

TERMS AND CONDITIONS FOR ELEKTA AB (PUBL) CONVERTIBLE BONDS 2012/2017

1 DEFINITIONS

In these terms and conditions, the following terms shall have the following meaning:

“**A Shares**” means fully paid class A shares in the capital of the Company currently with a quotient value (Sw. *kvotvärde*) of SEK 2.00 each. Each A Share confers on the holder ten votes at general meetings of the Company;

“**Bondholder**” means each holder of a Convertible Bond who is registered in an account in the Company’s CSD register as a Bondholder, or who is otherwise entitled to receive payment in respect of a Convertible Bond standing to the credit of such account;

“**B Shares**” means fully paid class B shares in the capital of the Company currently with a quotient value (Sw. *kvotvärde*) of SEK 2.00 each. Each B Share confers on the holder one vote at general meetings of the Company;

“**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks in Sweden are open for general business;

“**Change of Control**” means an occurrence where any person or persons acting in concert acquires control of the Company, where “control” means (i) an acquisition or control of Shares representing more than fifty (50) percent of the total number of voting rights in the Company at such time, or (ii) the right to appoint or remove all or the majority of the members of the Company’s Board of Directors;

“**Change of Control Maturity Date**” shall have the meaning ascribed to it in Condition 6(a);

“**Change of Control Notice**” shall have the meaning ascribed to it in Condition 6(a);

“**Change of Control Notice Period**” means the period commencing on the day a Change of Control occurs and ending on the day occurring sixty (60) days thereafter or, if later, sixty (60) days following the date on which a Change of Control Notice is given as required by Condition 6(a) or, in any such case, if that is not a Business Day, the next following Business Day;

“**Company**” means Elekta AB (publ), corporate registration number 556170-4015;

“**Conversion**” means an exchange of Convertible Bond(s) for Shares of relevant class;

“**Conversion Effective Date**” shall have the meaning ascribed to it in Condition 9(f);

“**Conversion Price**” means the price at which a Conversion of Convertible Bonds shall take place pursuant to Condition 9(b);

“**Convertible Bond**” means a debt obligation carrying rights to conversion into Shares pursuant to Chapter 15 of the Swedish Companies Act (2005:551) and which forms part of the Loan and which is issued for the benefit of a person or its order, the Convertible Bonds are issued in two series, class A and class B;

“**Convertible Bond of class A**” means a Convertible Bond with right to Conversion into A Shares;

“**Convertible Bond of class B**” means a Convertible Bond with right to Conversion into B Shares;

“**CSD register**” means central securities depository register (Sw. *avstämningsregister*), kept by Euroclear as set forth in the Swedish Act on Account-keeping of Financial Instruments (1998:1479);

“**De-listing Event**” shall occur if at any time the B Shares are not listed and admitted to trading on NASDAQ OMX Stockholm or trading of the B Shares on NASDAQ OMX Stockholm is suspended for a period of fifteen (15) consecutive Business Days;

“**De-listing Event Maturity Date**” shall have the meaning ascribed to it in Condition 6(b);

“**De-listing Event Notice**” shall have the meaning ascribed to it in Condition 6(b);

“**De-listing Event Period**” means the period commencing on the day a De-listing Event occurs and ending on the day occurring sixty (60) days thereafter or, if later, sixty (60) days following the date on which a De-listing Event Notice is given as required by Condition 6(b) or, in any such case, if that is not a Business Day, the next following Business Day;

“**Euroclear**” means Euroclear Sweden AB;

“**Event of Default**” shall have the meaning ascribed to it in Condition 16;

“**Extraordinary Resolution**” shall have the meaning ascribed to it in Condition 18;

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

- a) moneys borrowed;
- b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP as applicable at April 25, 2012, be treated as finance or capital lease;
- e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing according to GAAP;
- g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- i) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs a) to h) above;

“**Fixed Amount**” shall have the meaning ascribed to it in Condition 11 I;

“**GAAP**” means generally accepted accounting principles, standards and practices in relevant jurisdiction(s), including IFRS;

“**Group**” means the Company and its Subsidiaries;

“**Independent Financial Adviser**” means a recognised independent financial institution appointed by the Company upon need for such adviser;

“**Interest Payment Date**” means such day on which any interest payment falls due in accordance with these terms and conditions;

“**Issuing Agent**” means Skandinaviska Enskilda Banken AB (publ), corporate registration number 502032-9081, or such bank or institute which the Company, from time to time, appoints to act as Issuing Agent in accordance with these terms and conditions;

“**Loan**” means the Company’s convertible loan 2012/2017 or, as the case may be, the aggregate principal amount of such Loan outstanding from time to time;

“**Material Group Member**” means the Company or a Material Subsidiary;

“**Material Subsidiary**” means, at any time, a Subsidiary of the Company whose gross assets, earnings before interest and tax or turnover (excluding intra-Group items) then equal or exceed 10 percent of the gross assets, earnings before interest and tax or turnover of the Group.

For this purpose:

- a) the gross assets, earnings before interest and tax or turnover of a Subsidiary of the Company will be determined from its financial statements (consolidated if it has Subsidiaries) upon which the latest audited financial statements of the Group have been based;
- b) if a Subsidiary of the Company becomes a member of the Group after the date on which the latest audited financial statements of the Group have been prepared, the gross assets, earnings before interest and tax or turnover of that Subsidiary will be determined from its latest financial statements;
- c) the gross assets, earnings before interest and tax or turnover of the Group will be determined from its latest audited financial statements, adjusted (where appropriate) to reflect the gross assets, earnings before interest and tax or turnover of any company or business subsequently acquired or disposed of; and
- d) if a Material Subsidiary disposes of all or substantially all of its assets to another Subsidiary of the Company, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary; the subsequent financial statements of those Subsidiaries and the Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

If there is a dispute as to whether or not a company is a Material Subsidiary, a certificate of the auditors of the Company will be, in the absence of manifest error, conclusive;

“**Maturity Date**” means April 25, 2017, except to the extent of prior Conversions or early redemptions being made as provided in Conditions 6, 7, 8, 11 or 16, in which case the Maturity Date shall be the Conversion Effective Date or the date on which early redemption shall occur in accordance with said provisions (including, but not limited to, on the Change of Control Maturity Date, as the case may be);

“**Meeting of Bondholders**” shall have the meaning ascribed to it in Condition 18;

“**Record Date for Payment**” shall have the meaning ascribed to it in Condition 5(a);

“**Relevant Price Trigger**” means when the intra day, volume weighted, average price paid per share for Elekta’s B Shares for twenty (20) out of the prior thirty (30) consecutive Business Days on NASDAQ OMX Stockholm has amounted to at least 160 percent of the Conversion Price applicable on the last day of such twenty days;

“**Shares**” means A Shares and/or B Shares, as applicable;

“**Subsidiary**” means a subsidiary (Sw: *dotterföretag*) within the meaning given to that term in the Swedish Companies Act (2005:551);

“**Tax Redemption Date**” shall have the meaning ascribed to it in Condition 7(a);

“**Tax Redemption Notice**” shall have the meaning ascribed to it in Condition 7(a);

“**Trustee**” means CorpNordic Sweden AB, corporate registration number 556625-5476, Sergels Torg 12, PO Box 162 85, 103 25 Stockholm, Sweden, or such bank, institute or agent which is appointed to act as Trustee in accordance with these terms and conditions; and

“**Voting Register**” shall have the meaning ascribed to it in Condition 18.

2 **LOAN AMOUNT, MATURITY DATE, STATUS, INTEREST RATE AND DEBT OBLIGATION**

- (a) The Loan shall be issued in a maximum principal amount of SEK [●] and is represented by Convertible Bonds in principal amounts of SEK 20 each (or integral multiples thereof), issued for the benefit of a person or its order.
- (b) The Company undertakes to make payments in respect of the Convertible Bonds in accordance with these terms and conditions.
- (c) The Loan shall be repaid on the Maturity Date.
- (d) The Convertible Bonds constitute direct, unconditional, unsubordinated and (subject to the negative pledge as set forth below) unsecured obligations of the Company, and shall rank *pari passu* amongst themselves and equally with all other unsecured and unsubordinated obligations of the Company.
- (e) The Loan will bear interest at the rate of [●] percent per annum from April 25, 2012. Interest will be calculated on the basis of a 360 day year consisting of 12 months of 30 days each, and in the case of an incomplete month, the number of days elapsed. Pursuant to Condition 10(c) below, the right to receive interest will be extinguished in all cases of Conversion.

- (f) Interest shall be paid annually in arrears on August 31, save that the first payment of interest will be made on August 31, 2012 in respect of the period from (and including) April 25, 2012 to (but excluding) August 31, 2012, and the last payment of interest will be made on the Maturity Date in respect of the period from (and including) August 31, 2016 to (but excluding) April 25, 2017.

3 NEGATIVE PLEDGE

So long as any of the Convertible Bonds remain outstanding the Company will not create or permit to subsist any mortgage, lien, pledge or other charge encumbrance or security interest to secure any present or future indebtedness, in the form of or evidenced by notes, bonds, debentures, loan stock or other similar debt instruments, and which are, or are capable of being, listed or ordinarily dealt in on any regulated market or other recognized marketplace, unless, simultaneously with, or prior to, the creation of such indebtedness, all amounts payable by the Company under the Convertible Bonds (i) are secured equally and rateably by such indebtedness to the satisfaction of the Trustee or (ii) are secured by such other security, guarantee, indemnity or other arrangement as the Trustee shall in its absolute discretion deem not materially less beneficial to the Bondholders.

4 ACCOUNT-KEEPING INSTITUTION, REGISTRATION ETC.

- (a) The Convertible Bonds shall be registered with Euroclear in a CSD register in accordance with Chapter 4 of the Swedish Act (1998:1479) on Account Keeping of Financial Instruments. No Convertible Bond certificates will thus be issued.
- (b) The Convertible Bonds will be registered on behalf of each Bondholder in an account in the Company's CSD register. Registrations with respect to Convertible Bonds following Conversion shall be effected by the Issuing Agent.
- (c) Other registration measures with respect to the Convertible Bonds as a consequence of actions in accordance with Conditions 10 or 11 will be made by the Company or the Issuing Agent.

5 PAYMENT OF INTEREST AND REPAYMENT OF PRINCIPAL

- (a) Payments in respect of interest on, and repayment of, the Loan will be made by Euroclear to persons who are registered in an account in the Company's CSD register as a Bondholder or as otherwise being entitled to receive payments of interest and principal on the fifth Business Day prior to the relevant Interest Payment Date or Maturity Date, as the case may be, or on such Business Day which falls closer to the Interest Payment Date or Maturity Date, as the case may be, and which may generally come to be applied for payments on the Swedish securities market (the "**Record Date for Payment**").
- (b) If a Bondholder or a person otherwise entitled to receive payments of interest and principal, has made arrangements through an account-keeping institute that the interest amount and principal should be paid into a specific bank account, such payment will be made by Euroclear on the Interest Payment Date or the Maturity Date, as the case may be. In the absence of such an arrangement, Euroclear will transmit the payment of the interest and of the principal on the Interest Payment Date or the Maturity Date, as the case may be, to the address of such Bondholder which is registered with Euroclear on the Record Date for Payment.

- (c) If Euroclear is unable to pay the interest amount or principal on an Interest Payment Date or on the Maturity Date, as the case may be, due to a delay on the part of the Company or due to any other obstacle, the interest amount and principal, respectively, will be paid by Euroclear as soon as such obstacle has ceased to subsist, to the Bondholder or to the person otherwise entitled to receive interest payments and payment of principal on the Record Date for Payment.
- (d) If an Interest Payment Date or the Maturity Date, as the case may be, falls on a day which is not a Business Day, it shall be postponed to the immediately following Business Day unless such day could thereby fall in the next calendar month, in which event such Interest Payment Date or the Maturity Date shall be brought forward to the immediately preceding Business Day.

6 BONDHOLDERS' RIGHTS IN CONNECTION WITH CHANGE OF CONTROL AND DE-LISTING

- (a) Notwithstanding Condition 2(c), each Bondholder shall, in the event of a Change of Control, be entitled to (i) require early redemption of the Convertible Bonds at their principal amount prior to the Maturity Date on the day falling fourteen (14) days after the expiry of the Change of Control Notice Period (the "**Change of Control Maturity Date**") along with interest accrued up to and including such day, or (ii) exercise their Conversion rights at an adjusted Conversion Price during the Change of Control Notice Period as set forth in Condition 11 J. In this connection, the following shall apply:
 - (i) the Company shall within one (1) week after the Change of Control has occurred notify the Trustee thereof, in accordance with Condition 20 (a "**Change of Control Notice**"). Such notification shall include the following information:
 - (A) material information concerning the Change of Control;
 - (B) a reminder of the Bondholders' right to exercise their Conversion rights at an adjusted Conversion Price or the right to require early redemption of the Convertible Bonds as of the Change of Control Maturity Date;
 - (C) the relevant adjusted Conversion Price that in accordance with Condition 11 J will apply during the Change of Control Notice Period;
 - (D) the closing price of the B Shares as derived from NASDAQ OMX Stockholm as at the latest practicable date prior to the occurrence of the Change of Control; and
 - (E) the last date in the Change of Control Notice Period.
 - (ii) Bondholders who wish to exercise their right to require the Company to redeem the Convertible Bonds as of the Change of Control Maturity Date shall, prior to the expiry of the Change of Control Notice Period, provide a notice (in the form determined by the Company) to the Trustee. Such notice of exercise of the right early redemption is binding and irrevocable.

- (iii) Bondholders who wish to exercise their Conversion rights at an adjusted Conversion Price shall request Conversion prior to the expiry of the Change of Control Notice Period. Upon request for Conversion, the relevant application form for registration purposes shall be duly completed and filed with the Company. A request for Conversion is binding and irrevocable.
- (b) Notwithstanding Condition 2(c), each Bondholder shall, in the event of a De-listing Event, be entitled to require early redemption of the Convertible Bonds at their principal amount prior to the Maturity Date on the day falling fourteen (14) days after the expiry of the De-listing Event Period (the “**De-listing Event Maturity Date**”) along with interest accrued up to and including such day. In this connection, the following shall apply;
 - (i) Upon the occurrence of a De-listing Event, the Company shall within one (1) week after the De-listing Event has occurred notify the Trustee thereof in accordance with Condition 20 (a “**De-listing Event Notice**”). Such notification shall include the following information:
 - (A) material information concerning the De-listing Event;
 - (B) a reminder of the Bondholders’ right to require early redemption of the Convertible Bonds as of the De-listing Event Maturity Date;
 - (C) the Conversion Price immediately prior to the occurrence of the De-Listing Event;
 - (D) the closing price of the B Shares as derived from NASDAQ OMX Stockholm as at the latest practicable date prior to the occurrence of the De-listing Event; and
 - (E) the last date in the De-listing Event Period.
 - (ii) Bondholders who wish to exercise their right to require the Company to redeem the Convertible Bonds as of the De-listing Event Maturity Date shall, prior to the expiry of the De-listing Event Period, provide a notice (in the form determined by the Company) to the Trustee. Such notice of exercise of the right early redemption is binding and irrevocable.

7 REDEMPTION FOR TAXATION REASONS

- (a) At any time the Company may, having given not less than forty-five (45) nor more than sixty (60) calendar days’ notice (a “**Tax Redemption Notice**”) to the Trustee, redeem (subject to the second following paragraph) all, and not some only, of the Convertible Bonds for the time being outstanding on the date (the “**Tax Redemption Date**”) specified in the Tax Redemption Notice at their principal amount, together with accrued but unpaid interest to such date, if (i) the Company has or will become obliged to pay additional amounts in respect of payments of interest on the Convertible Bonds pursuant to Condition 14 as a result of any change in, or amendment to, the laws or regulations of Sweden or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after April 25, 2012, and (ii) such obligation cannot be avoided by the Company taking reasonable measures

available to it, provided that no such notice of redemption shall be given earlier than ninety (90) calendar days prior to the earliest date on which the Company would be obliged to pay such additional amounts were a payment in respect of the Convertible Bonds then due. Prior to the publication of any Tax Redemption Notice, the Company shall make available at its registered office (a) a certificate signed by two directors of the Company stating that the obligation referred to in (i) above cannot be avoided by the Company taking reasonable measures available to it and (b) an opinion of independent legal or tax advisers of recognised standing to the effect that such change or amendment has occurred and that the Company has or will be obliged to pay such additional amounts as a result thereof (irrespective of whether such amendment or change is then effective).

- (b) On the Tax Redemption Date the Company shall (subject to the next following paragraph) redeem the Convertible Bonds at their principal amount, together with accrued and unpaid interest to such date.
- (c) Any Tax Redemption Notice shall be irrevocable. Any such notice shall specify (i) the Tax Redemption Date which shall be a Business Day, (ii) the Conversion Price, the aggregate principal amount of the Convertible Bonds outstanding and the closing price of the B Shares as derived from NASDAQ OMX Stockholm, in each case as at the latest practicable date prior to the publication of the Tax Redemption Notice and (iii) the last calendar day on which the right to Conversion may be exercised by the Bondholders.

8 CONVERSION AT COMPANY'S OPTION

- (a) At any time during the period as from April 25, 2015 up to thirty (30) calendar days before the Maturity Date, provided that a Relevant Price Trigger has occurred, the Company may, at its sole discretion, convert all, and not some only, of the Convertible Bonds, conditional upon (i) notice having being given to the Swedish Companies Registration Office of Conversion within five (5) Business Days of the Relevant Price Trigger occurring and (ii) on the Business Day prior to notification to the Swedish Companies Registration Office of Conversion the closing price of the Company's B Shares, as derived from NASDAQ OMX Stockholm, exceeded 160 percent of the Conversion Price applicable on such day. In this connection the following shall apply;
 - (i) The Company shall simultaneously with the notice to the Swedish Companies Registration Office of Conversion notify the Trustee that a Relevant Price Trigger has occurred and that the Company has exercised its right to convert the Convertible Bonds. Such notification shall include the following information:
 - (A) material information concerning the Relevant Price Trigger including the closing price of the B Shares as derived from NASDAQ OMX Stockholm as at the latest practicable date prior to the notification to the Swedish Companies Registration Office of Conversion;
 - (B) the relevant Conversion Price; and
 - (C) the Conversion Effective Date.
- (b) A notice having being given by the Company to the Swedish Companies Registration Office of Conversion is binding and irrevocable.

- (c) If a Relevant Price Trigger occurs, but the conditions mentioned in Condition 8(a) above are not satisfied, this shall not prejudice the right of the Company to effect a Conversion on a further Relevant Price Trigger occurring, but subject always to the conditions as set forth in Condition 8(a) above.

9 CONVERSION AT BONDHOLDER'S OPTION

- (a) Bondholders have the right to require Conversion of some or all of their Convertible Bonds into new Shares in the Company at any time during the period set forth in Condition 9(d) below. Convertible Bonds of class A shall entitle to Conversion into A Shares and Convertible Bonds of class B shall entitle to Conversion into B Shares at the Conversion Price.
- (b) The Conversion Price per Share shall initially be an amount equivalent to SEK [●]. The Conversion Price is subject to adjustment in the circumstances described in Condition 11 below.
- (c) The number of Shares to be issued upon Conversion shall be determined by dividing the principal amount of the Convertible Bonds to be converted by the Conversion Price in effect on the relevant date of Conversion. No fractions of Shares will be delivered. Instead, Bondholders will upon Conversion receive cash compensation for any amount exceeding the principal amount not corresponding to a complete Share.
- (d) A Bondholder may request Conversion during the period commencing on the date of registration of these terms and conditions with the Swedish Companies Registration Office and ending four (4) weeks prior to the Maturity Date, or up to and including such earlier date as set forth in Condition 11 below. Upon request for Conversion, the relevant application form for registration purposes as specified by the Company shall be duly completed and filed with the Company. A request for Conversion is binding and irrevocable.

Conversion may also be required by the Company in the circumstances and subject to the provisions set forth in Condition 8 above.

- (e) The Bondholders shall pay any taxes or charges that may be imposed on the Bondholders in relation to the transfer, holding or Conversion of a Convertible Bond pursuant to Swedish or foreign laws or regulations, or the decision of a Swedish or foreign authority.
- (f) Conversion is effected by the Shares being recorded as interim shares in the share register of the Company kept by Euroclear (the date on which such event occurs in respect of a Convertible Bond shall be the “**Conversion Effective Date**” in respect of such Convertible Bond). Once registration has taken place at the Swedish Companies Registration Office, the registration in the share accounts will become final. As described in Conditions 10 and 11 below, such final registration may be deferred in certain cases.

10 DIVIDENDS AND INTEREST IN CONNECTION WITH CONVERSION

- (a) Shares issued upon Conversion carry, with the exception set forth under paragraph (b) below, rights to dividends commencing from and including such record date for dividends which falls immediately after the Conversion Effective Date.

- (b) Shares issued upon Conversion where the Conversion Effective Date falls as from the day after the Record Date for Payment of interest a certain year do not carry any right to dividend on the record date for dividend taking place such year. In such cases, final registration in the share accounts will not be effected until after the above mentioned record date for dividend.
- (c) Upon Conversion a Bondholder will lose the right to receive accrued interest as from the Interest Payment Date preceding the Conversion Effective Date.

11 ADJUSTMENT OF THE CONVERSION PRICE, ETC

A If the Company effects a bonus issue, a Conversion – which is requested on a date that does not permit it to be effected prior to or on the tenth day preceding the general meeting of shareholders on which resolutions will be passed to approve the bonus issue – will not be effected until after the meeting has passed such resolutions. Shares issued pursuant to a Conversion and effected following approval of the bonus issue shall be entered on the securities account on an interim basis and shall not be entitled to participate in the issue. Final registration of such Shares in the securities account takes place after the record date for the bonus issue.

Upon Conversion effected following approval of any bonus issue, scrip dividend or capitalization issue (Sw. *fondemission*), an adjusted Conversion Price shall apply. The adjustment shall be made by the Independent Financial Adviser in accordance with the following formula:

$$\text{adjusted Conversion Price} = \frac{\text{previous Conversion Price x number of Shares prior to the bonus issue}}{\text{number of Shares following the bonus issue}}$$

The adjusted Conversion Price calculated as above shall be determined by the Independent Financial Adviser as soon as possible after the resolution of the general meeting of shareholders regarding the bonus issue, but shall not apply until following the record date for the bonus issue.

B If the Company effects a consolidation or a split of its Shares, Condition 11 A above shall apply correspondingly, in which case the record date shall be considered to be the date upon which such consolidation or split is registered with Euroclear at the request of the Company.

C If the Company issues new shares – with preferential rights for all shareholders to subscribe for new shares with cash payment or with payment by set-off – the following shall apply with respect to the rights to participate in the new issue that accrue to shares to be issued upon Conversion:

1. If the new issue is resolved by the Board of Directors subject to the approval of the general meeting of shareholders or as authorized by such meeting, the Board of Director’s resolution shall specify the latest date when Conversion shall have to have been effected in order for shares issued upon Conversion to have rights to participate in the new issue. Such date may not be earlier than the tenth calendar day following the date of the resolution.
2. If the new issue is resolved by the general meeting of shareholders, a Conversion – which is requested on a date that does not permit it to be effected prior to or on the

tenth day preceding the general meeting of shareholders on which resolutions will be passed to approve the issue – will not be effected until the Independent Financial Adviser has set the adjusted Conversion Price in accordance with what is set forth below in this Condition 11 C. Shares issued upon such Conversion will be recorded as interim shares on the securities account, and shall not entitle the Bondholders to participate in the new issue.

Upon Conversion which is effected on such a date that rights to participate in the new issue do not accrue, an adjusted conversion price shall apply. The adjustment shall be made by the Independent Financial Adviser in accordance with the following formula:

$$\text{adjusted Conversion Price} = \frac{\text{previous Conversion Price x the B Share's average market price during the subscription period as established in the issue resolution (average share price)}}{\text{average share price increased by the theoretical value of the subscription right calculated on the basis thereof}}$$

The average share price shall upon listing be considered to correspond to the average of the mean of the daily highest and lowest paid prices for the B Share for each trading day during the subscription period as recorded in the market place's official list of prices or other applicable market quotation. In the absence of a quotation for paid prices, the last bid price quoted for such day shall be used in the calculation. If neither a paid price nor a bid price is quoted on a given day, that day shall be excluded from calculation of the average share price.

The theoretical value of the subscription right is calculated in accordance with the following formula:

$$\text{value of the subscription right} = \frac{\text{the maximum number of new Shares that may be issued pursuant to the issue resolution x (the average share price less the issue price for the new share)}}{\text{the number of Shares prior to the issue resolution}}$$

If the calculation produces a negative value, the theoretical value of the subscription right shall be deemed to be zero.

When performing calculations in accordance with the above formula, shares held by the Company shall be disregarded.

Should the Company's B Shares not be listed, the adjusted Conversion Price shall be established by the Independent Financial Adviser in accordance with the principles set forth in this Condition 11 C. The recalculation shall be made on the basis that the value of the Convertible Bonds shall remain unchanged.

The adjusted Conversion Price as calculated and described above shall be determined by the Independent Financial Adviser two Business Days following the expiration of the subscription period and shall be applied for Conversions effected thereafter.

Until such time as the adjusted Conversion Price has been determined, Conversions shall be effected only on a provisional basis, whereby the full number of shares according to the as yet unadjusted Conversion Price shall be recorded in the securities account on an interim basis. Further, it shall be specifically noted that the Convertible claim pursuant to the adjusted Conversion Price may entitle to further shares. Final registration on the securities account shall occur after the adjusted Conversion Price has been determined.

- D** If the Company issues warrants or convertible bonds – with preferential rights for all shareholders and with cash payment or with payment by set-off – the provisions in Condition 11 C, first paragraph, items 1 and 2 above, shall apply correspondingly with respect to the rights of shares issued upon Conversion to participate in such issue. Upon a Conversion which is effected on such a date that rights to participate in the new issue do not accrue, an adjusted Conversion Price shall apply. The adjustment shall be made by the Independent Financial Adviser in accordance with the following formula:

$$\text{adjusted Conversion Price} = \frac{\text{previous Conversion Price} \times \text{the B Share's average market price during the subscription period as established in the issue resolution}}{\text{average share price increased with the value of the subscription right}}$$

The average share price shall be calculated as set forth in Condition 11 C above.

The value of the subscription right shall upon listing be considered to correspond to the average of the mean of the daily highest and lowest paid prices for the subscription right for each trading day during the subscription period as recorded in the market place's official list of prices or other applicable market quotation. In the absence of a quotation for paid prices, the last bid price quoted for such day shall be used in the calculation. If neither a paid price nor a bid price is quoted on a given day, that day shall be excluded from calculation of the average share price.

Should the Company's B Shares or subscription rights not be listed, the adjusted Conversion Price shall be established by the Independent Financial Adviser in accordance with the principles set forth in this Condition 11 D. The adjustment shall be made on the basis that the value of the Convertible Bonds shall remain unchanged.

The adjusted Conversion Price as calculated and described above shall be determined by the Independent Financial Adviser two Business Days following the expiration of the subscription period and shall be applied for Conversions effected thereafter.

As regards Conversions that are effected until such time as the adjusted Conversion Price has been determined, the provisions in Condition 11 C, last paragraph above shall apply correspondingly.

- E** Should the Company, in cases other than those set forth in Conditions 11 A–D above make an offer to its shareholders, with pre-emptive rights in accordance with the principles stipulated in Chapter 13, Section 1 of the Swedish Companies Act, to acquire securities or rights of any type issued by the Company, an adjusted Conversion Price shall apply in connection with Conversions requested at any such time that the shares received do not carry rights to participate in the offer. The adjustment shall be made by the Independent Financial Adviser in accordance with the following formula:

$$\text{adjusted Conversion Price} = \frac{\text{previous Conversion Price} \times \text{the B Share's average market price during the subscription period as established in the issue resolution}}{\text{(average share price)}} \div \text{average share price increased with the value of the right to participate in the offer (the value of the purchase right)}$$

The average share price shall be calculated as set forth in Condition 11 C above.

In the event that the shareholders receive purchase rights and if trading of such rights has taken place, the value of the right to participate in the offer shall be considered to correspond to the value of the purchase right. The value of the purchase right shall upon listing be considered to correspond to the average of the mean of the daily highest and lowest paid prices for the subscription right for each trading day during the application period as recorded in the market place's official list of prices or other applicable market quotation. In the absence of a quotation for paid prices, the last bid price quoted for such day shall be used in the calculation. If neither a paid price nor a bid price is quoted on a given day, that day shall be excluded from calculation of the average share price.

In the event that the shareholders have not received purchase rights or trading in purchase rights as referred to in the preceding paragraph has otherwise not taken place, the adjustment of the Conversion Price shall be calculated by applying as far as possible the principles set forth above in this Condition 11 E, whereby the following shall apply. If there is a listing of the securities or rights offered to the shareholders, the value of the right to participate in the offer shall be considered to correspond to the average of the mean of the daily highest and lowest paid prices for such a security or right on each trading day for a period of twenty-five trading days from and including the first day for listing of transactions in these securities or rights as recorded in the market place's official list of prices or other applicable market quotation, less any consideration that is paid for these in conjunction with the offer. In the absence of a quotation for paid prices, the last bid price quoted for such day shall be used in the calculation. If neither a paid price nor a bid price is quoted on a given day, that day shall be excluded from calculation of the average share price. When calculating the adjustment of the Conversion Price in accordance with this paragraph, the said period of twenty-five trading days shall be deemed to correspond to the application period specified in the offer.

In the event that a listing does not take place with respect to the securities or rights offered to the shareholders, the value of the right to participate in the offer shall be determined as far as possible on the basis of the change in the market price of the Company's shares attributable to the offer.

Should the Company's B Shares not be listed, the adjusted Conversion Price shall be established by the Independent Financial Adviser in accordance with the principles set forth in this Condition 11 E. The adjustment shall be made on the basis that the value of the Convertible Bonds shall remain unchanged.

The adjusted Conversion Price as calculated and described above shall be determined by the Independent Financial Adviser as soon as possible following the expiration of the offer period and shall be applied for Conversions effected thereafter.

As regards Conversions that are effected until such time as the adjusted Conversion Price has been determined, the provisions in Condition 11 C, last paragraph above shall apply correspondingly.

F If the Company issues shares, warrants or convertible bonds – with preferential rights for all shareholders and with cash payment or with payment by set-off – the Company shall have the right to resolve to extend such pre-emptive rights as accrue to the shareholders to all Bondholders. In such case each Bondholder, notwithstanding the fact that Conversion has not been effected, shall be deemed to be the owner of such number of shares in the Company that such Bondholder would have received upon Conversion at the Conversion Price applicable at the time of the resolution to effect the new issue.

Where the Company resolves to make an offer to the shareholders in accordance with Condition 11 E above, the preceding section shall apply correspondingly save that the number of shares that each Bondholder shall be deemed to own shall be determined on the basis of the Conversion Price applicable at the time of the resolution to make the offer.

In the event that the Company extends pre-emptive rights to the Bondholders in accordance with this Condition 11 F, there shall be no adjustment in respect of the Conversion Price in accordance with Conditions 11 C, D or E.

G If the Company's share capital should be reduced with repayment to the shareholders, and the reduction is mandatory, an adjusted Conversion Price shall be applied. The adjustment shall be made by the Independent Financial Adviser in accordance with the following formula:

$$\text{adjusted Conversion Price} = \frac{\text{previous Conversion Price} \times \text{the B Share's average market price during a period of twenty-five trading days calculated as from and including the day the share is listed excluding right to repayment (average share price)}}{\text{average share price increased with the amount repaid per share}}$$

The average share price shall be calculated as set forth in Condition 11 C above.

When making adjustment in accordance with the above, where the reduction is carried out through a redemption of shares, shall, instead of using the actual amount which is repaid for each share, an amount calculated as follows be applied:

$$\text{calculated repayment amount per share} = \frac{\text{the actual amount repaid on each redeemed share less the B Share's average market price during a period of twenty-five trading days immediately prior to the day the share is listed excluding right to repayment (average share price)}}{\text{the number of shares in the Company which underlie the redemption of one share reduced by one (1)}}$$

The average share price shall be calculated as set forth in Condition 11 C above.

The adjusted Conversion Price as calculated and described above shall be determined by the Independent Financial Adviser two Business Days following the expiration of the period of twenty-five trading days referred to above and shall be applied for Conversions effected thereafter.

As regards Conversions that are effected until such time as the adjusted conversion price has been determined, the provisions in Condition 11 C, last paragraph above shall apply correspondingly.

If the redemption is effected with payment of securities or rights of any kind, the actual amount repaid per share shall be established by the Independent Financial Adviser, where the principles for valuation of the right to participate in an offer set forth in Condition 11 E above shall apply to the extent possible.

If the Company's share capital should be reduced by redemption of shares with repayment to the shareholders, and the reduction is not compulsory (or where the Company should resolve on buy-back of shares), but, where in the Independent Financial Adviser's opinion, in view of its technical structure and financial effects, the reduction (or the buy-back) is equivalent to a reduction which is compulsory, the Conversion Price shall be adjusted by applying, to the extent possible, the provisions set forth above in this Condition 11 G.

Should the Company's B Shares not be listed, the adjusted Conversion Price shall be established by the Independent Financial Adviser in accordance with the principles set forth in this Condition 11 G. The adjustment shall be made on the basis that the value of the Convertible Bonds shall remain unchanged.

H Should the Company undertake any transaction or otherwise take any action or inaction including without limitation those stipulated in Conditions 11 A–E, G or I and if, in the Independent Financial Adviser's opinion, application of any relevant Conversion adjustment formula, taking into account the technical structure of such a transaction, action or inaction or for other reasons, may not take place or would not result in the Bondholders receiving financial compensation that is reasonable compared to the shareholders, the Independent Financial Adviser shall make the adjustment of the Conversion Price in such a manner that the Independent Financial Adviser determines is appropriate, in order to ensure that the result of the adjustment of the Conversion Price is reasonable.

I If the Company resolves to make a cash dividend to the shareholders of the Company such that the shareholders receive, combined with other such dividends paid during the same fiscal year, a total dividend exceeding SEK 10 per share (the "Fixed Amount"), an adjusted Conversion Price shall be applied, for Conversions requested at such a time that Shares thereby received do not carry rights to the receipt of such dividend in excess of the Fixed Amount. The adjustment shall be based upon the proportion of the total dividend that exceeds the Fixed Amount. The adjustment shall be made by the Independent Financial Adviser in accordance with the following formula:

$$\text{adjusted Conversion Price} = \frac{\text{previous Conversion Price} \times \text{current market price} - \text{dividend amount exceeding the Fixed Amount}}{\text{current market price}}$$

where current market price is the volume weighted average price paid of the B Shares on the trading day immediately prior to the day of which the Company resolves to make a dividend leading to the total dividend during such fiscal year exceeding the Fixed Amount.

The adjusted Conversion Price calculated and described above shall be set by the Independent Financial Adviser two (2) Business Days after the date when the Shares were listed excluding rights to the dividend and shall be applied in Conversions effected thereafter.

In the event of Conversion executed during the time the adjusted Conversion Price has been determined, the provisions of the last paragraph of Condition 11 C shall apply.

If the Company effects a bonus issue or a consolidation or a split of its Shares, as set forth in Condition 11 A and B, the Fixed Amount shall be adjusted accordingly by the Independent Financial Adviser in accordance with the formula set forth in Condition 11 A, in which case what is stated in Condition 11 A about previous Conversion Price shall be replaced by the Fixed Amount and adjusted Conversion Price shall be replaced by adjusted Fixed Amount.

J If a Change of Control would occur, then upon any exercise of Convertible Bonds where the date of Conversion falls during the Change of Control Notice Period, subject to the limits set forth in Condition 11 N, the Conversion Price (the “**Change of Control Conversion Price**”) shall be determined as set forth below:

$$\text{COCCP} = \text{OCP} / (1 + (\text{CP} \times c/t))$$

where:

COCCP = means the Change of Control Conversion Price

OCP = means the Conversion Price in effect on the relevant date of Conversion

CP = means [●] percent (expressed as fraction)

c = means the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date

t = means the number of days from and including April 25, 2012 to but excluding the Maturity Date,

provided however that the Change of Control Conversion Price may never be less than the quotient value (Sw. *kvotvärde*) of one share in the Company.

K In adjusting the Conversion Price as described above, the price shall be rounded off to a whole hundredth of a SEK (Sw. *heltal öre*), whereby SEK 0.005 shall be rounded upwards to 0.01 SEK.

L If it is decided that the Company is to enter into liquidation pursuant to Chapter 25 of the Swedish Companies Act, Conversion may not be requested thereafter, regardless of the grounds for the liquidation. The right to request Conversion ceases simultaneously with the decision to liquidate the Company, notwithstanding the fact that the decision may not have taken legal effect.

No later than four weeks prior to the general meeting of shareholders that determines whether the Company shall enter into voluntary liquidation, as provided in Chapter 25,

Section 1 of the Swedish Companies Act, the Bondholders shall be notified, as provided in Condition 20 below, of the proposed liquidation. The notice shall include a reminder that Conversion may not be requested after the meeting has passed a resolution on liquidation.

In the event that the Company provides notice of a proposed liquidation as provided above, the Bondholders shall request Conversion in such time that the conversion may be effected not later than on the tenth calendar day prior to the general meeting of shareholders at which the matter of the Company's liquidation is to be considered.

Should the right to request Conversion cease according to this Condition 11 L, it shall, however, re-enter into force if the liquidation lapses.

M In the event the Company is declared bankrupt no Conversion may be requested from that point onwards. If, however, the bankruptcy order is revoked, Conversion may again be requested in accordance with these terms and conditions.

N In the event a majority shareholder holding more than nine-tenths of the Shares in the Company would exercise its right pursuant to Chapter 22, Section 1 of the Swedish Companies Act to compulsory acquisition of outstanding Shares in the Company, such majority shareholder is, pursuant to Chapter 22, Section 26 of the Swedish Companies Act, also entitled to compulsory acquisition of any convertible instruments issued by the Company. The Bondholders are then entitled to be bought out by such majority shareholder, notwithstanding that the latter does not exercise the right to compulsory acquisition of Shares.

Where the majority shareholder has requested that a dispute regarding a compulsory acquisition be resolved by arbitrators pursuant to Chapter 22, Section 6 of the Swedish Companies Act, the Convertible Bonds may not be exercised for Conversion until the compulsory acquisition dispute has been decided through an award or a decision has become final. Where the period of time within which Conversion may take place expires prior thereto or within three (3) months thereafter, the Bondholders shall nevertheless be entitled to Conversion during a period of three (3) months after the decision becomes final.

O If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, and following consultation between the Company and an Independent Financial Adviser, a written opinion of such Independent Financial Adviser in respect thereof shall be conclusive and binding on the Company and the Bondholders, save in the case of manifest error.

Notice of any adjustments to the Conversion Price shall be given by the Company to the Bondholders in accordance with Condition 20 promptly after the determination thereof.

12 COVENANTS BY THE COMPANY

- (a) The Company undertakes to consult with the Independent Financial Adviser well in advance before the Company takes any such measures as are described in Condition 11 above.
- (b) The Company further undertakes not to take any measures described in Condition 11 above, if they would result in a recalculated Conversion Price being less than the quotient value (Sw. *kvotvärde*) of one Share in the Company.

13 PURCHASE

Subject to the requirements (if any) of NASDAQ OMX Stockholm or any other regulated market or recognized market place on which the Convertible Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Company or any of its Subsidiaries may at any time purchase any Convertible Bonds in the open market or otherwise at any price. Any Convertible Bonds purchased by the Company or a Subsidiary of the Company may be held, re-sold or reissued or, at the option of the relevant purchaser, cancelled.

14 TAXATION

All payments made by on or behalf of the Company in respect of the Convertible Bonds will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Sweden or any political subdivision or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by law.

In the event that any such withholding or deduction is required to be made, the Company will pay such additional amounts as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable had no such withholding or deduction been required, except that no such additional amount shall be payable in respect of interest on any Convertible Bond:

- a) to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Convertible Bond by reason of his having some connection with Sweden otherwise than merely by holding the Convertible Bond or by the receipt of amounts in respect of the Convertible Bond; or
- b) where such withholding or deduction is imposed on a payment to a holder and is required to be made pursuant to European Council Directive 2003/48/EC, including any amendments thereto, or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

References in these terms and conditions to principal and/or interest and/or any other amounts payable in respect of the Convertible Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition 14.

15 PRESCRIPTION

- (a) All rights to receive payment of principal shall lapse and become void ten (10) years from the Maturity Date. The right to receive payment of interest shall lapse and become void three (3) years after each relevant Interest Payment Date. Unclaimed interest amounts or principal amounts in respect of which rights to receive payments have lapsed shall revert to the Company.
- (b) In the event that the statute of limitations period should be interrupted, a new statute of limitation period of ten (10) years in respect of principals and three (3) years in respect of interest amounts will commence, in both cases, calculated as of

the day set forth in the relevant provisions of the Swedish Act on Statutes of Limitations (1981:130).

16 EVENTS OF DEFAULT

Upon occurrence of any of the events set forth in Condition 16.1-16.5 below (each an “**Event of Default**”), the Trustee, on behalf of the Bondholders, at its discretion may, and if so requested by Bondholders holding at least one-third in principal amount of the Convertible Bonds then outstanding or if so directed by an Extraordinary Resolution shall, terminate the Convertible Bonds in which case the entire unpaid principal amount of the Convertible Bonds plus all accrued and unpaid interest thereon shall all be immediately due and payable.

16.1 Non-payment

The Company fails to make timely payment of interest or any other amount on the Convertible Bonds, unless:

- i. its failure to pay is caused by administrative or technical error or any disruption to the payment, treasury or communications systems (internal or external) or to those financial markets which are, in each case, required to operate in order for such payment to be made, beyond the control of the Company; and
- ii. payment is made within ten (10) Business Days of its due date.

16.2 Breach of other obligations

The Company, in some respect other than that which is specified under Condition 16.1 fails to perform its obligations pursuant to these terms and conditions, or otherwise act in contravention of such terms and conditions, provided that the Trustee, on behalf of the Bondholders, has demanded that the Company rectify such situation and the Company has failed to do so within thirty (30) Business Days thereafter.

16.3 Cross default

- (a) Any Financial Indebtedness of any of the Material Group Members is (i) not paid when due (after the expiry of any originally applicable grace period) or (ii) is declared to be or otherwise becomes prematurely due and payable as a result of an event of default (however described).
- (b) No Event of Default will however occur under this Condition 16.3 if the amount of the relevant Financial Indebtedness is less than SEK 100,000,000 (or its equivalent in the relevant currency of payment).

16.4 Insolvency

Any of the Material Group Members is (or is deemed for the purpose of any applicable law to be) insolvent or unable to pay its debts as they fall due, suspends or publicly announces its intention to stop or suspend payment of all or a material part of (or of a particular type of) its debts, or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness or a moratorium is declared or comes into effect in respect of or affecting all or any substantial part of (or of a particular type of) the debts of the Company or any of the Material Group Members.

16.5 Creditor's process

Any expropriation, attachment, sequestration, distress or execution or any analogous process affects any asset or assets of a Material Group Member, having an aggregate value of at least SEK 100,000,000, and is not discharged within thirty (30) Business Days.

17 APPOINTMENT OF TRUSTEE ETC

- (a) The Trustee is appointed by the Bondholders to represent the Bondholders, without special authorisation from the Bondholders, in all matters relating to the Convertible Bonds. Any actions conducted by the Trustee hereunder or otherwise in relation to the Convertible Bonds shall be construed as the Trustee having acted on behalf of the Bondholders.

Each Bondholder shall upon request of the Trustee provide the Trustee with such documents, including a written power or attorney, which the Trustee deems necessary for the purposes of carrying out its duties under these terms and conditions, whether or not in court or before an executive authority (including any legal or arbitration proceeding relating to preservation, protection or enforcement of the Convertible Bonds). The Trustee is under no obligation to represent a Bondholder which does not comply with such request.

- (b) The Trustee shall on behalf of the Bondholders be entitled to agree with the Company's Board of Directors on amendments to these terms and conditions insofar as such changes are required by law, a decision by a court of law or a ruling by an authority, or if otherwise, in the opinion of the Trustee, it is appropriate or necessary for practical reasons and the Bondholders' rights are not in any material respect adversely affected.
- (c) The Trustee shall act independently in accordance with these terms and conditions and in accordance with the rules, regulations and generally accepted practices of the Swedish securities market, including inter alia relevant regulations of Euroclear. The Trustee has no obligation to monitor the Company's financial standing or its fulfilment of obligations and liabilities, other than as expressly set forth in these terms and conditions.
- (d) No Bondholder may on its own take any actions whatsoever against the Company in matters relating to the Convertible Bonds, unless the Trustee has been instructed by the Bondholders to take certain actions against the Company but refrains from taking such actions within reasonable time.
- (e) The Trustee shall as soon as possible forward information obtained by it hereunder to the Bondholders in accordance with Condition 20.
- (f) The Company shall be entitled to obtain information from the Company's CSD Register. By these terms and conditions, the Company also authorises the Trustee to at any time obtain information from the Company's CSD register directly from Euroclear.
- (g) The Company may, and in the event the Trustee is subject to bankruptcy or financial reconstruction shall, appoint a new Trustee which immediately shall replace the Trustee as Trustee in accordance with these terms and conditions. The Trustee may retire from its assignment according to these terms and conditions provided that a new Trustee is appointed by the Company to accede as new Trustee at the same time as the present Trustee retires. If the Company has not appointed a

new Trustee within ninety (90) days after the Trustee has given the Company notice of its resignation, the Trustee has the right to appoint a new Trustee. No resignation by the Trustee shall take effect until a new Trustee has been appointed. A new Trustee shall be a leading Swedish or international bank, securities institution or recognized agent. In the event a new Trustee is appointed notice shall be given by the Company to the Bondholders.

18 MEETING OF BONDHOLDERS

The Trustee shall be entitled to convene a meeting of Bondholders and shall do so following a written request from the Company or from Bondholders who, on the day of the request, represent not less than one-tenth of the principal amount of outstanding Convertible Bonds (“**Meeting of Bondholders**”). Notice to attend shall be sent to the Company and Bondholders not less than twenty (20) Business Days prior to the Meeting of Bondholders.

Notice to attend the Meeting of Bondholders shall state the time and place of the meeting as well as the agenda for the meeting. In the event that voting can take place by means of an electronic voting procedure, the notice shall clearly state the specific details therefor. In addition, the notice shall state the matters which are to be addressed and resolved upon at the meeting. The matters must be numbered. The primary content of each proposal presented must be stated. Only matters which are identified in the notice may be resolved upon at the Meeting of Bondholders. In the event that prior notification of intention to attend is necessary in order to entitle a Bondholder to participate at the Meeting of Bondholders, this must be clearly stated in the notice. A proxy form shall be appended to the notice.

The meeting shall commence with a chairman, keeper of the minutes, and persons to attest the minutes being designated by the Trustee unless the Meeting of Bondholders resolves otherwise.

In addition to Bondholders and their respective representatives and assistants, members of the Company’s Board of Directors, the managing director and other senior executives of the Company, the Company’s auditors and legal advisors, and the Trustee shall be entitled to participate at the Meeting of Bondholders. Representatives of Bondholders must present duly issued proxies which must be approved by the chairman.

The Trustee shall ensure that a printout of the CSD-register of Bondholders maintained by Euroclear as of the close of the fifth Business Day prior to the day of the Meeting of Bondholders is available at the meeting. The chairman shall prepare a list of Bondholders present who are entitled to vote, with information regarding the share of the principal amount of outstanding Convertible Bonds represented by each Bondholder (“**Voting Register**”). Bondholders who have voted via electronic voting procedures, ballots or the equivalent shall, upon application of this provision, be deemed present at the Meeting of Bondholders. Only those persons who were Bondholders or representatives of such Bondholders on the fifth Business Day prior to the date of the Meeting of Bondholders and who are included in the principal amount of outstanding Convertible Bonds at such time shall be entitled to vote and shall be included in the Voting Register. The Voting Register shall thereafter be approved by the Meeting of Bondholders.

Minutes of the Meeting of Bondholders shall be kept. The minutes shall be published at the Company’s website no later than ten (10) Business Days after the Meeting of Bondholders. New or amended terms and conditions shall be appended to the minutes and sent to Euroclear through the agency of the Trustee or another party designated by the Trustee. The minutes shall be stored in a secure manner by the Trustee.

The Meeting of Bondholders is quorate where Bondholders representing not less than one-fifth of the principal amount of outstanding Convertible Bonds are present at the Meeting of Bondholders.

However, for the following types of matters, attendance of Bondholders representing not less than one-half of the principal amount of outstanding Convertible Bonds at the Meeting of Bondholders is necessary (“**Extraordinary Resolution**”):

- a) approval of termination of the Convertible Bonds due to an Event of Default as set forth in Condition 16, or approval of an agreement with the Company or a third party regarding change of the Maturity Date, reduction of the Loan amount and change of the applicable Interest Payment Date or other interest terms and conditions; and
- b) approval of an amendment of this Condition 18.

If a Meeting of Bondholders is convened and the necessary share of the principal amount of outstanding Convertible Bonds represented by Bondholders necessary for the meeting to be quorate has not been reached, the meeting shall be adjourned until the day which falls one week later (or, if such day is a not a Business Day, the following Business Day). Notice that a Meeting of Bondholders has been adjourned and information regarding the time and place of the continued meeting shall be sent to the Bondholders as soon as possible by the Trustee. When an adjourned Meeting of Bondholders is resumed, the meeting shall be entitled to adopt resolutions, including Extraordinary Resolutions, if Bondholders representing not less than one-tenth of the principal amount of outstanding Convertible Bonds as per the printout of the register of Bondholders which was presented in accordance with the above stated (taking into consideration what is stated below regarding nominees) are present at the meeting. The resumed meeting shall commence with the preparation of a new voting register by the chairman (on the same principles as set forth above and based on the aforementioned printout of the register of Bondholders). Only Bondholders who are listed in such new voting register shall be entitled to vote at the meeting. A Meeting of Bondholders cannot be adjourned more than once.

Resolutions of the Meeting of Bondholders are adopted by means of a poll vote if any Bondholder so requests. Each Bondholder entitled to vote shall, in conjunction with voting, have one vote per each integral multiple of SEK 20 of Convertible Bonds which he holds.

Extraordinary Resolutions are valid only if they are supported by not less than three quarters of the votes cast. For all other resolutions, the position which receives more than half of the votes cast shall prevail.

Upon application of this Condition 18, holders of nominee-registered Convertible Bonds shall be regarded as Bondholders instead of the nominee if the holder presents a certificate from the nominee showing that as of the fifth Business Day prior to the Meeting of Bondholders, the person in question was the holder of a Convertible Bond and stating the size of such person's holding.

Resolutions adopted at a duly convened and executed Meeting of Bondholders are binding on all Bondholders. For the avoidance of doubt, no resolutions adopted at any Meeting of Bondholders regarding amendments of these terms and conditions shall per se bind the Company or the shareholders of the Company without the agreement of the Company's Board of Directors.

All reasonable expenses of the Trustee and Euroclear in conjunction with Meeting of Bondholders shall be defrayed by the Company.

A request to convene a Meeting of Bondholders shall be submitted to the Trustee at the address stated under definitions in Condition 1.

19 DISTRIBUTION OF FUNDS

If a payment in respect of interest and/or the principal of the Loan has become due for payment and should the sums paid by the Company not suffice for payment thereof, such sums shall – on a pro rata basis – be applied firstly in or towards payment of interest, and secondly, in or towards payment of the principal. Before payment of interest or the principal takes place, the Bondholders are entitled to payment from available funds of fees due, commissions, costs and other remunerations, for which the Company is liable in connection with this Loan.

20 NOTICES

Notices regarding the Convertible Bonds on behalf of the Bondholders shall be sent to the Trustee. The Trustee shall subsequently procure that such notices, to the extent relevant, as well as notices to attend a Meeting of Bondholders, are sent to each Bondholder under the addresses registered in the Company's CSD Register. In the event that the Convertible Bonds are listed on NASDAQ OMX Stockholm or another regulated market or recognized marketplace, notices shall also be given in accordance with such rules that may be applicable as a result hereof.

Notices to the Company shall be sent to the Company at the following address:

Elektä AB (publ)
Att: CFO
P.O. Box 7593
103 93 Stockholm
Sweden

21 NOMINEES

In respect of Convertible Bonds registered with authorized nominees in accordance with the Swedish Act on Account-keeping of Financial Instruments (1998:1479) the authorized nominee shall be deemed to be the Bondholder for the purpose of applying these terms and conditions (subject to the provisions about the voting rights of the Bondholders in Condition 18).

22 ISSUING AGENT AND INDEPENDENT FINANCIAL ADVISER

- (a) The Issuing Agent and the Independent Financial Adviser respectively, shall act independently in accordance with these terms and conditions and in accordance with the rules, regulations and generally accepted practices of the Swedish securities market, including inter alia relevant regulations of Euroclear.
- (b) The term "Issuing Agent" shall be deemed to include any other bank or investment bank or account-keeping institute which the Company appoints to act as Issuing Agent in accordance with these terms and conditions and applicable regulations.

23 CONFIDENTIALITY

The Company, the Issuing Agent, the Trustee, the Independent Financial Adviser and Euroclear must not without due authorisation, disclose to a third party information regarding a Bondholder.

24 LIMITATION OF LIABILITY

- (a) None of the Company, the Issuing Agent, the Trustee, the Independent Financial Adviser or Euroclear – in the case of Euroclear, subject to the provisions of the Swedish Act on Account-keeping of Financial Instruments (1998:1479) – shall be liable for loss or damage arising due to a Swedish or foreign legal decree, Swedish or foreign action by public authority, war, strike, blockade, boycott and lockout or any similar circumstances. This shall apply even if the Company, the Issuing Agent, the Trustee, the Independent Financial Adviser or Euroclear itself undertakes or is subject to such actions.
- (b) None of the Company, the Issuing Agent, the Independent Financial Adviser or Euroclear shall be obliged to indemnify any loss or damage that is incurred, provided that the Company, the Issuing Agent, the Independent Financial Adviser or Euroclear, as the case may be, have acted with normal care. The Trustee shall not be obliged to indemnify any loss or damage that is incurred, unless caused by the Trustee's gross negligence or wilful misconduct. The Issuing Agent, the Independent Financial Adviser and the Trustee shall under no circumstances be liable for indirect damages.
- (c) Should the Issuing Agent, the Trustee, the Independent Financial Adviser or Euroclear be prevented from making payment or taking other action due to circumstances that are described in paragraph (a), such action may be deferred until the hindrance has ceased. In case of a postponed payment, the Company shall pay interest at the rate applicable on the Maturity Date as specified in Condition 2(e).

25 APPLICABLE LAW AND SUBMISSION TO JURISDICTION

The laws of Sweden shall apply to the Convertible Bonds, these terms and conditions and related legal issues. All disputes concerning the Convertible Bonds and/or these terms and conditions shall be submitted to the jurisdiction of the Swedish courts where the court of first instance shall be the Stockholm District Court (or such other forum as may be approved in writing by the Company).

These terms and conditions have been drafted in a Swedish language version and an English language version. In case of any discrepancies between the versions, the Swedish language version shall prevail.
