

This prospectus was approved by the Swedish Financial Supervisory Authority on 17 December 2019.



**Resurs Holding AB (publ)**

**Prospectus for the listing and admission to trading of  
SEK 300,000,000 Floating Rate Additional Tier 1 Capital Notes  
ISIN: SE0013409141**

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*Issuing Agent*

**Nordea**

*Joint Bookrunners*

**Nordea**

**Swedbank** 

## Important information

In this prospectus (the “**Prospectus**”), the “**Issuer**” means Resurs Holding AB (publ), Swedish Corporate ID No. 556898-2291 and LEI code 5493006KHWZ6OVF3IO54. “**Resurs**”, the “**Resurs Group**” or the “**Group**” means the Issuer and its Subsidiaries from time to time (each a “**Group Company**”). “**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (*dotterföretag*) to such person, directly or indirectly, as defined in the Swedish Companies Act (*aktiebolagslagen* (2005:551)). “**Resurs Bank**” means Resurs Bank Aktiebolag (publ), Swedish Corporate ID No. 516401-0208 and LEI code 549300DM53OEWHWUO647, which is a wholly-owned Subsidiary of the Issuer. “**Solid Försäkring**” means Solid Försäkringsaktiebolag, Swedish Corporate ID No. 516401-8482 and LEI code 529900JIV2O9HEPWIN77, which is a wholly-owned Subsidiary of the Issuer.

On 11 December 2019 (the “**Issue Date**”), the Issuer issued Floating Rate Additional Tier 1 Capital Notes (the “**Notes**”) in the Total Nominal Amount of SEK 300,000,000. In this Prospectus and except as otherwise indicated, references to the “**Terms and Conditions**” are to the terms and conditions of the Notes (set out in the section “*Terms and Conditions for the Notes*” below). Words and expressions defined in the Terms and Conditions have the same meanings when used in this Prospectus, unless expressly stated or otherwise follows from the context.

This Prospectus has been prepared for the listing and admission to trading of the Notes on Nasdaq Stockholm. This Prospectus does not contain and does not constitute an offer or a solicitation to buy or sell Notes. This Prospectus is governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection herewith.

This Prospectus has been approved by the Swedish Financial Supervisory Authority (*Finansinspektionen*) (the “**Swedish FSA**”) pursuant to the provisions of Article 20 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”).

Solely for the purposes of the product governance requirements set forth in Directive 2014/65/EU as amended (“**MIFID II**”), the target market assessment made by the Joint Bookrunners for the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MIFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**Distributor**”) should take into consideration the Joint Bookrunners’ target market assessment. However, a Distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the Joint Bookrunners’ target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be, and should thus not be, offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended). Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

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

Each potential investor in the Notes must in light of its own circumstances determine the suitability of the investment. In particular, each potential investor should conduct their own investigation and analysis of the Issuer and the Resurs Group and the data set forth in this Prospectus and investors are urged to take steps to ensure that they understand the transaction and have made an independent assessment of the appropriateness of the transaction in light of their own objectives and circumstances before entering into any transaction (including the possible risks and benefits of entering into such transaction). Investors should also consider seeking advice from their own advisers in making this assessment.

No person has been authorised to provide any information or make any statements other than those contained in this Prospectus. Should such information or statements nevertheless be furnished, it/they must not be relied upon as having been authorised or approved by the Issuer and the Issuer assumes no responsibility for such information or statements. Neither the publication of this Prospectus nor the offering, sale or delivery of any Note implies that the information in this Prospectus is correct and current as at any date other than the date of this Prospectus or that there have not been any changes in the Issuer’s or the Resurs Group’s business since the date of this Prospectus. With the exception of the Issuer’s consolidated financial statements for 2016, 2017, 2018 and the interim report for January–September 2019, no information in this Prospectus has been audited or reviewed by the Issuer’s auditor. Financial data in this Prospectus that has not been audited by the Issuer’s auditor stem from internal accounting and reporting systems.

The Prospectus contains certain forward-looking statements that reflect the Issuer’s current views or expectations with respect to future events and financial and operational performance. The words “intend”, “estimate”, “expect”, “may”, “plan”, “anticipate” or similar expressions regarding indications or forecasts of future developments or trends, which are not statements based on historical facts, constitute forward-looking information. Although the Issuer believes that these statements are based on reasonable assumptions and expectations, the Issuer cannot give any assurances that such statements will materialise. Because these statements involve known and unknown risks and uncertainties, the outcome could differ materially from those set out therein.

Factors that could cause the Issuer’s and the Resurs Group’s actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in the section “*Risk factors*” below. The forward-looking statements included in this Prospectus apply only to the date of the Prospectus. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. Any subsequent forward-looking information that can be ascribed to the Issuer and the Resurs Group or persons acting on the Issuer’s behalf is subject to the reservations in or referred to in this section.

The Prospectus contains market data and industry forecasts, including information related to the sizes of the markets in which the Resurs Group participates. The information has been extracted from a number of sources. Although the Issuer regards these sources as reliable, the information contained in them has not been independently verified and therefore it cannot be guaranteed that this information is accurate and complete. However, as far as the Issuer is aware and can assure by comparison with other information made public by these sources, no information has been omitted in such a way as to render the information reproduced incorrect or misleading. In addition to the above, certain data in the Prospectus is also derived from estimates made by the Issuer.

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## RISK FACTORS

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*In this section, material risk factors are illustrated and discussed, including the Issuer's economic and market risks, business risks, legal and regulatory risks, as well as structural risks relating to the Notes and risks related to debt instrument such as the Notes. The Issuer's assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their negative impact. The description of the risk factors below is based on information available and estimates made on the date of this Prospectus.*

*The risk factors are presented in categories where the most material risk factors in a category are presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.*

### Risks relating to the Issuer

#### Economic and market risks

##### ***Risks relating to disruptions in the economies in the Nordic region and other countries***

Resurs is exposed to general market conditions and the level of economic activity in the countries in which it operates. The economic conditions globally and in the markets in which Resurs operates may be affected by, among other things, changes in the consumption trends and levels, demographic patterns, unemployment level, housing market, customers' preferences, access to and cost of credit, liquidity on the financial markets and market interest rates.

For instance, high unemployment levels on the markets where Resurs operates would reduce the number of customers who qualify for Resurs's loan and credit products and result in increased credit losses, which would in turn adversely affect Resurs's ability to maintain the size of its loan portfolio and to improve loan performance with respect to new loans. Accordingly, a severe deterioration in global or regional economic conditions would adversely affect demand for the products and services offered by Resurs.

The Nordic region is Resurs's most important market, and Resurs has a customer base of approximately 6.0 million private customers in the Nordics. Accordingly, Resurs is predominantly affected by the economic environment in the Nordic region. Due to the high level of consumer indebtedness in the Nordic region, primarily related to average high mortgage loans, Resurs would be affected by fluctuations on the housing market and interest rates on mortgage loans in the Nordic countries.

Further, reduced customer confidence or a decline in consumption, or a negative change in the use of, or attitude towards, consumer credit in the Nordic region would have an adverse effect on sales by Resurs's retail finance partners and, in turn, on Resurs's ability to generate revenues and new lending. In 2018, total lending to the Nordic consumer market totalled SEK 832 billion. The degree to which a downturn or deterioration in macroeconomic conditions in the Nordic region or any other relevant region may affect Resurs is uncertain and presents a highly significant risk to the size of Resurs's loan portfolio and Resurs's ability to attract and maintain customers in order to generate revenue and profit.

##### ***Competition in the financial services industry***

As of 31 December 2018, lending to the public for Resurs amounted to some SEK 28.0 billion, compared to some SEK 24.1 billion, as of 31 December 2017, thus representing a large increase in demand for consumer loans, which has led to increased competition between lenders. Resurs's competitors can roughly be divided into two groups: full-service banks and niche lenders. Competitive factors primarily include (i) the monthly cost (including interest and loan repayment); (ii) other terms for the offered loan, including size, term to maturity and other terms; and (iii) the quality of the services in the form of speed of application and processing, simplicity of the product and invoicing, as well as loan availability.

There is a risk that full-service banks that offer a broad range of products and services through extensive networks of branch offices and online, may come to increase their focus on consumer loans in general and particularly on consumer loans within the retail finance sector. The full-service banks usually have a well-established commercial position, an extensive network of bank branch offices and a high level of customer awareness and recognition. Essentially all of Resurs's customers already have a customer relationship with at least one of these full-service banks through savings accounts or other bank products. Therefore, full-service banks may have, and benefit from, a significant competitive advantage compared to Resurs. Given that the full-service banks in general have

significantly greater funds available for lending and/or lower funding costs than Resurs, they may also be able to offer loans at lower rates of interest or on longer terms to maturity than Resurs.

Niche lenders, such as Nordax Bank and Bank Norwegian, are usually companies with a specific focus and a narrow product range compared to full-service banks. Niche lenders are important competitors to Resurs since they tend to focus on similar customer groups and offer products on similar terms as Resurs. As a consequence of the recent trend of strong demand for consumer loans in the Nordic region, there is a risk that new niche lenders enter the market and further increase competition. Certain niche lenders may also have lower funding costs than Resurs, which may enable them, among other things, to offer loans at lower rates of interest and/or on longer terms to maturity than Resurs is able to offer. In addition, companies with various online business models, such as Klarna Bank and Qliro, have entered the market for online payment solutions. There is a risk that the online payment solution checkout of Resurs will not be the preferred alternative of retailers, thus limiting the ability for Resurs to grow in the online segment. There is also a risk that companies which are now focused mainly on online payment solutions to a greater extent will enter the market for payment solutions within the physical retail finance sector.

Increased competition risks leading to reduced demand for Resurs's loan products, with the consequence that, in order to compete, Resurs is required to lower the rates of interest charged by Resurs on its loans, which would have a material adverse effect on Resurs's net interest margin.

The degree to which an increased competition in the financial services industry may affect Resurs's net interest margin is uncertain and presents a significant risk to the Issuer's revenue, margins and results of operations.

## **Business risks**

### ***Resurs is exposed to liquidity and financing risks***

Liquidity risk is the risk that Resurs is unable to discharge its payment obligations on the due date without borrowing at highly unfavourable rates or suffering a significant cost increase. Since Resurs Bank's business model includes, among other things, the granting of credit to customers, Resurs Bank is exposed to, and must successfully manage, liquidity and financing risks related to contractual obligations and payment commitments to customers. For example, Resurs Bank might grant its customers increased credit which can exceed the credit utilised by the customer (and which is thus booked in the consolidated accounts) in accordance with these commitments. These granted credits are unsecured and can be drawn upon up to the amount that Resurs Bank has undertaken, which can increase Resurs Bank's exposure to liquidity and financing risks related to such undertakings. The inability of Resurs Bank to anticipate future liquidity and provide for unforeseen decreases or changes in funding sources could have consequences on Resurs's ability to meet its payment obligations when they fall due and thus result in an investor not being paid in a timely manner.

Resurs's main type of financing is deposits and borrowing from the public in Sweden, Norway and Germany, which, as of 30 September 2019, totalled SEK 24,581 million (of which the vast majority were payable on demand). Should a major part of the deposits be withdrawn simultaneously or during of short period of time, this would adversely affect Resurs Bank's liquidity since it will be required to repay a significant amount on demand.

Resurs Bank has issued bonds since 2015. Depending on both Resurs Bank and the market, the conditions for bond issuances may change from time to time. As a consequence, there will be periods when it is difficult, or not possible at all, to issue bonds. Resurs Bank has also completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This took place by transferring loan receivables to Resurs Bank's wholly-owned subsidiary Resurs Consumer Loan 1 Limited. In January 2018, the financing expanded and at 30 September 2019, a total of approximately SEK 3.6 billion in loan receivables had been transferred to Resurs Consumer Loans. In the case of an event of default or other trigger event, the financing available to Resurs Bank would be reduced, which consequently would have an adverse effect on Resurs Bank's liquidity and ability to retain and increase the size of the loan portfolio. Furthermore, a decline in the quality of Resurs Bank's loan portfolio or changes to products which prevent securitisation of loans might have an adverse effect on Resurs Bank's possibilities to retain and increase the size of the loan portfolio in the future and on interest expenses.

In the future, Resurs may need, wholly or in part, to raise new financing or refinance its existing loans. Such new financing or refinancing is dependent on, for example, conditions on the financial market and Resurs's credit reputation. Resurs's access to external financing may thus be restricted, wholly or in part, or take place on less favourable terms than is currently the case. Resurs's possibilities to avail itself of the hybrid capital market can also be restricted and, as a consequence thereof, Resurs may require more equity in order to comply with its capital adequacy requirements. The occurrence of any of the aforementioned risks resulting in Resurs lacking sufficient liquid funds or lacking the conditions for financing its business efficiently.

The degree to which the liquidity and financing risks may affect Resurs is uncertain and presents a highly significant risk to the Issuer.

***Reputational risks related to its own business, external parties and the financial services markets as a whole***

Resurs's reputation is crucial for being able to retain and develop its relationship with existing and potential customers, retail finance partners, loan and insurance brokers, debt collection agencies, employees, public authorities and others with whom Resurs cooperates and conducts business. The reputational risk for Resurs is primarily related to customer expectations regarding the delivery of Resurs's services, and the ability to meet regulatory and consumer obligations related to these services (including anti-money laundering obligations). Effects on Resurs's reputation typically originate from internal factors, such as actual or alleged mismanagement by Resurs or Resurs's employees, but also from external partners, suppliers, merchants or even competitors. For instance, Resurs Bank has outsourced parts of its management of deposits from the general public and is exposed to the risk that its partner will change its business or management, or that it is not perceived as living up to demands imposed by customers, companies and public authorities. There is also a risk of Resurs Bank being adversely affected by shortcomings or defects at the partner.

Reputational risk can be substantially damaging to Resurs' operations since Resurs's customers willingness to use Resurs's services and products could decrease, and if such risk materialises to such extent that customers choose competitors over Resurs, it would thus materially adverse Resurs's net sales and growth. It could also detrimentally affect Resurs's ability to maintain relations with external parties and secure financing. The degree to which the reputational risk may affect Resurs is uncertain and presents a highly significant risk to Resurs and its ability to generate and maintain customers and business partners and, in turn, to the Issuer's ability to generate revenue and profit.

***Risks relating to credit risk and failed assessments of the credit risk and creditworthiness of loan applicants and customers***

Resurs Bank is exposed to risks related to customers failing to pay interest, charges and/or loan repayments on time or at all. Since no security is required for Resurs Bank's loans and other credit products, there is no security to be realised in the event customers breach the terms of their agreements or fail to repay their loans. If Resurs Bank fails to make a correct assessment of the creditworthiness of its loan applicants, this would lead to credit losses. In 2018, Resurs Bank's net credit losses amounted to SEK 535,071 thousand. Credit losses thus present a significant risk to Resurs Bank's operating profit.

As part of Resurs Bank's credit assessment process, country-specific models are used to calculate the likelihood of a customer being able to pay interest and make repayments on time (referred to as scoring models). Resurs Bank's scoring models are partly based on analyses of historical data regarding the performance of loans within the business, but must also be tailored to specific target groups and markets. If Resurs Bank's credit policies and scoring models would prove to be inadequate to protect against unexpected credit losses due to, among other things, internal shortcomings in the risk management work or to important differences between new loan applicants and the customers on which Resurs Bank's scoring models are based and would for example, fail to include historical customer performance data throughout Resurs Bank's business, this may have the consequence that Resurs Bank is unable to correctly assess a customer's creditworthiness. Furthermore, during periods of economic downturn or recession, Resurs Bank may experience an increase in loans that are subject to debt collection measures and a higher frequency of, and greater, credit losses in the existing loan portfolio, since the ability of customers to repay their loans may have deteriorated significantly. Weaker economic conditions in the future or other changes that have an adverse effect on the creditworthiness of Resurs Bank's customers would lead to increased credit losses for Resurs Bank. If the credit loss levels increase in the future, this would adversely affect Resurs Bank's operating profit.

Resurs Bank's credit policies and scoring models might be insufficient to prevent Resurs Bank from incurring increased credit losses due to external factors beyond Resurs Bank's control, for example a deterioration in macroeconomic conditions. Loan applicants who are deemed to be creditworthy according to Resurs Bank's scoring models at the time of the loan application may, due to personal circumstances or other factors, have a reduced creditworthiness. For example, during periods of economic downturn or recession, Resurs Bank may experience an increase in loans that are subject to debt collection measures and a higher frequency of, and greater, credit losses in the existing loan portfolio, since the ability of customers to repay their loans may have deteriorated significantly. If the credit loss levels increase in the future, this would increase Resurs Bank's risk costs. The degree to which the risks related to failed assessments of the credit risk and creditworthiness of loan applicants

and customers may affect Resurs Bank is uncertain and presents a highly significant risk to the Issuer's loss levels and results of operations.

***Resurs is exposed to counterparty risks, among other things due to actual or perceived deterioration of companies within the finance sector or on the market for financial services***

Resurs generally carries out transactions with a number of different counterparties operating on the financial services market. Such transactions may include the deposit of cash funds on accounts with banks as well as investments in securities and derivative transactions with banks. The deposits which Resurs makes with other banks are not covered by any state deposit insurance scheme, and as a result Resurs is exposed to the risk of one or more such institutions being unable to meet its obligations to repay such deposits, for example as a consequence of a bank crisis.

Due to the high level of mutual dependence between financial institutions, Resurs is exposed to the risk of a deterioration in the commercial and financial strength of other financial institutions, or such being perceived as having deteriorated. If an institution on the financial services market defaults, this may also lead to default by other institutions. Uncertainty about an institution or default by it may lead to significant liquidity problems and losses or the failure of other institutions, since the commercial and financial strength of institutions may be closely intertwined as a consequence of their loans, transactions, clearing or other circumstances. Perceived lack of creditworthiness or question marks concerning a counterparty may also lead to liquidity problems for the entire market as well as increased funding costs and losses. If materialised, this risk would have an adverse effect on Resurs and other financial intermediaries, such as clearing institutions and clearing banks, banks, securities institutions and trading venues with which Resurs interacts. The degree to which the counterparty risk described above may affect Resurs is difficult to predict and therefore presents a highly significant risk to the Issuer's business and financial position.

***Resurs Bank relies on cooperation with retail finance partners***

Retail finance is a financing solution (in a physical store, e-commerce or a combination of both, i.e. a omni-channel solution) that is usually used for larger purchases. When the customer chooses the retail finance solution to finance a purchase, the bank pays the store immediately and the customer has the opportunity to make a partial payment to the bank. For Resurs, the average loan within the Retail Finance segment (a part of the business segment Payment Solutions) was approximately SEK 1,500, as of 31 December 2018. Accordingly, for this type of operations, Resurs is dependent on its retail finance partners for generating most of Resurs's revenues that are generated in connection with its retail finance business and a significant portion of its consumer data for its internal database, which, normally, are renewed on an annual basis. If an important retail finance partner were to choose to discontinue or reduce the scope of its business relationship with Resurs Bank, there is a risk that Resurs Bank will be unable to replace the business relationship with another business relationship of the same size and value and on similar terms, or at all. This could, in turn, result in a deteriorated market position for Resurs Bank. In addition, some of the agreements that Resurs Bank enters into with its retail finance partners are not exclusive, and accordingly, such partners may choose to work with other lenders. This may exacerbate the effect of increased competition and lead to business losses, since Resurs may not become the primary choice for consumers.

In 2018, the retail finance category of the Nordic consumer market accounted for SEK 82 billion, thus representing an important part of Resurs's operations. Accordingly, if Resurs Bank is not able to maintain, replace or renew relations with retail finance partners, its ability to successfully compete would be tarnished. The degree to which risks relating to retail finance partners may materialise is uncertain and presents a highly significant risk for the Issuer's revenue and results of operations.

***The risk of failure or interruption to the Issuer's IT and other systems***

Resurs's business is dependent on the ability to keep a large amount of customer information, other confidential information and to process a large number of transactions as well as on internal and external systems for its loan distribution. For example, Resurs's customer database with approximately 6.0 million customers serves as a hub generating significant opportunities for cross-selling offerings such as credit cards, consumer loans and insurance products and is thus very important for Resurs's operations. Accordingly, should Resurs for any reason lose information in its customer database due to disruptions in Resurs's IT infrastructure, its operations would be seriously tarnished. Such disruptions may, for example, be caused by internal factors such as larger projects for replacing or upgrading existing IT platforms and/or systems, which, if replaced or upgraded inappropriately, risks resulting in IT platforms and/or systems that do not function as expected and result in, among other things, unreliable data processing with impact on financial reporting. There is also a risk for disruptions caused by external

factors such as the availability of experts required for technical support or completion of ongoing projects. Any errors, outages or infringement in Resurs's IT platforms and security may damage Resurs's reputation, disrupt relations with Resurs's customers and retail finance partners.

To some extent, the Subsidiaries of Resurs currently, or may in the future, use different IT platforms, databases and other systems. These systems are not fully compatible, which may lead to discrepancies and/or problems regarding future consolidation or integration of these platforms, databases and other systems. There is a risk that Resurs will fail to consolidate or integrate these components within all operations, including any acquired customer information databases, which might substantially weaken Resurs's possibility to focus on suitable customers, correctly assess credit risks and also detrimentally affect Resurs's ability to conduct business in general (for instance the ability to manage loan applications, incoming and outgoing payments and credit assessments), which could result in a loss of customers. Since Resurs has no physical branch offices for customers, Resurs is reliant upon the IT and telecommunications systems to work properly in order to communicate with its customers.

IT and telecommunications technology are developing rapidly and are characterised by short product life cycles. There is a risk that Resurs fails to foresee, manage or implement technical changes at all or fast enough, that there are too many development-related disturbances in daily operations and that the lifecycle management of other support systems are lagging behind, which may lead to additional costs. Accordingly, this accentuates the IT-related risks and thus further increase the negative outcomes. The degree to which IT failures may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's operations.

### ***Interest rate risk***

Interest rate risk is primarily defined as a risk of net interest income decreasing due to disadvantageous market interest rates. Interest rate risk normally arises as a result of companies having different maturities or fixed interest terms for their assets and liabilities. Interest rate risk increases if the terms for assets deviate from the terms for liabilities. Interest rate risk mainly affects companies in the form of gradual changes in net interest income, which can thus affect operating income and both short and long-term capital ratios. Most of Resurs's interest rate risks are structural and arise within Resurs's banking operations where fixed interest terms for assets and liabilities do not match. Resurs strives to ensure sound matching between fixed and variable interest rates, for example by changing the terms of new loans. There is, however, a risk of Resurs failing to match fixed and variable interest rates.

Furthermore, changes in interest rate levels, yield curves and differences between various interest rates may affect Resurs Bank's interest rate margin between its lending and funding. Resurs Bank is exposed to differences between the interest paid to deposit customers, or to Resurs Bank's other sources of financing, and the interest which Resurs Bank charges the customers for its products. There is a risk that Resurs Bank will be unable to adjust the interest rate on such assets and liabilities.

In addition, there is a risk that interest rates on Resurs Bank's markets will increase sharply or that the interest rate environment on Resurs Bank's markets will fail to remain favourable during future reporting periods. An environment of higher rates might lead to reduced demand for Resurs Bank's loan and credit products, since the willingness and possibility to borrow money is reduced when interest rates are higher. Higher interest rates can also lead to higher rates for existing customers, which may affect their ability to repay their loans and credits and, consequently, lead to an increased number of loans that are subject to collection measures. A volatile rate or an expectation of interest rate increases can also lead to customers preferring fixed interest loans.

Moreover, Solid Försäkring has an investment portfolio that largely consists of interest bearing securities. Changes in interest rate levels, yield curves and differences between various interest rates may affect Solid Försäkring's result and interest income.

In calculation of a one (1) percentage-point change in the market interest rate, the Issuer's net interest income for the next 12 months would increase/decrease by SEK 54 million (SEK 44 million for Resurs Bank), based on interest-bearing assets and liabilities, as of 31 December 2018. A one (1) percentage point parallel shift in the yield curve and by applying the discounted future cash flow, interest rate risk on equity on the closing date was +/- SEK 6 million. Interest rate risks thus present a highly significant risk to Resurs's cost levels, financial position and results of operations.

### ***Resurs is exposed to currency fluctuations***

Exchange rate risk is the risk that the value of assets and liabilities, including derivatives, may vary due to exchange rate fluctuations or other relevant risk factors. Changes in exchange rates between SEK (Resurs's reporting currency and the currency in which its own funds are denominated), NOK, EUR and DKK affect Resurs's results



of operations and capital position. Resurs's loan portfolio comprises loans in SEK, NOK, DKK and EUR and financing can take place in these, but also other, currencies (such as GBP, USD and CHF). There are differences between loaned amounts and financed amounts in the various currencies. The most significant effect of currency fluctuations arises when assets and liabilities in a foreign currency are to be translated to SEK (Resurs's reporting currency). In addition, Resurs is exposed to currency risks referring to the exchange rate risk associated with the time delay between entering into a contract and settling it, i.e. the transaction risk.

Resurs uses derivative instruments in accordance with derivatives agreements to mitigate the effects of such currency fluctuations. There is, however, a risk of Resurs failing to match assets and liabilities in the same currency. Resurs manages its exposures to foreign currencies by regularly entering into currency swap contracts. There is also a risk that a counterparty will be unwilling to enter into new currency swap contracts in the future or that the costs for hedging currency exposure will increase and that such hedging cannot take place on reasonable terms for Resurs. For example, the risk of currency fluctuations with respect to Resurs's current securitisation, where the assets are denominated in SEK and the ultimate financing takes place in USD, is borne by Resurs, entailing that the costs are primarily affected by relative interest rate changes between Sweden and the US. Since certain loan products offered by Resurs also have a term to maturity in excess of six months, Resurs is exposed to currency risks attributable to its products, where short-term currency swap contracts can expire prior to maturity or repayment of respective obligations.

For example, as of 31 December 2018, Resurs's currency exposure in terms of assets totalled SEK 18,286,316 thousand, with the greatest exposure in relation to NOK. As of 31 December 2018, Resurs's currency exposure in terms of liabilities totalled SEK 8,500,764 thousand, having a vast majority of the exposure to NOK. Resurs's exposure to foreign currencies increased during the financial year of 2018. As of 31 December 2018, a 5 per cent fluctuation between SEK and the respective currencies listed below would have the following effect on comprehensive income of the year before tax (SEK thousand):

- CHF: 2,048
- DKK: 1,718
- EUR: 3,609
- GBP: 303
- NOK: 3,136

Currency fluctuations tend to be unpredictable and difficult to foresee, since they are determined by a large number of factors. The degree to which currency fluctuations may vary is uncertain and presents a highly significant risk to Resurs's financial position, results of operations and capital adequacy requirements position.

### ***Resurs Bank's actual credit losses may exceed the provisions made for credit losses and write-downs***

Resurs Bank uses various calculation models, based on analysis and modelling of historical data with respect to loan performance, to assess which provisions must be made for credit losses and write-downs. There is a risk that Resurs Bank's analyses and models will fail to correctly foresee the actual amount which may be claimed back or the timeframe for recovering due loans. The recovery value and timeframe for recovery are affected by a number of different factors, including macroeconomic conditions, previous results from external debt collection agencies and the age of the loan portfolio. For example, the recovery value falls and the credit quality deteriorates as the terms to maturity in the portfolio expires. If Resurs Bank fails to correctly calculate the recovery value of written-down loans, its credit losses may increase.

Resurs Bank is dependent to a significant extent on external debt collection agencies in order to collect outstanding amounts on bad loans. There is a risk that external debt collection agencies will fail to perform as expected, or at all, and that Resurs Bank's historical data regarding collected amounts is not indicative of future results. The success achieved by such external debt collection agencies may affect Resurs Bank's ability to collect its loans, and the timeframe for collection, loans that are subject to debt collection measures and, in turn, Resurs Bank's historical data with respect to loan performance, which may affect Resurs Bank's calculation models for assessing provisions and write-downs. If Resurs Bank's external debt collection agencies fail to perform as expected, this may have an adverse effect on Resurs Bank's ability to calculate the recovery value of loans, which may lead to unforeseen increases in credit losses.

Since provisions for credit losses are estimates, there is a risk that the actual credit losses will significantly exceed the provisions made to cover such losses. For example, changes in economic circumstances of customers and other factors, both within and beyond the control of Resurs Bank, including regulatory changes, may require Resurs Bank to increase its provisions for credit losses, particularly if any such change leads to extended time periods as

to when due accounts can be collected. There is a risk that Resurs Bank will make insufficient provisions and that Resurs Bank will experience increased credit losses if its customers utilise the entire credit amount granted by Resurs Bank. The degree to which the risks related to the ratio between actual credit losses and provisions made for credit losses and write-downs may affect Resurs Bank is uncertain and presents a significant risk to the Issuer.

***Resurs is exposed to risks related to key individuals, temporary personnel and other service providers***

Resurs's performance and future growth depend on the work performed as well as the know-how of Resurs's employees, temporary personnel and service providers. Resurs's continued ability to compete effectively and to develop new areas depends on Resurs's ability to attract new employees and maintain and motivate existing employees, temporary personnel and service providers. Key individuals with whom there is no non-compete clause or similar provision in their employment, service or cooperation agreements may come to work for direct competitors of Resurs immediately after having left Resurs. In particular, Resurs experiences difficulties to recruit employees within three areas which are important to Resurs: IT, sales and analysis. The degree to which the risk related to the loss of key individuals, temporary personnel and other service providers and recruiting difficulties may affect Resurs is uncertain and presents a significant risk to Resurs's ability to compete effectively, develop its business and generate profit.

***Resurs is exposed to risks related to Resurs Bank's credit rating***

As of the date of this Prospectus, Resurs Bank is rated BBB- (long-term) and N-1+ (short-term) by Nordic Credit Rating AS ("**Nordic Credit Rating**"). Nordic Credit Rating is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). Since Resurs Bank is dependent upon the debt capital markets as a source of debt capital, any downgrade of Resurs Bank's credit ratings is likely to increase Resurs Bank's borrowing costs, adversely affect its liquidity position, limit its access to the debt capital markets, undermine confidence in and the competitive position of Resurs Bank, trigger obligations under certain bilateral terms in some of its trading and collateralised financing contracts, including requiring the provision of additional collateral or the replacement of Resurs Bank with another counterparty, and/or limit the range of counterparties willing to enter into transactions with Resurs Bank. The degree to which the risks related to a potential downgrade of Resurs Bank's credit rating may affect Resurs Bank is uncertain and presents a significant risk to the Issuer's financial position.

**Insurance risks**

***Failure to optimise the pricing of Solid Försäkring's insurance products could lead to either immediate or future reductions in Solid Försäkring's profitability***

Solid Försäkring needs to balance the anticipated impact that its pricing could have on its insurance portfolio volume (measured by conversion and retention rates) with its insurance portfolio margin (measured as the average revenue per policy). Increasing Solid Försäkring's insurance prices in relation to market prices tends to have the effect of increasing Solid Försäkring's margins, but also tends to result in a corresponding decline in insurance portfolio volume with respect to new and renewal business. Accordingly, such increases in insurance prices tend to result in increased insurance profits in the immediate year, but can be detrimental to Solid Försäkring's insurance business in subsequent years, as there are fewer policies that can be renewed for the following year. Conversely, decreasing prices in relation to the industry tends to have the effect of decreasing Solid Försäkring's insurance portfolio margins; however Solid Försäkring can experience a corresponding increase in its insurance portfolio volume for the period. This results in more policies that can be renewed in subsequent years and has the effect of increasing profits in subsequent years. There is a risk that Solid Försäkring is unable to set its pricing correctly in order to achieve the desired balance. For instance, should Solid Försäkring overestimate how large a share of the customers that will later renew the insurances, Solid Försäkring would be willing to accept higher acquisition costs for the customers or lower prices, which in turn would lead to a less profitable insurance portfolio.

The degree to which Solid Försäkring's potential inability to correctly optimise Solid Försäkring's pricing may affect Solid Försäkring is uncertain and presents a significant risk to Solid Försäkring's profitability and consequently to the Issuer's results of operations.

***Solid Försäkring's technical reserves may not adequately cover actual insurance claims due to the uncertain nature and timing of the risks that Solid Försäkring incurs in underwriting insurance products***

Solid Försäkring maintains technical reserves to cover the estimated cost of future claims payments and related administrative expenses. As of 31 December 2018, Solid Försäkring's technical reserves totalled SEK 532,115

thousand. However, there is a risk that Solid Försäkring's technical reserves are inadequate to cover actual claims, particularly when the settlement of liability or payments of claims may not occur until well into the future.

Generally, Solid Försäkring sells insurances within sectors where the potential claims are small but frequent. Solid Försäkring estimates technical reserves using a range of actuarial and statistical projections and assumptions across a range of variables. Estimates are also dependent on other variable factors not captured by actuarial and statistical methods only relying on historical data, including the legal, social, economic, regulatory environments, business mix, consumer behaviour, industry trends, underwriting assumptions, risk pricing models, inflation in medical care costs, future earnings inflation and other relevant forms of inflation, exchange rate movements, the cost of repairs and replacement, and estimated future receipts from third parties such as other insurers and reinsurance recoveries, as well as changes in internal claims handling processes. The inevitable variations in any of these factors contribute to the uncertainty of the technical reserves estimate. This risk is particularly relevant for travel insurances, since claims are less frequent, but may cover greater amounts. Accordingly, for travel insurances, it is harder to estimate the technical reserves necessary, which in turn results in a greater risk to underestimate the technical reserves necessary.

Consequently, changes in any of these factors may result in actual future claims costs and related expenses paid differing from the estimates reflected in the technical reserves. To the extent that Solid Försäkring's technical reserves are subsequently estimated to be insufficient to cover the future cost of claims or administrative expenses, Solid Försäkring will have to increase its technical reserves and incur a corresponding reduction in earnings in the relevant period. In addition, if Solid Försäkring's technical reserves are excessive as a result of an over-estimation of risk, Solid Försäkring may set premiums at levels which are too high, which would impact Solid Försäkring's ability to compete. Conversely, if the Group charges premiums that are insufficient for the cover provided, Solid Försäkring may suffer underwriting losses, which would lead to a reduction in earnings. The degree to which the aforementioned risks relating to insurance claims may affect Solid Försäkring is uncertain and presents a significant risk to the Issuer's financial position, cost levels and results of operations.

***Resurs's underwriting assumptions and risk pricing models for its insurance business may not accurately reflect its overall risk exposure***

Solid Försäkring's insurance business results depend significantly on whether its actual claims experience is consistent with the assumptions Solid Försäkring uses in underwriting and setting prices for its insurance products. Solid Försäkring's pricing assumptions are based on a variety of factors, which may include historical data, estimates, assumptions and individual expert judgements. Statistical methods, models and individual expert judgements may not accurately quantify Solid Försäkring's risk exposure.

In addition, the statistical methods, models and individual expert judgements may be flawed, which could result in inaccurate pricing of risk despite access to accurate data and accurate assessment of other risks. Solid Försäkring's ability to properly quantify risk exposure and, as a result, price its insurance products successfully is subject to various risks and uncertainties, including exposure to claims inflation, changes in claims frequency, unanticipated legal and regulatory changes and costs, assumptions on weather trends, unexpected or new types of claims, changes in social or industry trends, including customer and claimant behaviour, changes in economic conditions, potential inaccuracies in the data collected from internal or external parties or used within the modelling and pricing processes, incorrect or incomplete analysis of data, potentially inaccurate or inappropriate policy terms and conditions, inappropriate or incomplete purchase of reinsurance or receipt of recoveries therefrom, changes in Solid Försäkring's internal operating environment, the selection of inappropriate pricing methodologies, assumptions for future investment income and the uncertainties inherent in estimates and assumptions. For example, when pricing new insurances, Solid Försäkring uses historical data from previous, similar insurances which have been sold by another agent. There is a risk that the geographic and demographic conditions for the historical data differ from the corresponding conditions relevant for the new insurance.

If Solid Försäkring's actual claims and expense experience or investment income differ from the underlying assumptions and estimates Solid Försäkring uses in pricing its business, or if its pricing is different to the market price for similar insurance products, this could have a material adverse effect on Solid Försäkring's ability to attract insurance customers and to generate profit. The degree to which the abovementioned risk may affect Solid Försäkring is uncertain and presents a significant risk to the Issuer's cost levels, financial position and results of operations.

**Risks relating to Solid Försäkring's insurance licence**

Solid Försäkring conducts its operation in accordance with the Swedish Insurance Business Act (*försäkringsrörelselagen (2010:2043)*) (the "IBA"). The IBA stipulates that insurance business may only be

conducted pursuant to a licence granted by the Swedish FSA. Solid Försäkring's insurance licence has an indefinite duration, but is subject to revocation by the Swedish FSA. Pursuant to the IBA, the Swedish FSA must intervene if Solid Försäkring violates its obligations under the IBA, other regulations governing its business, its articles of association or bylaws, technical guidelines, guidelines for technical provisions, guidelines for the handling of conflicts of interest, or other policy documents issued pursuant to provisions governing Solid Försäkring's business. The Swedish FSA may then for example order Solid Försäkring to rectify within a specified period of time, prohibit its execution of decisions or issue a remark. The Swedish FSA may also under some circumstances restrict Solid Försäkring's right of disposition or prohibit it from disposing of its assets in Sweden. If a violation is severe, Solid Försäkring's licence will be revoked or, if deemed adequate, a warning will be issued by the Swedish FSA. If the licence is revoked, the Swedish FSA may determine the manner in which the business will be wound up. The Swedish FSA may combine any order or prohibition with a conditional fine and if it issues a remark or a warning, the Swedish FSA may also issue a financial penalty of up to SEK 50 million (and not more than ten per cent of the annual turnover for the previous year). If Solid Försäkring were subject to material sanctions, remarks or warnings and/or fines imposed by the Swedish FSA, this would cause significant, and potentially irreparable, damage to the reputation of Resurs and, as a result, the Issuer's business, financial position and results of operations would be adversely affected. Resurs's operations are contingent upon the insurance licence issued to Solid Försäkring by the Swedish FSA. The degree to which the loss or suspension of the licence required for Solid Försäkring to operate its insurance business may affect Resurs is uncertain and present a highly significant risk to the Issuer's ability to conduct insurance operations.

The Solvency 2 Directive 2009/138/EC and the Solvency 2 Regulation (EU) 2015/35 (collectively, "S2") impact Solid Försäkring. It is a risk-based capital regime, similar in concept to Basel III, which includes three main pillars: (i) market consistent calculation of insurance liabilities and risk based calculation of capital (including two thresholds; Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR), (ii) a supervisory review process; and (iii) reporting and transparency requirements (including a requirement for insurers to publish details of the risks facing them, capital adequacy and risk management). There is a risk that Solid Försäkring will be unable to comply with S2, which would risk resulting in administrative sanctions for Solid Försäkring.

## Risks related to regulation

### ***Risks relating to regulatory requirements and regulatory changes***

Resurs's operations are subject to legislation, regulations, codes of conduct and government policies in the jurisdictions in which it conducts business and in relation to the products it markets and sells. Regulatory authorities have broad jurisdiction over many aspects of Resurs's business, marketing and selling practices, advertising and terms of business. Two of the Issuer's subsidiaries – Resurs Bank and Solid Försäkring – conduct heavily regulated activities and are under the supervision of, for instance, the Swedish FSA. Hence, Resurs is obliged to comply with regulations concerning the manner in which banking and insurance business is to be conducted, money laundering, processing of personal data, payment and payment services, consumer credits, capital adequacy requirements, reporting and regulatory compliance. All of these areas are subject to changes over time, and compliance with them may, from time to time, lead to significant expenses. In addition, these local rules, ordinances and administrative provisions may differ significantly from one jurisdiction to another and measures which have been taken to comply with rules in one jurisdiction may be insufficient for compliance with rules in another jurisdiction. See also "*Risks relating to Solid Försäkring's insurance licence*" above.

For instance, the Payment Services Directive ("PSD 2") (Directive (EU) 2015/2366), which imposes strong consumer protection, has entailed major changes for Resurs. PSD 2 stipulates that a financial entity is now obliged to provide account information to another financial entity. This means that customers have the right to receive their personal data from their bank in a format that is easy for another financial entity to input and process. PSD 2 also requires stronger identity checks of users when they are paying online. Although hard to predict, there is a risk that PSD 2 will change the payments value chain, since it will enable customers to use for instance social media platforms or messaging apps to pay bills. There is a risk that Resurs will be unable to adapt to the potentially new market landscape, which could, in turn, make it harder to attract customers.

The management of business, regulatory and legal risks requires, among other things, guidelines and policies for the accurate registration and control of a large number of transactions and events. However, there is a risk that such guidelines and policies are not always adequate and compliant with applicable regulations. Non-compliance with, as well as deficiencies in, guidelines and policies for risk management that leads to negative publicity or criticism from the Swedish FSA or other regulators within the financial sector would thus have a material adverse effect on Resurs's reputation, which is likely to adversely affect demand for loans offered by the Resurs Bank. Furthermore, any non-compliance that would lead to fines from the Swedish FSA or other regulators require

Resurs to pay amounts (which may be significant) and take measures to ensure compliance. The degree to which alterations in the regulatory landscape in which Resurs operates may affect Resurs is uncertain and presents a highly significant risk to the Issuer's compliance costs.

Many initiatives for regulatory changes have been taken in the past and Resurs is unable to predict with certainty what regulatory changes can be imposed in the future as a result of regulatory initiatives in the EU, by the Swedish FSA or by other national authorities and agencies. Such changes risk having a material adverse effect on, among other things, Resurs's product range and activities, the sales and pricing of Resurs's products as well as Resurs's profitability and capital adequacy, and can give rise to increased costs of compliance. In addition, there is a risk that Resurs misinterprets or misapplies new or amended laws and regulations, especially due to the increasing quantity and complexity of legislation, which, in case of significant misinterpretations, would lead to adverse consequences for Resurs. Resurs incurs, and expects to continue to incur, significant costs and expenditures, to comply with the increasingly complex regulatory environment. The degree to which Resurs is unable to effectively manage these legal and regulatory risks is uncertain and presents a highly significant risk for Resurs's business, financial condition and results of operations.

Discussions are taking place in Sweden regarding implementing possible additional measures to reduce household indebtedness as well as potentially implementing restrictions on the right of private individuals to make tax deductions in respect of interest expenses. On 1 September 2019 an amendment to the Finnish Consumer Credit Act entered into force which, among other things, sharpened current interest ceiling provisions, introduced credit cost ceilings and limits the possibility of lenders to charge fees in conjunction with the extension of terms to maturity of loans. Specifically, the Finnish legislation has the consequence that the current interest ceiling is reduced from 50 per cent to 20 per cent and that the ambit of such interest ceiling is expanded to cover all loans and credit amounts. Moreover, the possibility for lenders to charge consumer fees in respect of credit costs other than interest are restricted through the introduction of credit cost ceilings, which are also applicable to all types of loans and credit amounts. As a consequence of the new legislation credit costs per day may not exceed 0.01 per cent of the credit amount or the credit limit stated in the consumer credit agreement, and are capped at EUR 150 per year. The right to charge the consumer fees for extension of the loan repayment time is also restricted. Although the effects of the legislation are hard to predict at this point in time, there is a risk that it could affect consumption by consumers and consumers' possibility to take loans, which would negatively affect the size of Resurs's loan portfolio, revenue and results of operations.

In addition, Norway has recently implemented a new regulation under which banks may not grant loans to consumers whose debt exceeds five times their annual income. Furthermore, consumer loans which are to be repaid with instalment payments cannot have a term longer than five years. When assessing a borrower's servicing ability, the lender must factor in an interest rate increase of at least five percentage points from the prevailing level of interest on the consumer's overall debt. The new regulation has affected the consumers' possibility to take loans, which has negatively affected and may further negatively affect the size of Resurs's loan portfolio, revenue and results of operations.

On 14 March 2018 the EU Commission presented a proposal for a directive regarding credit servicers, credit purchases and collateral. The proposal primarily contains three parts: (i) common rules regarding the management of credits provided by credit institutions; (ii) rules regarding business involving the purchase of credits provided by credit institutions; and (iii) rules for a common procedure for recourse to collateral where the borrower is not a consumer. If the above-mentioned proposals would be implemented this could lead to increased costs for Resurs since they entail increased costs for monitoring and collecting Resurs's claims and could also increase the number of non-judicial procedures and initiatives by creditors. Such legislative changes can affect the handling and possibility to purchase credits and thus also Resurs's business, financial position and results of operations. The degree to which Resurs will be able to comply with regulatory requirements and regulatory changes in the future is uncertain and presents a highly significant risk to Resurs's ability to conduct business and consequently generate revenue, in turn presenting a significant risk to the Issuer's financial position and results of operations.

### ***Regulatory capital and liquidity requirements***

Resurs Bank is in its capacity as bank subject to capital adequacy and liquidity regulations. The regulations aim to put in place a comprehensive and risk-sensitive legal framework to ensure enhanced risk management among financial institutions. Regulations which have impacted Resurs Bank and are expected to continue to impact Resurs Bank include, among others, the Basel III framework, the EU Capital Requirements Directive 2013/36/EU ("**CRD IV**"), as amended by Directive (EU) 2019/878 ("**CRD V**"), and the EU Capital Requirements Regulation 11(99) (EU) No. 575/2013 ("**CRR**"), as amended by Regulation (EU) 2019/876 ("**CRR II**"). In addition CRR and CRD IV, together the "**Basel III regulations**", are supported by a set of binding technical standards developed by the

European Banking Authority (“**EBA**”). In addition, Solid Försäkring is subject to S2, in its capacity as insurance company. See further “*Risks relating to Solid Försäkring’s insurance licence*”.

The capital adequacy framework includes, inter alia, minimum capital requirements for the components in the capital base with the highest quality, common equity tier 1 (“**CET1**”) capital, additional tier 1 capital and tier 2 capital. CRR II also introduces a net stable funding requirement, a binding leverage ratio requirement (i.e. a capital requirement independent from the riskiness of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to CRR. In addition to the minimum capital requirements, CRD IV provides for further capital buffer requirements that are required to be satisfied with CET1 capital. Certain buffers may be applicable to Resurs Bank as determined by the Swedish FSA. A breach of the combined buffer requirements is likely to result in restrictions on certain discretionary capital distributions by Resurs Bank for example, dividend and coupon payments on CET1 and tier 1 capital instruments. However, Resurs Bank is currently not considered a systemically important institution and is thus not subject to the buffer requirement for systemically important institutions nor subject to the systemic risk buffer requirements. There can, however, be no assurance that Resurs Bank will not be designated a systemically important institution or subject to systemic risk buffer requirements in the future.

The conditions of Resurs Bank’s business as well as external conditions are constantly changing and the full set of capital adequacy rules applicable to Swedish financial institutions continues to evolve. For the foregoing reasons, Resurs Bank and/or the Resurs consolidated situation can be required to raise regulatory capital in the future. Such capital, whether in the form of debt financing, hybrid capital or additional equity, is not always available on attractive terms, or at all.

Serious or systematic deviations by Resurs Bank from the above regulations would most likely lead to the Swedish FSA determining that Resurs Bank’s business does not satisfy the statutory soundness requirement for credit institutions and thus result in the Swedish FSA imposing sanctions on Resurs Bank. Further, any increase in the capital and liquidity requirements could have a negative effect on Resurs Bank’s liquidity (should its revenue streams not cover continuous payment to be made under its issued capital), funding (should it not be able to raise funding on attractive terms, or at all), financial condition (should liquidity and funding be negatively affected) and results of operations (should its costs increase). The degree to which regulatory capital and liquidity requirements risks may affect Resurs Bank is uncertain and presents a highly significant risk to Resurs’s funding and liquidity position.

### ***EU General Data Protection Regulation***

As a financial group aimed primarily at individuals, the Resurs Group processes large quantities of personal data on its customers (for example, a customer database of approximately 6.0 million customers). Such processing of personal data is subject to extensive regulation and scrutiny following the implementation of the general data protection regulation 2016/679/EU (“**GDPR**”), applicable, as of 25 May 2018. Efforts to continuously ensure compliance with the GDPR is time-consuming and costly, and for example, a new function of Data Protection Officer (DPO) has been set up in order to ensure compliance with GDPR. Any administrative and monetary sanctions (including administrative fines of up to the greater of EUR 20 million or 4 per cent. of the Resurs Group’s total global annual turnover) or reputational damage due to incorrect implementation or breach of the GDPR would adversely impact the Resurs Group’s business, financial condition and results of operations. The degree to which non-compliance with applicable requirements may affect the Issuer is uncertain and presents a highly significant risk to Resurs’s operations and reputation.

### ***Risks related to anti-money laundering, trade sanctions and anti-corruption***

Criminal activity within the banking industry, in which the Resurs Group operates, has been increasingly uncovered in recent years. This area, not least the issue of money laundering, received particularly intense media attention in 2018 and so far also in 2019. As a bank, Resurs Bank is subject to a regulatory framework which requires Resurs to take measures to among other things counteract money laundering and terrorist financing as well as comply with trade sanctions laws and anti-corruption laws within its operations. There is a risk that Resurs’s procedures, internal control functions and guidelines to counteract money laundering and terrorist financing and ensure compliance with trade sanctions laws and anti-corruption laws are not sufficient or adequate to ensure that Resurs complies with the regulatory framework. This may result from, for example, insufficient procedures, internal control functions or guidelines, or errors by employees, suppliers or counterparties.

Failure to comply with such regulatory framework is likely to result in legal implications, including remarks or warnings and/or significant administrative fines imposed by the Swedish FSA or other regulatory bodies, which could cause significant, and potentially irreparable, damage to the reputation of the Resurs Group and, as a result,

the Resurs Group's business (should the demand for its products and services decrease), financial condition (should the value of its assets decrease) and results of operations (should its revenue decrease and/or its costs increase) could be materially adversely affected. The degree to which non-compliance with for instance anti-money laundering laws, trade sanctions laws and anti-corruption regulation may affect Resurs is uncertain and presents a highly significant risk to the Issuer's reputation, financial condition and results of operations.

### ***Risks relating to changes in accounting standards***

From time to time, amendments take place to standards issued by the International Accounting Standards Board ("IASB") and/or EU provisions in IFRS-EU, which govern the preparation of Resurs's accounts. These amendments are sometimes difficult to foresee and could materially affect the manner in which Resurs books and reports its financial position and its results of operations. In certain cases, Resurs may be forced to apply new or revised standards retroactively, which may involve recalculation of financial reporting from earlier periods. For example, on 24 July 2014 the IASB issued the final version of the standard for reporting financial instruments, IFRS 9 – Financial Instruments: Reporting and Assessment ("IFRS 9"). IFRS 9 contains revised guidelines for classification of financial instruments, and provisioning for expected credit losses which are mandatory, and were therefore fully implemented by Resurs, as of 1 January 2018.

The new impairment requirements according to IFRS 9 entailed, in 2018, a non-recurring effect of SEK 439 million regarding total reserves and provisions for items in and off the balance sheet. Equity declined by SEK 339 million after consideration of tax. Recognition and measurement of financial instruments as regulated in IFRS 9 is a complex area with significant impact on Resurs's business and financial reporting. IFRS 9 is an intricate accounting standard which requires significant judgment to determine the loan loss provision. The impact from the inherent uncertainty and subjectivity involved in assessing loan loss provisions, as well as the extensive disclosures required under IFRS 9 means that the IFRS 9 transition presents a significant risk for Resurs. There is a risk that new equity capital or debt financing qualifying as regulatory capital will not be available on attractive terms, or at all. IASB may make other amendments to accounting and reporting standards that govern the preparation of Resurs's financial reporting. Resurs may be required to apply such amendments, or it may apply them prematurely, if it so deems appropriate. Resurs believes that the calculations of credit loss reserves under IFRS 9 will entail greater volatility in the credit loss line of the income statement, given that the calculation of the credit loss provision according to IFRS 9 is calculated on expected credit losses as opposed to the previous model that was based on credit losses incurred.

The degree to which changes in accounting standards may affect Resurs is uncertain and presents a highly significant risk to the Issuer's costs for regulatory capital and consequently to the Issuer's financial position.

### ***Compliance with and changes in tax legislation***

Resurs primarily conducts business in the Nordic countries. Business operations, including intra-group transactions, are conducted based on Resurs's understanding and interpretation of applicable tax laws, tax treaties, regulations, case law and requirements imposed by the relevant tax authorities. There is a risk that Resurs's interpretation of applicable laws, tax treaties, regulations, case law or other rules or administrative practice is not correct and not in line with the interpretations of relevant tax authorities (particularly in the case of intra-group transactions involving several countries and transfer pricing rules), or that such rules or practice will change, possibly with retroactive effect. Resurs's tax situation as regards previous years and the current year may thus change due to decisions by relevant authorities or due to changes in the aforementioned laws, treaties or provisions. Such decisions or supplements, possibly with retroactive effect, may have a material adverse effect on Resurs's results of operations and financial position.

For instance, on 18 September 2019, the Swedish government presented a suggestion regarding the implementation of a new tax directed on the financial sector, effective as from 2022. The details of the tax are yet to be confirmed and there is a risk that the suggestion, if implemented, will increase Resurs's tax costs. In 2018, Resurs's total tax expense reported in income statement was SEK 343,145 thousand, and its recognised effective tax rate was 23.0 per cent.

The degree to which the above mentioned tax related risks may affect Resurs is uncertain and presents a highly significant risk to Resurs's costs and consequently to the Issuer's costs, financial position and results of operations.

### ***The Bank Recovery and Resolution Directive***

As a bank and a financial institution, the Issuer is subject to the Bank Recovery and Resolution Directive ("BRRD") (which was amended by Directive (EU) 2019/879 ("BRRD II") on 27 June 2019 where most of the new rules in BRRD II will start to apply mid-2021). The BRRD legislative package establishes a framework for

the recovery and resolution of credit institutions and, *inter alia*, requires EU credit institutions (such as the Issuer) to produce and maintain recovery plans setting out the arrangements that are to be taken to restore the long-term viability of the institution in the event of a material deterioration of its financial condition. Accordingly, the requirements under the BRRD are comprehensive, and require the Issuer to take extensive measures to ensure compliance.

The BRRD contains a number of resolution tools and powers which may be applied by the resolution authority (in Sweden, the Swedish National Debt Office (*Riksgäldskontoret*)) upon certain conditions for resolution being fulfilled. These tools and powers (used alone or in combination) include, *inter alia*, a general power to write-down all or a portion of the principal amount of, or interest on, certain eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims including senior notes and subordinated notes into other securities, including CET1 instruments of the surviving entity, which equity could also be subject to any further application of the general bail-in tool. This means that most of such failing institution's debt (including, in the case of the Issuer, the Notes) could be subject to bail-in, except for certain classes of debt, such as certain deposits and secured liabilities. In addition to the general bail-in tool, the BRRD provides for relevant authorities to have the power, before any other resolution action is taken, to permanently write-down or convert into equity relevant capital instruments (such as the Notes) at the point of non-viability. Ultimately, the authority has the power to take control of a failing institution and, for example, transfer the institution to a private purchaser or to a publicly controlled entity pending a private sector arrangement. All these actions can be taken without any prior shareholder approval.

It is not possible to predict exactly how the powers and tools of the Swedish National Debt Office provided in the BRRD (as implemented into Swedish law) will affect the Issuer and Resurs, or the Noteholders. However, the powers and tools given to the Swedish National Debt Office are numerous and the exercise of any of those powers or any suggestion of such exercise would, therefore, materially adversely affect the rights of Noteholders (should the Notes be written-down or converted to other securities as set out above), the price or value of the Notes (should the secondary market not trade the Notes at their nominal amount) and/or the ability of the Issuer to satisfy its obligations under the Notes (should the resolution authority take control over the Issuer in certain scenarios). The degree to which amendments to BRRD or application of BRRD may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's funding and compliance costs.

***Resurs Bank may be adversely affected by changes to legislation concerning debt collection operations, debt reconstruction and personal bankruptcy***

Resurs's possibilities to collect loans that have been written off depend primarily on the efficacy of the legal debt collection system, including laws regarding debt collection business, debt reconstruction and personal bankruptcy in those countries in which business is conducted. Debt collection depends also to a certain extent on the commitment and efficiency of Resurs's external debt collection agencies. Resurs's ability to collect due loans may, in particular, be adversely affected by changes to laws regarding debt reconstruction and personal bankruptcy if, for example, other creditors are given priority over private lenders in the case of debt reconstruction or bankruptcy. In addition, Resurs's business would also be adversely affected by legislative changes regarding limitations periods for claims. There is a risk of the limitation period for claims being shortened, or that the possibility for the extension of the limitations period might be restricted or abolished in those countries in which Resurs conducts business, which might adversely affect Resurs's ability to collect loans that are subject to debt collection measures or doubtful loans. Changes to provisions which affect Resurs's ability to collect loans that are subject to debt collection measures or doubtful loans may have a material adverse effect on Resurs's credit loss level and results of operations. The degree to which the aforementioned legislation changes may affect Resurs is uncertain and presents a significant risk to the Issuer's cost levels and results of operations.

## **Risks relating to the Notes**

### **Structural risks relating to the Notes**

***The Issuer's obligations under the Notes are deeply subordinated***

The Notes are intended to constitute unsecured, deeply subordinated obligations of the Issuer. In the event of the voluntary or involuntary liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer, the rights of the Noteholders to payments on or in respect of (including any damages awarded for breach of any obligations under) the Notes (which in the case of any payment of principal shall be to payment of the then Nominal Amount only) shall at all times rank junior to any present and future claims of (a) any unsubordinated creditors of the Issuer and (b) except as expressly stated in Clause 2.1(ii) of the Terms and Conditions, any subordinated creditors, including



for the avoidance of doubt holders of any instruments which as at their respective issue dates constitute or constituted Tier 2 Capital.

In the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, there is a risk that the Issuer does not have enough assets remaining after payments to senior ranking creditors to pay amounts due under the Notes.

No Noteholder who is indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of Notes held by such Noteholder.

As a result of the above, there is a risk that the Noteholders will lose some or all of their investment in the Notes. Although the Notes may pay a higher rate of interest than comparable notes which are not subordinated or which are subordinated but not so deeply, there is a significant risk that an investor in the Notes will lose all or some of its investment in the event of a voluntary or involuntary liquidation or bankruptcy of the Issuer. Accordingly, in a worst case scenario, the value of the Notes may be reduced to zero.

As noted in the risk factor “*The Bank Recovery and Resolution Directive*” above, there is a risk of the Notes being written-down or converted into other securities in a resolution scenario or at the point of non-viability.

### ***Structural subordination and dependence on upstreaming of funds***

The Issuer is a holding company and the proceeds from the issue of the Notes will be contributed to Resurs Bank as an unconditional shareholders’ contribution. Resurs’s business is conducted by the Issuer’s Subsidiaries and the Issuer is reliant on the financial performance of these Subsidiaries and their ability to make dividend distributions and other payments, to enable it to meet its payment obligations (including making payments under the Notes). All Subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer’s obligations and commitments or to make funds available for such payments. No present or future Subsidiary, or other member of the Resurs Group will guarantee or provide any security for the Issuer’s obligations under the Notes. Accordingly, there is a risk that the Subsidiaries will not be able or willing to contribute funds to the Issuer, which risks leading to the Issuer being unable to fulfil its obligations under the Notes, thus presenting a significant risk to the Noteholders.

### ***Interest payments on the Notes may be cancelled by the Issuer***

Any payment of Interest in respect of the Notes shall be payable only out of the Issuer’s Distributable Items and (i) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Applicable Banking Regulations, or (ii) will be mandatorily cancelled if and to the extent so required by the Applicable Banking Regulations, including the applicable criteria for Additional Tier 1 Capital instruments.

Any cancellation of Interest (in whole or in part thereof) shall in no way limit or restrict the Issuer from making any payment of interest or equivalent payment or other distribution in connection with any instrument ranking junior to the Notes (including, without limitation, any CET1 capital) of the Issuer or in respect of any other Additional Tier 1 Capital instruments. In addition, the Issuer may without restriction use funds that could have been applied to make such cancelled payments to meet its other obligations as they become due.

As a result of the above, there is a risk that the payment of Interest is cancelled, which would adversely affect the Noteholders. Following any cancellation of interest as described above, Noteholders shall have no right thereto or to receive additional interest or compensation. Furthermore, no cancellation of interest in accordance with the terms of the respective Notes shall constitute a default in payment or otherwise under the Notes or entitle Noteholders to take any action to cause the Issuer to be declared bankrupt or for the liquidation, winding-up or dissolution of the Issuer. Accordingly, in a worst case scenario, the amount of any Interest may be reduced to zero.

Any actual or anticipated cancellation of interest on the Notes will likely have an adverse effect on the market price of the Notes. In addition, as a result of the interest cancellation provisions of the Notes, the market price of the Notes is likely to be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation and also more sensitive generally to adverse changes in the Issuer’s financial condition.

### ***Loss absorption following a Trigger Event***

If at any time the CET1 ratio has fallen below 7.00 per cent. of the Resurs Consolidated Situation, this constitutes a Trigger Event and the Total Nominal Amount of the Notes shall be written down by an amount sufficient to restore the CET1 ratio of the Resurs Consolidated Situation to at least 7.00 per cent., as applicable provided that

the Nominal Amount of each Note may not be written down below SEK 1. The write down of the Notes is likely to result in a holder of Notes losing some or all of its investment.

The Issuer and/or the Swedish FSA may determine that a Trigger Event has occurred on more than one occasion and the reduced Nominal Amount of each Note may be written down on more than one occasion. Further, during any period when the then Nominal Amount of a Note is less than the initial Nominal Amount, interest will accrue on and the Notes will be redeemed at the reduced Nominal Amount of the Notes.

The Issuer's and/or the Swedish FSA's calculation of the CET1 ratio of the Issuer, and therefore its determination of whether a Trigger Event has occurred, shall be binding on the Noteholders, who shall have no right to challenge the published figures detailing the CET1 ratio of the Issuer.

### ***Loss absorption at the point of non-viability of the Issuer***

The holders of Notes are subject to the risk that the Notes may be required to absorb losses as a result of statutory powers conferred on resolution and competent authorities in Sweden (the Swedish National Debt Office and the Swedish FSA). As noted above in the risk factor "*The Bank Recovery and Resolution Directive*", the powers provided to resolution and competent authorities in the BRRD include write-down/conversion powers to ensure that relevant capital instruments (such as the Notes) fully absorb losses at the point of non-viability of the issuing institution in order to allow it to continue as a going concern subject to appropriate restructuring and without entering resolution. As a result, the BRRD contemplates that resolution authorities have the power to require the permanent write-down of such capital instruments (which write-down may be in full) or the conversion of them into CET1 instruments at the point of non-viability and before any other bail-in or resolution tool can be used. Accordingly, in a worst case scenario, the capital instruments may be written down and the value of the Notes may be reduced to zero.

There is a risk that the application of any non-viability loss absorption measure results in the Noteholders losing some or all of their investment. Any such conversion to equity or write-off of all or part of an investor's principal (including accrued but unpaid interest) shall not constitute an event of default and any affected holder of Notes will have no further claims in respect of any amount so converted or written off. The exercise of any such power is inherently unpredictable and depends on a number of factors which are outside the Issuer's control. Any such exercise, or any suggestion that the Notes could be subject to such exercise, would, therefore, materially adversely affect the value of Notes.

### ***The Issuer may redeem the Notes on the occurrence of a Capital Event or Tax Event***

The Issuer may in certain circumstances, at its option, but in each case subject to obtaining the prior consent of the Swedish FSA, redeem the respective Notes upon the occurrence of a Capital Event or Tax Event at par together with accrued Interest on any Interest Payment Date.

It should also be noted that the Issuer may redeem the Notes as described above even if (i) the Total Nominal Amount of the relevant Notes has been reduced by means of a write-down in accordance with the relevant Terms and Conditions; and (ii) the principal amount of the relevant Notes has not been fully reinstated to the initial Nominal Amount of the Notes.

There is a risk that the Noteholders will not be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in the Notes.

### ***Substitution or variation of the Notes***

Subject to Clause 11.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event*) of the relevant Terms and Conditions and the prior written permission of the Swedish FSA, the Issuer may, at its option and without the permission or approval of the relevant Noteholders, elect to substitute or vary the terms of all (but not some only) outstanding Notes for, or so that they become or remain, as applicable, Qualifying Securities if a Capital Event or Tax Event occurs.

There is a risk that, due to the particular circumstances of each Noteholder, any Qualifying Security will be less favourable to each Noteholder in all respects or that a particular Noteholder would not make the same determination as the Issuer as to whether the terms of the relevant Qualifying Security are not materially less favourable to Noteholders than the terms of the relevant Notes. The substitution or variation of the Notes may thus lead to changes in the Notes that have effects that are less favourable to the Noteholders. The Issuer bears no responsibility towards the Noteholders for any adverse effects of such substitution or variation (including, without limitation, with respect to any adverse tax consequence suffered by any Noteholder). The degree to which the Notes may be substituted or varied is uncertain and presents a highly significant risk to the return of the Notes.

***The Issuer is not (and nor is any other Group Company) prohibited from issuing further debt, which may rank pari passu with or senior to the Notes***

There is no restriction on the amount or type of debt that the Issuer or a Group Company may issue or incur that ranks senior to, or *pari passu* with the Notes. There is a risk that the incurrence of any such debt reduces the amount recoverable by Noteholders in the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, limits the ability of the Issuer to meet its obligations in respect of the respective Notes and results in Noteholders losing all or some of their investment in the Notes. The degree to which other debt that ranks senior to, or *pari passu* with, the Notes may be issued is uncertain and presents a highly significant risk to the amount recoverable by Noteholders.

***The Issuer is not (and nor is any other Group Company) prohibited from pledging assets for other debt***

There is no restriction on the amount or type of assets that the Issuer or a Group Company can pledge, or otherwise use as security, for other debt. If the Issuer chooses to do so, there is risk that this reduces the amount recoverable by Noteholders in the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer and result in Noteholders losing all or some of their investment in the Notes. The degree to which any other asset pledged may affect the Noteholders is uncertain and presents a highly significant risk to the amount recoverable by Noteholders.

**Other risks relating to the Notes**

***European Benchmarks Regulation***

In order to ensure the reliability of reference rates (such as STIBOR), legislative action at EU level has been taken. Hence, the so-called Benchmark Regulation (Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indexes used as reference values for financial instruments and financial agreements or for measuring investment fund results and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014) were added and entered into force on 1 January 2018. The Benchmark Regulation regulates the provision of reference values, reporting of data bases for reference values and use of reference values within the EU. Since the benchmark regulation has only been applied for a short period of time, the effects of it so far are difficult to assess. However, there are future risks that the benchmark regulation affects how certain reference rates are determined and how they are developed. This in conjunction with increased administrative requirements is likely to lead to a reduced number of entities involved in the determination of reference rates, which, in such case, would lead to a certain reference interest ceasing to be published.

The Terms and Conditions provide that the interest rate benchmark STIBOR, which applies for the Notes, can be replaced as set out therein, upon the occurrence of a Base Rate Event which includes if STIBOR ceases to be calculated or administered. Such replacement shall be made in good faith and in a commercially reasonable manner and is always subject to the Applicable Banking Regulations and the prior written consent of the Swedish FSA. However, there is a risk that such replacement is not made in an effective manner and consequently, if STIBOR ceases to be calculated or administered, an investor in the Notes would be adversely affected. The degree to which amendments to and application of the European Benchmarks Regulation may affect the Noteholders is uncertain and presents a highly significant risk to the return on the Noteholder's investment.

## OVERVIEW OF THE NOTES

*This section (Overview of the Notes) is only intended to serve as an introduction to the Notes. Any decision to invest in the Notes shall be based on an assessment of all information contained in this Prospectus as well as all documents incorporated herein by reference. The complete terms and conditions of the Notes are found on pages 25-54.*

### The Notes

The Issuer has issued 150 Notes with a Nominal Amount of SEK 2,000,000 each. The aggregate nominal amount of the Notes is SEK 300,000,000. The Notes are denominated in Swedish kronor.

### ISIN code

The Notes have been allocated the ISIN code SE0013409141.

### Form of the Notes

The Notes are issued in dematerialised book-entry form and registered on a Securities Account on behalf of the relevant Noteholder. Hence, no physical notes have been issued. The Notes are registered in accordance with the Financial Instruments Accounts Act and registration requests relating to the Notes shall be directed to an Account Operator. Clearing and settlement relating to the Notes, as well as payment of Interest and redemption of principal amounts, will be performed within the CSD's account-based system and is reliant on the functioning of such system.

### Status of the Notes

The Notes on issue are intended to constitute Additional Tier 1 Capital of the Resurs Consolidated Situation. The Notes will constitute direct, unsecured and subordinated debt liabilities of the Issuer, and the Notes, and all payments in respect of, or arising from (including any damages awarded for breach of any obligations under) the Notes, shall at all times rank:

- (i) *pari passu* without any preference among themselves;
- (ii) *pari passu* with (a) any liabilities or capital instruments of the Issuer which constitute Additional Tier 1 Capital and (b) any other liabilities or capital instruments of the Issuer that rank, or are expressed to rank, equally with the Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
- (iii) senior to the claims of holders of all classes of the Issuer's shares in their capacity as such holders and any other liabilities or capital instruments of the Issuer that rank, or are expressed to rank, junior to the Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
- (iv) junior to any present and future claims of (a) any unsubordinated creditors of the Issuer and (b) except as expressly stated in (ii) above, any subordinated creditors, including for the avoidance of doubt holders of any instruments which as at their respective issue dates constitute or constituted Tier 2 Capital.

## Issuance, repurchase and redemption

### Issue Date and tenor

The Notes were issued on 11 December 2019. The Notes are perpetual and have no fixed date for redemption. The Issuer may only redeem the Notes in the circumstances described in Clause 11 (*Redemption and repurchase of the Notes*) of the Terms and Conditions. The Notes are not redeemable at the option of the Noteholders at any time.

### Purchase of Notes by the Issuer and related companies

Subject to applicable law and Clause 11.5 (*Permission from the Swedish FSA*) of the Terms and Conditions, the Issuer or any other company forming part of the Resurs Consolidated Situation, may at any time on or following

the First Call Date and at any price purchase Notes on the market or in any other way and at any price. Notes held by such company may at its discretion be retained, sold or cancelled.

### **Early redemption at the option of the Issuer**

Subject to permission from the Swedish FSA in accordance with the Terms and Conditions, all (but not some only) outstanding Notes can be redeemed at the option of the Issuer on (i) the First Call Date or (ii) any Interest Payment Date falling after the First Call Date.

The Issuer can exercise its option by giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent in accordance with the Terms and Conditions. The Notes shall be redeemed at a price per Note equal to the Nominal Amount together with accrued but unpaid Interest.

Noteholders should not invest in the Notes with the expectation that a call will be exercised by the Issuer. The Swedish FSA must agree to permit such a call, based upon its evaluation of the regulatory capital position of the Issuer and the Resurs Consolidated Situation, and certain other factors at the relevant time. There is a risk that the Swedish FSA will not permit such a call or that the Issuer will not elect to exercise such a call. Noteholders should be aware that they may be required to bear the financial risks of an investment in the Notes indefinitely.

### **Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event**

Subject to permission from the Swedish FSA in accordance with the Terms and Conditions, all (but not some only) outstanding Notes can be redeemed, substituted or varied before the First Call Date at the option of the Issuer if a Capital Event or Tax Event occurs.

The Issuer can exercise its option by giving not less than fifteen (15) Business Days' notice to the relevant Noteholders and the Agent in accordance with the Terms and Conditions. If the Notes shall be redeemed, they shall be redeemed at a price per Note equal to the Nominal Amount together with accrued but unpaid Interest.

## **Payments in respect of the Notes**

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

## **Interest**

Each Note carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Issue Date up to (and including) the relevant Redemption Date. 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).

## **Interest cancellation**

Any payment of Interest in respect of the Notes shall be payable only out of the Issuer's Distributable Items and:

- (a) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Applicable Banking Regulations; or
- (b) will be mandatorily cancelled to the extent so required by the Applicable Banking Regulations, including the applicable criteria for Additional Tier 1 Capital instruments.

The Issuer can exercise its cancellation by giving notice to the relevant Noteholders and the Agent in accordance with the Terms and Conditions, which notice might be given after the date on which the relevant payment of Interest is scheduled to be made. However, failure to give such notice shall not prejudice the right of the Issuer to not pay Interest as aforementioned.

## **Trigger Events, loss absorption and reinstatement**

A Trigger Event occurs if, at any time, the CET1 ratio of the Resurs Consolidated Situation, as calculated in accordance with the Applicable Banking Regulations, is less than 7.00 per cent., as determined by Resurs Bank and/or the Swedish FSA (or any agent appointed for such purpose by the Swedish FSA).

If at any time a Trigger Event occurs, the Issuer shall procure that Resurs Bank immediately notify the Swedish FSA, and the Issuer shall immediately notify the relevant Noteholders and the Agent in accordance with the Terms and Conditions and the Total Nominal Amount or the Issuer's payment obligation under the Notes shall be written down. A write-down shall be made as a reduction of the Total Nominal Amount and such write-down shall be considered to be an unconditional capital contribution (*ovillkorat kapitaltillskott*) by the Noteholders and shall be made in consultation with Resurs Bank and the Swedish FSA and in accordance with the rules of the CSD. The amount of the reduction of the Total Nominal Amount on the Write Down Date shall equal the amount of a write-down that would reduce the Total Nominal Amount down to SEK 150 for the Notes (i.e. down to a Nominal Amount of SEK 1) or such lower reduction amount as is sufficient to restore the CET1 ratio of the Resurs Consolidated Situation to at least 7.00 per cent., at the point of such write-down, on the terms as set out in Clause 10.1 (*Loss absorption upon a Trigger Event*) of the Terms and Conditions.

Following a write-down of the Total Nominal Amount, the Issuer may, at its sole and absolute discretion, reinstate the Notes, subject to compliance with any maximum distribution limits set out in the Applicable Banking Regulations and any other applicable regulations. The Issuer will not in any circumstances be obliged to reinstate in whole or in part the principal amount of the Notes. Any such reinstatement may constitute a "transfer of value" (*värdeöverföring*) for the purposes of the Swedish Companies Act (*aktiebolagslagen (2005:551)*) which would require the unanimous approval of the shareholders of the transferor (i.e. the Issuer) at the time of the transfer. No assurance can be given that the Issuer's shareholders would approve any such reinstatement at the relevant time.

Unless write up of the principal of the Notes is permitted and possible in accordance with the rules of the CSD, reinstatement shall be made by way of issuing new notes (with a new ISIN) that qualify as Additional Tier 1 Capital of the Issuer to the relevant Noteholders. Any such new note issuance shall specify the relevant details of the manner in which such new note issuance shall take effect and where the Noteholders can obtain copies of the new terms and conditions of the new notes. Such new notes shall be issued without any cost or charge to the Noteholders and shall be made in accordance with the rules of the CSD. For the avoidance of doubt, at no time may the reinstated Total Nominal Amount exceed the original Total Nominal Amount of the respective Notes (if issued in full), being SEK 300,000,000.

## European Benchmarks Regulation

The Interest payable under the Notes is calculated by reference to the benchmark STIBOR, as defined in the Terms and Conditions. This benchmark is provided by the Swedish Bankers' Association and/or its wholly owned subsidiary Financial Benchmarks Sweden AB. At the date of this Prospectus, neither of the Swedish Bankers' Association and Financial Benchmarks Sweden AB appears on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the provisions in Article 51 of the Benchmarks Regulation apply such that the Swedish Bankers' Association or Financial Benchmarks Sweden AB is not yet required to obtain authorisation or registration.

## Listing and admission to trading of the Notes

The Issuer shall use reasonable efforts to ensure that the Notes are listed and admitted to trading on Nasdaq Stockholm within thirty (30) days from the Issue Date, or, if such listing and admission to trading is not possible to obtain, listed and admitted to trading on another Regulated Market. Prior to any listing and admission to trading, there has been no public market for the Notes. An active trading market for the Notes may not develop or, if developed, it might not be sustained. The Nominal Amount may not be indicative of the market price for the Notes.

The Issuer shall, following the listing and admission to trading, use reasonable efforts to maintain the listing and admission to trading as long as any Notes are outstanding, however not longer than up to and including the last day of which the listing and admission to trading can reasonably, pursuant to the applicable regulations of the Regulated Market and the CSD, subsist.

It is estimated that the Issuer's costs in conjunction with the listing and admission to trading will be no higher than SEK 100,000.

## Decisions by Noteholders

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

Only a person who is, or who has been provided with a power of attorney in accordance with the Terms and Conditions from a person who is, registered as a Noteholder:

- (a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
- (b) on the Business Day specified in the communication pursuant to Clause 17.2 of the relevant Terms and Conditions, in respect of a Written Procedure,

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Total Nominal Amount. Such Business Day specified pursuant to paragraph (b) above must fall no earlier than one (1) Business Day after the effective date of the communication.

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

Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each person registered as a Noteholder on the date referred to above in item (a) or (b), as the case may be, and shall also be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

### **Noteholder representation and majority decisions by the Noteholders**

Under the Terms and Conditions, the Agent represents each Noteholder in all matters relating to the Notes. The Terms and Conditions contain provisions to the effect that a Noteholder is prohibited from taking actions on its own against the Issuer. To enable the Agent to represent the Noteholders in court, the Noteholders can submit a written power of attorney for legal proceedings. The failure of all Noteholders to submit such a power of attorney is likely to negatively impact the enforcement options available to the Agent on behalf of the Noteholders. Further, under the Terms and Conditions the Agent is entitled in some cases to make decisions and take measures that bind all relevant Noteholders without first obtaining the prior consent of the Noteholders.

Additionally, under the Terms and Conditions certain majorities of Noteholders are entitled to make decisions and take measures that bind all Noteholders, including those who vote in a manner contrary to the majority. Therefore, the actions of the majority and the Agent in such matters impact the Noteholders' rights under the Finance Documents in a manner that is possibly undesirable for some of the Noteholders.

### **No direct action by Noteholders**

Subject to certain exemptions set out in the Terms and Conditions, a Noteholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents.

### **No right for the Noteholders or the Agent to accelerate the Notes**

The Notes are intended to constitute Additional Tier 1 Capital of the Issuer. As such, the Terms and Conditions do not include any obligations or undertakings on the Issuer the breach of which would entitle the Noteholders or the Agent to accelerate the Notes.

### **Bankruptcy and liquidation**

If, and, notwithstanding anything to the contrary in the Terms and Conditions, only if, the Issuer is declared bankrupt or put into liquidation, a Noteholder may prove or claim in such bankruptcy or liquidation for payment of the Nominal Amount of Notes held by such Noteholder, together with Interest accrued to (but excluding) the date of commencement of the relevant bankruptcy or liquidation proceedings to the extent the Interest has not been cancelled by the Issuer.

No other remedy against the Issuer than as set out in the immediately preceding paragraph shall be available to the Noteholders in respect of the Notes, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by the Issuer of any of its obligations or undertakings with respect to the Notes.



## Prescription

The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. Subject to Clause 9 (*Interest and interest cancellation*) of the Terms and Conditions, the right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders' right to receive payment has been prescribed and has become void.

## Governing law

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

## The CSD

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

The Issuer and the Agent shall at all times be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.

## The Agent

Nordic Trustee & Agency AB (publ), Swedish Corporate ID No. 556882-1879, has been appointed as Agent on behalf of the relevant Noteholders in accordance with the Terms and Conditions. The Agency Agreement is available to the Noteholders at the office of the Agent during normal business hours.

## The Issuing Agent

Nordea Bank Abp has been appointed as Issuing Agent in accordance with the Terms and Conditions of the Notes.

## The Joint Bookrunners

Nordea Bank Abp, Finnish Reg. No. 2858394-9 and Swedbank AB (publ), Swedish Reg. No. 502017-7753 have been appointed as Joint Bookrunners.

## Rating

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

## Use of proceeds

The Issuer shall use the proceeds from the issue of the Notes for general corporate purposes of the Resurs Group.

## Restrictions on the transferability of the Notes

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. A holder of Notes may not offer or sell the Notes in the United States. The Issuer has not undertaken to register the Notes under the U.S. Securities Act or any U.S. state securities laws or to effect any exchange offer for the Notes in the future. Furthermore, the Issuer has not registered the Notes under any other country's securities laws. It is the Noteholder's obligation to ensure that the offers and sales of Notes comply with all applicable securities laws.



**TERMS AND CONDITIONS FOR THE NOTES**

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**TERMS AND CONDITIONS FOR  
RESURS HOLDING AB (PUBL)  
SEK 300,000,000  
FLOATING RATE  
ADDITIONAL TIER 1 CAPITAL NOTES  
ISIN: SE0013409141**

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

*Solely for the purposes of the product governance requirements set forth in directive 2014/65/EU as amended ("MIFID II"), the target market assessment made by the joint bookrunners for the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MIFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "Distributor") should take into consideration the Issuer's target market assessment. However, a Distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the joint bookrunners' target market assessment) and determining appropriate distribution channels.*

*The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.*

### **PRIVACY NOTICE**

*The Issuer and the Agent may collect and process personal data relating to the Noteholders, the Noteholders' representatives or agents, and other persons nominated to act on behalf of the Noteholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Notes). The personal data relating to the Noteholders is primarily collected from the registry kept by the CSD. The personal data relating to other persons is primarily collected directly from such persons.*

*The personal data collected will be processed by the Issuer and the Agent for the following purposes:*

- a) to exercise their respective rights and fulfil their respective obligations under the Finance Documents;*
- b) to manage the administration of the Notes and payments under the Notes;*
- c) to enable the Noteholders' to exercise their rights under the Finance Documents; and*
- d) to comply with their obligations under applicable laws and regulations.*

*The processing of personal data by the Issuer and the Agent in relation to items (a)-(c) is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to item (d), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer or Agent. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.*

*Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.*

*Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer and the Agent, respectively. In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.*

*The Issuer's and the Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites: <https://www.resursholding.se/en/processing-of-personal-data/> and <https://nordictrustee.com/app/uploads/2019/05/GDPR-Privacy-statement.pdf>.*

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## 1. DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

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

“**Accounting Principles**” means the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC as applied by the Issuer in preparing its annual consolidated financial statements.

“**Additional Tier 1 Capital**” means, at any time, the sum, expressed in Swedish Kronor, of all amounts that constitute additional tier 1 capital (*primärkapitaltillskott*) as defined in the Applicable Banking Regulations at the relevant time.

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

“**Adjustment Spread**” means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Base Rate or Alternative Base Rate, as the case may be and is the spread, formula or methodology which:

- (a) in the case of a Successor Base Rate, is formally recommended in relation to the replacement of the applicable Base Rate with the relevant Successor Base Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Base Rate);
- (b) the Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be) determines is customarily applied to the relevant Successor Base Rate or Alternative Base Rate, as the case may be, in international debt capital markets transactions to produce an industry-accepted replacement rate for the applicable Base Rate; or (if the Independent Adviser or the Issuer (as the case may be) determines that no such spread is customarily applied); or
- (c) the Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the applicable Base Rate, where such rate has been replaced by the Successor Base Rate or the Alternative Base Rate, as the case may be.

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

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

“**Agent**” means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879 or such other party replacing it, as Agent, in accordance with these Terms and Conditions.

“**Alternative Base Rate**” means the rate that the Independent Adviser or the Issuer determines has replaced the applicable Base Rate in and which is customarily applied in the relevant debt capital

markets for the purposes of determining rates of interest in respect of notes denominated in Swedish Kronor and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser or the Issuer determines that there is no such rate, such other rate as the Independent Adviser or the Issuer determines in its sole discretion is most comparable to the applicable Base Rate.

**“Applicable Banking Regulations”** means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy applicable to Resurs Bank or Resurs Consolidated Situation, as the case may be, including, without limitation to the generality of the foregoing, CRD IV and any other laws, regulations, requirements, guidelines and policies relating to capital adequacy as then applied in Sweden by the Swedish FSA (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to Resurs Bank or the Resurs Consolidated Situation).

**“Base Rate”** means STIBOR or, following the occurrence of a Base Rate Event, any reference rate replacing STIBOR in accordance with Clause 19 (*Base Rate replacement*).

**“Base Rate Determination Date”** means as set forth in paragraph in Clause 19.2.1(a).

**“Base Rate Event”** means:

- (a) the applicable Base Rate ceasing to be published for a period of at least five (5) consecutive Business Days or ceasing to exist; or
- (b) a public statement by the administrator of the applicable Base Rate that it has ceased or that it will cease publishing the applicable Base Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the applicable Base Rate); or
- (c) a public statement by the supervisor of the administrator of the applicable Base Rate that the applicable Base Rate has been or will be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the applicable Base Rate as a consequence of which the applicable Base Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (e) it has become unlawful for the Agent or the Issuer to calculate any payments due to be made to any Noteholder using the applicable Base Rate;

provided that in the case of sub-paragraphs (b), (c) and (d), the Base Rate Event shall occur on the date of the cessation of publication of the applicable Base Rate, the discontinuation of the applicable Base Rate, or the prohibition of use of the applicable Base Rate, as the case may be, and not the date of the relevant public statement.

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

**“Business Day Convention”** means the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

**“Capital Event”** means, at any time on or after the Issue Date, a change (which has occurred or which the Swedish FSA considers to be sufficiently certain) in the regulatory classification of the Notes that results, or would be likely to result, in the exclusion, wholly or partially, of the Notes from the Additional Tier 1 Capital of the Resurs Consolidated Situation or the reclassification, wholly or partially, of the Notes as a lower quality form of regulatory capital, provided that Resurs Bank demonstrates to the satisfaction of the Swedish FSA that such change was not reasonably foreseeable at the Issue Date (other than by reason of a partial exclusion of the Notes as a result of a write-down following a Trigger Event) and provided that such exclusion or reclassification is not a result of any applicable limitation on the amount of such Additional Tier 1 Capital contained in the Applicable Banking Regulations.

“**CET1 Capital**” means, at any time, the sum, expressed in Swedish Kronor, of all amounts that constitute common equity tier 1 capital of the Resurs Consolidated Situation as calculated by Resurs Bank in accordance with the Applicable Banking Regulations at the relevant time.

“**CET1 ratio**” means, at any time, the ratio (expressed as a percentage) of the aggregate amount of the CET1 Capital at such time divided by the Risk Exposure Amount at such time, as calculated by Resurs Bank in accordance with the CRD IV requirements and any applicable transitional arrangements under the Applicable Banking Regulations.

“**CRD IV**” means the legislative package consisting of the CRD IV Directive, the CRR and any CRD IV Implementing Measures.

“**CRD IV Directive**” means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013 (as most recently amended by Directive (EU) 2019/878).

“**CRD IV Implementing Measures**” means any regulatory capital rules, regulations or other requirements implementing (or promulgated in the context of) the CRD IV Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts or regulations (including technical standards) adopted by the European Commission, national laws and regulations, adopted by the Swedish FSA and guidelines issued by the Swedish FSA, the European Banking Authority or any other relevant authority, which are applicable to Resurs Bank, the Resurs Consolidated Situation or the Group, as applicable.

“**CRR**” means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013 (as most recently amended by Regulation (EU) 2019/876).

“**CSD**” means the Issuer’s central securities depository and registrar in respect of the Notes, Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or any other party replacing it, as CSD, in accordance with these Terms and Conditions.

“**CSD Regulations**” means the CSD’s rules and regulations applicable to the Issuer, the Agent and the Notes.

“**Distributable Items**” shall have the meaning given to such term in CRD IV interpreted and applied in accordance with the Applicable Banking Regulations.

“**Finance Documents**” means these Terms and Conditions, and any other document designated by the Issuer and the Agent as a Finance Document.

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

“**First Call Date**” means the Interest Payment Date falling on or immediately after the fifth anniversary of the Issue Date.

“**Force Majeure Event**” has the meaning set forth in Clause 27.1.

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

“**Independent Adviser**” means an independent financial institution of repute in the debt capital markets where the Base Rate is commonly used or other independent financial adviser experienced in the debt capital markets where the Base Rate is commonly used, in each case appointed by the Issuer at its own expense.

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

“**Interest**” means the interest on the Notes calculated in accordance with Clause 9.1 (*Interest*).

“**Interest Payment Date**” means 11 March, 11 June, 11 September and 11 December of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 11 March 2020 and the last Interest Payment Date shall be the relevant Redemption Date.

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

“**Interest Rate**” means the Base Rate *plus* a margin of 5.50 per cent. (and any applicable Adjustment Spread) *per annum*.

“**Issue Date**” means 11 December 2019.

“**Issuer**” means Resurs Holding AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556898-2291 and LEI code 5493006KHWZ6OVF3IO54.

“**Issuing Agent**” means Nordea Bank Abp, or such other party replacing it, as Issuing Agent, in accordance with these Terms and Conditions and the CSD Regulations.

“**Loss Absorbing Instruments**” means capital instruments or other obligations of any company within the Resurs Consolidated Situation (other than the Notes) which include a principal loss absorption mechanism that is capable of generating CET1 Capital and that is activated by a trigger event set by reference to the CET1 ratio of the Resurs Consolidated Situation.

“**Nominal Amount**” has the meaning set forth in Clause 2.4.

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

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 16 (*Noteholders’ Meeting*).

“**Note**” means a debt instrument (*skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which is governed by and issued under these Terms and Conditions.

“**Qualifying Securities**” means securities issued directly by the Issuer following a substitution or variation of the Notes in accordance with Clause 11.4(b) that have terms not materially less favourable to investors, certified by the Issuer acting reasonably (having consulted with an independent investment bank or independent financial adviser of international standing), than the terms of the Notes (immediately prior to the relevant substitution or variation), provided that they shall,

- (a) include a ranking at least equal to that of the Notes;
- (b) have at least the same Interest Rate and the same Interest Payment Dates as those applying to the Notes;
- (c) have the same redemption rights as the Notes;
- (d) preserve any existing rights under the Notes to any accrued interest which has not been paid but which has not been cancelled in respect of the period from (and including) the Interest Payment Date last preceding the date of the relevant substitution or variation of the Notes;
- (e) are assigned (or maintain) the same or higher credit ratings as were assigned to the Notes (if any) immediately prior to the relevant substitution or variation of the Notes; and
- (f) comply with the then current requirements for Additional Tier 1 Capital contained in the Applicable Banking Regulations.

If the Notes were admitted to trading and listed on a Regulated Market immediately prior to the relevant substitution or variation, the Issuer shall use reasonable efforts to ensure that the relevant Qualifying Securities are admitted to trading and listed on a Regulated Market within thirty (30) days from their issuance.

**“Quotation Day”** means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

**“Record Date”** means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 13 (*Distribution of proceeds*) or (iv) a date of a Noteholders’ Meeting or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

**“Redemption Date”** means the date (if any) on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 11 (*Redemption and repurchase of the Notes*).

**“Regulated Market”** means Nasdaq Stockholm or any other regulated market (as defined in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU).

**“Reinstatement Date”** shall have the meaning as set forth in Clause 10.2.6.

**“Relevant Nominating Body”** means in relation to a reference rate:

- (a) the administrator of the reference rate, or any entity under the common control as the administrator of the reference rate;
- (b) the central bank for the currency to which the reference rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate; or
- (c) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which the reference rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the reference rate, (iii) a group of the aforementioned central banks or other supervisory authorities, or (iv) the Financial Stability Board or any part thereof.

**“Resurs Bank”** means Resurs Bank AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 516401-0208.

**“Resurs Consolidated Situation”** means the Issuer, Resurs Bank and any other entity which is part of the Swedish prudential consolidated situation (as such term is used in the Applicable Banking Regulations) of which Resurs Bank is a part, from time to time.

**“Risk Exposure Amount”** means, at any time, the aggregate amount of the risk weighted assets or equivalent of the Resurs Consolidated Situation calculated in accordance with the Applicable Banking Regulations at such time.

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

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

**“STIBOR”** means:

- (a) the applicable percentage rate *per annum* displayed on Nasdaq Stockholm’s website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period comparable to the relevant Interest Period; or



- (b) if no rate is available for the relevant Interest Period (other than due to a Base Rate Event), the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request by leading banks in the Stockholm interbank market reasonably selected by the Issuing Agent, as the rates quoted by it for deposits of SEK 100,000,000 for the relevant period; or
- (c) if no quotation is available pursuant to paragraph (b) (other than due to a Base Rate Event), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits of SEK 100,000,000 offered in the Stockholm interbank market for the relevant period.

“**Subsidiary**” means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (*dotterföretag*) to such person, directly or indirectly, as defined in the Swedish Companies Act (*aktiebolagslagen (2005:551)*).

“**Successor Base Rate**” means the rate that an Independent Adviser or the Issuer determines is a successor to or the replacement of the applicable Base Rate and which is formally recommended by a Relevant Nominating Body.

“**Swedish FSA**” means the Swedish Financial Supervisory Authority (*Finansinspektionen*) or such other governmental authority in Sweden (or, if Resurs Bank becomes subject to primary bank supervision in a jurisdiction other than Sweden, in such other jurisdiction) or the European Union having primary bank supervisory authority with respect to Resurs Bank.

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

“**Tax Event**” means, as a result of any change in, or amendment to, the laws or regulations of Sweden, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, resulting in that the Issuer is, or becomes, subject to a significant amount of additional taxes, duties or other governmental charges or civil liabilities with respect to the Notes, provided that Resurs Bank satisfies the Swedish FSA that such change in tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date.

“**Tier 2 Capital**” means tier 2 capital (*supplementärkapital*) as defined in Chapter 4 of Title I of Part Two of the CRR and/or any other Applicable Banking Regulations at such time.

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

“**Trigger Event**” means if, at any time, the CET1 ratio of the Resurs Consolidated Situation, as calculated in accordance with the Applicable Banking Regulations, is less than 7.00 per cent., as determined by Resurs Bank and/or the Swedish FSA (or any agent appointed for such purpose by the Swedish FSA).

“**Write Down Amount**” has the meaning as set forth in Clause 10.1.5.

“**Write Down Date**” has the meaning as set forth in Clause 10.1.2.

“**Written Down Additional Tier 1 Instrument**” means an instrument (other than the Notes) issued directly or indirectly by the Issuer and qualifying as Additional Tier 1 Capital of the Resurs Consolidated Situation that, immediately prior to any reinstatement of the Notes, has a nominal amount which is less than its initial nominal amount due to a write down and that has terms permitting a principal write up to occur on a basis similar to that set out in Clause 10.2 (*Reinstatement of the Notes*) in the circumstances existing on the relevant Reinstatement Date.

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 17 (*Written Procedure*).

## 1.2 Construction

- 1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:
- (a) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (b) a “**regulation**” includes any law, regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (c) a provision of regulation is a reference to that provision as amended or re-enacted; and
  - (d) a time of day is a reference to Stockholm time.
- 1.2.2 When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken on a specific Business Day, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (*Riksbanken*) on its website ([www.riksbank.se](http://www.riksbank.se)). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.3 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## 2. STATUS OF THE NOTES

- 2.1 The Notes on issue are intended to constitute Additional Tier 1 Capital of the Resurs Consolidated Situation. The Notes will constitute direct, unsecured and subordinated debt liabilities of the Issuer, and the Notes, and all payments in respect of, or arising from (including any damages awarded for breach of any obligations under) the Notes, shall at all times rank:
- (i) *pari passu* without any preference among themselves;
  - (ii) *pari passu* with (a) any liabilities or capital instruments of the Issuer which constitute Additional Tier 1 Capital and (b) any other liabilities or capital instruments of the Issuer that rank, or are expressed to rank, equally with the Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer;
  - (iii) senior to the claims of holders of all classes of the Issuer’s shares in their capacity as such holders and any other liabilities or capital instruments of the Issuer that rank, or are expressed to rank, junior to the Notes, in each case as regards the right to receive periodic payments (to the extent any such periodic payment has not been cancelled) on a liquidation or bankruptcy of the Issuer and the right to receive repayment of capital on a liquidation or bankruptcy of the Issuer; and
  - (iv) junior to any present and future claims of (a) any unsubordinated creditors of the Issuer and (b) except as expressly stated in (ii) above, any subordinated creditors, including for the avoidance of doubt holders of any instruments which as at their respective issue dates constitute or constituted Tier 2 Capital.
- 2.2 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions, subject to and in accordance with these Terms and Conditions.

- 2.3 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.
- 2.4 The initial nominal amount of each Note is SEK 2,000,000 (the “**Nominal Amount**”). The aggregate nominal amount of the Notes is SEK 300,000,000. The Nominal Amount, and the Total Nominal Amount, may, be subject to a write-down, and subsequent reinstatement, in each case on a *pro rata* basis, in accordance with Clause 10 (*Loss absorption and reinstatement*), and “Nominal Amount” shall be construed accordingly.
- 2.5 Each Note is issued on a fully paid basis at an issue price of 100.00 per cent. of the Nominal Amount.
- 2.6 A Noteholder or the Agent may only declare the Notes (and any accrued interest) due and payable in the event of the liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer.
- 2.7 No Noteholder who is indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of Notes held by such Noteholder. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, in the event of its liquidation or bankruptcy, the liquidator or, as appropriate, other insolvency practitioner appointed to the Issuer) and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer (or the liquidator or, as appropriate, other insolvency practitioner appointed to the Issuer (as the case may be)) and accordingly any such discharge shall be deemed not to have taken place.
- 2.8 The Issuer reserves the right to issue further notes, including, subordinated notes, and other obligations in the future, which may rank senior to or *pari passu* with the Notes.
- 2.9 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.10 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

### 3. **USE OF PROCEEDS**

The Issuer shall use the proceeds from the issue of the Notes for general corporate purposes of the Group.

### 4. **CONDITIONS FOR DISBURSEMENT**

- 4.1 Prior to the issuance of the Notes, the Issuer shall provide the following to the Agent:
- a) the Finance Documents and the Agency Agreement duly executed by the parties thereto;
  - b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Notes, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
  - c) the articles of association and an up to date registration certificate of the Issuer;

- d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement and any other documents in connection therewith on behalf of parties thereto is/are duly authorised to do so; and
  - e) such other documents and information as is agreed between the Agent and the Issuer.
- 4.2 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.
- 4.3 The Agent shall confirm to the Issuing Agent when the conditions in Clause 4.1 have been satisfied.

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

- 5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator.
- 5.2 Those who according to (i) assignment, (ii) Security, (iii) the provisions of the Swedish Children and Parents Code (*föräldrabalken (1949:381)*), (iv) conditions of will or deed of gift or who have otherwise acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 5.3 The Issuer and the Agent shall at all times be entitled to obtain information from the debt register (*skuldbok*) kept by the CSD in respect of the Notes. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Notes.
- 5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.
- 5.5 The Issuer and the Agent may use the information referred to in Clause 5.3 only 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 Noteholder or third party unless necessary for such purposes.

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

- 6.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Noteholder or a successive, coherent chain of powers of attorney or proofs of authorisation starting with the Noteholder and authorising such person.
- 6.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 6.2 and may assume that it has been duly authorised,

is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.

## **7. ADMISSION TO TRADING AND LISTING**

- 7.1 The Issuer shall use reasonable efforts to ensure that the Notes are listed and admitted to trading on Nasdaq Stockholm within thirty (30) days from the Issue Date or, if such listing or admission to trading is not possible to obtain, listed and admitted to trading on another Regulated Market.
- 7.2 The Issuer shall, following the listing and admission to trading, use reasonable efforts to maintain the listing and admission to trading as long as any Notes are outstanding, however not longer than up to and including the last day of which the listing and admission to trading can reasonably, pursuant to the applicable regulations of the Regulated Market and the CSD, subsist.
- 7.3 For the avoidance of doubt, neither a Noteholder nor the Agent has the right to accelerate the Notes or otherwise request a prepayment or redemption of the Notes if a failure to list or admit to trading the Notes or maintain a listing or admission to trading of the Notes in accordance with Clause 7.1 or 7.1 above occurs.

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

- 8.1 Any payment or repayment under the Finance Documents, or any amount due in respect of a repurchase of any Notes, shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant due date, or to such other person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 8.2 If a Noteholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. In other cases, payments will be transferred by the CSD to the Noteholder at the address registered with the CSD on the Record Date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 8.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. For the avoidance of doubt, such postponement shall in no event constitute an event of default.
- 8.4 If payment or repayment is made in accordance with this Clause 8 (*Payments in respect of the Notes*), the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 8.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax (including but not limited to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto), public levy or the similar.

## **9. INTEREST AND INTEREST CANCELLATION**

### **9.1 Interest**

- 9.1.1 Each Note carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Issue Date up to (and including) the relevant Redemption Date.
- 9.1.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 9.1.3 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).

### **9.2 Interest cancellation**

- 9.2.1 Any payment of Interest in respect of the Notes shall be payable only out of the Issuer's Distributable Items and:
  - (a) may be cancelled, at any time, in whole or in part, at the option of the Issuer in its sole discretion and notwithstanding that it has Distributable Items or that it may make any distributions pursuant to the Applicable Banking Regulations; or
  - (b) will be mandatorily cancelled if and to the extent so required by the Applicable Banking Regulations, including the applicable criteria for Additional Tier 1 Capital instruments.
- 9.2.2 The Issuer shall give notice to the Noteholders in accordance with Clause 26 (*Notices*) of any such cancellation of a payment of Interest, which notice might be given after the date on which the relevant payment of Interest is scheduled to be made. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer not to pay Interest as described above and shall not constitute an event of default for any purpose.
- 9.2.3 Following any cancellation of Interest as described above, the right of the Noteholders to receive accrued Interest in respect of any such Interest Period will terminate and the Issuer will have no further obligation to pay such Interest or to pay interest thereon, whether or not payments of Interest in respect of subsequent Interest Periods are made, and such unpaid Interest will not be deemed to have "accrued" or been earned for any purpose.
- 9.2.4 A cancellation of any payment of Interest at any time shall in no event constitute an event of default for any purpose.

### **9.3 Calculation of Interest in case of write-down or reinstatement**

- 9.3.1 Subject to Clause 9.2 (*Interest cancellation*), in the event that a write-down of the Notes occurs pursuant to Clause 10.1 (*Loss absorption upon a Trigger Event*) during an Interest Period, Interest will continue to accrue on the Nominal Amount (as adjusted as of the relevant Write Down Date).
- 9.3.2 Subject to Clause 9.2 (*Interest cancellation*), in the event that a reinstatement of the Notes occurs pursuant to Clause 10.2 (*Reinstatement of the Notes*), Interest shall begin to accrue on the reinstated Nominal Amount with effect from (but excluding) the relevant Reinstatement Date.
- 9.3.3 In connection with a write-down or a reinstatement pursuant to Clause 10 (*Loss absorption and reinstatement*), the Issuer shall (i) consult with the CSD and the Agent regarding the adjusted interest that shall be applied on the next Interest Payment Date, in order for the Noteholders to receive an amount of Interest equivalent to the Interest Rate on the Nominal Amount so written down or reinstated (as applicable), and (ii) provide any requisite instructions to the CSD to effect the payment of such amount.

#### 9.4 No penalty interest

Under no circumstances shall any penalty interest (*dröjsmålsränta*) be payable by the Issuer in respect of the Notes.

### 10. LOSS ABSORPTION AND REINSTATEMENT

#### 10.1 Loss absorption upon a Trigger Event

10.1.1 If at any time a Trigger Event occurs, the Issuer shall procure that Resurs Bank immediately notify the Swedish FSA, and the Issuer shall immediately notify the Noteholders and the Agent in accordance with Clause 26 (*Notices*) and the Total Nominal Amount and the Issuer's payment obligation under the Notes shall be written down in accordance with this Clause 10.1 (*Loss absorption upon a Trigger Event*).

10.1.2 A write-down shall take place without delay on a date selected by the Issuer in consultation with Resurs Bank and the Swedish FSA (the "**Write Down Date**") but no later than one month following the occurrence of the relevant Trigger Event. The Swedish FSA may require that the period of one month referred to above is reduced in cases where it assesses that sufficient certainty on the required amount of the write-down is established or in cases where it assesses that an immediate write-down is needed. For the purposes of determining whether a Trigger Event has occurred, the CET1 ratios may be calculated at any time based on information (whether or not published) available to management of Resurs Bank, including information internally reported within Resurs Bank pursuant to its procedures for monitoring the CET1 ratios. The Issuer shall procure that Resurs Bank intends to calculate and publish the CET1 ratios on at least a semi-annual basis. The determination as to whether a Trigger Event has occurred shall be made by the Issuer, in consultation with Resurs Bank, and the Swedish FSA or any agent appointed for such purpose by the Swedish FSA. Any such determination shall be binding on the Issuer and the Noteholders.

10.1.3 A write-down shall be made as a reduction of the Total Nominal Amount and such write-down shall be considered to be an unconditional capital contribution (*ovillkorat kapitaltillskott*) by the Noteholders and shall be made in consultation with Resurs Bank and the Swedish FSA and in accordance with the rules of the CSD.

10.1.4 The aggregate reduction of the Total Nominal Amount of the Notes outstanding on the Write Down Date will, subject as provided below, be equal to the lower of:

- (a) the amount necessary to generate sufficient CET1 Capital that would restore the CET1 ratio of the Resurs Consolidated Situation to at least 7.00 per cent. at the point of such reduction, after taking into account (subject as provided below) the *pro rata* write-down and/or conversion of the prevailing nominal amount of all Loss Absorbing Instruments (if any) to be written down and/or converted concurrently (or substantially concurrently) with the Notes, provided that, with respect to each Loss Absorbing Instrument (if any), such *pro rata* write-down and/or conversion shall only be taken into account to the extent required to restore the CET1 ratio contemplated above to the lower of (a) such Loss Absorbing Instrument's trigger level and (b) the trigger level in respect of the Trigger Event under the Notes has occurred and, in each case, in accordance with the terms of the relevant Loss Absorbing Instruments and the Applicable Banking Regulations; and
- (b) the amount that would result in the Nominal Amount of a Note being reduced to SEK 1.

10.1.5 The aggregate reduction determined in accordance with Clause 10.1.4 shall be applied to all of the Notes *pro rata* on the basis of their Nominal Amount immediately prior to the write-down and references herein to "**Write Down Amount**" shall mean, in respect of each Note, the amount by which the Nominal Amount of such Note is to be written down accordingly. A Trigger Event may occur on more than one occasion (and each Note may be written down on more than one occasion).

- 10.1.6 To the extent the write down and/or conversion of any Loss Absorbing Instruments for the purpose of Clause 10.1.4 is not possible for any reason, this shall not in any way prevent any write-down of the Notes. Instead, in such circumstances, the Notes will be written down and the Write Down Amount determined as provided above but without including for the purpose of Clause 10.1.4 any CET1 Capital in respect of the write down or conversion of such Loss Absorbing Instruments, to the extent it is not possible for them to be written down and/or converted.
- 10.1.7 The Issuer shall set out its determination of the Write Down Amount per Note in the relevant notice referred to in Clause 10.1.8 below together with the Nominal Amount following the relevant write-down. However, if the Write Down Amount has not been determined when such notice is given, the Issuer shall, as soon as reasonably practicable following such determination, notify the Write Down Amount to the Noteholders, the Agent and procure that Resurs Bank notify the Swedish FSA in accordance with Clause 26 (*Notices*). The Issuer's determination of the relevant Write Down Amount shall be irrevocable and binding on all parties.
- 10.1.8 If the Notes are to be written down, the Issuer shall notify the Noteholders and the Agent in accordance with Clause 26 (*Notices*). Notwithstanding the foregoing, failure to give such notice shall not prejudice, affect the effectiveness of, or otherwise invalidate, any write-down of the Notes.
- 10.1.9 Any reduction of the Nominal Amount of a Note pursuant to this Clause 10.1 (*Loss absorption upon a Trigger Event*) shall not constitute an event of default by the Issuer for any purpose, and the Noteholders shall have no right to claim for amounts written down, whether in liquidation or bankruptcy of the Issuer or otherwise, save to the extent (if any) such amounts are reinstated in accordance with Clause 10.2 (*Reinstatement of the Notes*).
- 10.2 Reinstatement of the Notes**
- 10.2.1 Following a write-down of the Total Nominal Amount in accordance with Clause 10.1 (*Loss absorption upon a Trigger Event*), the Issuer may, at its absolute discretion, reinstate any portion of the principal of the Notes, subject to compliance with any maximum distribution limits set out in the Applicable Banking Regulations and any other applicable regulations.
- 10.2.2 Unless write up of the principal of the Notes is permitted and possible in accordance with the rules of the CSD, reinstatement shall be made by way of issuing new notes (with a new ISIN) that qualify as Additional Tier 1 Capital of the Issuer to the relevant Noteholders. Any such new note issuance shall specify the relevant details of the manner in which such new note issuance shall take effect and where the Noteholders can obtain copies of the new terms and conditions of the new notes. Such new notes shall be issued without any cost or charge to the Noteholders and shall be made in accordance with the rules of the CSD.
- 10.2.3 A reinstatement in accordance with this Clause 10.2 (*Reinstatement of the Notes*) shall be made taking into account any preceding or imminent reinstatement of corresponding or similar Loss Absorbing Instruments including but not limited to Additional Tier 1 Capital instruments (other than the Notes).
- 10.2.4 For the avoidance of doubt, at no time may the reinstated Total Nominal Amount exceed the original Total Nominal Amount of the Notes (if issued in full) as at the Issue Date, being SEK 300,000,000.
- 10.2.5 For the avoidance of doubt, any reinstatement of any proportion of the principal of the Notes shall be made on a *pro rata* basis and without any preference among the Notes and on a *pro rata* basis with the reinstatement of all Written Down Additional Tier 1 Instruments (if any). Any failure by the Issuer to reinstate the Notes on a *pro rata* basis with the write up of all Written Down Additional Tier 1 Instruments (if any) however will not affect the effectiveness, or otherwise invalidate, any reinstatement of the Notes and/or reinstatement of the Written Down Additional Tier 1 Instruments or give Noteholders any rights as a result of such failure.
- 10.2.6 If the Issuer decides to reinstate any proportion of the principal of the Notes, the Issuer shall notify the Noteholders and the Agent in accordance with Clause 26 (*Notices*) prior to such reinstatements becoming effective and specifying the date on which the reinstatements will become effective (the



“**Reinstatement Date**”). Such notice shall specify the Record Date and any technical or administrative actions that a Noteholder needs to undertake to receive its portion of the reinstatement. A reinstatement of the Notes shall take place on a Business Day as selected by the Issuer, however, falling no earlier than twenty (20) Business Days following the effective date of the reinstatement notice.

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

### **11.1 No scheduled redemption**

11.1.1 The Notes are perpetual and have no fixed date for redemption. The Issuer may only redeem the Notes in the circumstances described in this Clause 11 (*Redemption and repurchase of the Notes*).

11.1.2 The Notes are not redeemable at the option of the Noteholders at any time and the Noteholders shall have no right to accelerate the Notes or other remedies or sanctions against the Issuer for any breach of these Terms and Conditions by the Issuer, other than as set out in Clause 24 (*Bankruptcy or liquidation*).

### **11.2 Early redemption at the option of the Issuer**

Subject to Clause 11.5 (*Permission from the Swedish FSA*) and giving notice in accordance with Clause 11.7 (*Notice of early redemption, substitution or variation*), the Issuer may redeem all (but not some only) outstanding Notes on (i) the First Call Date or (ii) any Interest Payment Date falling after the First Call Date.

### **11.3 Purchase of Notes by the Issuer and related companies**

Subject to applicable law and to Clause 11.5 (*Permission from the Swedish FSA*), the Issuer or a Group Company, or other company forming part of the Resurs Consolidated Situation, may at any time on or following the First Call Date and at any price purchase Notes on the market or in any other way and at any price. Notes held by such company may at its discretion be retained, sold or cancelled.

### **11.4 Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event**

If a Capital Event or Tax Event occurs, the Issuer may, at its option, but subject to Clause 11.5 (*Permission from the Swedish FSA*) and giving notice in accordance with Clause 11.7 (*Notice of early redemption, substitution or variation*),

- (a) redeem all (but not some only) outstanding Notes on any Interest Payment Date; or
- (b) substitute or vary the terms of all (but not some only) of the outstanding Notes without any requirement for the consent or approval of the Noteholders, so that they become or remain, as applicable, Qualifying Securities, provided that such substitution or variation does not itself give rise to any right of the Issuer to redeem, substitute or vary the terms of the Notes in accordance with this Clause 11.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event*) in relation to the Qualifying Securities so substituted or varied.

### **11.5 Permission from the Swedish FSA**

The Issuer, or any other company forming part of the Resurs Consolidated Situation, may not redeem, purchase, substitute or vary, as contemplated by this Clause 11 (*Redemption and repurchase of the Notes*), any Notes without Resurs Bank obtaining the prior written permission of the Swedish FSA and in accordance with the Applicable Banking Regulations (including any pre-conditions set out therein at the relevant time). Any refusal by the Swedish FSA to give its permission shall not constitute an event of default for any purpose.

**11.6 Early redemption amount**

The Notes shall be redeemed at a price per Note equal to the Nominal Amount together with accrued but unpaid Interest.

**11.7 Notice of early redemption, substitution or variation**

11.7.1 Any redemption, substitution or variation in accordance with Clauses 11.2 (*Early redemption at the option of the Issuer*) and 11.4 (*Early redemption, substitution or variation upon the occurrence of a Capital Event or Tax Event*) shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent in accordance with Clause 26 (*Notices*). Any such notice is irrevocable and, upon expiry of the notice period, the Issuer is bound to redeem the Notes.

11.7.2 Notwithstanding Clause 11.7.1, if a Trigger Event occurs following a notice being given in accordance with Clause 11.7.1 but prior to the relevant redemption of the Notes, such notice shall be of no force and effect and Clause 10.1 (*Loss absorption upon a Trigger Event*) shall apply, and, for the avoidance of doubt, no redemption shall occur.

**12. INFORMATION TO NOTEHOLDERS****12.1 Information from the Issuer**

The Issuer will make the following information available to the Noteholders and the Agent by way of publication on the website of the Issuer:

- a) as soon as the same become available, but in any event within five (5) months after the end of each financial year, audited consolidated financial statements of the Group for that financial year prepared in accordance with the Accounting Principles; and
- b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, consolidated financial statements or the year-end report (*bokslutskommuniké*) (as applicable) of the Group for such period prepared in accordance with the Accounting Principles.

**12.2 Information from the Agent**

Subject to the restrictions of any agreement regarding the non-disclosure of information received from the Issuer, the Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information.

**12.3 Information among the Noteholders**

Upon request by a Noteholder, the Agent shall promptly distribute to the Noteholders any information from such Noteholder which relates to the Notes. The Agent may require that the requesting Noteholder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed.

**12.4 Publication of Finance Documents**

12.4.1 The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of Resurs Bank, the Issuer and the Agent.

12.4.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

### 13. DISTRIBUTION OF PROCEEDS

- 13.1 In the event of the liquidation or bankruptcy of the Issuer, all payments relating to the Notes and the Finance Documents shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- a) *first*, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders), (ii) other costs and expenses relating to the protection of the Noteholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2.9, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15.15;
  - b) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes not cancelled in accordance with Clause 9.2 (*Interest cancellation*) (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
  - c) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Notes; and
  - d) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.
- 13.2 Funds that the Agent receives (directly or indirectly) following an application of Clause 13.1 in connection with the enforcement of the Notes constitute escrow funds (*redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 13 (*Distribution of proceeds*) as soon as reasonably practicable.
- 13.3 If the Issuer or the Agent shall make any payment under this Clause 13 (*Distribution of proceeds*), the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least fifteen (15) Business Days before the payment is made in accordance with Clause 26 (*Notices*). The notice from the Issuer shall specify the Record Date, the payment date and the amount to be paid.

### 14. UNDERTAKINGS

- 14.1 The Issuer shall, in accordance with the Agency Agreement:
- a) pay fees to the Agent;
  - b) indemnify the Agent for costs, losses and liabilities;
  - c) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent; and
  - d) not act in a way which would give the Agent a legal or contractual right to terminate the Agency Agreement.
- 14.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Noteholders if the amendment would be detrimental to the interests of the Noteholders.

## 15. DECISIONS BY NOTEHOLDERS

- 15.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 15.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Total Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 15.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 15.4 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 15.3 being applicable, the person requesting the decision by Noteholders may request the Issuer to convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. Should the Issuer in such situation not convene a Noteholders' Meeting, the person requesting the decision by Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall then upon request provide the convening Noteholder with such information available in the debt register (*skuldbok*) kept by the CSD in respect of the Notes as may be necessary in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be.
- 15.5 Should the Issuer wish to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 16.1 or (ii) instigate a Written Procedure by sending communication in accordance with Clause 17.1, in either case with a copy to the Agent. After a request from the Noteholders pursuant to Clause 20.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 16.1. The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with the a notice or the communication.
- 15.6 Only a person who is, or who has been provided with a power of attorney pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a person who is, registered as a Noteholder:
- a) on the Record Date prior to the date of the Noteholders' Meeting, in respect of a Noteholders' Meeting, or
  - b) on the Business Day specified in the communication pursuant to Clause 17.2, in respect of a Written Procedure,
- may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Total Nominal Amount. Such Business Day specified pursuant to paragraph b) above must fall no earlier than one (1) Business Day after the effective date of the communication.
- 15.7 The following matters shall require the consent of Noteholders representing at least seventy-five (75) per cent. of the Adjusted Total Nominal Amount for which Noteholders are voting at a

Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.2:

- a) a change to the terms of Clause 2 (*Status of the Notes*);
- b) a change to the terms dealing with the requirements for Noteholders' consent set out in Clauses 15 (*Decisions by Noteholders*), 16 (*Noteholders' meeting*) and 17 (*Written procedure*);
- c) a change to an Interest Rate or the Nominal Amount; and
- d) an early redemption of the Notes, other than as permitted by these Terms and Conditions (which for the avoidance of doubt shall always be subject to Clause 11.5 (*Permission from the Swedish FSA*)).

15.8 Any matter not covered by Clause 15.7 shall require the consent of Noteholders representing more than fifty (50) per cent. of the Adjusted Total Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 18.1a), 18.1b) or 18.1c)).

15.9 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Total Nominal Amount in case of a matter pursuant to Clause 15.7, and otherwise twenty (20) per cent. of the Adjusted Total Nominal Amount:

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

If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

15.10 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 16.1) or initiate a second Written Procedure (in accordance with Clause 17.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders' consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 15.10, the date of request of the second Noteholders' Meeting pursuant to Clause 16.1 or second Written Procedure pursuant to Clause 17.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 15.9 shall not apply to such second Noteholders' Meeting or Written Procedure.

15.11 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.

15.12 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.

15.13 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

- 15.14 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure or how they voted. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- 15.15 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 15.16 If a decision is to be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate.
- 15.17 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to each person registered as a Noteholder on the date referred to in Clause 15.6a) or 15.6b), as the case may be, and shall also be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **16. NOTEHOLDERS' MEETING**

- 16.1 The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten (10) Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each person who is registered as a Noteholder on the Record Date prior to the date on which the notice is sent.
- 16.2 The notice pursuant to Clause 16.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders) and (iv) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- 16.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.
- 16.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **17. WRITTEN PROCEDURE**

- 17.1 The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten (10) Business Days after receipt of valid a request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Noteholder on the Record Date prior to the date on which the communication is sent.
- 17.2 A communication pursuant to Clause 17.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the Business Day

on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 17.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

- 17.3 When consents from Noteholders representing the requisite majority of the total Adjusted Total Nominal Amount pursuant to Clauses 15.7 and 15.8 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.7 or 15.8, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **18. AMENDMENTS AND WAIVERS**

- 18.1 The Issuer and the Agent (acting on behalf of the Noteholders) may, subject to the prior written permission of the Swedish FSA, agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:

- a) such amendment or waiver is not detrimental to the interest of the Noteholders as a group, or is made solely for the purpose of rectifying obvious errors and mistakes;
- b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority, including but not limited to, to facilitate any measure by the relevant regulator pursuant to the Swedish Resolutions Act (*lagen (2015:1016) om resolution*);
- c) such amendment is a Base Rate Amendment made in accordance with Clause 19.3 (*Variation upon a Base Rate replacement*); or
- d) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*).

- 18.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.

- 18.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 18.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 12.4 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority.

- 18.4 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## **19. BASE RATE REPLACEMENT**

### **19.1 General**

Any determination to be made by or any changes to the Finance Documents to be specified by the Independent Adviser or the Issuer in accordance with the provisions of this Clause 19 (*Base Rate replacement*) shall at all times be made by such Independent Adviser or the Issuer acting in good faith, provided that the determination of any Successor Base Rate or Alternative Base Rate and (in either case) any Adjustment Spread, and any other related changes to the Notes, shall be made pursuant to the Applicable Banking Regulations and be subject to the prior written permission of the Swedish FSA.

## 19.2 Base Rate determination

19.2.1 If a Base Rate Event has occurred, the following shall apply:

- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine, no later than five (5) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period (the “**Base Rate Determination Date**”), a Successor Base Rate or, alternatively, if there is no Successor Base Rate, an Alternative Base Rate for purposes of determining the applicable Base Rate for the next succeeding Interest Period;
- (b) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Base Rate or an Alternative Base Rate prior to a Base Rate Determination Date, the Issuer (acting in good faith) may determine a Successor Base Rate or, if there is no Successor Base Rate, an Alternative Base Rate, to constitute the Base Rate for the next succeeding Interest Period; and
- (c) if a Successor Base Rate or an Alternative Base Rate is determined in accordance with paragraph (a) or (b) in this Clause 19.2.1, such Successor Base Rate or Alternative Base Rate shall be the Base Rate for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided in, this Clause 19 (*Base Rate replacement*)), provided, however, that if paragraph (b) in this Clause 19.2.1 applies and the Issuer is unable to or does not determine a Successor Base Rate or an Alternative Base Rate prior to the relevant Base Rate Determination Date, the Base Rate applicable to the next succeeding Interest Period shall be equal to the Base Rate last determined for the preceding Interest Period.

19.2.2 If an Independent Adviser (in consultation with the Issuer) or the Issuer (as the case may be), determines that an Adjustment Spread is required to be applied to the Successor Base Rate or the Alternative Base Rate and that such Adjustment Spread is determined by the Independent Adviser or the Issuer, such Adjustment Spread shall be applied.

## 19.3 Variation upon a Base Rate replacement

19.3.1 If the Independent Adviser or the Issuer determines a Successor Base Rate, an Alternative Base Rate and, in either case, the applicable Adjustment Spread, in accordance with Clause 19.2 (*Base Rate determination*), the Independent Adviser or the Issuer may determine that amendments to the Finance Documents are necessary to ensure the proper operation of such Successor Base Rate or Alternative Base Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Base Rate Amendments**”).

19.3.2 The Issuer and the Agent shall, at the request and expense of the Issuer, but subject to receipt by the Agent of the certificate referred to in Clause 19.3.4, without the requirement for any consent or approval of the Noteholders, effect such Base Rate Amendments. The Agent shall however not be obliged to concur if in the opinion of the Agent, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent in the Finance Documents.

19.3.3 Notwithstanding any other provision of this Clause 19 (*Base Rate replacement*), no Successor Base Rate or Alternative Base Rate will be adopted, nor will the applicable Adjustment Spread (if any) be applied, nor will any Base Rate Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Additional Tier 1 Capital of the Resurs Consolidated Situation.

19.3.4 The Issuer shall promptly, following the determination of any Successor Base Rate or Alternative Base Rate and any Base Rate Amendments, give notice thereof to the Agent and the Noteholders in accordance with Clause 26 (*Notices*). No later than giving the Agent such notice, the Issuer shall deliver to the Agent a certificate signed by two authorised signatories of the Issuer:



- (d) confirming (i) that a Base Rate Event has occurred, (ii) the relevant Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any), and (iii) any Base Rate Amendments, in each case as determined in accordance with the provisions of this Clause 19 (*Base Rate replacement*); and
  - (e) certifying that the Base Rate Amendments are necessary to ensure the proper operation of such Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any).
- 19.3.5 The Agent shall be entitled to rely on such certificate referred to in Clause 19.3.4 without further enquiry and without liability to any person. The Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any) and any Base Rate Amendments specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Base Rate or Alternative Base Rate and any Base Rate Amendments and without prejudice to the Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Agent, the Issuing Agent and the Noteholders.
- 19.3.6 Without prejudice to the obligations of the Issuer under this Clause 19 (*Base Rate replacement*), the original Base Rate and the fallback provisions contained within the definition of STIBOR will continue to apply unless and until a Base Rate Event has occurred.

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

### **20.1 Appointment of the Agent**

- 20.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder, including the winding-up, dissolution, liquidation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 20.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- 20.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 20.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 20.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### **20.2 Duties of the Agent**

- 20.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents. However, the Agent is not responsible for the execution or enforceability of the Finance Documents.

- 20.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall act in the best interest of the Noteholders as a group and carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill. The Agent is never acting as an advisor to the Noteholders or the Issuer. Any advice or opinion from the Agent does not bind the Noteholders or the Issuer.
- 20.2.3 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 20.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 20.2.5 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor (i) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents, or (ii) whether any other event specified in any Finance Document has occurred. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 20.2.6 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- 20.2.7 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.
- 20.2.8 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 20.2.7.
- 20.2.9 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all reasonable costs for external experts engaged after the occurrence of a breach of the Terms and Conditions, or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to a breach of the Terms and Conditions or (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 13 (*Distribution of proceeds*).
- 20.2.10 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.

### **20.3 Limited liability for the Agent**

- 20.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.

- 20.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 20.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 20.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 15 (*Decisions by Noteholders*).
- 20.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

#### **20.4 Replacement of the Agent**

- 20.4.1 Subject to Clause 20.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the old Agent or by way of Written Procedure initiated by the old Agent.
- 20.4.2 Subject to Clause 20.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Total Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 20.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 20.4.6 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 20.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.

- 20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

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

- 21.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Notes.
- 21.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the retiring Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent which shall replace the retiring Issuing Agent as issuing agent in accordance with these Terms and Conditions.
- 21.3 The Issuing Agent shall enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties under the Terms and Conditions.

## **22. APPOINTMENT AND REPLACEMENT OF THE CSD**

- 22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Notes.
- 22.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Noteholder or any listing of the Notes. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Securities Markets Act (*lagen (2007:528) om värdepappersmarknaden*) and be authorised as a central securities depository in accordance with the Financial Instruments Account Act.

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

- 23.1 A Noteholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation or bankruptcy (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Agent.
- 23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 20.2.7, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.8 before a Noteholder may take any action referred to in Clause 23.1.
- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due by the Issuer to some but not all Noteholders.

- 23.4 The provisions of this Clause 23 (*No direct actions by the Noteholders*) are subject to the over-riding limitations set out in Clause 2 (*Status of the Notes*).

## **24. BANKRUPTCY OR LIQUIDATION**

- 24.1 If, and, notwithstanding anything to the contrary in these Terms and Conditions, only if, the Issuer is declared bankrupt or put into liquidation, a Noteholder may prove or claim in such bankruptcy or liquidation for payment of the Nominal Amount of Notes held by such Noteholder, together with Interest accrued to (but excluding) the date of commencement of the relevant bankruptcy or liquidation proceedings to the extent the Interest has not been cancelled by the Issuer.
- 24.2 No other remedy against the Issuer than as provided in Clause 24.1 shall be available to the Noteholders in respect of the Notes, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by the Issuer of any of its obligations or undertakings with respect to the Notes.

## **25. PRESCRIPTION**

- 25.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. Subject to Clause 9 (*Interest and interest cancellation*), the right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Noteholders' right to receive payment has been prescribed and has become void.
- 25.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*preskriptionslagen (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## **26. NOTICES**

- 26.1 Any notice or other communication to be made under or in connection with the Finance Documents:
- a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch, or, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
  - b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office (*Bolagsverket*) on the Business Day prior to dispatch, or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
  - c) if to the Noteholders, shall be given at their addresses as registered with the CSD, on the date such person shall be a Noteholder in order to receive the communication or if such date is not specified, on the Business Day prior to dispatch, and by either courier delivery or letter for all Noteholders. A notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.
- 26.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 26.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 26.1,

or, in case of email, when received in readable form by the email recipient. Any such notice shall be made in English.

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

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

- 27.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 27.2 The Issuing Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect loss.
- 27.3 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 27.4 The provisions in this Clause 27 (*Force majeure and limitation of liability*) apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

## **28. GOVERNING LAW AND JURISDICTION**

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

## DESCRIPTION OF THE ISSUER AND THE RESURS GROUP

### The Issuer's name and trade name

The Issuer's full company name, as well as trade name, is Resurs Holding AB (publ), registration number 556898-2291 and LEI code 5493006KHWZ6OVF3IO54. The Issuer's registered office is situated in Helsingborg, Sweden.

The Issuer, domiciled in Sweden, was incorporated in Sweden on 12 March 2012. The Issuer is a Swedish public limited liability company which conducts its business pursuant to the Swedish Companies Act (2005:551). Resurs Bank is a Swedish public banking limited liability company which conducts its business pursuant to the Swedish Banking and Financing Business Act (2004:297). Solid Försäkring is a Swedish private insurance limited liability company which conducts its business pursuant to IBA.

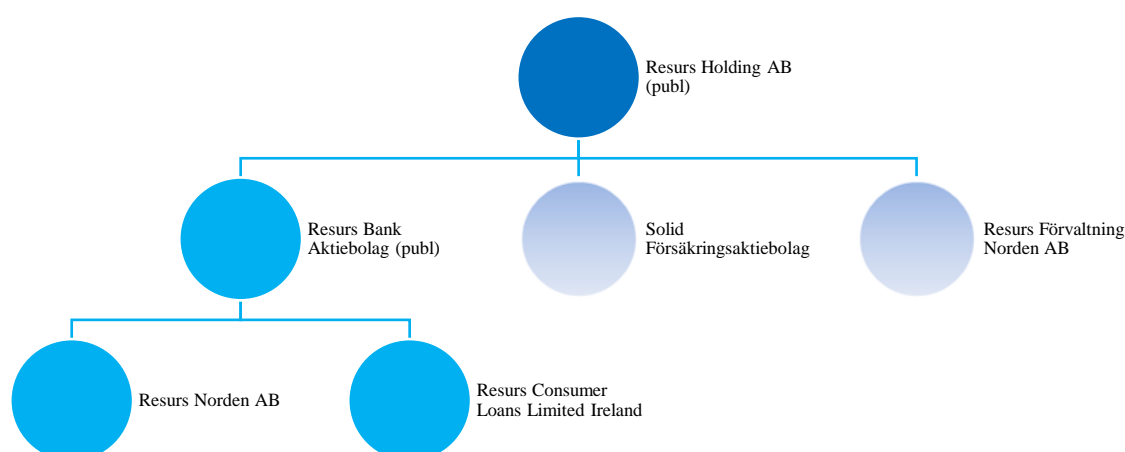
The Issuer's head office is located at Ekslingan 9, SE-254 67 Helsingborg and the postal address is Box 22 209, SE-250 24 Helsingborg. The telephone number to the Issuer's head office is +46 (0) 42 - 38 20 00. The Issuer's website is <https://www.resursholding.se/en/>. The information on the Issuer's website, and on any other website being referred to in this Prospectus, does not form part of this Prospectus, unless the information is incorporated by reference. Please see the section "*Legal and supplementary information*" – "*Incorporation by reference*" below.

### Organisational structure

The Issuer's shares have been listed on Nasdaq Stockholm since April 2016 with the ticker RESURS. The Issuer operates through its wholly-owned subsidiaries Resurs Bank, Solid Försäkring and Resurs Förvaltning Norden AB. Resurs Bank has, in turn, the wholly-owned subsidiaries Resurs Norden AB and Resurs Consumer Loans 1 Limited ("**Resurs Consumer Loans**"). The Issuer is therefore dependent upon the performance of the Subsidiaries.

Resurs Bank also has three branches in Finland, Norway and Denmark. In Finland, business is conducted through the branch Resurs Bank AB Soumen sivuliike (Helsinki), in Denmark through the branch Resurs Bank branch of Resurs Bank (Vallensbaek Strand), and in Norway through the branch Resurs Bank AB NUF (Oslo).

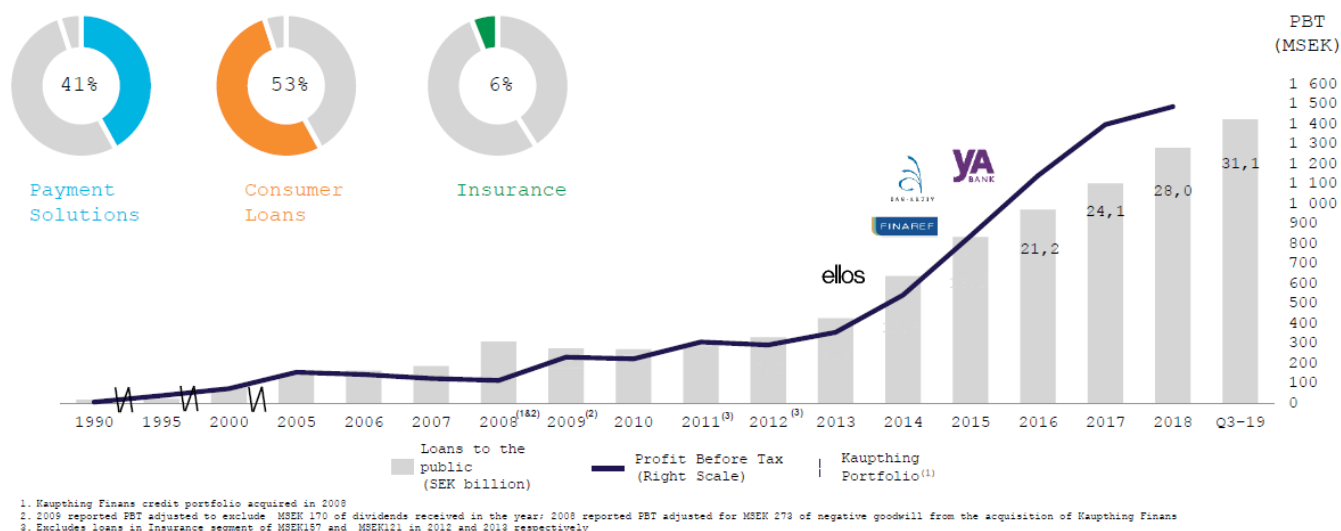
Resurs Holding AB (publ) is the parent company of the Group. The following diagram shows the Resurs Group's organisational structure:



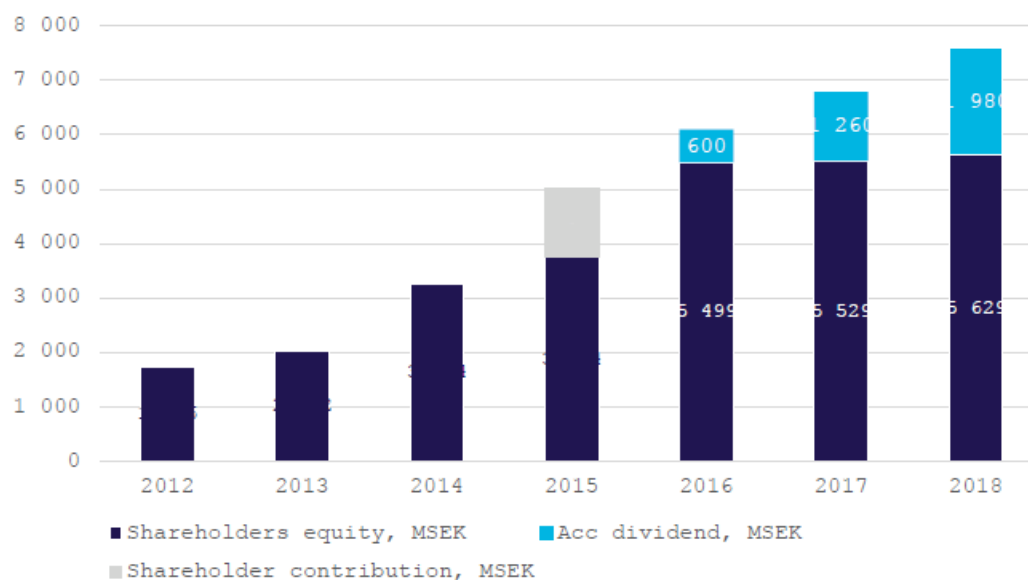
## Summary description of Resurs Group's businesses and markets

### Resurs Group's development over time

YTD-19 Operating income,  
segment split



The pie charts show the reporting segments' share of Resurs Group's operating income during January–September 2019. The diagram shows (i) the development of the Resurs Group's loan portfolio, measured as loans to the public (SEK billion) and (ii) the Resurs Group's profit before tax (SEK million) measured over time.<sup>1</sup>



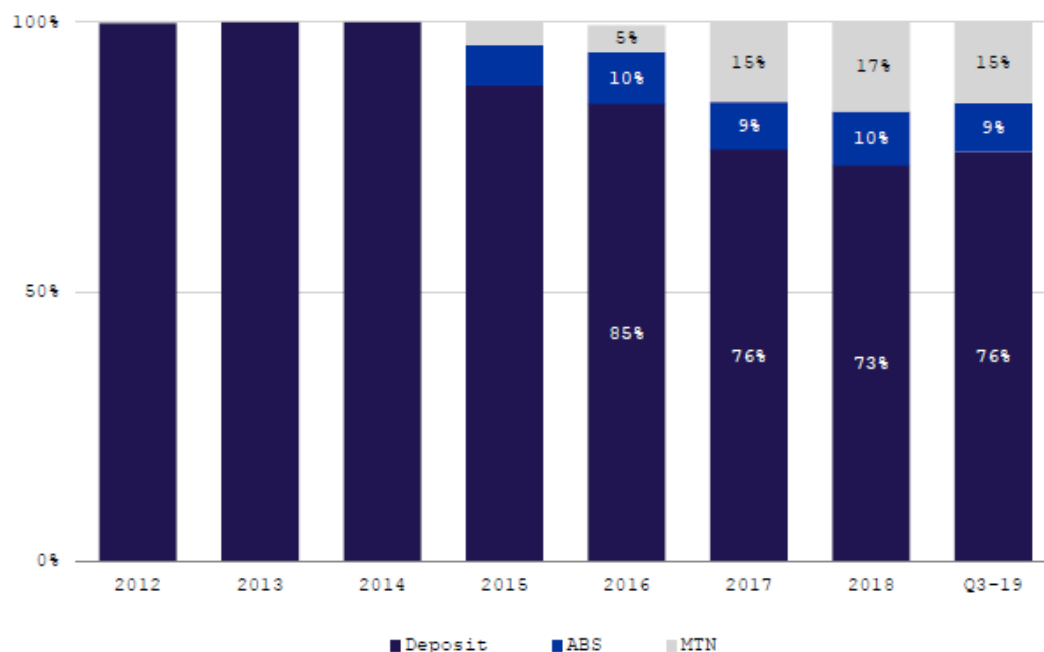
The diagram above shows the Issuer's capital generation measured over time. The dark blue parts of the bars represent shareholders equity, the light blue parts of the bars represent accumulated dividend and the grey part of the bar represents shareholder contribution.<sup>2</sup>

<sup>1</sup> The yearly financial information in the graph derives from the Issuer's Annual Report for each respective year (2016, 2017 and 2018). The financial information for Q3 derives from the Issuer's Interim Report January-September 2019.

<sup>2</sup> The financial information in the graph derives from the Issuer's Annual Report for each respective year.



## Funding development



The diagram above shows Resurs Bank's funding sources. The dark blue parts of the bars represent deposits, the light blue parts of the bars represent ABS (Asset Backed Securities) and the grey parts of the bars represent funding from issues under the medium term note programme (MTN).<sup>3</sup>

### Resurs Bank

Resurs Bank is a Nordic niche bank providing payment and financing solutions for the retail sector and its customers. Resurs Bank has divided its business into two business segments: Payment Solutions and Consumer Loans, based on the products and services that Resurs Bank offers. Payment Solutions offers sales-supporting financing, payment and loyalty solutions to the retail sector, as well as credit cards to the general public. Consumer Loans is primarily focused on loans to consumers. Resurs Bank brokers insurance, with its sister company Solid Försäkringsaktiebolag as insurer. As of 30 September 2019, Resurs Bank's Payment Solutions and Consumer Loans business segments had a loan portfolio totalling some SEK 31.1 billion. Resurs Bank has continuously expanded its business and its loan portfolio has increased from some SEK 9.3 billion on 31 December 2013 to some SEK 31.1 billion on 30 September 2019.

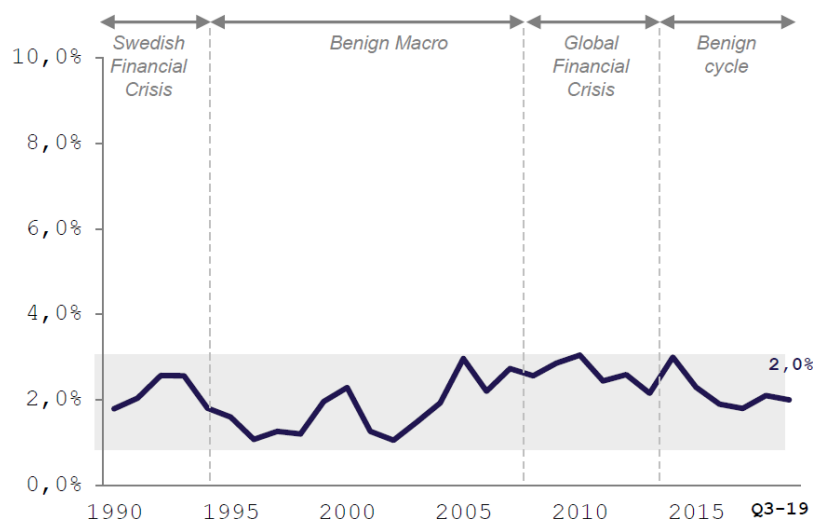
From its head office in Helsingborg, Sweden, Resurs Bank has developed long-term relations with a large number of companies in the retail sector in the Nordic region. Resurs Bank is developing its base of retail finance customers and increasing its sales penetration through partnerships with e-commerce and retail chains. Management believes that Resurs Bank's possibilities to develop its offering based on an omnichannel strategy (in stores, online and mobile) and by approaching consumers through a wealth of different retail channels, constitute an important competitive advantage which contributes to ensuring a broad penetration of retail finance products. In addition, Resurs Bank covers a broad demographic range and compiles information about its payment solution and consumer loan customers. Resurs Bank's business model is based on availing itself of retail finance business and thereby developing relationships with retail finance partners and extensive data and industry know-how, in order to generate a large and diversified group of potential credit card and consumer loan customers, and to be able to effectively provide credit cards and consumer loans to such potential customers. Resurs Bank markets its credit cards and consumer loans to existing customers primarily by letter, telemarketing and together with invoices, and to new customers through mass mailouts, online marketing and a network of loan brokers.

Resurs Bank's management believes that risk management is most effective when the method used is adapted to the specific characteristics of the product offered and the customer to whom the product is offered. Depending on

<sup>3</sup> The financial information in the graph derives from the Issuer's annual report for each respective year (2016, 2017 and 2018). The information regarding Q3 2019 derives from the Issuer's interim report January-September 2019.

product, Resurs Bank's risk assessment and decision-making processes are based on automatic selection from among a large number of templates and models that are used to organise and filter information, which is then checked against Resurs Bank's credit policies in order to generate a final credit decision. In addition, depending on product type and the size of the loan, Resurs Bank uses information from its internal database and from other information sources to apply risk-based pricing, according to which personal information about the applicant is combined with information from credit agencies in order to generate a final credit decision for each applicant.

The graph below shows the Resurs Group's credit loss ratio (excl. Insurance), measured over time.<sup>4</sup>



Resurs Bank's product range, local retail sector know-how and geographic presence have been improved through a number of acquisitions in recent years. In 2013, Resurs Bank acquired Ellos Finans's loan portfolio. The acquisition of Finaref and Dan-Aktiv (now merged with Resurs Bank) in 2014 contributed to Resurs Bank strengthening its geographic presence and increased the Retail Finance and Consumer Loans business throughout the Nordic region, particularly in Finland and Denmark. In the autumn of 2015, Resurs Bank acquired yA Bank (now merged with Resurs Bank), a Norwegian bank specialising in consumer loans. Through the acquisition, Resurs Bank acquired yA Bank's consumer loan portfolio, deposit products, retail finance partners and a network of loan brokers in Norway, as well as its credit card customers. These acquisitions have contributed to Resurs Bank achieving a business with a geographic spread throughout the Nordic region, namely 46 per cent (Sweden), 32 per cent (Norway), 10 per cent (Finland) and 12 per cent (Denmark) of the outstanding loan portfolio, as of 31 December 2018.

Resurs Bank's funding comes from several sources. The largest source is deposits from the public. Deposits are analysed regularly and, as of 30 September 2019, totalled SEK 24,824 million, of which SEK 12,049 million in Sweden, the equivalent of SEK 6,673 million in Norway and the equivalent of SEK 6,102 million in Germany. Other types of funding include notes issued under a medium term note programme. Resurs Bank has regularly issued notes under the medium term note programme. Resurs Bank has primarily issued notes in Sweden, but also in Norway. Within the scope of the medium term note programme, there are eleven (11) outstanding issues of notes, divided into nominal amounts of SEK 5,150 million. Nine (9) of the eleven (11) note issues are senior unsecured notes and two (2) issues are subordinated notes of SEK 600 million. Apart from the medium term note programme, as of 30 September 2019, Resurs Bank had outstanding senior unsecured bonds with a nominal value of NOK 200 million and subordinated notes with a nominal value of SEK 200 million.

Resurs Bank has carried out securitisation of loan claims through a form of structured financing referred to as Asset Backed Securities ("ABS"). This has taken place through loan receivables being assigned to Resurs Bank's wholly-owned subsidiary Resurs Consumer Loans. In June 2019, an agreement was signed to extend the existing financing and Resurs Bank has, for a period of 18 months (revolving period), the right to continue the sale of certain additional loan receivables to Resurs Consumer Loans. Resurs Consumer Loans' acquisition of the loan receivables financed by an international financial institution. As of 30 September 2019, a total of approximately

<sup>4</sup> The financial information on which the graph is based derives from the Issuer's Annual Report for each respective year. The number for Q3 2019 derives from the Issuer's Interim Report January-September 2019. Credit loss ratio (excl. Insurance) is an alternative performance measure (APM), which is defined and described in the section "Alternative performance measures" below.

SEK 3.6 billion in loan receivables had been transferred to Resurs Consumer Loans. Resurs Bank and Resurs Consumer Loans have provided security for the financing. As of 30 September 2019, the external financing amounted to SEK 2.9 billion.

Resurs Bank has been assigned credit rating as set out below from Nordic Credit Rating (15 May 2019):

- Long-term rating: BBB-
- Outlook: Stable
- Short-term rating: N-1+

Resurs Bank is an insurance intermediary for Solid Försäkring's payment protection insurance policies.

### **Principal markets**

Resurs Bank operates primarily on the Nordic consumer credit market and has divided its business into two primary categories: Consumer Loans and Payment Solutions, as described below.

- **Consumer Loans**  
The Consumer Loans business area is primarily focused on direct loans to consumers. Within this business area, Resurs Bank offers unsecured loans of up to NOK 600,000. Consumer loans are used primarily to finance major purchases, expand existing loans or to finance general consumption. Consumer Loans also offers consolidation of loans that customers have with other banks. As of 30 September 2019, the average loan was around SEK 100,000.
- **Payment Solutions**  
The Payment Solutions business area comprises the Retail Finance, Credit Cards and Factoring sub-categories.
  - **Retail Finance**  
Within the Retail Finance sub-category, Resurs Bank offers sales-supporting financing, payment and loyalty solutions as a player in the Nordic region. A financing solution in physical stores or e-commerce is usually used for larger purchases. When the customer chooses the retail finance solution to finance a purchase, Resurs Bank pays directly to the store and the customer makes instalment payments to Resurs Bank. As of 31 December 2018, the average loan was around SEK 1,500.
  - **Credit Cards**  
Within the Credit Cards sub-category, Resurs Bank offers its own credit cards, of which Supreme Card is best known, but also cards where retail finance partners can profile their own brands. Debit and credit cards are used to make payment at a later date. The total credit card balance includes both the interest-bearing and non-interest-bearing balance.
  - **Factoring**  
Within Factoring, focus is primarily placed on the purchase of invoices and the granting of loans against invoices for small and medium-size companies. This is a quick and simple method for companies to increase their liquidity and reduce their credit risk.

Resurs Bank's geographic markets comprise Sweden, Norway, Denmark and Finland.

### **Solid Försäkring**

Solid Försäkring was founded 1993 and has its head office in Helsingborg. Solid Försäkring holds a licence to sell insurances and is supervised by the Swedish FSA. Solid Försäkring cooperates with approximately 5,500 partners in the Nordic region, including retail chains in various sectors, within the retail sector in Sweden. Solid Försäkring constitutes the business area called Insurance within the Resurs Group and its main focus is niche non-life insurances within the business lines Product, Personal Safety, Car warranty/Roadside assistance and Travel.

In addition to Sweden, Solid Försäkring also conducts business in the rest of the Nordic markets as well as in certain other markets in the rest of Europe. In Norway, Finland and Switzerland, Solid Försäkring conducts its business through branches and in the rest of the countries the business is conducted on a cross-border basis.

## Share and ownership structure

The Issuer's share capital as of the date of this Prospectus is SEK 1,000,000,000, divided into 200,000,000 shares, with each share carrying one vote.

The ownership structure as of 31 October 2019, as regards the top ten largest shareholders in the Issuer, is shown in the table below.<sup>5</sup>

Shareholder	Number of shares	%
Waldakt AB	57,885,556	28.9
Swedbank Robur Fonder	17,035,468	8.5
AFA Försäkring	6,788,388	3.4
Erik Selin	5,600,000	2.8
Handelsbanken Fonder <sup>6</sup>	5,500,000	2.8
Norges Bank	4,366,093	2.2
Andra AP-fonden	3,951,931	2.0
SEB Fonder	3,880,235	1.9
Vanguard <sup>7</sup>	3,660,668	1.8
Avanza Pension	3,258,588	1.6
<b>Total</b>	<b>111,926,927</b>	<b>55.9</b>

## Board of directors, management and auditors

### Directors

The composition of the board of directors since the extraordinary general meeting on 2 October 2019 is set out below.

#### Martin Bengtsson

Chairman of the Board

**Other significant appointments:** Chairman of the board of SIBA Fastigheter AB. Director and CEO of SIBA Invest AB and Waldakt AB.

#### Johanna Berlinde

**Other significant appointments:** VP Head of Product Area Connectivity Telia Company. Director of Solidtango AB.

#### Mariana Burenstam Linder

**Other significant appointments:** Chairman of the board of the Sweden-America Foundation. Director of Investmentaktiebolaget Latour and BTS Group AB.

<sup>5</sup> The information is collected from the Issuer's homepage. The Issuer has originally collected the information from Monitor by Modular Finance AB. The information constitutes compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (*Finansinspektionen*). Information on indirect holdings through companies etc. may in some cases be missing.

<sup>6</sup> Numbers for Handelsbanken Fonder verified on 30 September 2019.

<sup>7</sup> Numbers for Vanguard verified on 30 September 2019.

**Fredrik Carlsson**

**Other significant appointments:** Chairman of the board of Svolder Aktiebolag and Sten A. Olssons Pensionsstiftelse. Director of Betsson AB, Novobis AB and Torsten och Wanja Söderbergs Stiftelser.

**Anders Dahlvig**

**Other significant appointments:** Chairman of the board of Inter Ikea Holding BV. Director of H & M Hennes & Mauritz AB, Oriflame AG, Kingfisher Ltd and Dunkers stiftelser.

**Lars Nordstrand**

**Other significant appointments:** Chairman of the board of Anticimex Försäkringar AB. Director of Modernac S.A. Luxembourg and Nordnet Pensionsförsäkring AB.

**Marita Odélius Engström**

**Other significant appointments:** CEO of Fora AB.

**Mikael Wintzell**

**Other significant appointments:** Partner and CEO of Wellstreet Partners. Directorships in companies affiliated to Wellstreet Partners.

**Management****Kenneth Nilsson**

President and Chief Executive Officer since 2012.

**Other significant appointments:** CEO of Resurs Bank.

**Erik Frick**

Chief Operating Officer and VP of Resurs Bank since 2018 (formerly CSO and member of group management since 2013).

**Other significant appointments:** Director of Kivra Oy and alternate director of Resurs Norden AB and Resurs Förvaltning Norden AB.

**Eva Brike**

Chief Human Resources Officer since 2017.

**Other significant appointments:** Director of Dacke Industri AB and Dacke Industri Holding AB.

**Christina Kassberg**

Interim Chief Financial Officer, since 1 November 2019.<sup>8</sup>

**Anette Konar Riple**

Chief Marketing Officer since 2017.

**Other significant appointments:** –

**Anna Naucélér**

Chief Commercial Officer and VP of Resurs Bank since 2018.

**Other significant appointments:** Director of Out of Home AB.

**Sebastian Green**

Chief Information Officer since 2018.

**Other significant appointments:** -

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<sup>8</sup> On 31 October 2019, Peter Rosén resigned as Chief Financial Officer and Christina Kassberg took over as interim CFO. Christina Kassberg is part of the management of the Issuer, but did not take over the position as VP.

**Other information about the board of directors and management**

Except as stated in the immediately following paragraphs, there are no conflicts of interest or potential conflicts of interest between the obligations of directors and management towards the Issuer and their private interests and/or obligations. On the other hand, several directors and members of group management have direct financial interests in Resurs through their respective holdings of shares and warrants in the Issuer.

Martin Bengtsson is the CEO of SIBA Invest AB, which is the parent company of Waldakt AB, one of the principal shareholders of the Issuer, which is owned by the Bengtsson family. SIBA Invest AB is also the parent company of NetOnNet Group AB, which is the parent company of NetOnNet. NetOnNet is a retail finance partner of Resurs Bank. Situations may arise in which NetOnNet has interests which differ from Resurs Bank's interests.

All directors and members of management can be reached via the Issuer's address, Box 222 09, 250 24 Helsingborg, Sweden.

**Auditor**

Ernst & Young AB, with its local office situated at Bergaliden 11, SE-252 23 Helsingborg, has been the Issuer's auditor since 2013, with Niklas Paulsson as auditor-in-charge. Niklas Paulsson is an authorised public accountant, (reg.nr. P088599), licensed auditor for financial companies and a member of *FAR*, the industry organisation for auditors, accounting consultants, tax advisers, payroll consultants and specialists in Sweden. Ernst & Young AB's head office is situated at Jakobsbergsgatan 24, SE-111 44 Stockholm.

There are no conflicts of interest or potential conflict of interest between the obligations of the Issuer's auditors to the Issuer and private interests and/or obligations of the Issuer's auditors.

## LEGAL AND SUPPLEMENTARY INFORMATION

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### Information about the Prospectus

This Prospectus has been approved by the Swedish FSA as competent authority under the Regulation (EU) 2017/1129 (Prospectus Regulation). The Swedish FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Regulation (EU) 2017/1129. The Swedish FSA's approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

This Prospectus is valid for twelve months after the date of the approval of the Prospectus. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply from the time when the Notes have been admitted to trading on a Regulated Market.

### Authorisations and responsibility statement

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the Notes and the performance of its obligations relating thereto. The issuance of the Notes was authorised by a resolution of the board of directors of the Issuer on 28 October 2019.

The Issuer accepts responsibility for the information contained in this Prospectus and declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The board of directors of the Issuer is, to the extent provided by law, responsible for the information contained in this Prospectus and declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

### Material agreements

Neither the Issuer nor any other company within the Resurs Group has concluded any material agreements not entered into in the ordinary course of its business which could result in a member of the Resurs Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders.

### Legal and arbitration proceedings

Neither the Issuer nor any other company within the Resurs Group has been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Issuer's and/or the Resurs Group's financial position or profitability.

### Certain material interests

The Joint Bookrunners and the Issuing Agent (and their closely related companies) have engaged in, and may in the future engage in, certain investment banking and/or commercial banking and other services to the Issuer and the Resurs Group for which they will receive remuneration. Accordingly, conflicts of interest may arise as a result of the Joint Bookrunners and the Issuing Agent in the future engaging in transactions with other parties, having multiple roles or carrying out other transactions for third parties.

### Trend information

There has been no material adverse change in the prospects of the Issuer since 28 March 2019, being the date of publication of the last audited financial information of the Issuer.

There has been no significant change in the financial performance of the Resurs Group since 30 September 2019, being the date of the end of the last financial period for which financial information has been published to the date of this Prospectus.

### Significant changes since 30 September 2019

There have been no significant changes in the financial position of the Resurs Group since 30 September 2019, being the end of the last financial period for which interim financial information of the Issuer has been presented.

## Incorporation by reference

The following information has been incorporated into this Prospectus by reference and should be read as part of the Prospectus. Reference is made as follows:

### Annual Report for 2017<sup>9</sup>

Administration report (p. 48–52 and 55–61), Consolidated income statement (p. 62), consolidated statement of comprehensive income (p. 62), consolidated balance sheet (p. 63), consolidated statement of changes in equity (p. 64), consolidated cash-flow statement (p. 65), notes (p. 66–104) and auditor's report (p. 115–117).

### Annual Report for 2018<sup>10</sup>

Administration report (p. 42–46 and 49–55), Consolidated income statement (p. 56), consolidated statement of comprehensive income (p. 56), consolidated balance sheet (p. 57), consolidated statement of changes in equity (p. 58), consolidated cash-flow statement (p. 59), notes (p. 60–103) and auditor's report (p. 113–117).

### Interim Report January–September 2019<sup>11</sup>

Condensed income statement (p. 13), condensed statement of comprehensive income (p. 13), condensed balance sheet (p. 14), condensed statement of changes in equity (p. 15), condensed cash-flow statement (p. 16), notes (p. 17–28) and auditor's report (p. 32).

Information in the above documents which is not incorporated by reference is either deemed by the Issuer not to be relevant for investors in Notes or is covered elsewhere in the Prospectus.

The Issuer's annual reports have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. In addition, certain complementary rules in the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (*lagen 1995:1559 om årsredovisning i kreditinstitut och värdepappersbolag*), the accounting regulations of the Swedish FSA in respect of Credit Institutions and Securities Companies (*Föreskrifter och allmänna råd (FFFS 2008:25) om årsredovisning i kreditinstitut och värdepappersbolag* (including its amendments)) and the Supplementary Accounting Rules for the Resurs Group (RFR 1) of the Swedish Financial Reporting Board have been applied. The annual reports for 2017–2018 have been audited by the Issuer's auditor, and the interim report January–September 2019 has been reviewed by the Issuer's auditor. With the exception of the annual reports and the interim report, no information in this Prospectus has been audited or reviewed by the Issuer's auditor.

## Documents available

The following documents are available at the Issuer's website:

- the Issuer's articles of association;<sup>12</sup>
- the Terms and Conditions of the Notes;<sup>13</sup> and
- the Issuer's certificate of registration.<sup>14</sup>

## Alternative performance measures

Alternative performance measures (APMs) are financial metrics of historical or future performance, financial position or cash flows that are not defined in the applicable rules for financial reporting (among others, IFRS and the Swedish Annual Accounts Act) or in the EU's Capital Requirements Directive (CRD IV)/Capital Requirements Regulation (CRR) (as amended). The Resurs Group uses APMs when these are relevant for the

<sup>9</sup> <https://www.resursholding.se/annualreports/wp-content/uploads/resurs-holding-ab-annual-report-2017.pdf>

<sup>10</sup> <https://www.resursholding.se/en/resurs-holding-publishes-the-annual-and-sustainability-report-2018/>

<sup>11</sup> <https://www.resursholding.se/en/resurs-holding-interim-report-january-september-2019/>

<sup>12</sup> <https://www.resursholding.se/en/articles-of-association/>

<sup>13</sup> <https://www.resursholding.se/en/additional-tier-1-capital-notes-preliminary-prospectus/>

<sup>14</sup> <https://www.resursholding.se/en/additional-tier-1-capital-notes-preliminary-prospectus/>



presentation and follow-up of the Resurs Group's financial position and when these metrics are deemed to provide additional valuable information to readers of the financial reports. The Resurs Group has also chosen to present the APMs as they are in common use within the industry. APMs can be calculated with various approaches and, accordingly, Resurs Group's metrics are not directly comparable with similar metrics presented by other companies.

The following alternative performance measures are presented in this Prospectus:

APM	Jan-Sep 2019	Jan-Sep 2018	2018	2017	2016
C/I before credit losses excl. Insurance and adjusted for nonrecurring costs, %	38.9	40.5	40.5	40.8	44.7
Credit loss ratio (Cost of Risk), %	2.1	2.1	2.1	1.8	1.9
Credit loss ratio (Cost of Risk), excl. Insurance, %	2.1	2.1	2.1	1.8	1.9
Lending to the public (SEK thousand)	31,125,342	27,469,905	27,956,576	24,068,795	21,204,281
NBI margin	11.6	12.6	12.6	12.9	13.6
Nonrecurring costs	0	0	0	0	-68,518 <sup>*)</sup>
Return on equity excl. Intangible assets (RoTE), %	26.8	27.2	27.4	25.3	24.3
Return on equity excl. Intangible assets, (RoTE), excl. nonrecurring costs, adjusted for 11,5 % (12,5) common equity tier 1 ratio, decided dividend last year and deducted dividend current year, %	34.9	33.1	33.9	30.3	N/A
Risk adjusted NBI margin, %	9.5	10.5	10.6	11.1	11.6

<sup>\*)</sup> Costs related to the IPO of the Issuer (-33,518) and a penalty from the Swedish FSA (-35,000).

## Definitions and explanations

Measure	Definition	Explanation
C/I before credit losses excl. Insurance and adjusted for nonrecurring costs	Expenses before credit losses in relation to operating income, exclusive segment Insurance.	The APM aims to provide the reader with further information regarding Resurs Bank's cost-efficiency.
Credit loss ratio (Cost of Risk)	Net credit losses in relation to the average balance of loans to the public <sup>*)</sup> .	The APM aims to provide the reader with further information regarding the relative ratio of credit losses to total lending.
Credit loss ratio (Cost of Risk), excl. Insurance	Net credit losses less Insurance in relation to the average balance of loans to the public <sup>*)</sup> .	The APM aims to provide the reader with further information regarding the relative ratio of credit losses to total lending, excluding credit losses in the Insurance segment.
Lending to the public	Total lending to the public less reserves for expected credit losses.	The APM aims to enable the reader to see increases/decreases in the Resurs Group's lending operations.
NBI margin	Operating income exclusive of the Insurance segment in relation to the average balance of loans to the public <sup>15, *)</sup>	The APM aims to provide the reader with further information regarding the relative ratio of operating income exclusive of the Insurance segment to the average balance of loans to the public.
Nonrecurring costs	Items deemed to be of a one-off nature, meaning individual transactions that are not part of normal business activities.	To facilitate the comparison of profit between periods, items are identified and recognised separately since they are considered to reduce comparability.
Return on equity excl. Intangible assets (RoTE)	Net Profit for the period as a percentage of average equity less average intangible assets. <sup>*)</sup>	The APM aims to provide the reader with further information regarding the Resurs Group's profitability in relation to unrestricted equity.
Return on equity excl. Intangible assets, (RoTE), excl. nonrecurring costs, adjusted for 11.5 % (12.5) common equity tier 1 ratio, decided dividend last year and deducted dividend current year	Net Profit for the period as a percentage of average equity <sup>*)</sup> less average intangible assets <sup>*)</sup> and nonrecurring costs, given the Common Equity Tier 1 ratio according to the Board's target and decided dividend last year and deducted dividend current year.	The APM aims to provide the reader with further information regarding the Resurs Group's profitability in relation to unrestricted equity. Since one of Resurs Group's financial targets is that the Common Equity Tier 1 ratio should exceed 11.5 %, in order for the reader to evaluate and compare the operations in the consolidated situation, this APM has been developed where the Common Equity Tier 1 ratio has been estimated for the lowest level of 11.5 %. <sup>16</sup>
Risk adjusted NBI margin	NBI margin adjusted for credit loss ratio.	The APM aims to provide the reader with further information regarding the relative ratio of operating income exclusive of the Insurance segment to the average balance of loans to the public, adjusted for credit loss ratio.

<sup>\*)</sup> The average of the opening balance of the year/period and the closing balance of the year/period.

<sup>15</sup> Average balance of loans to the public is the same as Average balance of Lending to the public.

<sup>16</sup> During Q4 2018, the Board's financial target for the Common Equity Tier 1 ratio was reduced from above 12.5 % to above 11.5 %.

## Reconciliation of alternative performance measures

### *C/I before credit losses (excl. Insurance and adjusted for nonrecurring costs)*

	Jan-Sep 2019	Jan-Sep 2018	2018	2017	2016
Total expenses before credit losses (SEK thousand)	-1,076,687	-1,047,202	-1,415,723	-1,280,661	-1,280,322
Whereof total expenses Insurance (SEK thousand)	-76,254	-69,996	-94,110	-91,301	-85,333
<b>Total expenses before credit losses, excl. Insurance (SEK thousand)</b>	-1,000,433	-977,206	-1,321,613	-1,189,360	-1,194,989
Total operating income (SEK thousand)	2,734,472	2,553,988	3,437,354	3,091,345	2,796,536
Whereof total income Insurance (SEK thousand)	164,421	140,252	177,523	174,191	125,468
<b>Total operating income excl. Insurance (SEK thousand)</b>	2,570,051	2,413,736	3,259,831	2,917,154	2,671,068
Nonrecurring costs (SEK thousand)	0	0	0	0	-68,518 <sup>*)</sup>
<b>C/I before credit losses (excl. Insurance and adjusted for nonrecurring costs), %</b>	<b>38.9</b>	<b>40.5</b>	<b>40.5</b>	<b>40.8</b>	<b>44.7</b>

<sup>\*)</sup> Costs relating to the IPO of the Issuer (-33,518) and a penalty from the Swedish FSA (-35,000).

### *Credit loss ratio (Cost of Risk), excl. Insurance*

	Jan-Sep 2019	Jan-Sep 2018	2018	2017	2016
Credit losses, net (SEK thousand)	-459,499	-394,954	-535,071	-413,454	-376,693
Whereof credit losses Insurance (SEK thousand)	0	0	0	0	0
Credit losses, net, excl. Insurance (SEK thousand)	-459,499	-394,954	-535,071	-413,454	-376,693
Annualisation of Credit losses, net, excl. Insurance (SEK thousand)	-153,166	-131,651	-	-	-
Opening balance Lending to the public (SEK thousand)	27,956,576	24,068,795	24,068,795	21,204,281	18,198,175
Opening balance Lending to the public, according to IFRS 9 (SEK thousand)	27,956,576	23,647,823	23,647,823	N/A	N/A
Closing balance Lending to the public (SEK thousand)	31,125,342	27,469,905	27,956,576	24,068,795	21,204,281
<b>Average balance of loans to the public (SEK thousand)</b>	<b>29,540,959</b>	<b>25,558,864</b>	<b>25,802,200</b>	<b>22,636,538</b>	<b>19,701,228</b>
<b>Credit loss ratio, excl. Insurance, %</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>1.8</b>	<b>1.9</b>

### *Lending to the public*

	Jan-Sep 2019	Jan-Sep 2018	2018	2017	2016
Lending to the public, gross (SEK thousand)	33,995,878	30,175,235	30,544,612	26,036,096	22,796,995
Provision for expected credit losses (SEK thousand)	-2,870,536	-2,705,330	-2,588,036	-1,967,301	-1,592,714
<b>Lending to the public (SEK thousand)</b>	<b>31,125,342</b>	<b>27,469,905</b>	<b>27,956,576</b>	<b>24,068,795</b>	<b>21,204,281</b>

**NBI margin and Risk adjusted NBI margin**

	<b>Jan-Sep 2019</b>	<b>Jan-Sep 2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Total operating income (SEK thousand)	2,734,472	2,553,988	3,437,354	3,091,345	2,796,536
Whereof total operating income Insurance (SEK thousand)	164,421	140,252	177,523	174,191	125,468
Total operating income, excl. Insurance (SEK thousand)	2,570,051	2,413,736	3,259,831	2,917,154	2,671,068
Annualisation of Total operating income, excl. Insurance (SEK thousand)	856,684	804,579	-	-	-
<b>Average balance of loans to the public (SEK thousand)<sup>*)</sup></b>	<b>29,540,959</b>	<b>25,558,864</b>	<b>25,802,200</b>	<b>22,636,538</b>	<b>19,701,228</b>
<b>NBI margin, %</b>	<b>11.6</b>	<b>12.6</b>	<b>12.6</b>	<b>12.9</b>	<b>13.6</b>
Credit loss ratio, %	2.1	2.1	2.1	1.8	1.9
<b>Risk adjusted NBI margin, %</b>	<b>9.5</b>	<b>10.5</b>	<b>10.6</b>	<b>11.1</b>	<b>11.6</b>

<sup>\*)</sup> See "Credit loss ratio (Cost of Risk), excl. Insurance" above.

**Return on equity excl. Intangible assets (RoTE)**

	<b>Jan-Sep 2019</b>	<b>Jan-Sep 2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Equity (SEK thousand)	6,937,960	6,468,022	6,348,541	6,188,830 <sup>17</sup>	6,099,161
Intangible assets (SEK thousand)	2,079,577	2,028,646	1,973,681	1,877,166	1,885,106
Equity less intangible assets (SEK thousand)	4,858,383	4,439,376	4,374,860	4,311,664	4,214,055
Opening balance Equity (SEK thousand)	6,348,541	6,188,830	6,188,830	6,099,161	5,004,170
Opening balance Equity, according to IFRS 9 (SEK thousand)	6,348,541	5,850,089	5,850,089	N/A	N/A
Closing balance Equity (SEK thousand)	6,937,960	6,468,022	6,348,541	6,188,830	6,099,161
<b>Average Equity (SEK thousand)</b>	<b>6,643,251</b>	<b>6,159,056</b>	<b>6,099,315</b>	<b>6,143,996</b>	<b>5,551,666</b>
Opening balance Intangible assets (SEK thousand)	1,973,681	1,877,166	1,877,166	1,885,106	1,784,003
Closing balance Intangible assets (SEK thousand)	2,079,577	2,028,646	1,973,681	1,877,166	1,885,106
<b>Average Intangible assets (SEK thousand)</b>	<b>2,026,629</b>	<b>1,952,907</b>	<b>1,925,424</b>	<b>1,881,137</b>	<b>1,834,555</b>
<b>Average Equity less Intangible assets (SEK thousand)</b>	<b>4,616,622</b>	<b>4,206,149</b>	<b>4,173,892</b>	<b>4,262,860</b>	<b>3,717,111</b>
Net profit (SEK thousand)	926,920	859,567	1,143,415	1,080,033	904,794
Annualisation of Net profit (SEK thousand)	308,973	286,522	-	-	-
<b>Return on equity excl. Intangible assets (RoTE), %</b>	<b>26.8</b>	<b>27.2</b>	<b>27.4</b>	<b>25.3</b>	<b>24.3</b>

<sup>17</sup> Revaluated 1 January 2018 due to IFRS 9 to SEK thousand 5,850,089. Equity before revaluation totalled SEK thousand 6,188,830.

***Return on equity excl. Intangible assets (RoTE), excl. nonrecurring costs, adjusted for 11,5 % (12,5) common equity tier 1 ratio, decided dividend last year and deducted dividend current year***

	<b>Jan–Sep 2019</b>	<b>Jan–Sep 2018</b>	<b>2018</b>	<b>2017</b>
Net profit (SEK thousand)	926,920	859,567	1,143,415	1,080,033
Annualisation of Net profit (SEK thousand)	308,973	286,522	-	-
Equity (SEK thousand)	6,937,960	6,468,022	6,348,541	6,188,830 <sup>18</sup>
Intangible assets (SEK thousand)	2,079,577	2,028,646	1,973,681	1,877,166
Equity less Intangible assets (SEK thousand)	4,858,383	4,439,376	4,374,860	4,311,664 <sup>19</sup>
Average Equity (SEK thousand)	6,643,251	6,159,056	6,099,315	6,143,996
Average Intangible assets (SEK thousand)	2,026,629	1,952,907	1,925,424	1,881,137
Average Equity less Intangible assets (SEK thousand)	4,616,622	4,206,149	4,173,892	4,262,860
Nonrecurring costs after tax (SEK thousand)	0	0	0	0
Shareholders' contribution (SEK thousand)	0	0	0	0
Adjustment for Common Equity Tier 1 ratio 11.5 % (12.5) (SEK thousand)	645,075	350,150	559,018	276,836
Proposed dividend last year (SEK thousand)	360,000	330,000	390,000	360,000
Deducted dividend current year (SEK thousand)	187,500	165,000	0	0
Average Nonrecurring costs (SEK thousand)	0	0	0	0
Average Shareholders' contribution (SEK thousand)	0	0	0	0
Average Adjustment for Common Equity Tier 1 ratio 11.5 % (12.5) (SEK thousand)	602,047	313,047	412,927	219,888
Average Proposed dividend last year (SEK thousand)	375,000	345,000	375,000	480,000
Average Deducted dividend current year (SEK thousand)	93,750	82,500	0	0
Equity excl. Intangible assets excl. Nonrecurring costs, adjusted for 11.5 % (12.5) Common Equity Tier 1 ratio, adjusted for proposed dividend last year and dividend current year (SEK thousand)	3,545,825	3,465,156	3,380,964	3,562,971
<b>Return on equity excl. Intangible assets, (RoTE), excl. nonrecurring costs, adjusted for 11,5 % (12,5) common equity tier 1 ratio, decided dividend last year and deducted dividend current year, %</b>	<b>34.9</b>	<b>33.1</b>	<b>33.9</b>	<b>30.3</b>

<sup>\*)</sup> Net costs relating to the IPO of the Issuer (-33,518; after tax -26,144) and a penalty from the Swedish FSA (-35,000; after tax -35,000).

<sup>18</sup> Revaluated 1 January 2018 due to IFRS 9 to SEK thousand 5,850,089. Equity before revaluation totalled SEK thousand 6,188,830.

<sup>19</sup> Revaluated 1 January 2018 due to IFRS 9 to SEK thousand 3,972,922. Equity less Intangible assets before revaluation totalled SEK thousand 4,311,664.

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