

Supplement No. 2, SFSA diary number 18-11496, dated and registered 28 June 2018, to base prospectus SFSA diary number 17-15322, dated 27 October 2017.



## STABELO FUND 1 AB (publ)

### *SUPPLEMENT TO BASE PROSPECTUS FOR CONTINUOUS ISSUANCE OF PARTICIPATING DEBENTURES*

This supplement No. 2 (the “**Supplement**”) is a supplement to, and shall be read together with, the Stabelo Fund 1 AB (the “**Issuer**”) base prospectus dated 27 October 2017 (the “**Prospectus**”) and constitutes a supplement pursuant to Article 16 in directive 2003/71/EC, as amended from time to time. Terms defined in the Prospectus shall have the same meaning when used in this Supplement. In case of conflicts between this Supplement and the Prospectus or documents incorporated by reference into the Prospectus, this Supplement shall prevail. This Supplement, being a part of the Prospectus, is a supplement to the Prospectus and shall be read together with the Prospectus and any other supplements to the Prospectus.

This Supplement has been drawn up to reflect amendments made to the Terms and Conditions.

This Supplement was approved and registered by the SFSA on 28 June 2018 and has been issued pursuant to the provisions in Chapter 2 Section 34 of the Swedish Financial Instruments Trading Act (*lag (1991:980) om handel med finansiella instrument*).

### **SUPPLEMENTS TO THE PROSPECTUS**

#### **Terms and Conditions for Stabelo Fund 1 AB (publ) Participating Debentures**

In this Supplement, underlined text represents language added to the Terms and Conditions and strikethroughed text represents language deleted from the Terms and Conditions (except for (i) the underlined word “reduced” in the definition of Principal Proceeds, and (ii) the underlined words “reduced” and “increased” in Clause 8.3, which do not constitute amendments to the Terms and Conditions).

On the cover page, the wording “Originally dated 27 October 2017 and as amended and restated on 28 February 2018” is amended as follows:

“Originally dated 27 October 2017 and as amended and restated on 28 February 2018 and 28 June 2018”.

On page 1, the definition of AIFM Act is amended as follows:

““**AIFM Act**” means the Alternative Investment Fund Managers Act (~~lag (2013:561) om förvaltare av alternativa investeringsfonder~~).”

On page 1, the third paragraph of the definition of Capital Adjustment is amended as follows:

“PV = (i) in relation to Debentures to be issued pursuant to Clause 4 (*Issue of Debentures*), the Portfolio Value on the last day of the month in which they are issued, (ii) in relation to Debentures repaid pursuant to Clause 9.1 (*Ordinary repayment*), the Portfolio Value on the Repayment Date, (iii) in relation to Debentures repurchase pursuant to Clause 9.2 (*Voluntary repurchase at the request of a Debentureholder*), the Portfolio Value on the Prepayment Date and (iv) in relation to Debentures repaid pursuant Clause 14.4, the Portfolio Value when the Manager has sold a sufficient number of Mortgage Loans to generate the funds necessary to repay such Debentures.”

On page 2, the definition of Debenture Series is amended as follows:

“**“Debenture Series”** means a series of Debentures with the same ISIN number and the same Repayment Date, as specified in the applicable Final Terms. ~~Debentures under a~~ The number of Debenture Series may only be issued during the same any calendar year. During 2017 may vary, the Issuer shall issue Debentures under two Debenture Series and during 2018–2019 the Issuer may issue Debentures under up to three Debenture Series, but during each following calendar year, Debentures may only be issued under one Debenture Series in each calendar year as decided by the Issuer.”

On page 3, the definition of Equity Account is amended as follows:

“**“Equity Account”** means the Issuer’s separate bank account into which an amount of SEK 250,000 shall be paid on or before the First Issue Date and thereafter be held for as long as the Debentures are outstanding in accordance with Clause 13.4 (*Equity Account*). However, for the avoidance of doubt, after the First Issue Date, the Issuer may deposit an additional amount of no more than SEK 250,000 into the Equity Account. However, for the avoidance of doubt, after the First Issue Date, the Issuer may deposit an additional amount of no more than SEK 250,000 into the Equity Account.”

On page 3, the definition of Final Terms is amended as follows:

“**“Final Terms”** means the final terms applicable to a specific Debenture Series. The Final Terms shall, among other things, specify the ISIN number, the Issue Date, the Interest Payment Dates, the Repayment Date ~~and~~, the Issuing Agent and the discount on the Management Fee (if any) for the relevant Debenture Series, and such other amendments to these Terms and Conditions as shall apply to the relevant Debenture Series, with the prior approval of the Debentureholders in accordance with Clause 15.7(b). ~~In respect of the Debenture Series established for 2017–2019, the Final Terms shall also specify the applicable discount on the Management Fee.~~ The Final Terms shall constitute an integrated part of these Terms and Conditions.”

On page 3, the definition of Financial Instruments Accounts Act is amended as follows:

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

On page 4, the second paragraph of the definition of Management Fee is amended as follows:

“~~Except for Debentures issued under Subscription Undertakings entered into during 2017, the~~ The percentage rate used to calculate the Management Fee shall for each month be the rate *per annum* set out in the table below.”

On page 5, the last paragraph of the definition of Management Fee is amended as follows:

“~~For Debentures issued~~ The Issuer may under the first three Subscription Undertakings entered into during 2017, reduce the percentage rate in the table above ~~shall be reduced by 0.15%. For Debentures issued under the remaining Subscription Undertakings entered into during 2017, the percentage rate in the table above shall be reduced by 0.10%. This discount shall apply for the tenor of such Debentures, provided they are issued during 2017–2019.~~ Any such discount offered to a subscriber shall apply for the tenor of Debentures issued under such Subscription Undertaking, regardless of when such Debentures are issued.”

On page 6, the definition of Portfolio is amended as follows:

“**Portfolio**” means (i) the Mortgage Loans owned by the Issuer, and (ii) any unutilised funds, and (iii) any funds or assets which shall be, but have not yet been, repaid or otherwise funds on accounts not yet utilised or distributed to the Debentureholders pursuant to these Terms and Conditions, but excluding less (A) financial indebtedness incurred pursuant to item (ii) of Clause 13.3.1 and (B) any amount standing to the credit on the Equity Account. However, any amounts that shall be used to repay Debentures in accordance with Clause 9.1 (*Ordinary repayment*) shall be excluded after the Repayment Date.”

On page 6, the definition of Portfolio Value is amended as follows:

“**Portfolio Value**” the market value from time to time of the Portfolio, determined in accordance with the Valuation Policy, less (A) any Interest Compensation paid as part of the Issue Price for Debentures issued during the relevant Interest Period and (B) the aggregate Allocated Income for all calendar months in the relevant Interest Period.”

On page 6, the definition of Principal Proceeds is amended as follows:

“**Principal Proceeds**” means (i) any principal capital amount received by, or repaid or refunded to, the Issuer relating to a Mortgage Loan (by way of a divestment, payment in-kind, amortisation, conversion, acceleration or otherwise), (ii) interest received by the Issuer under a Mortgage Loan up to Initial Accruals in respect of such Mortgage Loan and (iii) an amount set aside as a Loss Reserve, reduced by an amount equal to a reduction of a Loss Reserve.”

On page 12, Clause 8.3 is amended as follows:

“~~After On or after the end last day~~ of each calendar month, the Issuer shall calculate the Net Income for such calendar month. The Ordinary Income for the calendar month shall be increased by any Loss Recoveries during such calendar month and shall be reduced by (i) the Sourcing and the Servicing Cost for the calendar month, (ii) any Net Losses incurred during such calendar month and (iii) any Loss Reserves made for such calendar month, and the net amount shall constitute the “**Net Income**” for the relevant calendar month.”

On page 17, Clause 12.2 (c) is amended as follows:

“if the Portfolio Value is less than the Total ~~Capital Value Base Amount~~ on the last day of the period, details about the discrepancy and an analysis of the reasons for the discrepancy.”

On page 20, Clause 14.4 is amended as follows:

“If Debentures are declared due and payable in accordance with Clause 14.1 or 14.2, the Repayment Price for such Debentures shall be based on the Portfolio Value at the time when the Manager has sold a sufficient number of Mortgage Loans to generate the funds necessary to repay such Debentures. Such Repayment Price shall be repaid together with accrued Interest in accordance with Clause 8 (*Interest*).”

On page 28, the Form for Final Terms, the wording in the upper row in the right column is amended as follows:

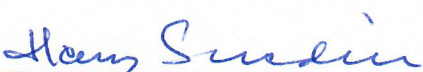
“The terms and conditions for participating debentures issued by Stabelo Fund 1 AB (publ), originally dated 27 October 2017 and as amended on 28 February 2018 and on 28 June 2018 [and [●]].”


We hereby certify that the above amendments to the Terms and Conditions are binding upon ourselves.

Place: Stockholm

Date: 2018-06-28

STABELO FUND 1 AB (publ)  
as Issuer

  
Name: Hans Schedin


  
Mats Nilsson

We hereby undertake to act in accordance with the above amendments to the Terms and Conditions to the extent they refer to us.

Place: Stockholm

Date: 2018-06-28

STABELO ASSET MANAGEMENT AB  
as Manager

  
Name: Hans Schedin

  
Mats Nilsson