*

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

(c) *Misrepresentation*

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

(d) *Cross default*

If for the Issuer or any Property Group Company:

(i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or

(ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or

(iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or

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

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of NOK 20,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

The Issuer or any Property Group Company:

(i) is Insolvent; or

(ii) is object of any corporate action or any legal proceedings is taken in relation to:

(A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganization; or

(B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations under these Bond Terms; or

(C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or

(D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above of this Clause 14.1 (*Events of Default*); or

(E) for (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company,

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

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Issuer or any Property Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above of this Clause 14.1 (*Events of Default*) and is not discharged within twenty (20) Business Days.

(g) *Unlawfulness*

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

(i) the ability of the Issuer or such Property Group Company (as the case may be) to perform its obligations under these Bond Terms; or

(ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

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

(a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or

(b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

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

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

(b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

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

(a) for any Event of Default arising out of a breach of paragraph (a) (*Non-payment*) of Clause 14.1 (*Events of Default*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and

(b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

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

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

(a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

(b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

(c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.

(d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.

(e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.

(f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.

(g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a), section (i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

(a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:

(i) the Issuer;

(ii) Bondholders representing at least 1/10 of the Voting Bonds;

(iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or

(iv) the Bond Trustee.

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

(b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.

(c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).

(d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.

(e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.

(f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).

(g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").

(h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.

(i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from

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

(j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.

(k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).

(l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

(a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.

(b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.

(c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.

(d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

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

(b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.

(c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

(a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.

(b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.

(c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.

(d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:

(i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or

(ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,

shall not apply to a Written Resolution.

(e) The Summons for a Written Resolution shall include:

(i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and

(ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the Summons (the "**Voting Period**").

(f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.

(g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

(h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.

(i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

(a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

(b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

(c) Each of the Bond Trustee and the Security Agent is appointed as agent and representative (in Danish: *fuldmægtig og repræsentant*) for the Bondholders pursuant to Chapter 4 of the Danish Capital Markets Act under and in connection with the Bonds.

16.2 The duties and authority of the Bond Trustee

(a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.

(b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.

(c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.

(d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.

(e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.

(f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.

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

(h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:

    (i) complying with instructions of the Bondholders; or

    (ii) taking any action at its own initiative,

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

(i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.

(j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal amount in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

(a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

(b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

(a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.

(b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.

(c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.

(d) The Bond Trustee shall not be considered to have acted negligently in:

(i) acting in accordance with advice from or opinions of reputable external experts; or

(ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.

(e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents,

and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

(f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.

(g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.

(h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligor, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.

(i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

(a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.

(b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.

(c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5.

The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.

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

(e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

16.6 Security Agent

(a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Escrow Account Pledge, the Existing Bonds Escrow Account Pledge and the Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.

(b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.

(c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.

(d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require each Obligor and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.

(e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

(a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:

(i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;

(ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or

(iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

(b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Escrow Account Pledge, the Existing Bonds Escrow Account Pledge and the Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

17.2 Authority with respect to documentation

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

17.3 Notification of amendments or waivers

(a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.

(b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a) section (i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18. MISCELLANEOUS

18.1 Limitation of claims

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

18.2 Access to information

(a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.

(b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.

(c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

(a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

(b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).

(c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.

(d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:

(i) if by letter, when delivered at the address of the relevant party;

(ii) if by e-mail, when received; and

(iii) if by publication on a relevant information platform, when published.

(e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.

(f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):

(i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;

(ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and

(iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

(a) Subject to paragraph (b) below and provided that:

(i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");

(ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge"**); and

(iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

(A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.7 (*Information: Miscellaneous*) and Clause 13 (*General and financial undertakings*);

(B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and

(C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.

(b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the

due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.

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

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

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

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

19.2 Main jurisdiction

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

19.3 Alternative jurisdiction

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

(a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and

(b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

-----000-----

These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

The Issuer:	**As Bond Trustee and Security Agent:**
KMC PROPERTIES ASA	NORDIC TRUSTEE AS
.....	.....
By: Christian Linge	By: Lars Erik Lærum
Position: Attorney-in-fact	Position: Authorised signatory

These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

The Issuer:	**As Bond Trustee and Security Agent:**
KMC PROPERTIES ASA	NORDIC TRUSTEE AS
.....	.....
By: Christian Linge	By: Lars Erik Lærum
Position: Attorney-in-fact	Position: Authorised signatory

ATTACHMENT 1
COMPLIANCE CERTIFICATE

[date]

KMC Properties ASA FRN bonds 2023/2026 ISIN NO0012955105

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate [for the period [•]][required pursuant to Clause [ ] in connection with [ ], for which an Incurrence Test is required]. Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate and there has been no material adverse change to the financial condition of the Issuer since the date of the last accounts or the last Compliance Certificate submitted to you. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[With reference to paragraph (c) under Clause 12.2 (*Requirements to financial reports*), we confirm that as of the date of this letter the current Property Group Companies and Properties are listed in Schedule 1 attached hereto.]

[The financial covenants set out in Clause 13.23 (*Financial covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.]

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

Yours faithfully,
KMC Properties ASA

_____

Name of authorised person

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

ATTACHMENT 2
RELEASE NOTICE – ESCROW ACCOUNT

[date]

Dear Sirs,

KMC Properties ASA FRN bonds 2023/2026 ISIN NO0012955105

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

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

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

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

Yours faithfully,
KMC Properties ASA

_____

Name of authorized person

Enclosure: [copy of any written documentation evidencing the use of funds]

ATTACHMENT 3

AGREED SECURITY PRINCIPLES

(a) Security will be given by a Property Group Company, over such types of assets or asset classes provided as security under the Security or to the extent required to grant security over any shares (ownership interests) in any company becoming a Property Group Company.

(b) General statutory and customary limitations (e.g. financial assistance, corporate benefit and retention of title claims) may limit the ability of a Property Group Company to provide security or guarantee without inclusion of provisions limiting the responsibility for granting full legal valid and perfected security or guarantee or require that such security or guarantee is limited by an amount or otherwise.

(c) The security and extent of its perfection and scope shall take into account the cost, work and time of providing security which (in the Security Agent's sole discretion) must be proportionate to the benefit accruing to the Secured Parties. Without limiting the generality of the foregoing, registration of mortgages over properties in Sweden or Denmark or floating charges over the assets of a Group Company incorporated in Sweden or Denmark will be limited to an assignment or transfer of existing security registration documents and registration of new security registration documents by use of any existing stamp duty mortgages.

(d) Group Companies will not be required to give guarantees or enter into security documents if it would:

(i) result in any breach of corporate benefit, financial assistance, fraudulent preference or thin capitalisation laws or regulations (or analogous restrictions) of any applicable jurisdiction;

(ii) result in a significant risk to the officers of the relevant Group Company of contravention of their fiduciary duties and/or of civil or criminal liability,

unless such guarantees or security documents are accompanied by relevant provisions (limitation language) limiting the potential liability for the relevant Property Group Company, its management, officers or other employees.

(e) Security over monetary claims under insurance contracts shall exclude liability insurances and other third-party insurance.

(f) Security shall not be taken over leasehold property where such security will require third party consent and where such consent is not, despite the security provider's reasonable efforts, given.

(g) Security over bank accounts shall exclude (i) accounts in cash pool arrangement which are not, under the terms for those arrangements, bank accounts, (ii) tax deduction accounts (skattetrekkskonti), escrow or cash collateral accounts providing permitted

security and (iii) such accounts which, under the policies of the account bank, cannot or shall not be subject to third party security.

(h) Any assets subject to pre-existing third party arrangements which are permitted by the Finance Documents or any other contractual restrictions on assignments or absence of necessary regulations, registrations or similar, and which prevent those assets from being charged if so required by paragraph (a) above, will be excluded from any relevant security document but the relevant Property Group Companies must use reasonable endeavours to obtain consent to charging any such assets if the relevant asset is material.

(i) Security documents shall operate to create security rather than to impose any new commercial obligations or restrictions on use of the assets in the relevant Group Company's ordinary course of business prior to an event of default (i.e. blocking, transfer of title or similar) and shall, accordingly, not contain additional or duplicate representations or undertakings to those contained in the Finance Documents unless required for the creation, perfection, effectiveness or preservation of the security.

(j) Notwithstanding paragraph (a) above, guarantees and security will not be required from or over the assets of any joint venture or similar arrangement or any company in which a Group Company holds a minority interest.

(k) Perfection of security will not be required if it would materially and adversely affect the ability of the relevant Group Company to conduct its operations or business in the ordinary course. Where the blocking of the bank account is required by applicable law to perfect the Security, perfection of the bank account pledge will not be required until an Event of Default has occurred which is continuing.

(l) No notice of receivables security may be given in Sweden, Finland or Denmark to third party debtors until an event of default has occurred (and an acceleration notice has been served to the relevant debtors), regardless if such notice is required for perfection of such receivables security.

(m) Security will not be enforceable until an event of default has occurred and is continuing and an acceleration notice has been served to the relevant debtors. However, the foregoing shall not prevent action to block any pledged account following an event of default which is continuing.

(n) The Security Agent shall only be able to:

(i) exercise any powers of attorney (including, but not limited to, in respect of voting rights appertaining to any shares) granted under any security document or have the right to receive any dividends if an event of default has occurred and is continuing and, unless (in the sole opinion of the Security Agent) it could have an adverse effect on the interest of the Secured Parties, the Security Agent has given notice of its intention to exercise such powers of attorney, voting rights or dividend rights (as applicable), upon which such rights may no longer be exercised by the relevant pledgor; and

(ii) exercise any powers of attorney granted under any security document in relation to actions for perfecting and maintaining security if and when the relevant Obligor has failed to comply with a further assurance or perfection obligation within five (5) Business Days of receiving prior notice of it.

ATTACHMENT 4

ORIGINAL GUARANTORS

(a) KMC Properties AS (reg. no. 924 527 714, incorporated in Norway);

(b) Pesca Property AS (reg. no. 920 129 765, incorporated in Norway);

(c) Pesca Property Invest AS (reg. no. 922 307 563, incorporated in Norway);

(d) KMC Properties Nederland AS (reg. no. 925 719 501, incorporated in Norway);

(e) KMC Properties VI AS (reg. no. 926 446 312, incorporated in Norway);

(f) Pesca Property Danmark A/S (reg. no. 40552480, incorporated in Denmark);

(g) KMC Industrial Properties Denmark ApS (reg. no. 39120550, incorporated in Denmark);

(h) KMC Hvide Sande A/S (reg. no. 40981632, incorporated in Denmark);

(i) KMC Frederikshavn A/S (reg. no. 40992685, incorporated in Denmark);

(j) KMC Nykøbing Mors A/S (reg. no. 31499879, incorporated in Denmark);

(k) KMC Farsø A/S (reg. no. 31500028, incorporated in Denmark);

(l) KMC Hedensted ApS (reg. no. 43849611, incorporated in Denmark);

(m) Holland Industrial Properties B.V. (reg. no. 81185251, incorporated in the Netherlands);

(n) Zwartsluis Investment Properties B.V. (reg. no. 81273797, incorporated in the Netherlands);

(o) Wijchen Investment Properties B.V. (reg. no. 81274572, incorporated in the Netherlands);

(p) Oldenzaal Investment Properties B.V. (reg. no. 81274068, incorporated in the Netherlands);

(q) Someren Investment Properties B.V. (reg. no. 81274386, incorporated in the Netherlands);

(r) KMC Properties VI Finland Oy (reg. no. 3313590-5, incorporated in Finland);

(s) KMC Muurlantie Oy (reg. no. 3324395-7, incorporated in Finland);

(t) KMC Pajakatu Oy (reg. no. 3324396-5, incorporated in Finland);

(u) KMC Toravantie Oy (reg. no. 3324397-3, incorporated in Finland);

(v) Pesca Property Finland Oy (reg. no. 3097852-8, incorporated in Finland); and

(w) KMC Kuopio Oy (reg. no. 2863190-4, incorporated in Finland).

ATTACHMENT 5

INITIAL PROPERTIES

	Properties				Property Owner
	Address	**Registration details**	**Country**	**Leasehold / freehold**	
1	Mastotie 7, Kuopio	297-23-15-24 (Kuopio) 297-23-15-3-L1	Finland	Leasehold	KMC Kuopio OY
2	Muurlantie 438, Salo	734-662-2-2	Finland	Freehold	KMC Muurlantie Oy
3	Pajakatu 6, Sastamala	790-15-3-7	Finland	Freehold	KMC Pajakatu Oy
4	Toravantie 18, Satsamala	790-4-42-7	Finland	Freehold	KMC Toravantie Oy
5	Toravantie 18, Satsamala	790-402-3-49	Finland	Freehold	KMC Toravantie Oy
6	Nieuweweg 227, 6603 BM, Wijchen	Cadastral no. 2000, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
7	Nieuweweg 229, 6603 BM, Wijchen	Cadastral no. 2001, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
8	Nieuweweg 233, 6603 BM, Wijchen	Cadastral no. 2142, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
9	Nieuweweg 235, 6603 BM, Wijchen	Cadastral no. 2408, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
10	Nieuweweg 215, 6603 BM, Wijchen	Cadastral no. 2444, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
11	Near/next to Nieuweweg 235, 6603 BM, Wijchen	Cadastral no. 2447, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.

12	Nieuweweg 235A, 6603 BM, Wijchen	Cadastral no. 2550, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
13	Near/next to Nieuweweg 213, 6603 BM, Wijchen/Nieuweweg 215, 6603 BM, Wijchen	Cadastral no. 3094, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
14	Nieuweweg 213, 6603 BM, Wijchen/Nieuweweg 215, 6603 BM, Wijchen	Cadastral no. 3095, section B, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
15	Near Franciscusstraat, Wijchen	Cadastral no. 1164, section D, Wijchen	Netherlands	Freehold	Wijchen Investment Properties B.V.
16	Textielstraat 30, 7575 CA, Oldenzaal	Cadastral no. 1304, section E, Oldenzaal	Netherlands	Freehold	Oldenzaal Investment Properties B.V.
17	Near/ next Textielstraat 30, 7575 CA, Oldenzaal	Cadastral 1416, section E, Oldenzaal	Netherlands	Freehold	Oldenzaal Investment Properties B.V.
18	Near/ next to Textielstraat 30, 7575 CA, Oldenzaal	Cadastral 1417, section E, Oldenzaal	Netherlands	Freehold	Oldenzaal Investment Properties B.V.
19	Textielstraat 30, 7575 CA, Oldenzaal	Cadastral no. 1757, section E, Oldenzaal	Netherlands	Freehold	Oldenzaal Investment Properties B.V.
20	Near/ next to Textielstraat 30, 7575 CA, Oldenzaal	Cadastral no. 1882, section E, Oldenzaal	Netherlands	Freehold	Oldenzaal Investment Properties B.V.
21	Kanaalstraat 44, 5711 EJ, Someren	Cadastral no. 2993, Section H, Someren	Netherlands	Freehold	Someren Investment Properties B.V.

22	Schoolstraat 21A, 5711 CP, Someren	Cadastral no. 916, section M, Someren	Netherlands	Freehold	Someren Investment Properties B.V.
23	Near/next to Schoolstraat 21A, 5711 CP, Someren	Cadastral no. 1118, section M, Someren	Netherlands	Freehold	Someren Investment Properties B.V.
24	Near/next to Schoolstraat 21A, 5711 CP, Someren	Cadastral no. 1120, section M, Someren	Netherlands	Freehold	Someren Investment Properties B.V.
25	Near/next to De Kalkovens 10, 8064 PS, Zwartsluis	Cadastral no. 2676, section D, Zwartsluis	Netherlands	Freehold	Zwartsluis Investment Properties B.V.
26	De Kalkovens 10, 8064 PS, Zwartsluis	Cadastral no. 2950, section D, Zwartsluis	Netherlands	Freehold	Zwartsluis Investment Properties B.V.
27	De Kalkovens 10a, 8064 PS, Zwartsluis	Cadastral no. 3026, section D, Zwartsluis	Netherlands	Freehold	Zwartsluis Investment Properties B.V.
28	Near/next to De Dingstede (near de Kalkovens 10)	Cadastral no. 3027, section D, Zwartsluis	Netherlands	Freehold	Zwartsluis Investment Properties B.V.
29	Near/next to De Kalkovens 10, 8064 PS, Zwartsluis	Cadastral no. 3163, section D, Zwartsluis	Netherlands	Freehold	Zwartsluis Investment Properties B.V.
30	Near/next to De Kalkovens 10, 8064 PS, Zwartsluis (is water instead of land)	Cadastral no. 3918, section D, Zwartsluis	Netherlands	Freehold	Zwartsluis Investment Properties B.V.
31	Havrevænget 1, 9500 Hobro	0003ag, Hegedal, Hobro Jorder	Denmark	Freehold	KMC Industrial Properties Denmark ApS

32	Østerled 30, 4300 Holbæk	0020i, Holbæk Markjorder	Denmark	Freehold	KMC Industrial Properties Denmark ApS
33	Torvegade 41, 7160 Tørring	0008bh, Stovgård Hgd, Tørring	Denmark	Freehold	KMC Industrial Properties Denmark ApS
34	Tvilhovej 8, 6752 Tvilhov, Glejberg	0003k, Tvilho, Åstrup	Denmark	Freehold	KMC Industrial Properties Denmark ApS
35	Kidnakken 13, 4930 Maribo	0045bx, Maribo Markjorder	Denmark	Freehold	KMC Industrial Properties Denmark ApS
36	Tungevej 2, 6960 Hvide Sande	11nø, Søgård Hgd., Holmsland Klit, building no. 381	Denmark	Leasehold	KMC Hvide Sande A/S
37	Tungevej 2, 6960 Hvide Sande	11nø, Søgård Hgd., Holmsland Klit, building no. 474	Denmark	Leasehold	KMC Hvide Sande A/S
39	Århusgade 24, 9900 Frederikshavn	23ef, Flade, Frederikshavn Jorder	Denmark	Freehold	KMC Frederikshavn A/S
40	Rogalandsvej 3, 7900 Nykøbing Mors	3v, Tødsø By, Tødsø	Denmark	Freehold	KMC Nykøbing Mors A/S
41	Fabriksvej 3, 9640 Farsø	36, Fars By, Farsø	Denmark	Freehold	KMC Farsø A/S
42	Fabriksvej 4, 9640 Farsø	9fr, Fars By, Farsø	Denmark	Freehold	KMC Farsø A/S
43	Lundagervej 20, 8722, Hedensted	0001q, Hedensted, Gesager	Denmark	Freehold	KMC Hedensted ApS

ATTACHMENT 6
BEWI ACQUISITION PROPERTIES

	Properties				**Property Owner**
	Address	**Registration details**	**Country**	**Leasehold / freehold**	
1	Industrielaan 39, 2250 Olen	Olen, Section F, number 521/B	Belgium	Freehold	Jackon Insulation N.V
2	Hulshoutsesteenweg 33, 2220 Heist-Op-Den-Berg	Heist-Op-Den-Berg, first division, section C, numbers 279/C/2, 279/N/2, 275/G, 274/C and 284/A	Belgium	Freehold	Kemisol N.V
3	Ritzlebener Strasse 1, 39619 Mechau	Mechau, Sheet 300: land plot 23/16, 23/17, 23/14, 23/15, 23/1, 78/29, 38/0, 39/0, 90/24 Sheet 319: land plot 100/1 Sheet 306: land plot 65/29, 64/28, 66/29, 81/29 Sheet 307: land plot 23/12, 23/13, 29/1	Germany	Freehold	Jackon Insulation GmbH
4	Herrenhöfer Landstrasse 6, 99885 Ohrdruf	Ohrfruf Land plot 3926/26 and 3926/24	Germany	Freehold	Izoblok GmbH
5	4 Olszewskiego, Chorzów	Plot no. 2842/370 Perpetual Book no. KA1C/00016371/0	Poland	Freehold	Izoblok S.A.
6	4 Olszewskiego, Chorzów	Plot no. 2843/370 Perpetual Book no. KA1C/00015620/4	Poland	Freehold	Izoblok S.A.
7	Narutowicza Street, Chorzów	Plot no. 3092/422 Perpetual Book no. KA1C/00043731/0	Poland	Perpetual Usufruct (Leasehold)	Izoblok S.A. (holder of perpetual

					usufruct over the land and the owner of the buildings built on it)
8	15 Legnicka Street, Chorzów	Plot no. 2847/370, 2844/370 and 3362/370 Perpetual Book no. KA1C/00047138/1	Poland	Freehold	Izoblok S.A.
9	15 Legnicka Street, Chorzów	Plot no. 2845/370 Perpetual Book no. KA1C/00015619/4	Poland	Freehold	Izoblok S.A.
10	15 Legnicka Street, Chorzów	Plot no. 3363/370 Perpetual Book no. KA1C/00010560/0	Poland	Freehold	Izoblok S.A.
11	15 Narutowicza Street, Chorzów	Plot no. 2821/336 Perpetual Book no. KA1C/00024456/9	Poland	Freehold	Izoblok S.A.
12	11 Kluczborska Street, Chorzów	Plot no. 403/25 Perpetual Book no. KA1C/00015407/5 Plot no. 404/25 Perpetual Book no. KA1C/00015407/5 Plot no. 405/25 Perpetual Book no. KA1C/00015407/5 Plot no. 409/25 Perpetual Book no. KA1C/00047105/1 Plot no. 457/25 Perpetual Book no. KA1C/00048047/3 Plot no. 459/25 Perpetual Book no. KA1C/00015407/5 Plot no. 454/25	Poland	Leasehold	Izoblok S.A.

		Perpetual Book no. KA1C/00053349/8			

SCHEDULE 2: GUARANTEE AGREEMENT

THOMMESSEN

EXECUTION VERSION

GUARANTEE

(No. *selvskyldnerkausjon*)

made by

THE COMPANIES LISTED IN SCHEDULE 1
as Guarantors

in favour of

NORDIC TRUSTEE AS
as Security Agent

7 July 2023

TABLE OF CONTENT

1 DEFINITIONS AND INTERPRETATIONS 3

2 GUARANTEE AND LIMITATION THEREOF 5

3 PAYMENT ON DEMAND 6

4 CLAIM AGAINST THE ISSUER 7

5 REPRESENTATIONS AND WARRANTIES 7

6 UNDERTAKINGS 7

7 CONTINUING GUARANTEE AND COMPLIANCE WITH THE FA ACT 7

8 FURTHER ASSURANCE 8

9 ENFORCEMENT 9

10 APPLICATION OF PROCEEDS 9

11 INDEMNITY 9

12 POWER OF ATTORNEY 9

13 ASSIGNMENT 10

14 ADDITIONAL GUARANTORS 10

15 RESIGNATION OF GUARANTORS 10

16 RELEASE OF GUARANTEE OBLIGATIONS 11

17 MISCELLANEOUS PROVISIONS 11

18 GOVERNING LAW AND JURISDICTION 11

SCHEDULE 1: LIST OF GUARANTORS
SCHEDULE 2: FORM OF NOTICE OF DEMAND
SCHEDULE 3: FORM OF ACCESSION LETTER
SCHEDULE 4: FORM OF RESIGNATION LETTER
SCHEDULE 5: CONDITIONS PRECEDENT DOCUMENTS IN RESPECT OF ADDITIONAL GUARANTORS

THIS GUARANTEE (the "**Guarantee**") is dated 7 July 2023 and made by:

(1) **THE COMPANIES LISTED IN SCHEDULE 1** (*List of Guarantors*) hereto as guarantors (the "**Guarantors**" and each a "**Guarantor**"),

in favour of:

(2) **NORDIC TRUSTEE AS**, of Kronprinsesse Märthas plass 1, 0160 Oslo, Norway, with registration number 963 342 624, on behalf of the Secured Parties under the Intercreditor Agreement (as defined below) (the "**Security Agent**").

WHEREAS:

(A) Pursuant to a bond terms agreement dated 3 July 2023 (as amended, restated, modified and/or supplemented from time to time, the "**Bond Terms**") and made between KMC Properties ASA, a public limited liability company existing under the laws of Norway with registration number 990 727 007 and LEI code 5967007LIEEXZX8NJK85 as issuer (the "**Issuer**") and the Security Agent as bond trustee for the Bondholders, the Issuer has issued bonds (with ISIN NO0012955105 in a total amount of up to NOK 1,500,000,000 and an initial issue amount of NOK 900,000,000, subject to the terms and conditions of the Bond Terms.

(B) Certain parties, including but not limited to, the Issuer and the Security Agent, have further entered into an intercreditor agreement dated on or about the date of the Bond Terms (as amended, restated, modified and/or supplemented from time to time, the "**Intercreditor Agreement**") to regulate certain of their rights and obligations under, inter alia, the Bond Terms and certain other Debt Documents (as defined in the Intercreditor Agreement).

(C) It is a condition under the Bond Terms that each Guarantor executes and delivers an irrevocable and unconditional guarantee.

(D) The Security Agent shall hold guarantee and security interest created hereunder for the benefit of the Secured Parties pursuant to the terms of the Intercreditor Agreement.

IT IS DECLARED as follows:

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Guarantee terms defined in the Intercreditor Agreement have, unless otherwise defined herein, the meaning given to them in the Intercreditor Agreement, and:

"**Accession Letter**" means a document substantially in the form set out in Schedule 3 (*Form of Accession Letter).*

"**FA Act**" means the Norwegian Financial Agreements Act of 18 December 2020 no. 146 (No. *finansavtaleloven*).

"**Resignation Letter**" means a letter substantially in the form set out in Schedule 4 (*Form of Resignation*

Letter).

"**Secured Obligations**" shall have the meaning given to that term in the Intercreditor Agreement.

"**Security Period**" means the period beginning on the date of this Guarantee and ending on the date (as stated by the Security Agent) upon which the Secured Obligations have been unconditionally and irrevocably paid and discharged in full.

1.2 Construction

a) Unless a contrary indication appears, any reference in this Guarantee to:

(i) a provision of law is a reference to that provision as amended or re-enacted;

(ii) a party to this Guarantee and any Finance Document includes such party's successors in title and permitted transferees and assigns;

(iii) any Guarantee or instrument (including any Finance Document) is a reference to that Guarantee or instrument as amended, novated, supplemented, extended or restated subject to any restriction on such changes contained herein;

(iv) "**assets**" includes present and future properties, revenues and rights of every description;

(v) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality); and

(vi) a time of day is a reference to Oslo time.

b) In this Guarantee, a reference to a Clause or a Schedule is a reference to a clause of, or a schedule to this Guarantee except as otherwise indicated in this Guarantee.

c) Section, Clause and Schedule headings are for ease of reference only.

d) This Guarantee is entered into subject to the terms of the Intercreditor Agreement. In the event of a conflict between the terms of this Guarantee and the Intercreditor Agreement, then, to the extent the Guarantee and the Secured Parties' rights thereto would not be negatively affected, the terms of the Intercreditor Agreement shall prevail.

1.3 Guarantors' agent

a) Each Guarantor, to the extent legally permissible, by its execution of this Guarantee irrevocably appoints the Issuer to act on its behalf as its agent in relation to the Finance Documents and irrevocably appoints:

(i) the Issuer on its behalf to supply all information concerning itself, its financial condition and otherwise to the Secured Parties as contemplated by the Finance Documents and to give and receive all notices, consents and instructions to be given by such Guarantor under the Finance Documents, to agree, accept and

execute on its behalf all documents in connection with the Finance Documents (including amendments and variations and consents under any Finance Documents) and to execute any new Finance Documents and to take such other action as may be necessary or desirable by a Guarantor under or in connection with the Finance Documents, without further reference to or the consent of that Guarantor; and

(ii) each Secured Party to give any notice, demand or other communication to that Guarantor pursuant to the Finance Documents to the Issuer on its behalf.

b) Each Guarantor confirms that:

(i) it will be bound by any action taken by the Issuer under or in connection with the Finance Documents to the extent legally permissible; and

(ii) each Guarantor may rely on any action purported to be taken by the Issuer on behalf of that Guarantor.

c) The respective liabilities of each of the Guarantors under the Finance Documents shall not be in any way affected by:

(i) any actual or purported irregularity in any act done, or failure to act, by the Issuer;

(ii) the Issuer acting (or purporting to act) in any respect outside any authority conferred upon it by any Guarantor; or

(iii) any actual or purported failure by, or inability of, the Issuer to inform any Guarantor of receipt by it of any notification under the Finance Documents.

d) In the event a Guarantor issues a notice or other communication in conflict with any notices or other communication of the Issuer, the notice or communication of the Issuer shall prevail.

2 GUARANTEE AND LIMITATION THEREOF

2.1 Guarantee

a) Each Guarantor hereby, jointly and severally, irrevocably and unconditionally, on the terms and conditions set out herein, guarantee as independent primary obligors (No. *selvskyldnerkausjonist*) to the Security Agent (on behalf of the Secured Parties) the payment, discharge and punctual performance of the Secured Obligations until the expiry of the Security Period.

b) Each Guarantor hereby irrevocably and unconditionally undertakes with the Security Agent (on behalf of the Secured Parties) that it shall whenever any Debtor does not pay to any Secured Party any amount when due under or in connection with any Finance Document, within five (5) Business Days of first written notice of demand from the Security Agent pay any amount owed by an Debtor in connection with the Secured Obligations as if it was the principal obligor.

c) Each Guarantor hereby irrevocably and unconditionally undertakes that it will indemnify the Security Agent (on behalf of the Secured Parties) against any cost, loss or liability suffered by the Security Agent or the Secured Parties if any of the Secured Obligations is or becomes unenforceable, invalid or illegal.

d) To the extent required by applicable law, if any, each Guarantor's aggregate liability under this Guarantee shall never exceed NOK 1,950,000,000 plus interest thereon, fees, costs, expenses and indemnities as set out in the Finance Documents.

2.2 Guarantee limitations

a) *Norwegian Guarantors:* Notwithstanding anything to the contrary in this Guarantee, the obligations and liabilities of each Guarantor incorporated in Norway pursuant to this Guarantee shall be limited to the extent necessary to comply with mandatory provisions of law applicable to it, including sections 8-7 and 8-10 cf. section 1-3 of the Norwegian Private Limited Companies Act of 13 June 1997 no. 44 (No. *aksjeloven*) (as amended) or any other provision of law limiting the legal capacity or ability of that Norwegian Guarantor to give the intended guarantee. It is understood that the obligations and liabilities of each Norwegian Guarantor under this Guarantee shall always be interpreted so as to make such Norwegian Guarantor liable to the fullest extent permitted by Norwegian law.

b) *Danish Guarantors:* Notwithstanding anything to the contrary in this Guarantee, the Intercreditor Agreement, the Bond Terms or any other Debt Documents, the limitations set out in Clause 21.4.2 (*Danish law limitations*) of the Intercreditor Agreement shall apply mutatis mutandis to the obligations incurred under this Guarantee by each Guarantor incorporated in Denmark (a "**Danish Guarantor**") or, solely in the case of paragraph a) of Clause 21.4.2 (*Danish law limitations*) of the Intercreditor Agreement, to the obligations incurred under this Guarantee by such Danish Guarantor's Subsidiaries.

c) *Finnish Guarantors:* Notwithstanding anything to the contrary in this Guarantee or any other Debt Document, the obligations and liabilities of any Guarantor incorporated in Finland (each a "**Finnish Guarantor**") under this Guarantee shall not include (and shall be deemed and construed to expressly exclude) any obligations and liabilities to the extent they would constitute an unlawful distribution of assets as provided in Chapter 13, Section 1 of the Finnish Companies Act (*Osakeyhtiölaki* (624/2006), as amended) or unlawful financial assistance, as provided in Chapter 13, Section 10 of the Finnish Companies Act, or breach any other applicable mandatory provisions of Finnish corporate law, provided that it is acknowledged that the obligations and liabilities of each Finnish Guarantor shall apply to the fullest extent permitted by the aforementioned provisions of the Finnish Companies Act and other applicable mandatory provisions of Finnish corporate law.

3 PAYMENT ON DEMAND

In the case of failure by the Issuer punctually to pay any sum due under the Finance Documents (whether by acceleration or at stated maturity), each Guarantor hereby agrees to make such payment within five (5) Business Days of first written notice of demand from the Security Agent, substantially in the form attached as Schedule 2 hereto. For the avoidance of doubt this obligation shall not be

construed to be a waiver of the Guarantors' right to invoke any lawful defense it may have as an independent primary obligor (No. *selvskyldner*).

4 CLAIM AGAINST THE ISSUER

No Guarantor shall, until the Secured Obligations have been duly and irrevocably fulfilled and discharged in full (i) demand payment from the Issuer or any other Guarantor of amounts paid under this Guarantee without the written consent of the Security Agent, or (ii) prove in the liquidation or insolvency of the Issuer or any other Guarantor without the written consent of the Security Agent in respect of any moneys paid or payable or contingently payable by a Guarantor under this Guarantee, and if such consent is given shall give the Security Agent the benefit of every such proof and all moneys to be received in respect thereof.

5 REPRESENTATIONS AND WARRANTIES

5.1 Representations

Each Guarantor represents and warrants to the Security Agent that:

a) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Guarantee and the transactions contemplated by this Guarantee; and

b) this Guarantee does not conflict with any of its constitutional documents of the relevant Guarantor or any law or regulation applicable to the relevant Guarantor.

5.2 Repetition

All the representations and warranties set out in this Clause 5 are made by each Guarantor on the date of this Guarantee and are deemed to be repeated by each Guarantor on each date during the Security Period on which any of the representations or warranties set out in the Bond Terms are repeated with reference to the facts and circumstances then existing.

6 UNDERTAKINGS

a) Each Guarantor undertakes not to do or cause or permit to be done anything, or omit to take any action, which will, or could be reasonably expected to adversely affect the rights of the Security Agent under this Guarantee, or cause an Event of Default to occur, or which is in any way inconsistent with, jeopardises or otherwise prejudices the rights of the Security Agent under this Guarantee.

b) The undertakings in this Clause 6 remain in force throughout the Security Period and are given to each of the Security Agent and the Secured Parties.

7 CONTINUING GUARANTEE AND COMPLIANCE WITH THE FA ACT

7.1 Continuing guarantee

The Guarantee is a continuing guarantee, and shall extend to the ultimate balance of the Secured Obligations and shall continue in full force and effect notwithstanding any intermediate payment or

discharge in whole or in part of the Secured Obligations and shall be effective until the Security Agent has confirmed in writing that the Secured Obligations have been irrevocably discharged in full.

7.2 Waiver of defences

The obligations of the Guarantors under this Guarantee shall not be affected by any act, omission or circumstance which might operate to release or otherwise exonerate the Guarantors from its obligations under this Guarantee or prejudice or diminish those obligations in whole or in part (unless such release or exoneration is intended), including (but not limited to):

a) any time or waiver granted to, or composition with, a Guarantor or any other person;

b) any release of a Guarantor or any other person under the terms of any composition or arrangement with a Guarantor or any other person;

c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, a Guarantor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Guarantor or any other person;

e) any amendment or replacement of any Finance Documents or any other document or security interest;

f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Documents or any other document or security interest; or

g) any insolvency or similar proceedings.

7.3 Waiver of rights under the FA Act

If, and to the extent, the FA Act is applicable to this Guarantee, the provisions of the FA Act not being mandatory provisions, including (but not limited to) the provisions of Section 6-1 to 6-13 shall not apply to this Guarantee.

7.4 Other security

This Guarantee and the obligations of the Guarantors set out herein are in addition to, and independent of, any other guarantee or security which may be held by the Security Agent or any Secured Party at any time in respect of the Secured Obligations. No Guarantor shall be entitled to require the Security Agent first to proceed against or enforce any other guarantee or any security of, or claim payment from, the Issuer, any other Subsidiary or any other person.

8 FURTHER ASSURANCE

The Guarantors shall promptly do all such acts or execute all such documents (including assignments, transfers, notices and instructions) as the Security Agent may reasonably specify (and in such form as

the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)) to fulfil the intention of this Guarantee.

9 ENFORCEMENT

Upon and at any time following the occurrence of an Event of Default which is continuing and subject to the terms of the Intercreditor Agreement, this Guarantee is enforceable and the Security Agent may (at its discretion) enforce all or any part of the Guarantee created by this Guarantee in accordance with the applicable statutory procedures of enforcement.

10 APPLICATION OF PROCEEDS

Any proceeds collected or received by the Security Agent on behalf of the Secured Parties after an enforcement of the Guarantee (or any receiver appointed to collect or receive such proceeds) shall be applied by the Security Agent in payment of the Secured Obligations in accordance with the provisions of the Intercreditor Agreement (but without prejudice to the right of the Secured Parties to recover any shortfall from the Issuer or the Guarantors).

11 INDEMNITY

a) The Secured Parties and each agent or attorney appointed by the Security Agent under this Guarantee shall be entitled to be indemnified by the Guarantors in respect of all liabilities, costs and expenses properly incurred by them in connection with:

   (i) the execution or purported execution of any rights, powers or discretion vested in them under this Guarantee;

   (ii) the preservation or enforcement of its rights under this Guarantee; and

   (iii) the release of any obligation under this Guarantee;

   and the Secured Parties and any such agent or attorney may retain and pay all sums in respect of the same out of moneys received under the powers hereby conferred.

b) No Secured Party shall be liable for any losses or costs incurred by a Guarantor in connection with the exercise or purported exercise of any of the Secured Parties' rights, powers and discretions in good faith under this Guarantee, unless caused by its gross negligence or wilful misconduct.

c) In no case shall the Security Agent or any Secured Party be liable or held responsible for any indirect damage, consequential loss or loss of profit.

12 POWER OF ATTORNEY

The Guarantors hereby irrevocably appoint, to the extent permitted by applicable law, the Security Agent as its attorney-in-fact, with full power of substitution, to, following the occurrence of an Event of Default which is continuing, do any act which a Guarantor is obliged by this Guarantee to do, but in the reasonable opinion of the Security Agent has failed to do.

13 ASSIGNMENT

a) The Security Agent may at any time assign or transfer any of its rights and/or obligations under this Guarantee in accordance with the terms of the Finance Documents.

b) The Guarantors may not assign or transfer any of their rights and/or obligations under this Guarantee.

14 ADDITIONAL GUARANTORS

a) The Issuer may by written notice to the Security Agent request that any Subsidiary of KMC Properties AS accedes to this Guarantee and becomes a Guarantor (an "**Additional Guarantor**") in accordance with the terms of the Bond Terms.

b) A Subsidiary of KMC Properties AS shall become an Additional Guarantor if:

(i) the Issuer and the proposed Additional Guarantor deliver to the Security Agent a duly completed and executed Accession Letter; and

(ii) the Security Agent has received all of the documents and other evidence listed in Schedule 5 (*Conditions precedent documents*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Security Agent.

c) The Security Agent shall notify the Issuer promptly upon being satisfied that it has received (each in form and substance satisfactory to it) all the documents and other evidence required as conditions precedent documents in relation to that Additional Guarantor.

15 RESIGNATION OF GUARANTORS

a) Subject to the terms of the Bond Terms, the Issuer may request that a Subsidiary ceases to be a Guarantor (each a "**Resigning Guarantor**") by delivering to the Security Agent a duly completed Resignation Letter.

b) The Security Agent shall accept such Resignation Letter and notify the Issuer and the Guarantors of its acceptance if:

(i) the Issuer has confirmed to the Security Agent that no Event of Default under the Finance Documents entered into with one or several Secured Parties is continuing or would result from the acceptance of the Resignation Letter; and

(ii) no payment is due from the Resigning Guarantor under the Guarantee.

c) The resignation of any Resigning Guarantor is effective from the date on which the Security Agent confirms that the conditions for release are fulfilled at which time that Resigning Guarantor ceases to be a Guarantor and has no further rights or obligations under the Guarantee.

16 RELEASE OF GUARANTEE OBLIGATIONS

Upon expiry of the Security Period, the Security Agent shall, at the request and at the cost of the Guarantors, promptly release the Guarantors from all obligations hereunder and give such instructions and directions as the Guarantors reasonably may require in order to consummate such release.

17 MISCELLANEOUS PROVISIONS

17.1 Waivers

The rights of the Security Agent under this Guarantee may be waived only in writing and specifically, subject to the provisions of the Finance Documents, on such terms as the Security Agent sees fit.

17.2 Amendments

This Guarantee may not be amended unless by an instrument in writing and signed by or on behalf of the Guarantors and the Security Agent having obtained the requisite approval in accordance with the provisions of the Finance Documents.

17.3 Notices

The terms of Clause 18.3 (*Notices, contact information*) of the Bond Terms shall apply as if incorporated into this Guarantee and any notice given under or in connection with this Guarantee with references in such Clause to "this Agreement" being deemed references to this Guarantee, and the Parties hereto agree to be bound by terms *mutatis mutandis* identical to those applying pursuant Clause 18.3 (*Notices, contact information*) of the Bond Terms to the Parties of that document.

17.4 Counterparts

This Guarantee may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee.

17.5 Security Agent

The Security Agent is appointed pursuant to the Intercreditor Agreement and may be replaced in accordance with the provisions of the Intercreditor Agreement.

18 GOVERNING LAW AND JURISDICTION

a) This Guarantee shall be governed by and construed in accordance with Norwegian law.

b) The courts of Norway shall have exclusive jurisdiction over matters arising out of or in connection with this Guarantee. The Oslo District Court (No. *Oslo tingrett*) shall be the court of first instance. The submission to the jurisdiction of the Oslo District Court shall not limit the right of the Security Agent or a Secured Party to take proceedings against a Guarantor in any court which may otherwise exercise jurisdiction over the Guarantor or any of its assets.

* * *

This Guarantee has been entered into on the date stated at the beginning of this Guarantee by the Guarantors listed on the execution page at the end of this Guarantee.

SCHEDULE 1

LIST OF GUARANTORS

Name of Guarantor	Registration number	Jurisdiction
KMC Properties AS	924 527 714	Norway
Pesca Property AS	920 129 765	Norway
Pesca Property Invest AS	922 307 563	Norway
KMC Properties Nederland AS	925 719 501	Norway
KMC Properties VI AS	926 446 312	Norway
Holland Industrial Properties B.V.	81185251	The Netherlands
Zwartsluis Investment Properties B.V.	81273797	The Netherlands
Wijchen Investment Properties B.V.	81274572	The Netherlands
Oldenzaal Investment Properties B.V.	81274068	The Netherlands
Someren Investment Properties B.V.	81274386	The Netherlands
KMC Properties VI Finland Oy	3313590-5	Finland
KMC Muurlantie Oy	3324395-7	Finland
KMC Pajakatu Oy	3324396-5	Finland
KMC Toravantie Oy	3324397-3	Finland
Pesca Property Finland Oy	3097852-8	Finland
KMC Kuopio Oy	2863190-4	Finland
Pesca Property Danmark A/S	40552480	Denmark
KMC Industrial Properties Denmark ApS	39120550	Denmark
KMC Hvide Sande A/S	40981632	Denmark
KMC Frederikshavn A/S	40992685	Denmark
KMC Nykøbing Mors A/S	31499879	Denmark
KMC Farsø A/S	31500028	Denmark
KMC Hedensted ApS	43849611	Denmark

SCHEDULE 2
FORM OF NOTICE OF DEMAND

To: [•]

GUARANTEE DATED 7 JULY 2023 FOR THE OBLIGATIONS OF KMC PROPERTIES ASA – NOTICE OF DEMAND

We make reference to the Guarantee executed by yourselves in our favour dated 7 July 2023.

We hereby notify you that the obligations of the Issuer as described in the above mentioned Guarantee, [*amount*] are due and unpaid. Consequently, we hereby demand from you the prompt payment of [*amount*] which shall be paid forthwith to our account no. [•].

_____
Place/date

for and on behalf of
[•]
_____
Name:

SCHEDULE 3
FORM OF ACCESSION LETTER

To: Nordic Trustee AS as Security Agent

From: [Subsidiary of KMC Properties AS] and KMC Properties ASA

Date: [ ]

GUARANTEE AGREEMENT DATED 7 JULY 2023 (THE "GUARANTEE")

We refer to the Guarantee. This is an Accession Letter. Unless otherwise indicated, terms defined in the Guarantee have the same meaning in this letter.

1. [*Subsidiary of KMC Properties AS*] agrees to become an Additional Guarantor under the Agreement and to be bound by the terms of the Agreement as an Additional Guarantor pursuant to Clause 14 (*Additional Guarantors*) of the Guarantee.

2. [Subsidiary of KMC Properties AS] is a company duly incorporated or formed under the laws of [name of relevant jurisdiction].

3. [Insert guarantee limitation language, if appropriate pursuant to applicable law]

4. [Subsidiary of KMC Properties AS'] administrative details are as follows:

   Address:
   E-mail:
   Attention:

This Accession Letter is governed by Norwegian law.

KMC PROPERTIES ASA
as Issuer

By:
Name:
Title: [Authorised signatory]

[SUBSIDIARY OF KMC PROPERTIES AS]
as Additional Guarantor

By:
Name:
Title: [Authorised signatory]

NORDIC TRUSTEE AS
as Security Agent

By:
Name:
Title: [Authorised signatory]

SCHEDULE 4
FORM OF RESIGNATION LETTER

To: Nordic Trustee AS as Security Agent

From: [Subsidiary of KMC Properties AS] and KMC Properties ASA

Date: [ ]

GUARANTEE AGREEMENT DATED 7 JULY 2023 (THE "GUARANTEE")

We refer to the Guarantee. This is a Resignation Letter. Unless otherwise indicated, terms defined in the Guarantee have the same meaning in this letter.

Pursuant to Clause 15 (*Resignation of Guarantors*) of the Guarantee, we request that [Subsidiary] (the "**Resigning Guarantor**") is released from its obligations as a Guarantor under the Guarantee.

We confirm that:

(i) no Event of Default under the Finance Documents entered into with one or several Secured Parties is continuing or would result from the acceptance of the Resignation Letter; and

(ii) no payment is due from the Resigning Guarantor under the Guarantee.

This Resignation Letter is governed by Norwegian law.

KMC PROPERTIES ASA as Issuer

By:
Name:
Title: [Authorised signatory]

[SUBSIDIARY OF KMC PROPERTIES AS]
as Resigning Guarantor

By:
Name:
Title: [Authorised signatory]

NORDIC TRUSTEE AS as Security Agent

By:
Name:
Title: [Authorised signatory]

SCHEDULE 5

CONDITIONS PRECEDENT DOCUMENTS IN RESPECT OF ADDITIONAL GUARANTORS

a) An Accession Letter executed by the Additional Guarantor and the Issuer;

b) a copy of its articles of association (or similar documentation);

c) a copy of its certificate of registration (or similar documentation);

d) a copy of a resolution of its board of directors (or equivalent governing body):

(i) approving the terms of, and the transactions contemplated by, the Accession Letter and the Guarantee and resolving that it executes, delivers and performs the Accession Letter and any other related documents;

(ii) authorising a specified person or persons to execute the Accession Letter and any other related documents to which it is a party on its behalf; and

(iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all other documents and notices to be signed and/or despatched by it under or in connection with the Guarantee and any other related documents to which it is a party.

e) if not included in the resolutions referred to in item d above, a copy of a power of attorney to its representatives for the execution and registration of the Accession Letter and any other related documents to which it is a party;

f) if required, a resolution of its shareholders or of its board of directors (as applicable) for the execution of the Accession Letter and any other related documents to which it is or shall become a party;

g) confirmation that the representations and warranties included in Clause 5 of the Guarantee are true and accurate for the Additional Guarantor; and

h) if required by the Security Agent, legal opinions in form and substance satisfactory to the Security Agent from lawyers acceptable to the Security Agent on matters concerning all relevant jurisdictions.

SIGNATORIES

The Guarantors:

KMC PROPERTIES AS

By:

Name: Christian Linge
Title: Attorney-in-fact

PESCA PROPERTY AS

By:

Name: Christian Linge
Title: Attorney-in-fact

PESCA PROPERTY INVEST AS

By:

Name: Christian Linge
Title: Attorney-in-fact

KMC PROPERTIES NEDERLAND AS

By:

Name: Christian Linge
Title: Attorney-in-fact

KMC PROPERTIES VI AS

By:

Name: Christian Linge
Title: Attorney-in-fact

HOLLAND INDUSTRIAL PROPERTIES B.V.

By:

Name: Christian Linge
Title: Attorney-in-fact

ZWARTSLUIS INVESTMENT PROPERTIES B.V.

By:

Name: Christian Linge
Title: Attorney-in-fact

WIJCHEN INVESTMENT PROPERTIES B.V.

By:

Name: Christian Linge
Title: Attorney-in-fact

OLDENZAAL INVESTMENT PROPERTIES B.V.

By: _____

Name: Christian dinge
Title: Attorney-in-fact

SOMEREN INVESTMENT PROPERTIES B.V.

By: _____

Name: Christian dinge
Title: Attorney-in-fact

KMC PROPERTIES VI FINLAND OY

By: _____

Name: Christian dinge
Title: Attorney-in-fact

KMC MUURLANTIE OY

By: _____

Name: Christian dinge
Title: Attorney-in-fact

KMC PAJAKATU OY

By: _____

Name: Christian dinge
Title: Attorney-in-fact

KMC TORAVANTIE OY

By: _____

Name: Christian dinge
Title: Attorney-in-fact

PESCA PROPERTY FINLAND OY

By: _____

Name: Christian dinge
Title: Attorney-in-fact

KMC KUOPIO OY

By: _____

Name: Christian dinge
Title: Attorney-in-fact

PESCA PROPERTY DANMARK A/S

By:

Name: Christian Dinge
Title: Attorney-in-fact

KMC INDUSTRIAL PROPERTIES DENMARK APS

By:

Name: Christian Dinge
Title: Attorney-in-fact

KMC HVIDE SANDE A/S

By:

Name: Christian Dinge
Title: Attorney-in-fact

KMC FREDERIKSHAVN A/S

By:

Name: Christian Dinge
Title: Attorney-in-fact

KMC NYKØBING MORS A/S

By:

Name: Christian Dinge
Title: Attorney-in-fact

KMC FARSØ A/S

By:

Name: Christian Dinge
Title: Attorney-in-fact

KMC HEDENSTED APS

By:

Name: Christian Dinge
Title: Attorney-in-fact

The Security Agent:
NORDIC TRUSTEE AS

By: _____

Name: Lars Erik Lærum

Title: Authorised signatory

SCHEDULE 3: INTERCREDITOR AGREEMENT

THOMMESSEN

INTERCREDITOR AGREEMENT

between

KMC PROPERTIES ASA
as the Company

THE COMPANIES REFERRED TO HEREIN
as Original Debtors

NORDIC TRUSTEE AS
in its capacity as bond trustee under the Senior Secured Bond Terms

and

NORDIC TRUSTEE AS
as Security Agent

dated 3 July 2023

TABLE OF CONTENTS

1 DEFINITIONS AND INTERPRETATION 3

2 RANKING AND PRIORITY 15

3 PARI PASSU CREDITORS AND PARI PASSU LIABILITIES 16

4 HEDGE COUNTERPARTIES AND HEDGING LIABILITIES 17

5 HEDGE TRANSFER 23

6 EFFECT OF INSOLVENCY EVENT 24

7 TURNOVER OF RECEIPTS 25

8 REDISTRIBUTION 26

9 ENFORCEMENT OF TRANSACTION SECURITY AND GUARANTEES 27

10 NON-DISTRESSED DISPOSALS 28

11 DISTRESSED DISPOSALS 29

12 FURTHER ASSURANCE – DISPOSALS AND RELEASES 30

13 APPLICATION OF PROCEEDS 31

14 ADDITIONAL DEBT 33

15 THE SECURITY AGENT 34

16 PARI PASSU CREDITOR REPRESENTATIVES PROTECTIONS 44

17 CHANGES TO THE PARTIES 46

18 COSTS AND EXPENSES 48

19 OTHER INDEMNITIES 49

20 INFORMATION 49

21 NOTICES 50

22 MISCELLANEOUS 51

23 GOVERNING LAW 55

24 ENFORCEMENT 55

SCHEDULES:

SCHEDULE 1: THE ORIGINAL DEBTORS

SCHEDULE 2: FORM OF DEBTOR ACCESSION AGREEMENT

SCHEDULE 3: FORM OF CREDITOR/AGENT ACCESSION UNDERTAKING

SCHEDULE 4: FORM OF DEBTOR RESIGNATION REQUEST

SCHEDULE 5: ENFORCEMENT PRINCIPLES

SCHEDULE 6: AGREED SECURITY PRINCIPLES

THIS INTERCREDITOR AGREEMENT (the "**Agreement**") is dated 3 July 2023 and made between:

(1) **KMC PROPERTIES ASA**, a private limited liability company existing under the laws of Norway with registration number 990 727 007 (the "**Company**");

(2) **THE COMPANIES** listed in Schedule 1 (*The Original Debtors*) as original Debtors (the "**Original Debtors**");

(3) **THE ENTITIES** acceding to this Agreement in such capacities as Hedge Counterparties;

(4) **NORDIC TRUSTEE AS** as bond trustee for the Senior Secured Bondholders (the "**Senior Secured Bond Trustee**"); and

(5) **NORDIC TRUSTEE AS** as security agent for the Secured Parties (the "**Security Agent**").

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"**1992 ISDA Master Agreement**" means the 1992 Master Agreement (Multicurrency – Cross Border) as published by the International Swaps and Derivatives Association, Inc.

"**2002 ISDA Master Agreement**" means the 2002 Master Agreement as published by the International Swaps and Derivatives Association, Inc.

"**Acceleration Event**" means the Creditor Representative of any Pari Passu Creditor(s) exercising any of its rights under any acceleration provisions, or any acceleration provisions being automatically invoked, in each case under the relevant Pari Passu Debt Document.

"**Affiliate**" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"**Agreed Security Principles**" means the principles set out in Schedule 6 (*Agreed Security Principles*).

"**Automatic Early Termination**" means the termination or close-out of any hedging transaction prior to the maturity of that hedging transaction which is brought about automatically by the terms of the relevant Hedging Agreement (if applicable) and without any party to the relevant Hedging Agreement taking any action to terminate that hedging transaction.

"**Business Day**" means a day on which the relevant CSD settlement system is open, and the relevant bond currency settlement system is open.

"**Charged Property**" means all of the assets which from time to time are, or are expressed to be, the subject of the Transaction Security.

"**Close-Out Netting**" means:

a) in respect of a Hedging Agreement based on a 1992 ISDA Master Agreement, any step involved in determining the amount payable in respect of an Early Termination Date (as defined in the 1992 ISDA Master Agreement) under section 6(e) (*Payments on Early Termination*) of the 1992 ISDA Master Agreement before the application of any subsequent Set-off (as defined in the 1992 ISDA Master Agreement);

b) in respect of a Hedging Agreement based on a 2002 ISDA Master Agreement, any step involved in determining an Early Termination Amount (as defined in the 2002 ISDA Master Agreement) under section 6(e) (*Payments on Early Termination*) of the 2002 ISDA Master Agreement; and

c) in respect of a Hedging Agreement not based on an ISDA Master Agreement, any step involved on a termination of the hedging transactions under that Hedging Agreement pursuant to any provision of that Hedging Agreement which has a similar effect to either provision referenced in paragraphs a) and b) above.

"**Common Assurance**" means any Guarantee, the benefit of which (however conferred) is, to the extent legally possible and subject to the Agreed Security Principles, given to all the Secured Parties in respect of their Liabilities and which (subject to the terms of this Agreement) ranks in the order of priority contemplated in Clause 2.2 (*Guarantee and Transaction Security*).

"**Common Currency**" means NOK.

"**Common Currency Amount**" means, in relation to an amount, that amount converted (to the extent not already denominated in the Common Currency) into the Common Currency at the Security Agent's Spot Rate of Exchange on the Business Day prior to the relevant calculation.

"**Common Transaction Security**" means any Transaction Security which to the extent legally possible and subject to the Agreed Security Principles is created in favour of the Security Agent as agent for or on behalf of the other Secured Parties in respect of their Liabilities and which (subject to the terms of this Agreement) ranks in the order of priority contemplated in Clause 2.2 (*Guarantee and Transaction Security*).

"**Credit Related Close-Out**" means any Permitted Hedge Close-Out which is not a Non-Credit Related Close-Out.

"**Creditor/Creditor Representative Accession Agreement**" means an agreement substantially in the form set out in Schedule 3 (*Form of Creditor/Creditor Representative Accession Agreement*).

"**Creditor Representative**" means:

a) in relation to each of the Senior Secured Bondholders, the Senior Secured Bond Trustee;

b) in relation to any other Pari Passu Bondholder, the person which has acceded to this Agreement as the Creditor Representative thereof pursuant to the terms of this Agreement; and

c) in relation to any other Pari Passu Creditor, the person which has acceded to this Agreement as the Creditor Representative thereof pursuant to the terms of this Agreement.

"**Creditors**" means the Primary Creditors.

"**Danish Capital Markets Act**" means the Danish Capital Markets Act (in Danish: lov om kapitalmarkeder), Consolidated Act no. 41 of 13 January 2023 as amended.

"**Danish Companies Act**" means the Danish Companies Act (in Danish: lov om aktie- og anpartsselskaber), Consolidated Act no. 1451 of 11 September 2022 as amended.

"**Danish Debtor**" has the meaning given to that term in Clause 22.4.2 (*Danish law limitations*).

"**Danish Transaction Security Document**" has the meaning given to that term in c) of Clause 15.1 (*Security Agent as agent*).

"**Debt Disposal**" means any disposal of any Liabilities pursuant to Clause 11.1 (*Facilitation of Distressed Disposals*).

"**Debt Document**" means each of this Agreement, the Hedging Agreements, the Pari Passu Debt Documents, any Guarantee Agreement, the Security Documents and any other document designated as such by the Security Agent and a Debtor.

"**Debtor**" means each Original Debtor and any person which becomes a Party to the Debt Documents as a Debtor pursuant to the terms of this Agreement.

"**Debtor Accession Agreement**" means an agreement substantially in the form set out in Schedule 2 (*Form of Debtor Accession Agreement*).

"**Debtor Resignation Request**" means a notice substantially in the form set out in Schedule 4 (*Form of Debtor Resignation Request*).

"**Default**" means 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 under the Debt Documents or any combination of any of the foregoing) be an Event of Default.

"**Delegate**" means any delegate, agent, attorney, co-security agent or co-trustee appointed by the Security Agent.

"**Distress Event**" means any of:

a) an Acceleration Event;

b) the enforcement of any Transaction Security; or

c) (unless the context otherwise requires) the making of any demand under any Guarantee Agreement.

"**Distressed Disposal**" means a disposal of any Charged Property which is being effected:

a) at the request of the Majority Pari Passu Creditors in circumstances where the Transaction Security has become enforceable;

b) by enforcement of the Transaction Security; or

c) after the occurrence of a Distress Event, by a Debtor to any person which is not a member of the Group.

"**Dutch Civil Code**" means the Dutch civil code (*Burgerlijk Wetboek*).

"**Enforcement**" means the enforcement or disposal of any Transaction Security, the requesting of a Distressed Disposal and/or the release or disposal of claims and/or Transaction Security on a Distressed Disposal under Clause 11 (*Distressed Disposals*), the giving of instructions as to actions with respect to the Transaction Security and/or the Charged Property following an Insolvency Event under Clause 6.5 (*Security Agent instructions*) and the taking of any other actions consequential on (or necessary to effect) any of those actions.

"**Enforcement Action**" means:

a) in relation to any Liabilities:

(i) the acceleration of any Liabilities or the making of any declaration that any Liabilities are prematurely due and payable (other than as a result of it becoming unlawful for a Primary Creditor to perform its obligations under, or of any voluntary or mandatory prepayment arising under, the Debt Documents);

(ii) the making of any declaration that any Liabilities are payable on demand;

(iii) the making of a demand in relation to a Liability that is payable on demand;

(iv) the making of any demand against any member of the Group in relation to any Guarantee or any other guarantee or indemnity or other assurance against loss in respect of the Liabilities of that member of the Group;

(v) the exercise of any right to require any member of the Group to acquire any Liability (including exercising any put or call option against any member of the Group for the redemption or purchase of any Liability other than in connection with an asset sale offer or a change of control offer (however defined) pursuant to the terms of the Pari Passu Debt Documents) and excluding any open market purchases of, or any voluntary tender offer or exchange offer for, Pari Passu Bonds at a time at which no Default is continuing;

(vi) the exercise of any right of set-off, account combination or payment netting against any member of the Group in respect of any Liabilities other than the exercise of any such right:

(A) as Close-Out Netting by a Hedge Counterparty;

(B) as Payment Netting by a Hedge Counterparty;

(C) as Inter-Hedging Agreement Netting by a Hedge Counterparty; or

(D) which is otherwise expressly permitted under the Pari Passu Debt Documents to the extent that the exercise of that right gives effect to a Permitted Payment; and

(vii) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group to recover any Liabilities;

b) the premature termination or close-out of any hedging transaction under any Hedging Agreement (other than pursuant to a Permitted Automatic Early Termination);

c) the taking of any steps to enforce or require the enforcement of any Transaction Security;

d) the entering into of any composition, compromise, assignment or arrangement with any member of the Group which owes any Liabilities, or has given any Security, guarantee or indemnity or other assurance against loss in respect of the Liabilities (other than any action permitted under Clause 16 (*Changes to the Parties*) or any open market purchases of, or voluntary tender offer or exchange offer for, Pari Passu Bonds at a time at which no Default is continuing); or

e) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) in relation to, the winding up, dissolution, administration or reorganisation of any member of the Group which owes any Liabilities, or has given any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, or any of such member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such member of the Group, or any analogous procedure or step in any jurisdiction,

except that the following shall not constitute Enforcement Action:

(i) the taking of any action falling within paragraphs (a) (ii), (iii), (iv) and (vii) or (e) above which is necessary (but only to the extent necessary) to preserve the validity, existence or priority of claims in respect of Liabilities, including the registration of such claims before any court or governmental authority and the bringing, supporting or joining of proceedings to prevent any loss of the right to bring, support or join proceedings by reason of applicable limitation periods;

(ii) a Primary Creditor bringing legal proceedings against any person solely for the purpose of:

(A) obtaining injunctive relief (or any analogous remedy) to restrain any actual or putative breach of any Debt Document to which it is party;

(B) obtaining specific performance (other than specific performance of an obligation to make a payment) with no claim for damages; or

(C) requesting judicial interpretation of any provision of any Debt Document to which it is party with no claim for damages;

(iii) bringing legal proceedings against any person in connection with any fraud, securities violation or securities or listing regulations;

(iv) allegations of material misstatements or omissions made in connection with the offering materials relating to any Pari Passu Bonds or in reports furnished to the Pari Passu Bondholders or any exchange on which the Pari Passu Bonds are listed by a member of the Group pursuant to the information and reporting requirements under the Pari Passu Debt Documents; or

(v) to the extent entitled by law, the taking of action against any creditor (or any agent, trustee or receiver acting on behalf of such creditor) to challenge the basis on which any sale or

disposal is to take place pursuant to powers granted to such persons under any security documentation.

"**Enforcement Instructions**" means instructions as to Enforcement (including the manner and timing of Enforcement) given by the Majority Pari Passu Creditors to the Security Agent, **provided that** instructions not to undertake Enforcement or an absence of instructions as to Enforcement shall not constitute "Enforcement Instructions".

"**Enforcement Objective**" has the meaning given to that term in Schedule 5 (*Enforcement Principles*).

"**Enforcement Principles**" means the principles set out in Schedule 5 (*Enforcement Principles*).

"**Enforcement Proceeds**" means any amount paid to or otherwise realised by a Secured Party under or in connection with (a) any Enforcement and, following the occurrence of a Distress Event, any other proceeds of, or arising from, any of the Charged Property or (b) (unless the context otherwise requires) any demand made under any Guarantee.

"**Escrow Account Pledge Agreement**" means any document evidencing the terms of any "Escrow Account Pledge" or any "Existing Bonds Escrow Account Pledge" under and as defined in the relevant Pari Passu Debt Document.

"**Event of Default**" means any event or circumstance specified as such in any Pari Passu Debt Document.

"**Existing Debt**" has the meaning given to that term in the Senior Secured Bond Terms.

"**Final Discharge Date**" means the later to occur of the Super Senior Discharge Date and the Pari Passu Discharge Date.

"**Financial Adviser**" has the meaning given to that term in Schedule 5 (*Enforcement Principles*).

"**Group**" means the Company and each of its Subsidiaries at any time.

"**Guarantee**" means any guarantee, indemnity or other assurance against loss created, evidenced or expressed to be created or evidenced under or pursuant to any Guarantee Agreement.

"**Guarantee Agreement**" means any document entered into by any Debtor creating or expressed to create any Guarantee in respect of the obligations of any of the Debtors under any of the Debt Documents.

"**Guarantor**" has the meaning given to that term in the Senior Secured Bond Terms.

"**Hedge Counterparty**" means any entity which becomes a Party as a Hedge Counterparty pursuant to the terms of this Agreement.

"**Hedge Counterparty Obligations**" means the liabilities and obligations owed by any Hedge Counterparty to the Debtors under or in connection with the Hedging Agreements.

"**Hedge Transfer**" means a transfer exercised by the Pari Passu Creditor Representative(s) (on behalf of some or all of the Pari Passu Creditors) subject to paragraph b) of Clause 5 (*Hedge Transfer*), each Hedging Agreement together with:

a) all the rights in respect of the Hedging Liabilities owed by the Debtors to each Hedge Counterparty; and

b) all the Hedge Counterparty Obligations owed by each Hedge Counterparty to the Debtors,

in accordance with Clause 17.3 (*Change of Hedge Counterparty*).

"**Hedging Agreement**" means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by the Issuer or any Property Group Company and a Hedge Counterparty for the purpose of hedging the interest rate liabilities and/or the exchange rate risks of the Company or any other Debtor in relation to the Pari Passu Liabilities or otherwise in the ordinary course of business (in each case, not entered into as a derivative transaction for speculative purposes and which is permitted under the terms of the Senior Secured Bond Documents (in their form as at the date of execution of the relevant Hedging Agreement) to share in any Guarantee and the Transaction Security).

"**Hedging Force Majeure**" means in relation to a Hedging Agreement which is:

a) based on the 1992 ISDA Master Agreement:

(i) an Illegality or Tax Event or Tax Event Upon Merger (each as defined in the 1992 ISDA Master Agreement); or

(ii) an event similar in meaning and effect to a "Force Majeure Event" (as referred to in paragraph b) below);

b) based on the 2002 ISDA Master Agreement, an Illegality or Tax Event, Tax Event Upon Merger or a Force Majeure Event (each as defined in the 2002 ISDA Master Agreement); or

c) not based on an ISDA Master Agreement, any event similar in meaning and effect to an event described in paragraphs (a) or (b) above.

"**Hedging Liabilities**" means the Liabilities owed by any Debtor to the Hedge Counterparties under or in connection with the Hedging Agreements.

"**Hedging Purchase Amount**" means:

a) in respect of a hedging transaction under a Hedging Agreement that has, as of the relevant time, not been terminated or closed out, the amount that would be payable to (expressed as a positive number) or by (expressed as a negative number) the relevant Hedge Counterparty on the relevant date if:

(i) in the case of a Hedging Agreement which is based on an ISDA Master Agreement:

(A) that date was an Early Termination Date (as defined in the relevant ISDA Master Agreement); and

(B) the relevant Debtor was the Defaulting Party (under and as defined in the relevant ISDA Master Agreement); or

(ii) in the case of a Hedging Agreement which is not based on an ISDA Master Agreement:

(A) that date was the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement; and

(B) the relevant Debtor was in a position which is similar in meaning and effect to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

in each case as certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement; and

b) in respect of a hedging transaction that has, as of the relevant time, been terminated or closed out in accordance with the terms of this Agreement, the amount that is payable to (expressed as a positive number) or by (expressed as a negative number) the relevant Hedge Counterparty under any Hedging Agreement in respect of that termination or close-out to the extent that amount is unpaid.

"**Holding Company**" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"**Insolvency Event**" means, in relation to the Issuer or any Property Group Company:

a) any resolution is passed or order made for the winding up, dissolution, administration or reorganisation of that member of the Group, a moratorium is declared in relation to any indebtedness of that member of the Group or an administrator is appointed to that member of the Group;

b) any composition, compromise, assignment or arrangement is made with any of its creditors;

c) the appointment of any liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of that member of the Group or any of its assets; or

d) any analogous procedure or step is taken in any jurisdiction.

"**Inter-Hedging Agreement Netting**" means the exercise of any right of set-off, account combination, Close-Out Netting or payment netting (whether arising out of a cross agreement netting agreement or otherwise) by a Hedge Counterparty against liabilities owed to a Debtor by that Hedge Counterparty under a Hedging Agreement in respect of Hedging Liabilities owed to that Hedge Counterparty by that Debtor under another Hedging Agreement.

"**ISDA Master Agreement**" means a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement.

"**Liabilities**" means all present and future liabilities and obligations at any time of any member of the Group to any Creditor under the Debt Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity.

"**Liabilities Acquisition**" means, in relation to a person and to any Liabilities, a transaction where that person:

a) purchases by way of assignment or transfer;

b) enters into any sub-participation in respect of; or

c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

the rights in respect of those Liabilities.

"**Majority Pari Passu Creditors**" means, at any time the Senior Secured Bondholders whose Pari Passu Credit Participations at that time aggregate more than fifty per cent. (50.00%) of the total Pari Passu Credit Participations at that time or as otherwise provided by the relevant Debt Document (and where each Pari Passu Creditor Representative shall act (and be considered to act) on behalf of all the Pari Passu Creditors represented by it regardless of whether all or only the required majority of those Pari Passu Creditors voted in favour or against the decision to be made by the Majority Pari Passu Creditors under this Agreement at any relevant preceding meeting(s) of those Pari Passu Creditors).

"**Non-Credit Related Close-Out**" means a Permitted Hedge Close-Out described in any of sub-paragraphs a)(i) or a)(ii) of Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*).

"**Non-Distressed Disposal**" has the meaning given to that term in Clause 10 (*Non-Distressed Disposals*).

"**Norwegian Companies Act**" means the Norwegian Limited Companies Act of 13 June 1997 No. 44 (No. *aksjeloven*) or the Norwegian Public Limited Companies Act of 13 June 1997 No. 45 (No. *allmennaksjeloven*) (as applicable).

"**Pari Passu Bond Terms**" means the Senior Secured Bond Terms and any other bond terms setting out the terms of any debt security which creates or evidences any Pari Passu Liabilities.

"**Pari Passu Bond Trustee**" means the Senior Secured Bond Trustee.

"**Pari Passu Bondholder**" means a Senior Secured Bondholder and any other holder from time to time of any Pari Passu Bonds.

"**Pari Passu Bonds**" means the Senior Secured Bonds.

"**Pari Passu Credit Participation**" means in relation to a Pari Passu Creditor (or, if the context requires, the Senior Secured Bond Trustee or a Pari Passu Creditor Representative), the aggregate of:

a) the aggregate outstanding principal amount of the Senior Secured Bonds held (or, in case of the Senior Secured Bond Trustee, represented) by it, if any; and

b) to the extent not falling within paragraph a) above, the aggregate outstanding principal amount of any Pari Passu Liabilities in respect of which it is the creditor (or, in case of a Pari Passu Creditor Representative, represented by it), if any.

"**Pari Passu Creditor Representatives**" means a Pari Passu Bond Trustee, and any lender or bondholder (or in the event any trustee or agent has been appointed to act on its behalf, such trustee or agent) under the Pari Passu Liabilities.

"**Pari Passu Creditors**" means the Senior Secured Bond Creditors.

"**Pari Passu Debt Documents**" means each Senior Secured Bond Document.

"**Pari Passu Discharge Date**" means the first date on which all Pari Passu Liabilities have been fully and finally discharged to the satisfaction of the relevant Creditor Representative(s) (in the case of the Pari Passu Liabilities), whether or not as the result of an enforcement, and the Pari Passu Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Pari Passu Liabilities**" means the Liabilities owed by the Debtors to the Pari Passu Creditors under or in connection with the Pari Passu Debt Documents.

"**Party**" means a party to this Agreement.

"**Payment**" means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or other liabilities or obligations).

"**Payment Netting**" means:

a) in respect of a Hedging Agreement based on an ISDA Master Agreement, netting under section 2(c) of the relevant ISDA Master Agreement; and

b) in respect of a Hedging Agreement not based on an ISDA Master Agreement, netting pursuant to any provision of that Hedging Agreement which has a similar effect to the provision referenced in paragraph a) above.

"**Permitted Automatic Early Termination**" means an Automatic Early Termination of a hedging transaction under a Hedging Agreement, the provision of which is permitted under Clause 4.12 (*Terms of Hedging Agreements*).

"**Permitted Hedge Close-Out**" means, in relation to a hedging transaction under a Hedging Agreement, a termination or close-out of that hedging transaction which is permitted pursuant to Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*).

"**Permitted Hedge Payments**" means the Payments permitted by Clause 4.2 (*Restriction on Payments: Hedging Liabilities*) (other than paragraph b of that Clause) or Clause 4.3 (*Permitted Payments: Hedging Liabilities*).

"**Permitted Pari Passu Debt Payments**" means the Payments permitted by Clause 3.1 (*Payment of Pari Passu Liabilities*).

"**Permitted Payment**" means a Permitted Hedge Payment or a Permitted Pari Passu Debt Payment.

"**Primary Creditors**" means the Super Senior Creditors and the Pari Passu Creditors.

"**Property Group Company**" shall have the meaning ascribed to such term in the Senior Secured Bond Terms (at the date hereof).

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property.

"**Recoveries**" has the meaning given to that term in Clause 13.1 (*Order of Application*).

"**Required Pari Passu Creditors**" means each Creditor Representative acting on behalf of any Pari Passu Creditor.

"**Secured Obligations**" means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Secured Party under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"**Secured Parties**" means the Security Agent, any Receiver or Delegate and each of the Primary Creditors from time to time but, in the case of each Primary Creditor, only if it (or, in the case of a Pari Passu Creditor, its Creditor Representative) is a Party or has acceded to this Agreement in the proper capacity pursuant to the terms hereof.

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

"**Security Agent Claim**" has the meaning given to that term in Clause 18.2 (*Covenant to pay the Security Agent*).

"**Security Agent's Spot Rate of Exchange**" means, in respect of the conversion of one currency (the "**First Currency**") into another currency (the "**Second Currency**"), any publicly available spot rate of exchange selected by the Security Agent (acting reasonably), for the purchase of the Second Currency with the First Currency in the Norwegian foreign exchange market at or about 11:00 a.m. (Norwegian time) on a particular day, which shall, in either case, be notified by the Security Agent in accordance with paragraph e) of Clause 15.4 (*Duties of the Security Agent*).

"**Security Documents**" means:

a) each of the Transaction Security Documents; and

b) any other document entered into at any time by any of the Debtors creating any guarantee, indemnity, Security or other assurance against financial loss in favour of any of the Secured Parties as security for any of the Secured Obligations (other than any Escrow Account Pledge Agreement).

"**Security Property**" means:

a) the Transaction Security expressed to be granted in favour of the Security Agent as agent or on behalf of the Secured Parties and all proceeds of that Transaction Security;

b) all present and future liabilities and obligations at any time of any Debtor to the Security Agent under Clause 18.2 (*Covenant to pay the Security Agent*); and

c) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required by the terms of the Debt Documents to hold as agent or otherwise on behalf of the Secured Parties.

"**Senior Liabilities**" means the Hedging Liabilities and the Pari Passu Liabilities.

"**Senior Secured Bond Creditors**" means each of the Senior Secured Bondholders and the Senior Secured Bond Trustee.

"**Senior Secured Bond Documents**" means the "Finance Documents" under and as defined in the Senior Secured Bond Terms.

"**Senior Secured Bond Terms**" means the bond terms regulating the senior secured bonds of up to NOK 1,500,000,000 2023/2026 with ISIN NO0012955105 and, in respect of initial temporary bonds, ISIN NO0012955113 dated 3 July 2023.

"**Senior Secured Bondholders**" means the "Bondholders" under and as defined in the Senior Secured Bond Terms.

"**Senior Secured Bonds**" means each of the "Bonds" under and as defined in the Senior Secured Bond Terms.

"**Subsidiary**" means any entity of which a person has direct or indirect control or owns directly or indirectly more than fifty per cent. (50.00%) of the voting capital or similar right of ownership, and "**control**" for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise.

"**Super Senior Creditors**" means the Hedge Counterparties.

"**Super Senior Discharge Date**" means the first date on which all Super Senior Liabilities have been fully and finally discharged to the satisfaction of each Hedge Counterparty (in the case of its Hedging Liabilities), whether or not as the result of an enforcement, and the Super Senior Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Super Senior Liabilities**" means the Hedging Liabilities.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Transaction Security**" means the Security created, evidenced or expressed to be created or evidenced under or pursuant to the Security Documents.

"**Transaction Security Documents**" means any document entered into by any Debtor creating or expressed to create any Security over all or any part of its assets in respect of the obligations of any of the Debtors under any of the Debt Documents (other than any Escrow Account Pledge Agreement).

"**VAT**" means any value added tax as provided for in the Norwegian Value Added Tax Act of 19 June 2009 no. 58 and any other tax of a similar nature (in any jurisdiction).

1.2 Construction

a) Unless a contrary indication appears, any reference in this Agreement to:

(i) any Party or any other person in any capacity shall be construed to be a reference to it in its capacity as such and not in any other capacity;

(ii) any Party or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Debt Documents;

(iii) "**assets**" includes present and future properties, revenues and rights of every description;

(iv) a "**Debt Document**" or any other agreement or instrument is (other than a reference to a "**Debt Document**" or any other agreement or instrument in its "**original form**") a reference to that Debt Document, or other agreement or instrument, as amended, novated, supplemented, extended or restated as permitted by this Agreement;

(v) "**enforcing**" (or any derivation) the Transaction Security includes the appointment of an administrator (or any analogous officer in any jurisdiction) of a Debtor by the Security Agent;

(vi) a "**group of Creditors**" includes all the Creditors and a "**group of Primary Creditors**" includes all the Primary Creditors;

(vii) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(viii) the "**original form**" of a Debt Document or any other agreement or instrument is a reference to that Debt Document, agreement or instrument as originally entered into;

(ix) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(x) "**proceeds**" of a Distressed Disposal or of a Debt Disposal includes proceeds in cash;

(xi) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and

(xii) a provision of law is a reference to that provision as amended or re-enacted.

b) Section, Clause and Schedule headings are for ease of reference only.

c) A Default or an Event of Default is "**continuing**" if it has not been remedied or waived.

2 RANKING AND PRIORITY

2.1 Primary Creditor Liabilities

Each of the Parties agrees that the Senior Liabilities owed by the Debtors to the Primary Creditors shall rank in right and priority of payment (subject to the super senior ranking of the Hedging Liabilities with respect to the application of proceeds set out in Clause 13 (*Application of Proceeds*)) *pari passu* and without any preference between them.

2.2 Guarantee and Transaction Security

a) Each of the Parties agrees that any Guarantee and the Transaction Security shall rank and secure the Senior Liabilities (subject to the terms of this Agreement) *pari passu* and without any preference between them (but only to the extent that such Guarantee or Transaction Security is expressed to secure those Liabilities).

b) Any new Security created (and guarantees and indemnities granted) in respect of any Senior Liabilities shall be extended to and shared between the Primary Creditors (to the extent that such Security is expressed to secure those Liabilities and always excluding any Security which expressly is permitted under the Debt Documents to only secure selected Primary Creditors), in accordance with the terms of this Agreement (including the provisions set out in Clause 13.1 (*Order of application*) below).

3 PARI PASSU CREDITORS AND PARI PASSU LIABILITIES

3.1 Payment of Pari Passu Liabilities

a) Subject to paragraph b) below, the Debtors may make Payments of the Pari Passu Liabilities at any time in accordance with, and subject to the provisions of, the Pari Passu Debt Documents.

b) Following the occurrence of an Acceleration Event (until the occurrence of the Super Senior Discharge Date) no Property Group Company may make Payments of the Pari Passu Liabilities except from Enforcement Proceeds distributed in accordance with Clause 13 (*Application of Proceeds*), other than any distribution or dividend out of any unsecured assets of any Debtor (in its capacity as borrower or principal debtor (and not in its capacity as guarantor or Security provider)) (and then *pro rata* to each unsecured creditor's claim) made by a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer appointed in respect of any Debtor or any of its assets.

3.2 Security and Guarantees: Pari Passu Creditors

The Pari Passu Creditors may take, accept or receive the benefit of:

a) any Security in respect of the Pari Passu Liabilities from any member of the Group in addition to the Common Transaction Security which (except for any Security created under any Escrow Account Pledge Agreement (which the relevant Pari Passu Creditor or Pari Passu Creditor representative shall not be required to share with any other Secured Parties)) to the extent legally possible and subject to the Agreed Security Principles is, at the same time, also offered to the Security Agent as agent or on behalf of the other Secured Parties in respect of their Liabilities and (subject to the terms of this Agreement) ranks in the same order of priority as that contemplated in Clause 2.2 (*Guarantee and Transaction Security*); and

b) any guarantee, indemnity or other assurance against loss in respect of the Pari Passu Liabilities from any member of the Group in addition to those in:

(i) the original form in any Pari Passu Debt Document;

(ii) this Agreement; or

(iii) any Common Assurance,

if and to the extent legally possible and subject to the Agreed Security Principles at the same time it also offered to the other Secured Parties in respect of their respective Liabilities and (subject to the terms of this Agreement) ranks in the same order of priority as that contemplated in Clause 2.2 (*Guarantee and Transaction Security*).

4 HEDGE COUNTERPARTIES AND HEDGING LIABILITIES

4.1 Identity of Hedge Counterparties

No entity providing hedging arrangements to any Debtor shall be entitled to share in any of the Transaction Security or the benefit of any Guarantee in respect of any of the liabilities and obligations arising in relation to those hedging arrangements nor shall those liabilities and obligations be treated as Hedging Liabilities unless that entity is or becomes a Party as a Hedge Counterparty pursuant to the terms of this Agreement.

4.2 Restriction on Payments: Hedging Liabilities

The Debtors shall not, and shall procure that no other Property Group Company will, make any Payment of the Hedging Liabilities at any time unless:

a) that Payment is permitted under Clause 4.3 (*Permitted Payments: Hedging Liabilities*); or

b) the taking or receipt of that Payment is permitted under paragraph c) of Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*),

provided that following the occurrence of an Acceleration Event (until the occurrence of the Super Senior Discharge Date), no Property Group Company may make Payments of the Hedging Liabilities except from Enforcement Proceeds distributed in accordance with Clause 13 (*Application of Proceeds*), other than any distribution or dividend out of any unsecured assets of any Debtor (in its capacity as borrower or principal debtor (and not in its capacity as guarantor or Security provider)) (pro rata to each unsecured creditor's claim) made by a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer appointed in respect of any Debtor or any of its assets.

4.3 Permitted Payments: Hedging Liabilities

a) Subject to paragraph b) below, the Debtors may make Payments to any Hedge Counterparty in respect of the Hedging Liabilities then due to that Hedge Counterparty under any Hedging Agreement in accordance with the terms of that Hedging Agreement:

(i) if the Payment is a scheduled Payment arising under the relevant Hedging Agreement;

(ii) to the extent that the relevant Debtor's obligation to make the Payment arises as a result of the operation of:

(A) any of sections 2(d) (*Deduction or Withholding for Tax*), 2(e) (*Default Interest; Other Amounts*), 8(a) (*Payment in the Contractual Currency*), 8(b) (*Judgments*) and 11 (*Expenses*) of the 1992 ISDA Master Agreement (if the Hedging Agreement is based on a 1992 ISDA Master Agreement);

(B) any of sections 2(d) (*Deduction or Withholding for Tax*), 8(a) (*Payment in the Contractual Currency*), 8(b) (*Judgments*), 9(h)(i) (*Prior to Early Termination*) and 11 (*Expenses*) of the 2002 ISDA Master Agreement (if the Hedging Agreement is based on a 2002 ISDA Master Agreement); or

(C) any provision of a Hedging Agreement which is similar in meaning and effect to any provision listed in paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement);

(iii) to the extent that the relevant Debtor's obligation to make the Payment arises from a Non-Credit Related Close-Out;

(iv) to the extent that:

(A) the relevant Debtor's obligation to make the Payment arises from:

(1) a Credit Related Close-Out in relation to that Hedging Agreement; or

(2) a Permitted Automatic Early Termination under that Hedging Agreement which arises as a result of an event relating to a Debtor; and

(B) no Event of Default is continuing at the time of that Payment or would result from that Payment;

(v) to the extent that no Event of Default is continuing or would result from that Payment and the relevant Debtor's obligation to make the Payment arises as a result of a close-out or termination arising as a result of:

(A) section 5(a)(vii) (*Bankruptcy*) of the 1992 ISDA Master Agreement (if the relevant Hedging Agreement is based on a 1992 ISDA Master Agreement) and the Event of Default (as defined in the relevant Hedging Agreement) has occurred with respect to the relevant Hedge Counterparty;

(B) section 5(a)(vii) (*Bankruptcy*) of the 2002 ISDA Master Agreement (if the relevant Hedging Agreement is based on a 2002 ISDA Master Agreement) and the Event of Default (as defined in the relevant Hedging Agreement) has occurred with respect to the relevant Hedge Counterparty;

(C) any provision of a Hedging Agreement which is similar in meaning and effect to any provision listed in sub-paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement) and the equivalent event of default has occurred with respect to the relevant Hedge Counterparty; or

(D) the relevant Debtor terminating or closing-out the relevant Hedging Agreement as a result of a Hedging Force Majeure and the Termination Event (as defined in the relevant Hedging Agreement in the case of a Hedging Agreement based on an ISDA Master Agreement) or the equivalent termination event (in the case of a Hedging Agreement not based on an ISDA Master Agreement) has occurred with respect to the relevant Hedge Counterparty; or

(vi) if the Required Pari Passu Creditors give prior consent to the Payment being made.

b) No Payment may be made to a Hedge Counterparty under paragraph a) above if any scheduled Payment due from that Hedge Counterparty to a Debtor under a Hedging Agreement to which they are both party is due and unpaid unless the prior consent of the Required Pari Passu Creditors is obtained.

c) Failure by a Debtor to make a Payment to a Hedge Counterparty which results solely from the operation of paragraph b) above shall, without prejudice to Clause 4.4 (*Payment obligations continue*), not result in a default (however described) in respect of that Debtor under that Hedging Agreement.

4.4 Payment obligations continue

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Clauses 4.2 (*Restriction on Payments: Hedging Liabilities*) and 4.3 (*Permitted Payments: Hedging Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

4.5 No acquisition of Hedging Liabilities

The Debtors shall not, and shall procure that no other Property Group Company will:

a) enter into any Liabilities Acquisition; or

b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any of the Hedging Liabilities, unless the prior consent of the Required Pari Passu Creditors is obtained.

4.6 Amendments and Waivers: Hedging Agreements

a) Subject to paragraph b) below, the Hedge Counterparties may not, at any time, amend or waive any term of the Hedging Agreements.

b) A Hedge Counterparty may amend or waive any term of a Hedging Agreement in accordance with the terms of that Hedging Agreement if the amendment or waiver does not breach another term of this Agreement and that the amendment or waiver does not result in a breach of any Pari Passu Debt Document.

4.7 Security and Guarantees: Hedge Counterparties

The Hedge Counterparties may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any Property Group Company in respect of the Hedging Liabilities other than:

a) the Common Transaction Security or any other Security not in conflict with the Debt Documents;

b) any guarantee, indemnity or other assurance against loss contained in:

(i) this Agreement;

(ii) any Common Assurance; or

(iii) the relevant Hedging Agreement no greater in extent than any of those referred to in paragraphs (i) to (ii) above;

c) as otherwise contemplated by Clause 3.2 (*Security and Guarantees: Pari Passu Creditors*); and

d) the indemnities contained in the ISDA Master Agreements (in the case of a Hedging Agreement which is based on an ISDA Master Agreement) or any indemnities which are similar in meaning and effect to those indemnities (in the case of a Hedging Agreement which is not based on an ISDA Master Agreement).

4.8 Restriction on Enforcement: Hedge Counterparties

Subject to Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*) and Clause 4.10 (*Required Enforcement: Hedge Counterparties*) and without prejudice to each Hedge Counterparty's rights under Clauses 9 (*Enforcement Instructions*) and 9.3 (*Manner of enforcement*), no Hedge Counterparty shall take any Enforcement Action in respect of any of the Hedging Liabilities or any of the hedging transactions under any of the Hedging Agreements at any time.

4.9 Permitted Enforcement: Hedge Counterparties

a) To the extent it is able to do so under the relevant Hedging Agreement, a Hedge Counterparty may terminate or close-out in whole or in part any hedging transaction under that Hedging Agreement prior to its stated maturity:

Non-Credit Related Close-Outs

(i) if, prior to a Distress Event, such termination or close-out would not result in a breach of a Pari Passu Debt Document; or

(ii) if a Hedging Force Majeure has occurred in respect of that Hedging Agreement.

Credit Related Close-Outs

(iii) if a Distress Event has occurred;

(iv) if an Event of Default has occurred under the clauses dealing with insolvency or insolvency proceedings in any Pari Passu Debt Document in relation to a Debtor which is party to that Hedging Agreement;

(v) if the Required Pari Passu Creditors give prior consent to that termination or close-out being made; or

(vi) on or immediately following a refinancing (or repayment) and cancellation in full of the Liabilities to which the relevant hedging relates.

b) If a Debtor has defaulted on any Payment due under a Hedging Agreement (after allowing any applicable notice or grace periods) and the default has continued unwaived for more than fourteen (14) days after notice of that default has been given to the Security Agent pursuant to paragraph e) of Clause 20.3 (*Notification of prescribed events*), the relevant Hedge Counterparty:

(i) may, to the extent it is able to do so under the relevant Hedging Agreement, terminate or close-out in whole or in part any hedging transaction under that Hedging Agreement; and

(ii) until such time as the Security Agent has given notice to that Hedge Counterparty that the Transaction Security is being enforced (or that any formal steps are being taken to enforce

the Transaction Security), shall be entitled to exercise any right it might otherwise have to sue for, commence or join legal or arbitration proceedings against any Debtor to recover any Hedging Liabilities due under that Hedging Agreement.

c) After the occurrence of an Insolvency Event in relation to any member of the Group, each Hedge Counterparty shall be entitled to exercise any right it may otherwise have in respect of that member of the Group to:

(i) prematurely close-out or terminate any Hedging Liabilities of that member of the Group;

(ii) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Hedging Liabilities;

(iii) exercise any right of set-off or take or receive any Payment in respect of any Hedging Liabilities of that member of the Group; or

(iv) claim and prove in any insolvency process of that member of the Group for the Hedging Liabilities owing to it.

4.10 Required Enforcement: Hedge Counterparties

a) Subject to paragraph b) below, a Hedge Counterparty shall promptly terminate or close-out in full any hedging transaction under all or any of the Hedging Agreements to which it is party prior to their stated maturity, following:

(i) the occurrence of an Acceleration Event and delivery to it of a notice from the Security Agent that that an Acceleration Event has occurred; and

(ii) delivery to it of a subsequent notice from the Security Agent (acting on the instructions of the Majority Pari Passu Creditors) instructing it to do so.

b) Paragraph a) above shall not apply to the extent that that an Acceleration Event has occurred as a result of an arrangement made between any Debtor and any Primary Creditor with the purpose of bringing about that Acceleration Event.

c) If a Hedge Counterparty is entitled to terminate or close-out any hedging transaction under paragraph b) of Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*) (or would have been able to if that Hedge Counterparty had given the notice referred to in that paragraph) but has not terminated or closed out each such hedging transaction, that Hedge Counterparty shall promptly terminate or close-out in full each such hedging transaction following a request to do so by the Security Agent (acting on the instructions of the Majority Pari Passu Creditors).

4.11 Treatment of Payments due to Debtors on termination of hedging transactions

a) If, on termination of any hedging transaction under any Hedging Agreement occurring after a Distress Event, a settlement amount or other amount (following the application of any Close-Out Netting, Payment Netting or Inter-Hedging Agreement Netting in respect of that Hedging Agreement) falls due from a Hedge Counterparty to the relevant Debtor then that amount shall be paid by that Hedge Counterparty to the Security Agent, treated as the proceeds of enforcement of the Transaction Security and applied in accordance with the terms of this Agreement.

b) The payment of that amount by a Hedge Counterparty to the Security Agent in accordance with paragraph a) above shall discharge that Hedge Counterparty's obligation to pay that amount to that Debtor.

4.12 Terms of Hedging Agreements

The Hedge Counterparties (to the extent party to the Hedging Agreement in question) and the Debtors party to the Hedging Agreements shall ensure that, at all times:

a) each Hedging Agreement documents only hedging arrangements entered into for the purpose of hedging the types of liabilities described in the definition of "Hedging Agreement" and that no other hedging arrangements are carried out under or pursuant to a Hedging Agreement;

b) each Hedging Agreement is based on either:

(i) an ISDA Master Agreement; or

(ii) another framework agreement which is similar in effect to an ISDA Master Agreement;

c) in the event of a termination of the hedging transaction entered into under a Hedging Agreement, whether as a result of:

(i) a Termination Event or an Event of Default, each as defined in the relevant Hedging Agreement (in the case of a Hedging Agreement which is based on an ISDA Master Agreement); or

(ii) an event similar in meaning and effect to either of those described in paragraph (i) above (in the case of a Hedging Agreement which is not based on an ISDA Master Agreement),

that Hedging Agreement will:

(A) if it is based on a 1992 ISDA Master Agreement, provide for payments under the "Second Method" and will make no material amendment to section 6(e) (*Payments on Early Termination*) of the ISDA Master Agreement;

(B) if it is based on a 2002 ISDA Master Agreement, make no material amendment to section 6(e) (*Payments on Early Termination*) of the ISDA Master Agreement; or

(C) if it is not based on an ISDA Master Agreement, provide for any other method the effect of which is that the party to which that event is referable will be entitled to receive payment under the relevant termination provisions if the net replacement value of all terminated transactions entered into under that Hedging Agreement is in its favour;

d) each Hedging Agreement will not provide for Automatic Early Termination other than to the extent that:

(i) the provision of Automatic Early Termination is consistent with practice in the relevant derivatives market, taking into account the legal status and jurisdiction of incorporation of the parties to that Hedging Agreement; and

(ii) that Automatic Early Termination is:

(A) as provided for in section 6(a) (*Right to Terminate following Event of Default*) of the 1992 ISDA Master Agreement (if the Hedging Agreement is based on a 1992 ISDA Master Agreement);

(B) as provided for in section 6(a) (*Right to Terminate Following Event of Default*) of the 2002 ISDA Master Agreement (if the Hedging Agreement is based on a 2002 ISDA Master Agreement); or

(C) similar in effect to that described in sub-paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement); and

e) each Hedging Agreement will provide that the relevant Hedge Counterparty will be entitled to designate an Early Termination Date or otherwise be able to terminate each transaction under such Hedging Agreement if so required pursuant to Clause 4.10 (*Required Enforcement: Hedge Counterparties*).

5 HEDGE TRANSFER

a) Each Pari Passu Creditor Representative (on behalf of some or all of the relevant Pari Passu Creditors) (the "**Purchasing Secured Creditors**") may, by giving not less than ten (10) days' notice to the Security Agent, require a Hedge Transfer if:

(i) that transfer is lawful and otherwise permitted by the terms of the Hedging Agreements in which case no Debtor or other member of the Group shall be entitled to withhold its consent to that transfer;

(ii) any conditions (other than the consent of, or any consultation with, any Debtor or other member of the Group) relating to that transfer contained in the Hedging Agreements are complied with;

(iii) each Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (i) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedging Agreement at that time and (ii) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(iv) as a result of that transfer, the Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedging Agreements;

(v) an indemnity is provided from the Purchasing Secured Creditors which is receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Hedge Counterparty) in a form satisfactory to the relevant Hedge Counterparty in respect of all losses which may be sustained or incurred by that Hedge Counterparty in consequence of any sum received or recovered by that Hedge Counterparty being required (or it being alleged that it is required) to be paid back by or clawed back from the Hedge Counterparty for any reason; and

(vi) that transfer is made without recourse to, or representation or warranty from, the relevant Hedge Counterparty.

b) The Purchasing Secured Creditors and any Hedge Counterparty may agree (in respect of the Hedging Agreements (or one or more of them) to which that Hedge Counterparty is a party) that a Hedge Transfer required by the Purchasing Secured Creditors pursuant to paragraph a) above shall not apply to that Hedging Agreement(s) or to the Hedging Liabilities and Hedge Counterparty Obligations under that Hedging Agreement(s).

6 EFFECT OF INSOLVENCY EVENT

6.1 Distributions

a) After the occurrence of an Insolvency Event in relation to any Property Group Company, any Party entitled to receive a distribution out of the assets of that member of the Group (in the case of a Primary Creditor, only to the extent that such amount constitutes Enforcement Proceeds) in respect of Liabilities owed to that Party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of that member of the Group to make that distribution to the Security Agent (or to such other person as the Security Agent shall direct) until the Liabilities owing to the Secured Parties have been paid in full.

b) The Security Agent shall apply distributions made to it under paragraph a) above in accordance with Clause 13 (*Application of Proceeds*).

6.2 Set-Off

a) Subject to paragraph b) below, to the extent that any member of the Group's Liabilities are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event in relation to that member of the Group, any Creditor which benefited from that set-off shall (in the case of a Primary Creditor, only to the extent that such amount constitutes Enforcement Proceeds) pay an amount equal to the amount of the Liabilities owed to it which are discharged by that set-off to the Security Agent for application in accordance with Clause 13 (*Application of Proceeds*).

b) Paragraph a) above shall not apply to:

(i) any Close-Out Netting by a Hedge Counterparty;

(ii) any Payment Netting by a Hedge Counterparty; or

(iii) any Inter-Hedging Agreement Netting by a Hedge Counterparty.

6.3 Non-cash distributions

If the Security Agent or any other Secured Party receives a distribution in a form other than cash in respect of any of the Liabilities, the Liabilities will not be reduced by that distribution until and except to the extent that the realisation proceeds are actually applied towards the Liabilities.

6.4 Filing of claims

After the occurrence of an Insolvency Event in relation to the Issuer or any Property Group Company, each Creditor irrevocably authorises the Security Agent, on its behalf, to:

a) take any Enforcement Action (in accordance with the terms of this Agreement) against that member of the Group;

b) demand, sue, prove and give receipt for any or all of that member of the Group's Liabilities;

c) collect and receive all distributions on, or on account of, any or all of that member of the Group's Liabilities; and

d) file claims, take proceedings and do all other things the Security Agent considers reasonably necessary to recover that member of the Group's Liabilities.

6.5 Security Agent instructions

For the purposes of Clause 6.1 (*Distributions*) and Clause 6.4 (*Filing of claims*) the Security Agent shall act:

a) on the instructions of the Majority Pari Passu Creditors; or

b) in the absence of any such instructions, as the Security Agent sees fit.

7 TURNOVER OF RECEIPTS

7.1 Turnover by the Creditors

Subject to Clause 7.2 (*Exclusions*), if at any time prior to the Final Discharge Date, any Creditor receives or recovers:

a) any Payment or distribution of, or on account of or in relation to, any of the Liabilities which is neither:

   (i) a Permitted Payment; nor

   (ii) made in accordance with Clause 13 (*Application of Proceeds*);

b) other than where paragraph a) of Clause 6.2 (*Set-Off*) applies, any amount by way of set-off in respect of any of the Liabilities owed to it which does not give effect to a Permitted Payment;

c) notwithstanding paragraphs a) and b) above, and other than where paragraph a) of Clause 6.2 (*Set-Off*) applies, any amount:

   (i) on account of, or in relation to, any of the Liabilities:

      (A) after the occurrence of a Distress Event; or

      (B) as a result of any other litigation or proceedings against the Issuer or a Property Group Company (other than after the occurrence of an Insolvency Event in respect of that member of the Group); or

(ii) by way of set-off in respect of any of the Liabilities owed to it after the occurrence of a Distress Event,

other than, in each case, any amount received or recovered in accordance with Clause 13 (*Application of Proceeds*);

d) the proceeds of (i) any enforcement of any Transaction Security or (ii) any demand made under any Guarantee, in each case other than in accordance with Clause 13 (*Application of Proceeds*); or

e) other than where paragraph a) of Clause 6.2 (*Set-Off*) applies, any distribution or Payment of, or on account of or in relation to, any of the Liabilities owed by any member of the Group which is not in accordance with Clause 13 (*Application of Proceeds*) and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of that member of the Group,

that Creditor will promptly pay or distribute an amount equal to that receipt or recovery to the Security Agent for application in accordance with the terms of this Agreement.

7.2 Exclusions

Clause 7.1 (*Turnover by the Creditors*) shall not apply to any receipt or recovery by way of:

a) Close-Out Netting by a Hedge Counterparty;

b) Payment Netting by a Hedge Counterparty; or

c) Inter-Hedging Agreement Netting by a Hedge Counterparty.

7.3 Amounts received by Debtors

If any of the Debtors receives or recovers any amount which, under the terms of any of the Debt Documents, should have been paid to the Security Agent, that Debtor will promptly pay or distribute an amount equal to that received or recovered to the Security Agent for application in accordance with the terms of Clause 13 (*Application of Proceeds*).

8 REDISTRIBUTION

8.1 Recovering Creditor's rights

a) Any amount paid or distributed by a Creditor (a "**Recovering Creditor**") to the Security Agent under Clause 6 (*Effect of Insolvency Event*) or Clause 7 (*Turnover of Receipts*) shall be treated as having been paid or distributed by the relevant Debtor and shall be applied by the Security Agent in accordance with Clause 13 (*Application of Proceeds*).

b) On an application by the Security Agent pursuant to Clause 13 (*Application of Proceeds*) of a Payment or distribution received by a Recovering Creditor from a Debtor, as between the relevant Debtor and the Recovering Creditor an amount equal to the amount received or recovered by the Recovering Creditor and paid or distributed to the Security Agent by the Recovering Creditor (the "**Shared Amount**") will be treated as not having been paid or distributed by that Debtor.

8.2 Reversal of redistribution

a) If any part of the Shared Amount received or recovered by a Recovering Creditor becomes repayable or returnable to a Debtor and is repaid or returned by that Recovering Creditor to that Debtor, then:

(i) each Party that received any part of that Shared Amount pursuant to an application by the Security Agent of that Shared Amount under Clause 8.1 (*Recovering Creditor's rights*) (a "**Sharing Party**") shall, upon request of the Security Agent, pay or distribute to the Security Agent for the account of that Recovering Creditor an amount equal to the appropriate part of its share of the Shared Amount (together with an amount as is necessary to reimburse that Recovering Creditor for its proportion of any interest on the Shared Amount which that Recovering Creditor is required to pay) (the "**Redistributed Amount**"); and

(ii) as between the relevant Debtor and each relevant Sharing Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid or distributed by that Debtor.

b) The Security Agent shall not be obliged to pay or distribute any Redistributed Amount to a Recovering Creditor under sub-paragraph a)(i) above until it has been able to establish to its satisfaction that it has actually received that Redistributed Amount from the relevant Sharing Party.

8.3 Deferral of subrogation

No Creditor or Debtor will exercise any rights which it may have by reason of the performance by it of its obligations under the Debt Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights under the Debt Documents of any Creditor which ranks ahead of it in accordance with the priorities set out in Clause 2 (*Ranking and Priority*) or the order of application in Clause 13 (*Application of Proceeds*) until such time as all of the Liabilities owing to each prior ranking Creditor (or, in the case of any Debtor, owing to each Creditor) have been irrevocably discharged in full.

9 ENFORCEMENT OF TRANSACTION SECURITY AND GUARANTEES

9.1 Instructions to the Security Agent

The Security Agent will act in accordance with the instructions received from the Majority Pari Passu Creditors. Notwithstanding anything to the contrary set out herein, there shall be no independent enforcement rights of any Hedge Counterparty.

9.2 Enforcement Instructions

a) The Security Agent may refrain from enforcing the Transaction Security or taking any other action as to Enforcement unless instructed otherwise by the Majority Pari Passu Creditors.

b) The Majority Pari Passu Creditors may give or refrain from giving instructions to the Security Agent to take action as to Enforcement in accordance with the Enforcement Principles as they see fit by way of the issuance of Enforcement Instructions.

c) The Security Agent is entitled to rely on and comply with instructions given in accordance with Clause 9.1 (*Instructions to the Security Agent*).

9.3 Manner of enforcement

If the Transaction Security is being enforced or other action as to Enforcement is being taken pursuant to Clause 9 (*Enforcement Instructions*), the Security Agent shall enforce the Transaction Security or take other action as to Enforcement in such manner (including, without limitation, the selection of any administrator (or any analogous officer in any jurisdiction) of any Debtor to be appointed by the Security Agent) as the Majority Pari Passu Creditors shall instruct (**provided that** such instructions are consistent with the Enforcement Principles) or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate and consistent with the Enforcement Principles.

9.4 Waiver of rights

To the extent permitted under applicable law and subject to Clause 9 (*Enforcement Instructions*), Clause 9.3 (*Manner of enforcement*), Clause 11.2 (*Proceeds of Distressed Disposals and Debt Disposals*) and Clause 13 (*Application of Proceeds*), each of the Secured Parties and the Debtors waives all rights it may otherwise have to require that the Transaction Security be enforced in any particular order or manner or at any particular time or that any amount received or recovered from any person, or by virtue of the enforcement of any of the Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the Secured Obligations is so applied.

9.5 Enforcement through Security Agent only

The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Transaction Security Documents except through the Security Agent.

10 NON-DISTRESSED DISPOSALS

10.1 Definitions

In this Clause 10:

a) "**Disposal Proceeds**" means the proceeds of a Non-Distressed Disposal; and

b) "**Non-Distressed Disposal**" means a disposal of:

(i) an asset of a Property Group Company; or

(ii) an asset which is subject to the Transaction Security,

to a person or person which are not the Issuer or a Property Group Company where:

(A) the Creditor Representative in respect of all Pari Passu Debt Documents notifies the Security Agent that such disposal is permitted thereunder; and

(B) that disposal is not a Distressed Disposal.

10.2 Facilitation of Non-Distressed Disposals

a) If a disposal of an asset is a Non-Distressed Disposal, the Security Agent is irrevocably authorised (without any consent or authority of any Creditor) (at the cost of the Company and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or Debtor) but subject to paragraph b) below:

(i) to release the Transaction Security or any other claim (relating to a Debt Document) over that asset;

(ii) where that asset consists of shares in the capital of a member of the Group, to release the Transaction Security (including any assignment over intra-group liabilities owed by that member of the Group), any Guarantee provided by that member of the Group or any other claim (relating to a Debt Document) over that member of the Group's property; and

(iii) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraphs (i) and (ii) above and issue any letters of non-crystallisation.

b) Each release of Transaction Security, Guarantee or any claim described in paragraph a) above shall become effective only on the making of the relevant Non-Distressed Disposal.

10.3 Disposal Proceeds

If any Disposal Proceeds are required to be applied in mandatory prepayment of the Pari Passu Liabilities, then those Disposal Proceeds shall be applied in accordance with the Debt Documents and the consent of any other Party shall not be required for that application.

11 DISTRESSED DISPOSALS

11.1 Facilitation of Distressed Disposals

Subject to Clause 11.3 (*Restriction on enforcement*), if a Distressed Disposal is being effected the Security Agent is irrevocably authorised (at the cost of the Company and without consent, sanction, authority or further confirmation from any Creditor, other Secured Party or Debtor):

a) to release:

(i) the Transaction Security; and

(ii) any other claim,

in each case, over the asset subject to the Distressed Disposal; and

b) if the asset subject to the Distressed Disposal consists of shares or ownership interests in a Debtor or a Holding Company of a Debtor (each, a "**Disposed Entity**"):

(i) to release any Transaction Security granted by the Disposed Entity, or over shares thereof, over any assets of any Subsidiary of the Disposed Entity;

(ii) to release the Disposed Entity, or any Subsidiary of the Disposed Entity, from all or any part of its Liabilities;

(iii) to release any other claim of any Creditor or another Debtor over that Disposed Entity's assets or over the assets of any Subsidiary of that Disposed Entity, provided that the release of the Liabilities may, insofar as Finnish law is concerned, at the election of the Security Agent be effected by way of a payment into the share capital (by way of set-off or conversion), payment by way of set-off or conversion into the fund of invested

non-restricted equity (*sijoitetun vapaan oman pääoman rahasto*), forgiveness of liabilities or in any other way deemed appropriate by the Security Agent;

(iv) to release the Disposed Entity and any other member of the Group from all or any part of its Liabilities arising out of or in connection with that Distressed Disposal, or dispose of (including by way of appropriation) all or any part of those Liabilities;

(v) to dispose of (including by way of appropriation) all or any part of the Liabilities owing by the Disposed Entity, or any Subsidiary of the Disposed Entity; and/or

(vi) to dispose of (including by way of appropriation) all or any part of the Liabilities owing to the Disposed Entity, or any Subsidiary of the Disposed Entity,

in each case, (A) that may, in the discretion of the Security Agent, be considered necessary or desirable and (B) on behalf of the relevant Creditors, Secured Parties and Debtors.

11.2 Proceeds of Distressed Disposals and Debt Disposals

The net proceeds of each Distressed Disposal and each Debt Disposal shall be paid, or distributed, to the Security Agent for application in accordance with Clause 13 (*Application of Proceeds*).

11.3 Restriction on enforcement

If a Distressed Disposal or a Debt Disposal is being effected:

a) the Security Agent is not authorised to release any Debtor, Subsidiary or Holding Company from any Liabilities owed to any Primary Creditor except in accordance with this Clause 11 (*Distressed Disposals*); and

b) without limiting the Security Agent's authority under paragraph b) (iii) of Clause 11.1 (*Facilitation of Distressed Disposals*) above, no Distressed Disposal or Debt Disposal may be made for consideration in a form other than cash (except to the extent contemplated by Schedule 5 (*Enforcement Principles*)).

11.4 Appointment of Financial Adviser

Without prejudice to Clause 15.5 (Rights and discretions), the Security Agent may engage, or approve the engagement of, pay for and rely on the services of a Financial Adviser in accordance with Schedule 5 (Enforcement Principles).

11.5 Security Agent's actions

For the purposes of Clause 11.1 (*Facilitation of Distressed Disposals*) the Security Agent shall act:

a) on the instructions of the Majority Pari Passu Creditors; or

b) in the absence of any such instructions as the Security Agent sees fit.

12 FURTHER ASSURANCE – DISPOSALS AND RELEASES

a) Each Creditor and Debtor will:

(i) do all things that the Security Agent requests in order to give effect to Clause 10 (*Non-Distressed Disposals*) and Clause 11 (*Distressed Disposals*) (which shall include, without

limitation, the execution of any assignments, transfers, releases or other documents that the Security Agent may consider to be necessary to give effect to the releases or disposals contemplated by those Clauses); and

(ii) if the Security Agent is not entitled to take any of the actions contemplated by those Clauses or if the Security Agent requests that any Creditor or Debtor take any such action, take that action itself in accordance with the instructions of the Security Agent,

provided that the proceeds of those disposals are applied in accordance with Clause 10 (*Non-Distressed Disposals)* or Clause 11 (*Distressed Disposals*) as the case may be.

b) Notwithstanding any other provisions in this Agreement, the release of any Transaction Security subject to a Transaction Security Document governed by Finnish law ("**Finnish Security**") or the disposal of any asset which is the subject of such Finnish Security will always be subject to the prior written consent of the Security Agent, such consent to be granted at the Security Agent's sole discretion. Each Secured Party authorises the Security Agent to release Finnish Security or the disposal of any asset which is the subject of such Finnish Security to be released in accordance with Clause 10 (*Non-Distressed Disposals*) and Clause 11 (*Distressed Disposals*) at its discretion without notification or further reference to the Secured Parties.

13 APPLICATION OF PROCEEDS

13.1 Order of application

Subject to Clause 13.2 (*Prospective liabilities*), all amounts from time to time received or recovered by the Security Agent (a) pursuant to the terms of any Debt Document, (b) in connection with the realisation or enforcement of all or any part of the Transaction Security or (c) in connection with the making of any demand under any Guarantee (for the purposes of this Clause 13, collectively the "**Recoveries**") shall be held by the Security Agent to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 13), in the following order of priority:

a) in discharging any sums owing to the Security Agent, any Receiver, any Delegate or any Creditor Representatives (for its own account);

b) in payment or distribution to the Hedge Counterparties for application towards the discharge of the Hedging Liabilities (on a pro rata basis between the Hedging Liabilities of each Hedge Counterparty);

c) in payment or distribution to the Creditor Representatives in respect of any Pari Passu Liabilities on its own behalf and on behalf of the Pari Passu Creditors for which it is the Creditor Representative, for application towards the discharge of the Pari Passu Liabilities (in accordance with the terms of the relevant Pari Passu Debt Documents) on a *pro rata* basis between Pari Passu Liabilities under the separate Pari Passu Debt Documents;

d) if none of the Debtors is under any further actual or contingent liability under any Senior Liabilities, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Debtor; and

e) the balance, if any, in payment or distribution to the relevant Debtor.

13.2 Prospective liabilities

Following a Distress Event the Security Agent may, in its discretion hold any amount of the Recoveries in one or more interest bearing suspense or impersonal accounts in the name of the Security Agent with such financial institution (including itself) as the Security Agent shall think fit (the interest being credited to the relevant account) for so long as the Security Agent shall think fit for later application under Clause 13.1 (*Order of application*) in respect of:

a) any sum to any Security Agent, any Receiver or any Delegate; and

b) to the extent permitted under applicable law, any part of the Liabilities,

that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future.

13.3 Investment of cash proceeds

Prior to the application of the proceeds of the Security Property in accordance with Clause 13.1 (*Order of application*) the Security Agent may, in its discretion, hold all or part of any cash proceeds in one or more interest bearing suspense or impersonal accounts in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Security Agent's discretion in accordance with the provisions of this Clause 13.

13.4 Currency conversion

a) For the purpose of, or pending the discharge of, any of the Secured Obligations the Security Agent may:

   (i) convert any moneys received or recovered by the Security Agent (including, without limitation, any cash proceeds) from one currency to another, at the Security Agent's Spot Rate of Exchange; and

   (ii) notionally convert the valuation provided in any opinion or valuation from one currency to another, at the Security Agent's Spot Rate of Exchange.

b) The obligations of any Debtor to pay in the due currency shall only be satisfied:

   (i) in the case of paragraph a)(i) above, to the extent of the amount of the due currency purchased after deducting the costs of conversion; and

   (ii) in the case of paragraph a)(ii) above, to the extent of the amount of the due currency which results from the notional conversion referred to in that paragraph.

13.5 Permitted Deductions

The Security Agent shall be entitled, in its discretion:

a) to set aside by way of reserve amounts required to meet; and

b) to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any law or regulation to make from any distribution or payment made by it

under this Agreement, and to pay all Taxes which may be assessed against it in respect of any of the Charged Property, or as a consequence of performing its duties or exercising its rights, powers, authorities and discretions, or by virtue of its capacity as Security Agent under any of the Debt Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

13.6 Good Discharge

a) Any distribution or payment to be made in respect of the Secured Obligations by the Security Agent:

(i) may be made to the relevant Creditor Representative on behalf of its Primary Creditors; or

(ii) shall be made directly to the relevant Hedge Counterparties.

b) Any distribution or payment made as described in paragraph a) above shall be a good discharge, to the extent of that distribution or payment by the Security Agent.

c) The Security Agent is under no obligation to make the payments to the Creditor Representatives or the Hedge Counterparties under paragraph a) above in the same currency as that in which the Liabilities owing to the relevant Primary Creditor are denominated pursuant to the relevant Debt Document.

13.7 Calculation of Amounts

For the purpose of calculating any person's share of any amount payable to or by it, the Security Agent shall be entitled to:

a) notionally convert the Liabilities owed to any person into a common base currency (decided in its discretion by the Security Agent), that notional conversion to be made at the spot rate at which the Security Agent is able to purchase the notional base currency with the actual currency of the Liabilities owed to that person at the time at which that calculation is to be made; and

b) assume that all amounts received or recovered as a result of the enforcement or realisation of the Security Property are applied in discharge of the Liabilities in accordance with the terms of the Debt Documents under which those Liabilities have arisen.

14 ADDITIONAL DEBT

a) Any of the Liabilities may be refinanced, replaced, increased or otherwise restructured in whole or in part from time to time ranking *pari passu* with or junior to the Liabilities being refinanced, replaced, increased or otherwise restructured and benefiting from all or any of the Transaction Security and guarantees granted in favour of the Liabilities being refinanced, replaced, increased or otherwise restructured (a "**Debt Refinancing**"), in each case **provided that**:

(i) the terms of the Debt Refinancing are not prohibited by the Debt Documents;

(ii) in respect of the liabilities incurred as a result of the Debt Refinancing:

(A) the maturity date is not earlier than the maturity date of the Liabilities being refinanced, replaced or otherwise restructured; and

(B) the interest rate, financial covenants and undertakings are substantially on the prevailing market terms at the time of the Debt Refinancing; and

(iii) the Debt Refinancing is not likely to have a material adverse effect to the interest of the Primary Creditors.

b) Each Party shall be required to enter into any amendment to or replacement of the then current Debt Documents (including for the purpose of reflecting the terms of any Debt Refinancing in the Debt Documents) and/or take such other action as is requested by the Company in order to facilitate any Debt Refinancing, including in relation to any changes to, the taking of, or the release coupled with the retaking of any guarantee or Security. The Security Agent is irrevocably authorised and instructed by each Party (including any person represented by such Party) to execute such amended or replacement Debt Documents and/or take such action on behalf of the Parties (including any person represented by such Party) (and shall without undue delay do so on the request of and at the cost of the Company).

15 THE SECURITY AGENT

15.1 Security Agent as agent

a) The Security Agent declares that it holds the Transaction Security, the Security Property and (to the extent applicable) any Guarantee as agent for, and on behalf of, the Secured Parties on the terms contained in this Agreement.

b) Each of the Primary Creditors authorises the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under or in connection with the Debt Documents together with any other incidental rights, powers, authorities and discretions.

c) In relation to the Transaction Security Document governed by Danish law (a "**Danish Transaction Security Document**") and the Guarantee Agreement in respect of the Danish Debtors, each of the Secured Parties appoints the Security Agent as agent and representative (in Danish "*fuldmægtig og repræsentant*") pursuant to Chapter 4 of the Danish Capital Markets Act to act, receive and hold the Transaction Security under the Danish Transaction Security Documents on behalf of and for the benefit of the Secured Parties and the Security Agent agrees to receive and hold the Transaction Security accordingly on the terms and conditions set out in this Agreement.

15.2 Covenant to pay the Security Agent

a) In this Agreement:

"**Secured Party Claim**" means, in relation to a Debtor and any member of the Group, the Secured Obligations of that Debtor or member of the Group, but excluding its Security Agent Claim; and

"**Security Agent Claim**" has the meaning given to it in paragraph b) below.

b) Each Debtor irrevocably and unconditionally undertakes to pay the Security Agent, as an independent and separate creditor, an amount equal to each of its Secured Party Claims and the Secured Party Claims of each other Debtor and each member of the Group (as these may exist from time to time) (each a "**Security Agent Claim**").

c) Each Security Agent Claim is created on the understanding that the Security Agent must:

(i) share the proceeds of each Security Agent Claim with the other Secured Parties; and

(ii) pay those proceeds to the Secured Parties,

in accordance with Clause 16 (Application of Proceeds).

d) A Debtor's Security Agent Claim is independent and separate from, and without prejudice to the corresponding Secured Party Claim and constitutes a single obligation of that Debtor to the Security Agent (even though that Debtor may owe more than one Secured Party Claim to the Secured Parties under the Debt Documents) and an independent and separate claim of the Security Agent to receive payment of that Security Agent Claim (in its capacity as the independent and separate creditor of that Security Agent Claim and not as a co-creditor in respect of the Secured Party Claims). For purposes of this Clause 15.2, the Security Agent acts in its own name and not as agent, representative or trustee of the Secured Parties and accordingly holds neither its claim resulting from the Security Agent Claims nor any Transaction Security securing the Security Agent Claims on trust. The Security Agent may enforce performance of any Security Agent Claim in its own name as an independent and separate right. This includes any suit, execution, enforcement of security, recovery of guarantees and applications for and voting in respect of any kind of insolvency proceeding.

e) The Parties agree that a Debtor's Security Agent Claim is due and payable at the same time as, for the same amount of and in the same currency as the corresponding Secured Party Claim.

f) Each Secured Party shall, at the request of the Security Agent:

(i) do anything required in connection with the enforcement of any Security Agent Claim (including joining in any proceedings as co-claimant with the Security Agent); and

(ii) enforce its Secured Party Claim.

g) Each Debtor irrevocably and unconditionally waives any right it may have to require a Secured Party to join in any proceedings as co-claimant with the Security Agent in respect of any Security Agent Claim.

h) Discharge by a Debtor or a member of the Group of a Secured Party Claim will discharge the corresponding Security Agent Claim in the same amount.

i) Discharge by a Debtor of a Security Agent Claim will discharge the corresponding Secured Party Claim in the same amount.

j) The aggregate amount of the Security Agent Claims will never exceed the aggregate amount of Secured Party Claims.

k) A defect affecting a Security Agent Claim against a Debtor will not affect any Secured Party Claim.

l) If the Security Agent returns to any Debtor, whether in any kind of insolvency proceedings or otherwise, any recovery in respect of which it has made a payment to a Secured Party, that Secured Party must repay an amount equal to that recovery to the Security Agent.

15.3 Instructions

a) The Security Agent shall:

(i) subject to paragraphs (d) and (e) below, exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Agent in accordance with any instructions given to it by the Majority Pari Passu Creditors; and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above (or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, in accordance with instructions given to it by that Creditor or group of Creditors).

b) The Security Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Pari Passu Creditors (or, if this Agreement stipulates the matter is a decision for any other Creditor or group of Creditors, from that Creditor or group of Creditors) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Agent may refrain from acting unless and until it receives those instructions or that clarification.

c) Save in the case of decisions stipulated to be a matter for any other Creditor or group of Creditors under this Agreement and unless a contrary intention appears in this Agreement, any instructions given to the Security Agent by the Majority Pari Passu Creditors shall override any conflicting instructions given by any other Parties and will be binding on all Secured Parties.

d) Paragraph a) above shall not apply:

(i) where a contrary indication appears in this Agreement;

(ii) where this Agreement requires the Security Agent to act in a specified manner or to take a specified action;

(iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the Secured Parties; or

(iv) in respect of the exercise of the Security Agent's discretion to exercise a right, power or authority under any of Clause 10 (*Non-Distressed Disposals*), Clause 13.1 (*Order of application*), Clause 13.2 (*Prospective liabilities*) and Clause 13.5 (*Permitted Deductions*).

e) In exercising any discretion to exercise a right, power or authority under the Debt Documents where either:

(i) it has not received any instructions as to the exercise of that discretion; or

(ii) the exercise of that discretion is subject to sub-paragraph d)(iv) above,

(iii) the Security Agent shall do so having regard to the interests of all the Secured Parties.

f) The Security Agent may refrain from acting in accordance with any instructions of any Creditor or group of Creditors until it has received any indemnification and/or security that it may in its

discretion require (which may be greater in extent than that contained in the Debt Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.

g) Without prejudice to the provisions of Clause 9 (*Enforcement of Transaction Security*) and the remainder of this Clause 15.2, in the absence of instructions, the Security Agent may act (or refrain from acting) as it considers in its discretion to be appropriate.

15.4 Duties of the Security Agent

a) The Security Agent's duties under the Debt Documents are solely mechanical and administrative in nature.

b) The Security Agent shall without undue delay:

(i) forward to each Creditor Representative and to each Hedge Counterparty a copy of any document received by the Security Agent from any Debtor under any Debt Document; and

(ii) forward to a Party the original or a copy of any document which is delivered to the Security Agent for that Party by any other Party.

c) Except where a Debt Document specifically provides otherwise, the Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

d) Without prejudice to Clause 20.3 (*Notification of prescribed events*), if the Security Agent receives notice from a Party referring to any Debt Document, describing a Default and stating that the circumstance described is a Default, it shall without undue delay notify the Primary Creditors.

e) To the extent that a Party (other than the Security Agent) is required to calculate a Common Currency Amount, the Security Agent shall upon a request by that Party, without undue delay notify that Party of the relevant Security Agent's Spot Rate of Exchange.

f) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Debt Documents to which it is expressed to be a party (and no others shall be implied).

15.5 Rights and discretions

a) The Security Agent may:

(i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;

(ii) assume that:

(A) any instructions received by it from the Majority Pari Passu Creditors, any Creditors or any group of Creditors are duly given in accordance with the terms of the Debt Documents;

(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(C) if it receives any instructions to act in relation to the Transaction Security, that all applicable conditions under the Debt Documents for so acting have been satisfied; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of sub-paragraph (A) above, may assume the truth and accuracy of that certificate.

b) The Security Agent may assume (unless it has received notice to the contrary in its capacity as security agent for the Secured Parties) that:

(i) no Default has occurred;

(ii) any right, power, authority or discretion vested in any Party or any group of Creditors has not been exercised; and

(iii) any notice made by the Company is made on behalf of and with the consent and knowledge of all the Debtors.

c) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

d) Without prejudice to the generality of paragraph c) above or paragraph e) below, the Security Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Security Agent (and so separate from any lawyers instructed by any Primary Creditor) if the Security Agent in its reasonable opinion deems this to be desirable.

e) The Security Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

f) The Security Agent, any Receiver and any Delegate may act in relation to the Debt Documents and the Security Property through its officers, employees and agents and shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct.

g) Unless this Agreement expressly specifies otherwise, the Security Agent may disclose to any other Party any information it reasonably believes it has received as security agent under this Agreement.

h) Notwithstanding any other provision of any Debt Document to the contrary, the Security 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 or a breach of a fiduciary duty or duty of confidentiality.

i) Notwithstanding any provision of any Debt Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

15.6 Responsibility for documentation

None of the Security Agent, any Receiver nor any Delegate is responsible or liable for:

a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Security Agent, a Debtor or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document;

b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; or

c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

15.7 No duty to monitor

The Security Agent shall not be bound to enquire:

a) whether or not any Default has occurred;

b) as to the performance, default or any breach by any Party of its obligations under any Debt Document; or

c) whether any other event specified in any Debt Document has occurred.

15.8 Exclusion of liability

a) Without limiting paragraph b) below (and without prejudice to any other provision of any Debt Document excluding or limiting the liability of the Security Agent, any Receiver or any Delegate), none of the Security Agent, any Receiver nor any Delegate will be liable for:

(i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection

with any Debt Document or the Security Property unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising or not exercising any right, power, authority or discretion given to it by, or in connection with, any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Debt Document or the Security Property;

(iii) any shortfall which arises on the enforcement or realisation of the Security Property; or

(iv) without prejudice to the generality of paragraphs (i) to (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

b) No Party (other than the Security Agent, that Receiver or that Delegate (as applicable)) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document or any Security Property.

c) Nothing in this Agreement shall oblige the Security Agent to carry out:

(i) any "know your customer" or other checks in relation to any person; or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Primary Creditor,

on behalf of any Primary Creditor and each Primary Creditor confirms to the Security Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Security Agent.

d) Without prejudice to any provision of any Debt Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate, any liability of the Security Agent, any Receiver or any Delegate arising under or in connection with any Debt Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent, Receiver or Delegate (as the case may be) or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent,

Receiver or Delegate (as the case may be) at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, Receiver or Delegate (as the case may be) has been advised of the possibility of such loss or damages.

15.9 Primary Creditors' indemnity to the Security Agent

a) Each Primary Creditor (other than any Creditor Representative) shall (in the proportion that the Liabilities due to it bear to the aggregate of the Liabilities due to all the Primary Creditors (other than any Creditor Representative) for the time being (or, if the Liabilities due to the Primary Creditors (other than any Creditor Representative) are zero, immediately prior to their being reduced to zero)), indemnify the Security Agent and every Receiver and every Delegate, within three (3) Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct) in acting as Security Agent, Receiver or Delegate under, or exercising any authority conferred under, the Debt Documents (unless the relevant Security Agent, Receiver or Delegate has been reimbursed by a Debtor pursuant to a Debt Document).

b) For the purposes only of paragraph a) above, to the extent that any hedging transaction under a Hedging Agreement has not been terminated or closed-out, the Hedging Liabilities due to any Hedge Counterparty in respect of that hedging transaction will be deemed to be:

(i) if the relevant Hedging Agreement is based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of those hedging transactions, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

(ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

that amount, in each case as calculated in accordance with the relevant Hedging Agreement.

c) Subject to paragraph d) below, the Company shall immediately on demand reimburse any Primary Creditor for any payment that Primary Creditor makes to the Security Agent pursuant to paragraph (a) above.

d) Paragraph c) above shall not apply to the extent that the indemnity payment in respect of which the Primary Creditor claims reimbursement relates to a liability of the Security Agent to a Debtor.

15.10 Resignation of the Security Agent

a) The Security Agent may resign and appoint one of its Affiliates as successor by giving notice to the Primary Creditors and the Company.

b) If an Insolvency Event occurs in respect of the Security Agent, the Security Agent shall be deemed to have resigned and a successor Security Agent shall be appointed in accordance with this Clause 15.10.

c) Alternatively the Security Agent may resign by giving thirty (30) days' notice to the Primary Creditors and the Company, in which case the Required Pari Passu Creditors may appoint a successor Security Agent.

d) If the Required Pari Passu Creditors have not appointed a successor Security Agent in accordance with paragraph b) above within twenty (20) days after notice of resignation was given, the retiring Security Agent (after consultation with the Creditor Representatives and the Hedge Counterparties) may appoint a successor Security Agent.

e) The retiring Security Agent shall, at its own cost, make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Debt Documents.

f) The Security Agent's resignation notice shall only take effect upon (i) the appointment of a successor and (ii) the transfer of all the Security Property to that successor.

g) Upon the appointment of a successor, the retiring Security Agent shall be discharged from any further obligation in respect of the Debt Documents (other than its obligations under paragraph d) above) but shall remain entitled to the benefit of this Clause 15 and Clause 19.1 (*Indemnity to the Security Agent*) (and any Security Agent fees for the account of the retiring Security Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.

h) The Required Pari Passu Creditors may, by notice to the Security Agent, require it to resign in accordance with paragraph b) above. In this event, the Security Agent shall resign in accordance with paragraph b) above.

15.11 Confidentiality

a) If information is received by another division or department of the Security Agent, it may be treated as confidential to that division or department and the Security Agent shall not be deemed to have notice of it.

b) Notwithstanding any other provision of any Debt Document to the contrary, the Security Agent is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

15.12 Information from the Creditors

Each Creditor shall supply the Security Agent with any information that the Security Agent may reasonably specify as being necessary or desirable to enable the Security Agent to perform its functions as Security Agent.

15.13 No responsibility to perfect Transaction Security

The Security Agent shall not be liable for any failure to:

a) require the deposit with it of any agreement or document certifying, representing or constituting the title of any Debtor to any of the Charged Property;

b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Debt Document or the Transaction Security;

c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Debt Document or of the Transaction Security;

d) take, or to require any Debtor to take, any step to perfect its title to any of the Charged Property or to render the Transaction Security effective or to secure the creation of any ancillary Security under any law or regulation; or

e) require any further assurance in relation to any Security Document.

15.14 Insurance by Security Agent

The Security Agent shall not be under any obligation (i) to insure any of the Charged Property, (ii) to require any other person to maintain any insurance or (iii) to verify any obligation to arrange or maintain insurance contained in any Debt Document. The Security Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

15.15 Delegation by the Security Agent

a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.

b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

c) No Security Agent, Receiver or Delegate shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

15.16 Debtors: Power of Attorney

Each Debtor by way of security for its obligations under this Agreement irrevocably, to the extent legally permissible, appoints the Security Agent to be its attorney to do anything which that Debtor has authorised the Security Agent or any other Party to do under this Agreement or is itself required to do under this Agreement but has failed to do (and the Security Agent may delegate that power on such terms as it sees fit).

16 PARI PASSU CREDITOR REPRESENTATIVES PROTECTIONS

16.1 Limitation of liability

a) This Agreement is executed and delivered by each Pari Passu Creditor Representative not individually or personally, but solely in its capacity as a Pari Passu Creditor Representative in the exercise of the powers and authority conferred and vested in it under the relevant Pari Passu Debt Documents.

b) In no case shall a Pari Passu Creditor Representative be:

(i) responsible or accountable in damages or otherwise to any other Party for any loss, damage or claim incurred by reason of any act or omission performed or omitted by it in good faith in accordance with this Agreement and in a manner that the relevant Pari Passu Creditor Representative believed to be within the scope of the authority conferred on the Pari Passu Creditor Representative by this Agreement and the relevant Pari Passu Debt Documents or by law; or

(ii) personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any other Party,

all such liability, if any, being expressly waived by the Parties and any person claiming by, through or under such Party.

c) A Pari Passu Creditor Representative shall not have any responsibility for the actions of any individual Pari Passu Creditor.

d) The Pari Passu Creditor Representative shall not be liable to any Creditor (other than the Pari Passu Creditors for which it is the Creditor Representative) or any member of the Group if the Pari Passu Creditor Representative shall in good faith mistakenly pay over or distribute to the Pari Passu Creditors or to any other person cash, property or securities to which any Creditor (other than the Pari Passu Creditors for which it is the Creditor Representative) shall be entitled by virtue of this Agreement or otherwise.

16.2 Instructions, actions and reliance

a) In acting under and in accordance with this Agreement a Pari Passu Creditor Representative shall act in accordance with the relevant Pari Passu Debt Documents and shall seek any necessary instruction from the relevant Pari Passu Creditors, to the extent provided for, and in accordance with, the relevant Pari Passu Debt Documents, and where it so acts on the instructions of the Pari Passu Creditors, the Pari Passu Creditor Representative shall not incur any liability to any person for so acting other than in accordance with the Pari Passu Debt Documents.

b) Prior to taking any action under this Agreement or the relevant Pari Passu Debt Documents, as the case may be, the Pari Passu Creditor Representative may reasonably request and rely upon an opinion of counsel or opinion of another qualified expert, at the Company's expense, as applicable; **provided that** any such opinions shall be at the expense of the relevant Pari Passu Creditor, if such actions are on the instructions of the relevant Pari Passu Creditors.

16.3 Turnover obligations

Notwithstanding any provision in this Agreement to the contrary, a Pari Passu Creditor Representative shall only have an obligation to turn over or repay amounts received or recovered under this Agreement by it:

a) if it had actual knowledge that the receipt or recovery is an amount received in breach of a provision of this Agreement (a "**Turnover Receipt**"); and

b) to the extent that, prior to receiving that knowledge, it has not distributed the amount of the Turnover Receipt to the Pari Passu Creditors for which it is the Creditor Representative in accordance with the provisions of the relevant Pari Passu Debt Documents.

16.4 No liability or obligation for a Pari Passu Creditor Representatives

Notwithstanding any other provision of this Agreement:

a) a Pari Passu Creditor Representative shall not be liable for any failure by any Pari Passu Creditor for which it is the Creditor Representative to comply with any obligation such Pari Passu Creditor may have under this Agreement, including (without limitation) under Clause 7 (*Turnover of Receipts*), to make any payment or repayment, or any distribution or redistribution, to the Security Agent (or any other Creditor or person) of any amount received or recovered by that Pari Passu Creditor under or in respect of any Debt Document; and

b) without limiting the generality of paragraph a) above, a Pari Passu Creditor Representative:

   (i) shall have no obligation to pay, repay, distribute or redistribute, or ensure the payment, repayment, distribution or redistribution of, any amount received or recovered by any Pari Passu Creditor for which it is the Creditor Representative under or in respect of any Debt Document which should have been paid, repaid, distributed or redistributed by such Pari Passu Creditor to the Security Agent (or any other Creditor or person) pursuant to the terms of this Agreement, including (without limitation) under Clause 7 (*Turnover of Receipts*); and

   (ii) shall not be liable for any damages, costs or losses to any Creditor or other person as result of any such failure by any Pari Passu Creditor for which it is the Creditor Representative referred to in paragraph a) above.

16.5 Reliance and information

a) A Pari Passu Creditor Representative may rely without enquiry on any notice, consent or certificate of the Security Agent, any other Creditor Representative or any Hedge Counterparty as to the matters certified therein.

b) A Pari Passu Creditor Representative may rely and shall be fully protected in acting or refraining from acting upon any notice or other document reasonably believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person.

16.6 No action

a) A Pari Passu Creditor Representative shall not have any obligation to take any action under this Agreement unless it is indemnified or secured to its satisfaction (whether by way of payment in advance or otherwise) by the Debtors or the Pari Passu Creditors for which it is the Creditor

Representative, as applicable, in accordance with the terms of the relevant Pari Passu Debt Documents.

b) A Pari Passu Creditor Representative is not required to indemnify any other person, whether or not a Party in respect of the transactions contemplated by this Agreement.

16.7 Instruction of the Security Agent

A Pari Passu Creditor Representative shall be under no obligation to instruct or direct the Security Agent to take any Enforcement Action unless it shall have been instructed to do so by the Pari Passu Creditors for which it is the Creditor Representative and indemnified and/or secured to its satisfaction.

16.8 Disclosure of information

Each Party irrevocably authorises a Pari Passu Creditor Representative to disclose to any Debtor or Pari Passu Creditor for which it is the Creditor Representative any information received by that Pari Passu Creditor Representative in its capacity as Pari Passu Creditor Representative.

16.9 Illegality

A Pari Passu Creditor Representative may refrain from doing anything (including disclosing any information) which might, in its opinion, constitute a breach of any law or regulation and may do anything which, in its opinion, is necessary or desirable to comply with any law or regulation.

16.10 Agents

A Pari Passu Creditor Representative may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any attorney or agent appointed with reasonable care by it hereunder.

16.11 No requirement for bond or Security

A Pari Passu Creditor Representative shall not be required to give any bond or security with respect to the performance of its duties or the exercise of its powers under this Agreement.

17 CHANGES TO THE PARTIES

17.1 No change of Company

The Company may not assign or transfer any of its rights or obligations in respect of any Debt Documents or the Liabilities except as expressly permitted by the terms of this Agreement and the other Debt Documents.

17.2 Change of Pari Passu Creditor

Any Pari Passu Creditor may assign or transfer any of its rights or obligations in respect of any Debt Documents or the Liabilities.

17.3 Change of Hedge Counterparty

A Hedge Counterparty may (in accordance with the terms of the relevant Hedging Agreement and subject to any consent required under that Hedging Agreement) transfer any of its rights or obligations in respect of the Hedging Agreements to which it is a party if any transferee has (if not already a Party as a Hedge Counterparty) acceded to this Agreement as a Hedge Counterparty pursuant to the terms hereof.

17.4 Change of Creditor Representative

No person shall become a Creditor Representative unless at the same time it accedes to this Agreement as a Creditor Representative pursuant to the terms hereof.

17.5 Accession of new Pari Passu Creditors

In order for indebtedness in respect of any issuance of debt securities to constitute "Pari Passu Liabilities" for the purposes of this Agreement:

a) the incurrence of such debt as Pari Passu Liabilities under this Agreement may not breach the terms of any of the existing Pari Passu Debt Documents; and

b) the agent, lender, trustee or bond trustee in respect of such debt shall accede to this Agreement as the Creditor Representative in relation to those Pari Passu Liabilities pursuant to the terms hereof.

17.6 Creditor/Creditor Representative Accession Agreement

With effect from the date of entry into by the relevant parties of a Creditor/Creditor Representative Accession Agreement:

a) any Party ceasing entirely to be a Creditor shall be discharged from further obligations towards the Security Agent and other Parties under this Agreement and their respective rights against one another shall be cancelled (except in each case for those rights which arose prior to that date); and

b) as from that date, the replacement or new Creditor shall assume the same obligations and become entitled to the same rights, as if it had been an original Party in the capacity specified in the Creditor/Creditor Representative Accession Agreement.

17.7 New Debtor

a) If any member of the Group (i) incurs any Liabilities or (ii) gives any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, the Debtors will procure that the person incurring those Liabilities or giving that assurance accedes to this Agreement as a Debtor no later than contemporaneously with the incurrence of those Liabilities or the giving of that assurance.

b) With effect from the date of entry into by the relevant parties of a Debtor Accession Agreement, the new Debtor shall assume the same obligations and become entitled to the same rights as if it had been an original Party as a Debtor.

17.8 Resignation of a Debtor

a) The Company may request that a Debtor (other than the Company) ceases to be a Debtor by delivering to the Security Agent a Debtor Resignation Request.

b) The Security Agent shall accept a Debtor Resignation Request and notify the Company and each other Party of its acceptance if:

   (i) the Company has confirmed that no Default is continuing or would result from the acceptance of the Debtor Resignation Request;

   (ii) each Hedge Counterparty notifies the Security Agent that that Debtor is under no actual or contingent obligations to that Hedge Counterparty in respect of the Hedging Liabilities; and

(iii) to the extent that the Pari Passu Discharge Date has not occurred, each Pari Passu Creditor Representative notifies the Security Agent that the Debtor is not, or has ceased to be, an issuer, arranger, agent, borrower or guarantor of the Pari Passu Liabilities for which it is the Creditor Representative.

c) Upon notification by the Security Agent to the Company of its acceptance of the resignation of a Debtor, that member of the Group shall cease to be a Debtor and shall have no further rights or obligations under this Agreement as a Debtor.

18 COSTS AND EXPENSES

18.1 Transaction expenses

The Company shall, promptly on demand, pay the Security Agent the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by the Security Agent and by any Receiver or Delegate in connection with the negotiation, preparation, printing, execution and perfection of:

a) this Agreement and any other documents referred to in this Agreement and the Transaction Security; and

b) any other Debt Documents executed after the date of this Agreement.

18.2 Amendment costs

If a Debtor requests an amendment, waiver or consent, the Company shall, within three (3) Business Days of demand, reimburse the Security Agent for the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by the Security Agent (and by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

18.3 Enforcement and preservation costs

The Company shall, within three (3) Business Days of demand, pay to the Security Agent the amount of all costs and expenses (including legal fees and together with any applicable VAT) incurred by it in connection with the enforcement of or the preservation of any rights under any Debt Document and the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

18.4 Stamp taxes

The Company shall pay and, within three (3) Business Days of demand, indemnify the Security Agent against any cost, loss or liability the Security Agent incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Debt Document.

18.5 Interest on demand

If any Creditor or Debtor fails to pay any amount payable by it under this Agreement on its due date, interest shall accrue on the overdue amount (and be compounded with it) from the due date up to the date of actual payment (both before and after judgment and to the extent interest at a default rate is not otherwise being paid on that sum) at the rate which is two per cent. (2.00%) per annum over the rate at which the Security Agent would be able to obtain by placing on deposit with a leading bank an amount comparable to the unpaid amounts in the currencies of those amounts for any period(s) that the Security Agent may from time to time select **provided that** if any such rate is below zero, that rate will be deemed to be zero.

19 OTHER INDEMNITIES

19.1 Indemnity to the Security Agent

a) Each Debtor jointly and severally shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability (together with any applicable VAT) incurred by any of them as a result of:

(i) any failure by the Company to comply with its obligations under Clause 18 (*Costs and expenses*);

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(iii) the taking, holding, protection or enforcement of the Transaction Security and any Guarantee;

(iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent, each Receiver and each Delegate by the Debt Documents or by law;

(v) any default by any Debtor in the performance of any of the obligations expressed to be assumed by it in the Debt Documents;

(vi) instructing lawyers, accountants, tax advisers, surveyors, a Financial Adviser or other professional advisers or experts as permitted under this Agreement; or

(vii) acting as Security Agent, Receiver or Delegate under the Debt Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

b) Each Debtor expressly acknowledges and agrees that the continuation of its indemnity obligations under this Clause 19.1 will not be prejudiced by any release or disposal under Clause 11 (*Distressed Disposals*) taking into account the operation of that Clause 11.

19.2 Company's indemnity to Primary Creditors

The Company shall promptly and as principal obligor indemnify each Primary Creditor against any cost, loss or liability (together with any applicable VAT), whether or not reasonably foreseeable, incurred by any of them in relation to or arising out of the operation of Clause 11 (*Distressed Disposals*).

20 INFORMATION

20.1 Dealings with Security Agent and Creditor Representatives

a) Each Pari Passu Creditor shall deal with the Security Agent exclusively through its Creditor Representative and the Hedge Counterparties shall deal directly with the Security Agent and shall not deal through any Creditor Representative.

b) No Creditor Representative shall be under any obligation to act as agent or otherwise on behalf of any Hedge Counterparty except as expressly provided for in, and for the purposes of, this Agreement.

20.2 Disclosure between Primary Creditors and Security Agent

Notwithstanding any agreement to the contrary, each Debtor consents, until the Final Discharge Date, to the disclosure by any Primary Creditor and the Security Agent to each other (whether or not through a Creditor Representative or the Security Agent) of such information concerning the Debtors as any Primary Creditor or the Security Agent shall see fit.

20.3 Notification of prescribed events

a) If an Event of Default under a Pari Passu Debt Document either occurs or ceases to be continuing the relevant Creditor Representative shall, upon becoming aware of that occurrence or cessation, notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Primary Creditor.

b) If an Acceleration Event occurs the relevant Creditor Representative(s) shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

c) If the Security Agent enforces, or takes formal steps to enforce, any of the Transaction Security or makes, or takes formal steps to make, any demand under any Guarantee it shall notify each Party of that action.

d) If any Primary Creditor exercises any right it may have to enforce, or to take formal steps to enforce, any of the Transaction Security or makes, or takes formal steps to make, any demand under any Guarantee it shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each Party of that action.

e) If a Debtor defaults on any Payment due under a Hedging Agreement, the Hedge Counterparty which is party to that Hedging Agreement shall, upon becoming aware of that default, notify the Security Agent and the Security Agent shall, upon receiving that notification, notify the Creditor Representatives and each other Hedge Counterparty.

f) If a Hedge Counterparty terminates or closes-out, in whole or in part, any hedging transaction under any Hedging Agreement under Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*) it shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each Creditor Representative and each other Hedge Counterparty.

g) If the Security Agent receives a notice under paragraph a) of Clause 5 (*Hedge Transfer*) it shall upon receiving that notice, notify, and send a copy of that notice to, each Hedge Counterparty

21 NOTICES

21.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by email or letter.

21.2 Security Agent's communications with Primary Creditors

The Security Agent shall be entitled to carry out all dealings:

a) with the Pari Passu Creditors through their respective Creditor Representatives and may give to the Creditor Representatives, as applicable, any notice, document or other communication required to be given by the Security Agent to a Pari Passu Creditor; and

b) with each Hedge Counterparty directly with that Hedge Counterparty.

21.3 Addresses

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

a) in the case of the Company or the Security Agent, that identified with its name below; and

b) in the case of each other Party, that notified in writing to the Security Agent on or prior to the date on which it becomes a Party,

or any substitute address, email address or department or officer which that Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five (5) Business Days' notice.

21.4 Delivery

a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective (i) if by way of email, when received in legible form or (ii) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.

b) Any communication or document made or delivered to the Company in accordance with this Clause 21.4 will be deemed to have been made or delivered to each of the Debtors.

21.5 Notification of address and email address

Without undue delay upon receipt of notification of an address and email address or any change thereof pursuant to Clause 21.3 (*Addresses*) or changing its own address or email address, the Security Agent shall notify the other Parties.

22 MISCELLANEOUS

22.1 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under a Debt Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Debt Document. No election to affirm any Debt Document on the part of a Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Debt Document are cumulative and not exclusive of any rights or remedies provided by law.

22.2 Waiver of defences

The provisions of this Agreement or any Guarantee or Transaction Security will not be affected by an act, omission, matter or thing which, but for this Clause 22.2, would reduce, release or prejudice the priorities expressed to be created by this Agreement including (without limitation and whether or not known to any Party):

a) any time, waiver or consent granted to, or composition with, any Debtor or other person;

b) the release of any Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Debtor or other person;

e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Debt Document or any other document or security;

f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security;

g) any intermediate Payment of any of the Liabilities owing to the Primary Creditors in whole or in part; or

h) any insolvency or similar proceedings.

22.3 Priorities not affected

Except as otherwise provided in this Agreement the priorities referred to in Clause 2 (*Ranking and Priority*) will:

a) not be affected by any reduction or increase in the principal amount secured by the Transaction Security or any Guarantee in respect of the Liabilities owing to the Primary Creditors or by any intermediate reduction or increase in, amendment or variation to any of the Debt Documents, or by any variation or satisfaction of, any of the Liabilities or any other circumstances;

b) apply regardless of the order in which or dates upon which this Agreement and the other Debt Documents are executed or registered or notice of them is given to any person; and

c) secure the Liabilities owing to the Primary Creditors in the order specified, regardless of the date upon which any of the Liabilities arise or of any fluctuations in the amount of any of the Liabilities outstanding.

22.4 Limitations

22.4.1 Norwegian law limitations

Notwithstanding anything to the contrary in this Agreement or any other Debt Document, the obligations and liabilities of each Debtor incorporated in Norway (a "**Norwegian Debtor**") pursuant to Debt Documents shall be limited to the extent necessary to comply with the mandatory provisions of law applicable to it, including sections 8-7 and 8-10, cf. section 1-3, of the Norwegian Companies Act regarding unlawful financial assistance and other restrictions on a Norwegian limited liability company's ability to grant guarantees, loans or security interests. It is understood that the obligations and liabilities of each Norwegian Debtor under this Agreement shall always be interpreted so as to make each Norwegian Debtor liable to the fullest extent permitted by the Norwegian Companies Act.

22.4.2 Danish law limitations

Notwithstanding any provision of this Agreement, any Guarantee Agreement or any other Debt Document, any guarantee, indemnity and other obligations (as well as any security created in relation thereto) of any Debtor incorporated in Denmark (a "**Danish Debtor**") or, solely in the case of paragraph a) below, such Danish Debtor's Subsidiaries, expressed to be assumed pursuant to this Agreement, the Guarantee Agreement or any other Debt Document,

a) shall be deemed not to be assumed and shall be limited) to the extent that the same would constitute unlawful financial assistance, including (without limitation) within the meaning of Sections 206 and 210 of the Danish Companies Act, and accordingly, and without limitation, any guarantee, indemnity and other obligations (as well as any security created in relation thereto) of any Danish Debtor and such Danish Debtor's Subsidiaries shall specifically exclude any and all obligations and liabilities related to refinancing of the obligations and liabilities of the term facilities under the Existing Debt, and

b) shall further be limited to an amount equivalent to the higher of

   (i) the Equity of such Danish Debtor at the time such Danish Debtor is requested to make a payment under the relevant Debt Document or of enforcement of security granted by such Danish Debtor (as applicable), and

   (ii) the Equity of the Danish Debtor at the date of this Agreement,

   (iii) **provided that** that these limitations in sub-clause b) shall only apply to obligations and liabilities of such Danish Debtor which exceed the sum of (x) the advances under the Debt Documents received by such Danish Debtor and its Subsidiaries indirectly in its capacity as intra-group borrower and (y) interest and other costs and fees under the Finance Documents which are to be borne by a Danish Debtor in its capacity as intra-group borrower.

c) For the avoidance of doubt, the limitations set out in paragraph a) of this Clause 22.4.2 shall apply to such Danish Guarantor's and such Danish Guarantor's Subsidiaries' aggregate obligations and liabilities under any security, guarantee, indemnity, collateral, subordination of rights and claims, subordination or turnover of rights of recourse, application of proceeds and/or release of liabilities on distressed disposals constituting direct or indirect financial assistance under Sections 206 and 210 of the Danish Companies Act pursuant to this Agreement or any other Debt Document.

d) For the purposes of this Clause 22.4.2 only, "**Equity**" means the equity (in Danish "*egenkapital*") of a Danish Debtor calculated in accordance with applicable generally accepted accounting principles at the relevant time, however, adjusted upwards if and to the extent any book value is not equal to the market value.

22.4.3 Finnish law limitations

Notwithstanding anything to the contrary in this Agreement or any other Debt Document, the obligations and liabilities of a Debtor incorporated in Finland (a "**Finnish Debtor**") under the Debt Documents (in any capacity) shall not include (and shall be deemed and construed to expressly exclude) any obligations and liabilities to the extent they would constitute an unlawful distribution of assets as provided in Chapter 13, Section 1 of the Finnish Companies Act (*Osakeyhtiölaki* (624/2006)) or unlawful financial assistance, as provided in Chapter 13, Section 10 of the Finnish Companies Act, or breach any other applicable mandatory provisions of Finnish corporate law, provided that it is acknowledged that the obligations and liabilities of each Finnish Debtor shall apply to the fullest extent permitted by the aforementioned provisions of the Finnish Companies Act and other applicable mandatory provisions of Finnish corporate law.

22.4.4 Dutch law limitations

No obligations are included in any of the Debt Documents to the extent that, if they were included, that would result in such obligations constituting unlawful financial assistance within the meaning of Section 2:98(c) of the Dutch Civil Code or the articles of association of the relevant Debtor.

22.5 Amendments and Waivers: Required consents

This Agreement may be amended or waived only with the consent of the Creditor Representatives and the Required Pari Passu Creditors and the Security Agent.

22.6 Amendments and Waivers: Guarantees and Transaction Security

a) Unless the provisions of any Debt Document expressly provide otherwise, the Security Agent may, if authorised by the Required Pari Passu Creditors, and if the Company consents, amend the terms of, waive any of the requirements of or grant consents under, any of the Guarantee Agreements and the Transaction Security Documents which shall be binding on each Party.

b) Any amendment or waiver of, or consent under, any Guarantee Agreement or Transaction Security Document which has the effect of changing or which relates to:

(i) the nature or scope of the Guarantee or the Charged Property;

(ii) the manner in which the proceeds of enforcement of the Guarantee or the Transaction Security are distributed; or

(iii) the release of any Guarantee or Transaction Security,

shall not be made without the prior consent of each Pari Passu Creditor Representative on behalf of the Pari Passu Creditor in respect of which it is the Creditor Representative, and the Hedge Counterparties.

22.7 Calculation of Super Senior Credit Participations and Pari Passu Credit Participations

For the purpose of ascertaining whether any relevant percentage of Super Senior Credit Participations or Pari Passu Credit Participations has been obtained under this Agreement, the Security Agent may notionally convert

the Super Senior Credit Participations and/or Pari Passu Credit Participations into their Common Currency Amounts.

22.8 Partial invalidity

If any provision of this Agreement is for any reason held invalid, illegal or unenforceable in any respect, such illegality, invalidity or unenforceability will not affect any other provision of this Agreement.

22.9 Agreement to override

Unless expressly stated otherwise in this Agreement, this Agreement overrides anything in the Debt Documents to the contrary.

23 GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Norwegian law.

24 ENFORCEMENT

24.1 Jurisdiction

a) The courts of Norway, with the Oslo District Court (*Oslo tingrett*) as the court of first instance, have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (each a "**Dispute**").

b) Notwithstanding paragraph a) above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

24.2 Service of process

Without prejudice to any other mode of service allowed under any relevant law, each Debtor:

a) irrevocably appoints the Company as its agent for service of process in relation to any proceedings before the Norwegian courts in connection with this Agreement and the Company, by its execution of this Agreement, accepts that appointment; and

b) agrees that failure by a process agent to notify the relevant Debtor of the process will not invalidate the proceedings concerned.

***

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

THE ORIGINAL DEBTORS

Name of Original Debtor	Registration number	Jurisdiction
KMC Properties ASA	990 727 007	Norway
KMC Properties AS	924 527 714	Norway
Pesca Property AS	920 129 765	Norway
Pesca Property Invest AS	922 307 563	Norway
KMC Properties Nederland AS	925 719 501	Norway
KMC Properties VI AS	926 446 312	Norway
Holland Industrial Properties B.V.	81185251	The Netherlands
Zwartsluis Investment Properties B.V.	81273797	The Netherlands
Wijchen Investment Properties B.V.	81274572	The Netherlands
Oldenzaal Investment Properties B.V.	81274068	The Netherlands
Someren Investment Properties B.V.	81274386	The Netherlands
KMC Properties VI Finland Oy	3313590-5	Finland
KMC Muurlantie Oy	3324395-7	Finland
KMC Pajakatu Oy	3324396-5	Finland
KMC Toravantie Oy	3324397-3	Finland
Pesca Property Finland Oy	3097852-8	Finland
KMC Kuopio Oy	2863190-4	Finland
Pesca Property Danmark A/S	40552480	Denmark
KMC Industrial Properties Denmark ApS	39120550	Denmark
KMC Hvide Sande A/S	40981632	Denmark
KMC Frederikshavn A/S	40992685	Denmark
KMC Nykøbing Mors A/S	31499879	Denmark

KMC Farsø A/S	31500028	Denmark
KMC Hedensted ApS	43849611	Denmark
KMC Properties IV Denmark Aps	43465554	Denmark

SCHEDULE 2

FORM OF DEBTOR ACCESSION AGREEMENT

THIS AGREEMENT is made on [ ] and made between:

(1) [ ] (the "**Acceding Debtor**"); and

(2) **NORDIC TRUSTEE AS** (the "**Security Agent**"), for itself and each of the other parties to the Intercreditor Agreement (as defined below).

WHEREAS:

(A) an intercreditor agreement dated 3 July 2023 (the "**Intercreditor Agreement**") has been made between, among others, KMC Properties ASA as the Company (as defined therein) and the Security Agent; and

(B) the Acceding Debtor intends to incur Liabilities and/or give Security or a guarantee, indemnity or other assurance against loss in respect of Liabilities under certain documents (the "**Relevant Documents**").

IT IS AGREED as follows:

1 Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this Agreement.

2 The Acceding Debtor and the Security Agent agree that the Security Agent shall hold (a) any Security and (to the extent applicable) any Guarantee in respect of Liabilities or any Security Agent Claim created or expressed to be created pursuant to the Relevant Documents, (b) all proceeds of any Security and Guarantee and (c) all obligations expressed to be undertaken by the Acceding Debtor to pay amounts in respect of the Liabilities to the Security Agent as agent or on behalf of the Secured Parties (in the Relevant Documents or otherwise, and including the Security Agent Claim) and secured by the Transaction Security and any Guarantee, as agent or on behalf of the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.

3 The Acceding Debtor confirms that it (a) intends to be party to the Intercreditor Agreement as a Debtor, (b) undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement, including, for the avoidance of doubt, the undertaking to pay the Security Agent Claim pursuant to Clause 18.2 of the Intercreditor Agreement and (c) agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.

4 [ ].[1]

5 The provisions of Clause 23 (*Governing law*) and Clause 24 (*Enforcement*) of the Intercreditor Agreement shall be incorporated into this Agreement as if set out in full herein (with any logical amendments).

[1] Any applicable limitations in the form of local law limitation language or similar.

The Acceding Debtor
[ ]

By: _____
Name:
Title:

Address for notices:
Address:
Email:

The Security Agent
NORDIC TRUSTEE AS

By: _____
Name:
Title:

SCHEDULE 3

FORM OF CREDITOR/CREDITOR REPRESENTATIVE ACCESSION AGREEMENT

THIS AGREEMENT is made on [ ] and made between:

(1) [ ] (the ["**Acceding Pari Passu Creditor**"] / ["**Acceding Hedge Counterparty**"] / ["**Acceding Creditor Representative**"]); and

(2) **NORDIC TRUSTEE AS** (the "**Security Agent**"), for itself and each of the other parties to the Intercreditor Agreement (as defined below).

WHEREAS:

(A) an intercreditor agreement dated 3 July 2023 (the "**Intercreditor Agreement**") has been made between, among others, KMC Properties ASA as Company (as defined therein) and the Security Agent; and

(B) the [Acceding Pari Passu Creditor] / [Acceding Hedge Counterparty] / [Acceding Creditor Representative] intends to become [a creditor] / [a representative of certain creditors] in respect of certain Liabilities under certain documents.

IT IS AGREED as follows:

1 Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meanings when used in this Agreement.

2 In consideration of the [Acceding Pari Passu Creditor] / [Acceding Hedge Counterparty] / [Acceding Creditor Representative] being accepted as a [Pari Passu Creditor] / [Hedge Counterparty] / [Creditor Representative] for the purposes of the Intercreditor Agreement, it confirms that, as from the date hereof, it intends to be party to the Intercreditor Agreement as a [Pari Passu Creditor] / [Hedge Counterparty] / [Creditor Representative] and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by such a Party and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

3 [ ].[2]

4 The provisions of Clause 23 (*Governing law*) and Clause 24 (*Enforcement*) of the Intercreditor Agreement shall be incorporated into this Agreement as if set out in full herein (with any logical amendments).

[2] Any applicable limitations in the form of local law limitation language or similar.

The [Acceding Pari Passu Creditor] / [Acceding Hedge Counterparty] / [Acceding Creditor Representative]

[ ]

By: _____
Name:
Title:

Address for notices:
Address:
Email:

The Security Agent
NORDIC TRUSTEE AS

By: _____
Name:
Title:

SCHEDULE 4

FORM OF DEBTOR RESIGNATION REQUEST

To: Nordic Trustee AS as Security Agent

From: [*resigning Debtor*] and KMC Properties ASA.

Dated:

KMC PROPERTIES ASA - INTERCREDITOR AGREEMENT DATED 3 JULY 2023 (THE "INTERCREDITOR AGREEMENT")

1 We refer to the Intercreditor Agreement. This is a Debtor Resignation Request. Terms defined in the Intercreditor Agreement have the same meaning in this Debtor Resignation Request unless given a different meaning in this Debtor Resignation Request.

2 Pursuant to Clause 17.8 (*Resignation of a Debtor*) of the Intercreditor Agreement we request that [*resigning Debtor*] be released from its obligations as a Debtor under the Intercreditor Agreement.

3 We confirm that no Default is continuing or would result from the acceptance of this request.

4 The provisions of Clause 23 (*Governing law*) and Clause 24 (*Enforcement*) of the Intercreditor Agreement shall be incorporated into this Agreement as if set out in full herein (with any logical amendments).

KMC Properties ASA	[THE RESIGNING DEBTOR]
By:_____	By:_____
Name:	Name:
Title:	Title:

SCHEDULE 5

ENFORCEMENT PRNCIPLES

1 In this Schedule 5:

"**Enforcement Objective**" means maximising, to the extent consistent with a prompt and expeditious realisation of value, the value realised from Enforcement.

"**Fairness Opinion**" means, in respect of any Enforcement, an opinion from a Financial Adviser that the proceeds received or recovered in connection with that Enforcement are fair from a financial point of view taking into account all relevant circumstances.

"**Financial Adviser**" means any:

a) independent recognised investment bank;

b) independent recognised accountancy firm; or

c) other independent recognised professional services firm which is regularly engaged in providing valuations of businesses or financial assets or, where applicable, advising on competitive sales processes.

2 It shall be the primary and over-riding aim of any Enforcement to achieve the Enforcement Objective.

3 The Transaction Security will be enforced and other action as to Enforcement will be taken such that either:

a) all proceeds of enforcement are received by the Security Agent in cash for distribution in accordance with Clause 13 (*Application of Proceeds*); or

b) sufficient proceeds from Enforcement will be received by the Security Agent in cash to ensure that, when the proceeds are applied in accordance with Clause 13 (*Application of Proceeds*), the Super Senior Discharge Date will occur (unless the Hedge Counterparties agree otherwise).

4 On a proposed Enforcement in relation to Charged Property comprising some or all of the shares in a member of the Group over which Transaction Security exists, which is not being effected through a public auction or other competitive sales process, the Security Agent shall, if requested by the Majority Pari Passu Creditors, appoint a Financial Adviser to provide a Fairness Opinion in relation to that Enforcement, **provided that** that Security Agent shall not be required to appoint a Financial Adviser nor obtain a Fairness Opinion if a proposed Enforcement:

a) would result in the receipt of sufficient Enforcement Proceeds in cash by the Security Agent to ensure that, after application in accordance with Clause 13 (*Application of Proceeds*), the Super Senior Discharge Date would occur;

b) is in accordance with any applicable law; and

c) complies with Clause 11 (*Distressed Disposals*).

5 The Security Agent shall be under no obligation to appoint a Financial Adviser or to seek the advice of a Financial Adviser unless expressly required to do so by this Schedule 5 or any other provision of this Agreement.

6 The Fairness Opinion will be conclusive evidence that the Enforcement Objective has been met.

SCHEDULE 6

AGREED SECURITY PRINCIPLES

Any Transaction Security, Security Document and Guarantee shall be subject to the following principles:

a) Security will be given by a Property Group Company, over such types of assets or asset classes provided as security under the Security or to the extent required to grant security over any shares (ownership interests) in any company becoming a Property Group Company.

b) General statutory and customary limitations (e.g. financial assistance, corporate benefit and retention of title claims) may limit the ability of a Property Group Company to provide security or guarantee without inclusion of provisions limiting the responsibility for granting full legal valid and perfected security or guarantee or require that such security or guarantee is limited by an amount or otherwise.

c) The security and extent of its perfection and scope shall take into account the cost, work and time of providing security which (in the Security Agent's sole discretion) must be proportionate to the benefit accruing to the Secured Parties. Without limiting the generality of the foregoing, registration of mortgages over properties in Sweden or Denmark or floating charges over the assets of a member of the Group incorporated in Sweden or Denmark will be limited to an assignment or transfer of existing security registration documents and registration of new security registration documents by use of any existing stamp duty mortgages.

d) Members of the Group will not be required to give guarantees or enter into security documents if it would:

   (i) result in any breach of corporate benefit, financial assistance, fraudulent preference or thin capitalisation laws or regulations (or analogous restrictions) of any applicable jurisdiction;

   (ii) result in a significant risk to the officers of the relevant Group Company of contravention of their fiduciary duties and/or of civil or criminal liability,

   unless such guarantees or security documents are accompanied by relevant provisions (limitation language) limiting the potential liability for the relevant Property Group Company, its management, officers or other employees.

e) Security over monetary claims under insurance contracts shall exclude liability insurances and other third-party insurance.

f) Security shall not be taken over leasehold property where such security will require third party consent and where such consent is not, despite the security provider's reasonable efforts, given.

g) Security over bank accounts shall exclude or be subject to (i) accounts in cash pool arrangement which are not, under the terms for those arrangements, bank accounts, (ii) tax deduction accounts (*skattetrekkskonti*), escrow or cash collateral accounts providing permitted security, (iii) such accounts which, under the policies of the account bank, cannot or shall not be subject to third party security

and (iv) any security interest or right of set-off in favour of Dutch banks arising from their general banking conditions (*algemene bankvoorwaarden*).

h) Any assets subject to pre-existing third party arrangements which are permitted by the Senior Secured Bond Documents or any other contractual restrictions on assignments or absence of necessary regulations, registrations or similar, and which prevent those assets from being charged if so required by paragraph (a) above, will be excluded from any relevant security document but the relevant Property Group Companies must use reasonable endeavours to obtain consent to charging any such assets if the relevant asset is material.

i) Security documents shall operate to create security rather than to impose any new commercial obligations or restrictions on use of the assets in the relevant member of the Group's ordinary course of business prior to an event of default (i.e. blocking, transfer of title or similar) and shall, accordingly, not contain additional or duplicate representations or undertakings to those contained in the Senior Secured Bond Documents unless required for the creation, perfection, effectiveness or preservation of the security.

j) Notwithstanding paragraph (a) above, guarantees and security will not be required from or over the assets of any joint venture or similar arrangement or any company in which a member of the Group holds a minority interest.

k) Perfection of security will not be required if it would materially and adversely affect the ability of the relevant member of the Group to conduct its operations or business in the ordinary course. Where the blocking of the bank account is required by applicable law to perfect the Security, perfection of the bank account pledge will not be required until an Event of Default has occurred which is continuing.

l) No notice of receivables security may be given in Sweden, Finland or Denmark to third party debtors until an event of default has occurred (and an acceleration notice has been served to the relevant debtors), regardless if such notice is required for perfection of such receivables security.

m) Security will not be enforceable until an event of default has occurred and is continuing and an acceleration notice has been served to the relevant debtors. However, the foregoing shall not prevent action to block any pledged account following an event of default which is continuing.

n) The Security Agent shall only be able to:

(i) exercise any powers of attorney (including, but not limited to, in respect of voting rights appertaining to any shares) granted under any security document or have the right to receive any dividends if an event of default has occurred and is continuing and, unless (in the sole opinion of the Security Agent) it could have an adverse effect on the interest of the Secured Parties, the Security Agent has given notice of its intention to exercise such powers of attorney, voting rights or dividend rights (as applicable), upon which such rights may no longer be exercised by the relevant pledgor; and

(ii) exercise any powers of attorney granted under any security document in relation to actions for perfecting and maintaining security if and when the relevant obligor has failed to

comply with a further assurance or perfection obligation within 5 Business Days of receiving prior notice of it.

SIGNATORIES

The Company

KMC PROPERTIES ASA

By: _____

Name: Christian Linge

Title: Attorney-in-fact

Address: Dyre Halses gate 1A, 7042 Trondheim, Norway

Email: Kristoffer.Holmen@kmcp.no

Attention: Kristoffer Holmen

Original Debtors

KMC PROPERTIES ASA

By: _____

Name: Christian Linge

Title: Attorney-in-fact

KMC PROPERTIES AS

By: _____

Name: Christian Linge

Title: Attorney-in-fact

PESCA PROPERTY AS

By: _____

Name: Christian Linge

Title: Attorney-in-fact

PESCA PROPERTY INVEST AS

By: _____

Name: Christian Linge

Title: Attorney-in-fact

KMC PROPERTIES NEDERLAND AS

By: _____

Name: Christian Linge

Title: Attorney-in-fact

KMC PROPERTIES VI AS

By: _____

Name: Christian Linge

Title: Attorney-in-fact

HOLLAND INDUSTRIAL PROPERTIES B.V.

By: _____

Name: Christian Linge

Title: Attorney-in-fact

ZWARTSLUIS INVESTMENT PROPERTIES B.V.

By: _____

Name: Christian Linge

Title: Attorney-in-fact

WIJCHEN INVESTMENT PROPERTIES B.V.

By: _____
Name: Christian Linge
Title: Attorney-in-fact

OLDENZAAL INVESTMENT PROPERTIES B.V.

By: _____
Name: Christian Linge
Title: Attorney-in-fact

SOMEREN INVESTMENT PROPERTIES B.V.

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC PROPERTIES VI FINLAND OY

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC MUURLANTIE OY

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC PAJAKATU OY

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC TORAVANTIE OY

By: _____
Name: Christian Linge
Title: Attorney-in-fact

PESCA PROPERTY FINLAND OY

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC KUOPIO OY

By: _____
Name: Christian Linge
Title: Attorney-in-fact

PESCA PROPERTY DANMARK A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC INDUSTRIAL PROPERTIES DENMARK APS

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC HVIDE SANDE A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC FREDERIKSHAVN A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC NYKØBING MORS A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC FARSØ A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC HEDENSTED APS

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC PROPERTIES IV DENMARK APS

By: _____
Name: Christian Linge
Title: Attorney-in-fact

The Senior Secured Bond Trustee
NORDIC TRUSTEE AS

By: _____
Name: Lars Erik Lærum
Title: Authorised signatory

The Security Agent
NORDIC TRUSTEE AS

By: _____
Name: Lars Erik Lærum
Title: Authorised signatory

KMC FREDERIKSHAVN A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC NYKØBING MORS A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC FARSØ A/S

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC HEDENSTED APS

By: _____
Name: Christian Linge
Title: Attorney-in-fact

KMC PROPERTIES IV DENMARK APS

By: _____
Name: Christian Linge
Title: Attorney-in-fact

The Senior Secured Bond Trustee
NORDIC TRUSTEE AS

By: _____
Name: Lars Erik Lærum
Title: Authorised signatory

The Security Agent
NORDIC TRUSTEE AS

By: _____
Name: Lars Erik Lærum
Title: Authorised signatory