

AGENCY AGREEMENT

THIS AGREEMENT is made on 26 June 2018

BETWEEN:

- (1) **AUTOLIV, INC.** (the **Issuer**);
- (2) **AUTOLIV ASP, INC.** (the **Guarantor**); and
- (3) **HSBC BANK PLC** in its capacity as fiscal and principal paying agent (in such capacity the **Fiscal Agent**, which expression shall include any successor fiscal agent appointed under clause 20).

WHEREAS:

- (A) The Issuer has agreed to issue EUR 500,000,000 0.750 per cent. Guaranteed Notes due 2023 (the **Notes**) which expression shall include, unless the context otherwise requires, any further Notes issued pursuant to Condition 14 (*Further Issues*) and forming a single series with the Notes.
- (B) The Notes will be issued in bearer form in the denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000 each with interest coupons (**Coupons**) attached. The Notes are intended to be held in a manner which would allow Eurosystem eligibility.
- (C) The Notes will initially be represented by a temporary Global Note (the **Temporary Global Note**) in or substantially in the form set out in Part 1 of Schedule 1 which will be exchanged in accordance with its terms for a permanent Global Note (the **Permanent Global Note** and, together with the Temporary Global Note, the **Global Notes**) in or substantially in the form set out in Part 2 of Schedule 1.
- (D) The definitive Notes and Coupons will be in or substantially in the respective forms set out in Part 1 of Schedule 2. The Conditions of the Notes (the **Conditions**) will be in or substantially in the form set out in Part 2 of Schedule 2.
- (E) The Notes will be issued with the benefit of a deed of covenant dated 26 June 2018 (as amended or supplemented from time to time) (the **Deed of Covenant**) entered into by the Issuer substantially in the form set out in Schedule 3.

(F) Payments in respect of the Notes will be unconditionally and irrevocably guaranteed by the Guarantor as provided in a guarantee (the **Guarantee**) entered into by the Guarantor substantially in the form set out in Schedule 4.

IT IS AGREED as follows:

1. Definitions and Interpretation

1.1 As used in this Agreement:

Agents means the Fiscal Agent and the other Paying Agents;

Auditors means the auditors for the time being of the Issuer or the Guarantor (as the case may be) or, in the event of their being unable or unwilling promptly to carry out any action requested of them as provided in this Agreement or the Conditions, such other leading firm of accountants as may be nominated or approved by the Issuer or the Guarantor (as the case may be);

Authorised Person means any person who is designated in writing by the Issuer from time to time to give Instructions to the Agents under the terms of this Agreement;

Authorised Signatory means any person who (i) is a Director or the Secretary of the Issuer or the Guarantor (as the case may be) or (ii) has been notified by the Issuer or the Guarantor (as the case may be) in writing to the Fiscal Agent as being duly authorised to sign documents and to do other acts and things on behalf of the Issuer or the Guarantor (as the case may be) for the purposes of this Agreement;

Basic Terms Modification means any proposal:

- (a) to change the date, or the method of determining the date, for payment of principal, interest or any other amount in respect of the Notes, to reduce or cancel the amount of principal, interest or any other amount payable on any date in respect of the Notes or to change the method of calculating the amount of principal, interest or any other amount payable in respect of the Notes on any date;
- (b) modifying any provision of the Guarantee;
- (c) to change the currency in which any amount due in respect of the Notes is payable;
- (d) to change the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or any other resolution of Noteholders or the number or percentage of votes required to be cast, or the number or percentage of Notes required to be held, in connection with the taking of any decision or action by or on behalf of the Noteholders or any of them;
- (e) to change this definition, the definition of "Extraordinary Resolution", the definition of

"outstanding" or the definition of "Written Resolution" in the Conditions or in this Agreement;

- (f) to change or waive the provisions of the Notes set out in Condition 4 (*Negative Pledge*);
- (g) to change the law governing the Notes, the courts to the jurisdiction of which the Issuer has been submitted in the Notes, the Issuer's obligation to maintain an agent for service of process in England, in respect of actions or proceedings brought by any Noteholder, set out in Condition 15 (*Governing Law and Submission to Jurisdiction*);
- (h) to approve any exchange or substitution of the Notes for, or the conversion of the Notes into, any other obligations or securities of the Issuer or any other person; or
- (i) in connection with any proposed exchange, substitution or conversion of the type referred to in subparagraph (h) to amend any of the provisions of the Notes describing circumstances in which Notes may be redeemed or declared due and payable prior to their scheduled maturity date;

Clearstream, Luxembourg means Clearstream Banking S.A.;

Euroclear means Euroclear Bank S.A./N.V.;

FATCA Withholding means any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement);

Instructions means any written notices, directions or instructions received by the Agents from an Authorised Person or from a person reasonably believed by the Agents to be an Authorised Person;

outstanding means in relation to the Notes all the Notes issued other than:

- (a) those Notes which have been redeemed pursuant to Condition 7 (*Redemption and Purchase*);
- (b) those Notes in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including premium (if any) and all interest payable thereon) have been duly paid to the Fiscal Agent in the manner provided in clause 4 (and, where appropriate, notice to that effect has been given to the Noteholders under Condition 12 (*Notices*)) and remain available for payment of the relevant Notes and/or Coupons;
- (c) those Notes which have been purchased and cancelled pursuant to Condition 7

(Redemption and Purchase);

- (d) those Notes in respect of which claims have become prescribed under Condition 9 *(Prescription)*;
- (e) those mutilated or defaced Notes which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 11 *(Replacement of Notes and Coupons)*;
- (f) (for the purpose only of ascertaining the principal amount of the Notes outstanding and without prejudice to the status for any other purpose of the relevant Notes) those Notes which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 11 *(Replacement of Notes and Coupons)*; and
- (g) the Temporary Global Note to the extent that it has been duly exchanged for the Permanent Global Note and the Permanent Global Note to the extent that it has been exchanged for the relative Notes in definitive form in each case pursuant to their respective provisions,

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the Noteholders or the right to sign or authorise the signature of any Written Resolution or passing any Extraordinary Resolution by way of electronic consents given through the relevant clearing systems; and
- (ii) Condition 13 *(Meetings of Noteholders and Modification)* and paragraphs 4, 7 and 9 of Schedule 6,

those Notes (if any) which are for the time being held by any person (including but not limited to, the Issuer, the Guarantor or any of its other Subsidiaries) for the benefit of the Issuer, the Guarantor or any of its other Subsidiaries shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

Put Notice means a notice substantially in the form set out in Schedule 5;

specified office of any Agent means the office specified in clause 22 or any other specified offices as may from time to time be duly notified pursuant to clause 22; and

1.2 (a) In this Agreement, unless the contrary intention appears, a reference to:

- (i) an **amendment** includes a supplement, restatement or novation and **amended** is to be construed accordingly;

- (ii) a **person** includes (i) any individual, company, unincorporated association, government, state agency, international organisation or other entity and (ii) its successors and assigns;
 - (iii) the **records** of Euroclear and Clearstream, Luxembourg shall be the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customer's interest in the Notes;
 - (iv) a provision of a law is a reference to that provision as extended, amended or re-enacted;
 - (v) a clause or schedule is a reference to a clause of, or a schedule to, this Agreement;
 - (vi) a document or any provision of a document is a reference to that document or provision as amended from time to time; and
 - (vii) a time of day is a reference to London time.
- (b) In this Agreement:
- (i) words denoting the singular shall include the plural and *vice versa*;
 - (ii) words denoting one gender only shall include the other gender; and
 - (iii) words denoting persons only shall include firms and corporations and *vice versa*.
- (c) Words and expressions defined in the Conditions and not otherwise defined in this Agreement shall have the same meanings when used in this Agreement.
- (d) The headings in this Agreement do not affect its interpretation.
- (e) All references in this Agreement to costs or charges or expenses shall include any value added tax or similar tax charged or chargeable in respect thereof.
- (f) References in this Agreement to principal, premium and/or interest shall include any additional amounts payable pursuant to Condition 8 (*Taxation*).

- (g) As used herein, in relation to any Notes which are to have a "listing" or be "listed" on Euronext Dublin, or any other Stock Exchange in a jurisdiction where admission to listing is approved and announced by a regulatory authority other than the Stock Exchange itself, **listing** and **listed** shall be construed to mean that such Notes have been admitted to the Official List and admitted to trading on the Global Exchange Market of Euronext Dublin (the **Market**) or the relevant list of such other regulatory authority and admitted to trading on such Stock Exchange's market for listed securities, respectively. The Market is not a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU).

- (h) All references in this Agreement to Euroclear and/or Clearstream, Luxembourg shall, wherever the context so admits, be deemed to include references to any additional or alternative clearing system in which the relevant Notes are from time to time accepted for clearance.

2. Appointment of Paying Agents

2.1 The Issuer and the Guarantor hereby appoint, on the terms and subject to the conditions of this Agreement, HSBC Bank plc as fiscal and principal paying agent, in each case acting at its specified office.
References herein to **Paying Agents** shall include the Fiscal Agent and any other paying agent appointed hereunder from time to time.

2.2 Each Agent accepts its appointment, and agrees to act, as agent of the Issuer and the Guarantor in relation to the Notes and agrees to comply with the terms of this Agreement. Each Agent further agrees to perform the duties specified for it in the Conditions. The obligations of the Agents are several and not joint.

2.3 The Fiscal Agent undertakes to the Issuer that it will, in connection with the issue of the Notes, perform the duties which are stated to be performed by it in Schedule 7. Each of the Paying Agents (other than the Fiscal Agent) agrees that if any information that is required by the Fiscal Agent to perform the duties set out in Schedule 7 becomes known to it, it will promptly provide such information to the Fiscal Agent.

2.4 The Issuer hereby authorises and instructs the Fiscal Agent to elect Euroclear as common safekeeper. The Issuer acknowledges that any such election is subject to the right of Euroclear and Clearstream, Luxembourg to jointly determine that the other shall act as common safekeeper and agrees that no liability shall attach to the Fiscal Agent in respect of any such election made by it.

3. Authentication, Effectuation and Delivery of Notes

- 3.1 The Issuer authorises and instructs the Fiscal Agent to (i) authenticate each of the Global Notes and any definitive Notes delivered pursuant to clause 3.4, (ii) transmit such Global Notes electronically to the common safekeeper and to give effectuation instructions in respect of the Global Notes following its authentication thereof and (iii) instruct Euroclear and Clearstream, Luxembourg to make the appropriate entries in their records to reflect the initial outstanding aggregate principal amount of the Notes. The Issuer further authorises and instructs the Fiscal Agent to destroy each Global Note retained by it following its receipt of confirmation from the common safekeeper that the relevant Global Note has been effectuated.
- 3.2 The Issuer authorises and instructs the Fiscal Agent to cause interests in the Temporary Global Note to be exchanged for interests in the Permanent Global Note and interests in a Global Note to be exchanged for definitive Notes in accordance with their respective terms. Following the exchange of the last interest in a Global Note, the Fiscal Agent shall cause the Global Note to be cancelled and delivered to the Issuer or as it may direct destroyed.
- 3.3 The Issuer undertakes that the Permanent Global Note (duly executed on behalf of the Issuer) will be available to be exchanged for interests in the Temporary Global Note in accordance with the terms of the Temporary Global Note.
- 3.4 If a Global Note is to be exchanged in accordance with its terms for definitive Notes, the Issuer undertakes that it will deliver to, or to the order of, the Fiscal Agent, as soon as reasonably practicable and in any event not later than 15 days before the relevant exchange is due to take place, definitive Notes (with Coupons attached) in an aggregate principal amount of EUR 500,000,000 or such lesser amount as is the principal amount of Notes represented by the Permanent Global Note to be issued in exchange for the Global Note. Each definitive Note and Coupon so delivered shall be duly executed on behalf of the Issuer.
- 3.5 The Fiscal Agent shall cause all Notes delivered to and held by it under this Agreement to be maintained in safe custody and shall ensure that interests in the Temporary Global Note are only exchanged for interests in the Permanent Global Note in accordance with the terms of the Temporary Global Note and this Agreement and that the definitive Notes are issued only in accordance with the terms of a Global Note and this Agreement.
- 3.6 So long as any of the Notes is outstanding the Fiscal Agent shall, within seven days of any request by the Issuer, certify to the Issuer the number of definitive Notes held by it under this Agreement.

4. Payment to the Fiscal Agent

- 4.1 The Issuer or, failing the Issuer, the Guarantor shall, by no later than 10.00 a.m. (London time) on the day on which any payment of principal, premium and/or interest in respect of any of the Notes becomes due under the Conditions, transfer to an account specified by the Fiscal Agent such

amount of EUR as shall be sufficient for the purposes of such payment of principal, premium and/or interest in immediately available funds.

- 4.2 The Issuer or, as the case may be, the Guarantor shall ensure that, before 10.00 a.m. (London time) on the second Business Day prior to each day on which any payment is to be made to the Fiscal Agent under clause 4.1, the Fiscal Agent shall receive a copy of an irrevocable payment instruction to the bank through which the payment is to be made. For the purposes of this clause 4.2, **Business Day** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business in the United States of America and United Kingdom.
- 4.3 Subject to the Fiscal Agent being satisfied in its sole discretion that payment will be duly made as provided in clause 4.1, the Fiscal Agent or the relevant Paying Agent shall pay or cause to be paid all amounts due in respect of the Notes on behalf of the Issuer in the manner provided in the Conditions. If any payment provided for in clause 4.1 is made late but otherwise in accordance with the provisions of this Agreement, the Fiscal Agent and each Paying Agent shall nevertheless make payments in respect of the Notes as aforesaid following receipt by it of such payment.
- 4.4 Notwithstanding any other provision of this Agreement, each Paying Agent shall be entitled to make a withholding or deduction from any payment which it makes under the Notes for or on account of any Tax, if and only to the extent so required by Applicable Law, in which event such Paying Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant Authority within the time allowed for the amount so withheld or deducted or, at its option, shall reasonably promptly after making such payment return to the Issuer the amount so deducted or withheld, in which case, the Issuer shall so account to the relevant Authority for such amount. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by Applicable Law for the purposes of this clause 4. In this clause 4.4 and clauses 4.5 and 18.11, **Applicable Law** means any law or regulation, **Authority** means any competent regulatory, prosecuting, Tax or governmental authority in any jurisdiction and **Tax** means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Authority having power to tax.
- 4.5 In the event that the Issuer determines in its sole discretion that any deduction or withholding for or on account of any Tax will be required by Applicable Law in connection with any payment due to any Paying Agent on the Notes, then the Issuer will be entitled to redirect or reorganise any such payment in any way that it sees fit in order that the payment may be made without such deduction or withholding provided that any such redirected or reorganised payment is made through a recognised institution of international standing and such payment is otherwise made in accordance with this Agreement. The Issuer will promptly notify the Fiscal Agent of any such redirection or reorganisation. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by Applicable Law for the purposes of this clause 4.5. If for any reason the Fiscal Agent considers in its sole discretion that the amounts to be received by the Fiscal Agent pursuant to clause 4.1 will be, or the amounts actually received by it pursuant thereto are,

insufficient to satisfy all claims in respect of all payments then falling due in respect of the Notes, the Fiscal Agent shall then forthwith notify the Issuer and the Guarantor of such insufficiency and, until such time as the Fiscal Agent has received the full amount of all such payments, neither the Fiscal Agent nor any Paying Agent shall be obliged to pay any such claims.

- 4.6 For the avoidance of doubt, the Paying Agents shall not have any obligation to make any payment of principal, premium or interest in respect of the Notes to the Noteholders until the Fiscal Agent has been put in funds by the Issuer.

5. Notification of Non Receipt of Payment

The Fiscal Agent shall notify each of the other Paying Agents, and the Issuer and the Guarantor forthwith:

- (a) if it has not by the relevant date specified in clause 4.1 received unconditionally the full amount in Euro required for the payment; and
- (b) if it receives unconditionally the full amount of any sum payable in respect of the Notes or Coupons after such date.

The Fiscal Agent shall, at the request and expense of the Issuer or the Guarantor, forthwith upon receipt of any amount as described in subparagraph (b), cause notice of that receipt to be published under Condition 12 (*Notices*).

6. Duties of the Paying Agents

- 6.1 Subject to the payments to the Fiscal Agent provided for by clause 4 being duly made, the Paying Agents shall act as paying agents of the Issuer and the Guarantor in respect of the Notes and pay or cause to be paid on behalf of the Issuer and/or the Guarantor, on and after each date on which any payment becomes due and payable, any principal, premium (if any) and/or interest then payable under the Conditions and this Agreement.
- 6.2 If default is made by the Issuer and the Guarantor in respect of any payment, then unless and until the full amount of the relevant payment has been made in accordance with the provisions of this Agreement (except as to the time of making the same) or other arrangements satisfactory to the Fiscal Agent have been made, neither the Fiscal Agent nor any of the other Paying Agents shall be bound to act as paying agents.
- 6.3 Without prejudice to clauses 6.1 and 6.2, if the Fiscal Agent pays any amounts to the holders of Notes or Coupons or to any other Paying Agent at a time when it has not received payment in full in respect of the Notes in accordance with clause 4.1 (the excess of the amounts so paid over the amounts so received being the **Shortfall**), the Issuer (failing which the Guarantor) will, in addition to paying amounts due under clause 4.1, pay to the Fiscal Agent on demand interest (at a

rate which represents the Fiscal Agent's cost of funding the Shortfall) on the Shortfall (or the unreimbursed portion thereof) until the receipt in full by the Fiscal Agent of the Shortfall.

6.4 Whilst any Notes are represented by a Global Note, all payments due in respect of the Notes shall be made to, or to the order of, the holder of the Global Note, subject to and in accordance with the provisions of the Global Note. On the occasion of each payment, the Fiscal Agent shall instruct Euroclear and Clearstream, Luxembourg to make the appropriate entries in their records to reflect such payment.

6.5 If on presentation of a Note or Coupon the amount payable in respect of the Note or Coupon is not paid in full (otherwise than as a result of withholding or deduction for or on account of any Taxes as permitted by the Conditions) the Fiscal Agent shall instruct Euroclear and Clearstream, Luxembourg to make the appropriate entries in their records to reflect such shortfall in payment.

7. Reimbursement of the Paying Agents

7.1 If a Paying Agent other than the Fiscal Agent makes any payment in accordance with this Agreement:

- (a) it shall notify the Fiscal Agent of the amount so paid by it and the serial number and outstanding amount of each Note in relation to which such payment was made; and
- (b) the Fiscal Agent shall pay to such Paying Agent out of the funds received by it under clause 4 by wire transfer in euros and in same day, freely transferable, cleared funds to such account with such bank as such Paying Agent has by notice to the Fiscal Agent specified for the purpose, an amount equal to the amount so paid by such Paying Agent.

7.2 If the Fiscal Agent makes any payment in accordance with this Agreement, it shall be entitled to appropriate for its own account out of the funds received by it under clause 4 an amount equal to the amount so paid by it.

8. Notice of any Withholding or Deduction

8.1 If the Issuer or the Guarantor is, in respect of any payment in respect of the Notes, compelled to withhold or deduct any amount for or on account of any Taxes as contemplated by Condition 8 (*Taxation*), the Issuer or, as the case may be, the Guarantor shall give notice to the Fiscal Agent as soon as it becomes aware of the requirement to make the withholding or deduction and shall give to the Fiscal Agent such information as the Fiscal Agent shall require to enable it to comply with the requirement.

- 8.2 Without prejudice to clause 8.1, the Issuer or the Guarantor shall notify the Fiscal Agent in the event that it determines that any payment to be made by any Paying Agent under the Notes is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated, provided, however, that the Issuer's obligation under this clause 8 shall apply only to the extent that such payments are so treated by virtue of characteristics of the Issuer, the Notes, or both.

9. Duties of the Fiscal Agent in connection with Optional Redemption and Redemption for Taxation Reasons

- 9.1 If the Issuer decides to redeem all of the Notes for the time being outstanding under Condition 7.2 (*Redemption for Taxation Reasons*), it shall give notice of the decision and of the principal amount of Notes which it has decided to redeem to the Fiscal Agent at least 15 days before the giving of the notice to Noteholders in accordance with Condition 12 (*Notices*).
- 9.2 If the Issuer decides to redeem all or some only of the Notes for the time being outstanding under Condition 7.3 (*Redemption at the Option of the Issuer*) or Condition 7.5 (*Redemption at the Option of the Holders*), it shall give notice of the decision and of the principal amount of Notes which it has decided to redeem to the Fiscal Agent at least 15 days before the giving of the notice to Noteholders in accordance with Condition 12 (*Notices*).
- 9.3 If the Issuer decides to redeem all of the Notes for the time being outstanding under Condition 7.5 (*Redemption at the Option of the Holders*), it shall give notice of the decision and of the principal amount of Notes which it has decided to redeem to the Fiscal Agent at least 15 days before the giving of the notice to Noteholders in accordance with Condition 12 (*Notices*).
- 9.4 Each Paying Agent will keep a stock of Put Notices and will make them available on demand to holders of definitive Notes, the Conditions of which provide for redemption at the option of Noteholders. Upon receipt of any Note deposited in the exercise of a put option in accordance with the Conditions, the Paying Agent with which the Note is deposited shall hold the Note (together with any Coupons relating to it deposited with it) on behalf of the depositing Noteholder (but shall not, save as provided below, release it) until the due date for redemption of the relevant Note consequent upon the exercise of the option, when, subject as provided below, it shall present the Note (and any such unmaturing Coupons) to itself for payment of the amount due together with any interest due on the date of redemption in accordance with the Conditions and shall pay those moneys in accordance with the directions of the Noteholder contained in the relevant Put Notice. If, prior to the due date for its redemption, an Event of Default has occurred and is continuing or the Note becomes immediately due and repayable or if upon due presentation payment of the redemption moneys is improperly withheld or refused, the Paying Agent concerned shall post the Note (together with any such Coupons) by uninsured post to, and at the risk of, the relevant Noteholder (unless the Noteholder has otherwise requested and paid the costs of insurance to the relevant Paying Agent at the time of depositing the Notes) at the address given by the Noteholder in the relevant Put Notice. At the end of each period for

the exercise of any put option, each Paying Agent shall promptly notify the Fiscal Agent of the principal amount of the Notes in respect of which the option has been exercised with it together with their serial numbers and the Fiscal Agent shall promptly notify those details to the Issuer and the Guarantor.

9.5 The Fiscal Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records in respect of all Notes redeemed by the Issuer to reflect such redemptions.

10. Publication and Receipt of Notices

10.1 On behalf of and at the written request and expense of the Issuer (failing which the Guarantor), the Fiscal Agent shall cause to be published all notices required to be given by the Issuer and/or the Guarantor under the Conditions.

10.2 The Fiscal Agent, on receipt of a notice or other communication received on behalf of the Issuer or the Guarantor, shall as soon as reasonably practicable forward a copy to the Issuer and the Guarantor.

11. Cancellation of Notes and Coupons

11.1 All Notes which are redeemed, all definitive Notes which are surrendered in connection with redemption (together with all unmatured Coupons attached to or delivered with Notes), all Coupons which are paid and all Global Notes which are exchanged in full (in accordance with the provisions of clause 3.2) will be cancelled by the Paying Agent by or to which they are redeemed, surrendered, paid or exchanged. Each of the Paying Agents shall give to the Fiscal Agent details of all payments made by it and shall deliver all cancelled Notes and Coupons to the Fiscal Agent (or as the Fiscal Agent may specify). Where Notes are purchased by or on behalf of the Issuer or the Guarantor, the Issuer or, as the case may be, the Guarantor, will promptly notify the Fiscal Agent in writing of all Notes it has purchased.

11.2 The Fiscal Agent or its authorised agent shall (unless otherwise instructed by the Issuer in writing and save as provided in clause 13.1) destroy all cancelled Notes and Coupons and, upon written request, shall furnish the Issuer and the Guarantor with a certificate of destruction containing written particulars of the serial numbers of the Notes and the number by maturity date of Coupons so destroyed.

11.3 The Principal Paying Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records in respect of all Notes which are cancelled.

12. Issue of Replacement Notes and Coupons

12.1 The Issuer shall cause a sufficient quantity of additional forms of Notes and Coupons to be

available, upon request, to the Fiscal Agent at its specified office for the purpose of issuing replacement Notes or Coupons as provided below.

- 12.2 The Fiscal Agent shall, subject to and in accordance with Condition 11 (*Replacement of Notes and Coupons*) and the following provisions of this clause, cause to be delivered any replacement Notes or Coupons which the Issuer may determine to issue in place of Notes or Coupons which have been lost, stolen, mutilated, defaced or destroyed.
- 12.3 In the case of a mutilated or defaced Note, the Fiscal Agent shall ensure that (unless otherwise covered by such indemnity as the Issuer may require) any replacement Note only has attached to it Coupons corresponding to those attached to the mutilated or defaced Note which is presented for replacement.
- 12.4 The Fiscal Agent shall obtain verification, in the case of an allegedly lost, stolen or destroyed Note, or Coupon in respect of which the serial number is known, that the Note or Coupon has not previously been redeemed or paid. The Fiscal Agent shall not issue a replacement Note or Coupon unless and until the applicant has:
 - (a) paid such expenses and costs as may be incurred in connection with the replacement;
 - (b) furnished it with such evidence and indemnity as the Issuer may reasonably require; and
 - (c) in the case of a mutilated or defaced Note or Coupon, surrendered it to the Fiscal Agent.
- 12.5 The Fiscal Agent shall cancel mutilated or defaced Notes or Coupons in respect of which replacement Notes or Coupons have been issued pursuant to this clause. The Fiscal Agent shall, unless otherwise requested by the Issuer or the Guarantor, destroy all those Notes and Coupons and shall furnish the Issuer and the Guarantor with a destruction certificate containing the information specified in clause 11.2.
- 12.6 The Fiscal Agent shall, on issuing any replacement Note or Coupon, forthwith inform the Issuer and the other Paying Agents of the serial number of the replacement Note or Coupon issued and (if known) of the serial number of the Note or Coupon in place of which the replacement Note or Coupon has been issued. Whenever replacement Coupons are issued under this clause, the Fiscal Agent shall also notify the other Paying Agents of the maturity dates of the lost, stolen, mutilated, defaced or destroyed Coupons and of the replacement Coupons issued.
- 12.7 Whenever a Note or Coupon for which a replacement Note or Coupon has been issued and the serial number of which is known is presented to a Paying Agent for payment, the relevant Paying Agent shall immediately send notice to the Issuer and (if it is not itself the Fiscal Agent) the other Paying Agents and shall not be obliged to make any payment in respect of such Note or Coupon.

13. Records and Certificates

- 13.1 The Fiscal Agent shall in respect of the Coupons of each maturity, retain until the expiry of ten years from the Relevant Date (as defined in the Conditions) in respect of the Coupons either (i) all paid Coupons of that maturity or (ii) a list of the serial numbers of Coupons of that maturity still remaining unpaid and unexchanged.
- 13.2 The Fiscal Agent shall (i) keep full and complete records of (such records to be made available to the Issuer and the Guarantor at all reasonable times), and (ii) upon written request give to the Issuer and the Guarantor, as soon as possible and in any event within four months after the date of redemption, purchase, payment or replacement of a Note or Coupon (as the case may be), a certificate stating (as applicable):
- (a) the aggregate principal amount of Notes which have been redeemed and the aggregate amount in respect of Coupons which have been paid;
 - (b) the serial numbers of those Notes in definitive form (other than serial numbers of Coupons);
 - (c) the total number by maturity date of those Coupons;
 - (d) the aggregate principal amounts of Notes (if any) which have been purchased by or on behalf of the Issuer, the Guarantor or any of its/the Guarantor's other Subsidiaries and cancelled (subject to delivery of the Notes to the Fiscal Agent in accordance with clause 11.1 above) and the serial numbers of such Notes in definitive form and the total number by maturity date of the Coupons attached to or exchanged or surrendered with the purchased Notes,
 - (e) the aggregate principal amounts of Notes and the aggregate amounts in respect of Coupons which have been surrendered or exchanged and replaced and the serial numbers of those Notes in definitive form and the total number by maturity date of those Coupons surrendered therewith and
 - (f) the total number by maturity date of unmaturing Coupons missing from Notes which have been redeemed or surrendered and replaced and the serial numbers of the Notes in definitive form to which the missing unmaturing Coupons appertain.

14. Copies of Documents Available for Inspection

14.1 The Guarantee shall be deposited with the Fiscal Agent and shall be held in safe custody by the Fiscal Agent on behalf of the Noteholders and Couponholders.

14.2 The Paying Agents shall hold copies of all documents required to be so available by the Conditions or the rules of any relevant stock exchange (or any other relevant authority) and shall make such copies available for inspection by Noteholders at its specified office during normal business hours. For this purpose, the Issuer and/or the Guarantor shall furnish each Paying Agent with sufficient copies of each of the relevant documents.

15. Commissions and Expenses

15.1 The Issuer or, failing the Issuer, the Guarantor shall pay to the Fiscal Agent such fees and commissions in respect of the services of the Paying Agents under this Agreement as shall be agreed between the Issuer, the Guarantor and the Fiscal Agent. The Issuer and the Guarantor shall not be concerned with the apportionment of such fees and commissions among the Paying Agents.

15.2 The Issuer (and failing the Issuer, the Guarantor) shall pay to the Fiscal Agent an amount equal to any value added tax which may be payable in respect of the fees and commissions together with all reasonable expenses incurred by the Paying Agents in connection with their services under this Agreement.

15.3 The Fiscal Agent shall arrange for the payment of the fees and commissions due to the other Agents and arrange for the reimbursement of their expenses promptly after the receipt of the relevant moneys from the Issuer or the Guarantor (as the case may be). Neither the Issuer nor the Guarantor shall be responsible for any payment or reimbursement by the Fiscal Agent to the other Paying Agents.

15.4 The fees, commissions and expenses payable to the Fiscal Agent for services rendered and the performance of its obligations under this Agreement shall not be abated by any remuneration or other amounts or profits receivable by the Agent (or to its knowledge by any of its associates) in connection with any transaction effected by the Fiscal Agent with or for the Issuer.

16. Indemnity

16.1 The Issuer shall indemnify (and failing the Issuer so indemnifying, the Guarantor agrees to indemnify) each of the Paying Agents against any losses, liabilities, costs, claims, actions, demands or expenses (together, **Losses**) (including, but not limited to, all reasonable costs, legal fees, charges and expenses (together, **Expenses**) paid or incurred in defending or disputing any Losses) which it may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers and duties under this Agreement except for any Losses or Expenses resulting from its own negligence, wilful default or fraud or that of its

directors, officers or employees or the breach by it of the terms of this Agreement.

- 16.2 The Paying Agents shall indemnify each of the Issuer and the Guarantor against any Losses (including Expenses) paid or incurred in defending or disputing any Losses which it may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers and duties under this Agreement to the extent that any Losses or Expenses result directly from its own negligence, wilful default or fraud or that of its directors, officers or employees or the breach by it of the terms of this Agreement.
- 16.3 The Fiscal Agent will only be liable to the Issuer or the Guarantor for losses, liabilities, costs, expenses and demands arising directly from the performance of its obligations under this Agreement suffered by or occasioned to the Issuer (**Liabilities**) to the extent that the Fiscal Agent has been negligent, fraudulent or in wilful default in respect of its obligations under this Agreement. The Fiscal Agent shall not otherwise be liable or responsible for any Liabilities or inconvenience which may result from anything done or omitted to be done by it in connection with this Agreement. For the avoidance of doubt the failure of the Fiscal Agent to make a claim for payment of interest and principal on the Issuer, or to inform any other paying agent or clearing system of a failure on the part of the Issuer to meet any such claim or to make a payment by the stipulated date, shall not be deemed to constitute negligence, fraud or wilful default on the part of the Fiscal Agent.
- 16.4 The indemnities set out in this clause 16 shall survive any termination or expiry of this Agreement.
- 16.5 Liabilities arising under clause 16.3 shall be limited to the amount of the Issuer's and/or the Guarantor's actual loss. Such actual loss shall be determined (i) as at the date of default of the Fiscal Agent or, if later, the date on which the loss arises as a result of such default and (ii) without reference to any special conditions or circumstances known to the Fiscal Agent at the time of entering into the Agreement, or at the time of accepting any relevant instructions, which increase the amount of the loss. Under no circumstances will the Paying Agents be liable to the Issuer, the Guarantor or any other party to this Agreement for any special, punitive, indirect or consequential loss or damage of any kind whatsoever (including, without limitation, loss of profit), whether or not foreseeable, even if advised of the possibility of such loss or damage.
- 16.6 The liability of the Fiscal Agent under clause 16.3 will not extend to any Liabilities arising through any acts, events or circumstances not reasonably within its control, or resulting from the general risks of investment in or the holding of assets in any jurisdiction, including, but not limited to, Liabilities arising from: nationalisation, expropriation or other governmental actions; any law, order or regulation of a governmental, supranational or regulatory body; regulation of the banking or securities industry including changes in market rules or practice, currency restrictions, devaluations or fluctuations; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; and strikes or industrial action.

17. Repayment by Fiscal Agent

Sums paid by or by arrangement with the Issuer or the Guarantor to the Fiscal Agent pursuant to the terms of this Agreement shall not be required to be repaid to the Issuer or as the case may be, the Guarantor unless and until any Note or Coupon becomes void under the provisions of Condition 9 (*Prescription*) but in that event the Fiscal Agent shall forthwith repay to the Issuer or, as the case may be, the Guarantor sums equivalent to the amounts paid by the Issuer or, as the case may be, the Guarantor to the Fiscal Agent and not disbursed by virtue of the Notes becoming void.

18. Conditions of Appointment

- 18.1 Save as provided in clause 18.3, the Fiscal Agent shall be entitled to deal with money paid to it by the Issuer or the Guarantor for the purposes of this Agreement in the same manner as other money paid to a bank by its customers and shall not be liable to account to the Issuer or the Guarantor for any interest or other amounts in respect of such money. No money held by any Paying Agent need be segregated except as required by law.
- 18.2 In acting under this Agreement and in connection with the Notes and the Coupons the Paying Agents shall act solely as agents of the Issuer and the Guarantor and will not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or the Couponholders.
- 18.3 No Paying Agent shall exercise any right of set-off or lien against the Issuer, the Guarantor or any holders of Notes or Coupons in respect of any moneys payable to or by it under the terms of this Agreement.
- 18.4 Except as otherwise required by law, each of the Paying Agents shall be entitled to treat the holder of any Note or Coupon as the absolute owner for all purposes (whether or not any payment in respect of the relevant Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon) and shall not be required to obtain any proof thereof as to the identity of such bearer.
- 18.5 The Paying Agents shall be obliged to perform such duties and only such duties as are set out in this Agreement and the Notes and no implied duties or obligations (including without limitation duties or obligations of a fiduciary or equitable nature) shall be read into this Agreement or the Notes against the Paying Agents other than the duty to act honestly and in good faith.
- 18.6 Each of the Paying Agents may consult with any expert or legal, financial and other professional advisers and the opinion of such advisers shall be full and complete protection in respect of any action taken, omitted or suffered under this Agreement in good faith and in accordance with the opinion of such advisers.
- 18.7 Each of the Paying Agents shall be protected and shall incur no liability for or in respect of any

action taken, omitted or suffered in reliance upon any instruction, request or order from the Issuer or the Guarantor or any document which it reasonably believes to be genuine and to have been delivered, signed or sent by the proper party or parties or upon written instructions from the Issuer or the Guarantor.

- 18.8 Any of the Paying Agents, their officers, directors or employees may become the owner of, or acquire any interest in, Notes or Coupons with the same rights that it or he would have if the Paying Agent concerned were not appointed under this Agreement, and may engage or be interested in any financial or other transaction with the Issuer or the Guarantor, and may act on, or as depositary, trustee or agent for, any committee or body of holders of the Notes or Coupons or other obligations of the Issuer or the Guarantor, as freely as if such Paying Agent were not appointed under this Agreement, without regard to the interests of the Issuer or the Guarantor and shall be entitled to retain and shall not in any way be liable to account for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.
- 18.9 None of the Paying Agents shall be under any obligation to take any action under this Agreement (i) which may be illegal or contrary to applicable law or regulation, or the rules, operating procedures or market practice of any relevant stock exchange or other market or clearing system or (ii) which it expects will result in any expense, loss, charge or liability accruing to it, the payment of which or adequate indemnity against which within a reasonable time is not, in its opinion, assured to it.
- 18.10 None of the Agents shall have any obligation or duty (i) to monitor or inquire as to the performance of the Issuer of its obligations under the Notes, this Agreement or any other relevant documents or (ii) to determine or take any steps to ascertain whether any relevant event under the Notes has occurred.
- 18.11 Each party to this Agreement shall, within ten business days of a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations, or the Notes as that other party reasonably requests for the purposes of that other party's compliance with Applicable Law and shall notify the relevant other party reasonably promptly in the event that it becomes aware that any of the forms, documentation or other information provided by such party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this clause 18.11 to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a) Applicable Law; (b) fiduciary duty; or (c) duty of confidentiality. For the purposes of this clause 18.11, **Applicable Law** shall be deemed to include (i) any rule or practice of any Authority by which any party to this Agreement is bound or with which it is accustomed to comply; (ii) any agreement between any Authorities; and (iii) any agreement between any Authority and any party to this Agreement that is customarily entered into by institutions of a similar nature. Applicable Law and Authority shall have the meanings set out in clause 4.5 above.

- 18.12 Nothing in this Agreement shall require the Fiscal Agent to assume an obligation of the Issuer arising under any provision of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other competent authority besides the FCA or PRA).
- 18.13 The Fiscal Agent is authorised by the PRA and regulated by the FCA and PRA. Nothing in this Agreement shall require the Fiscal Agent to carry on an activity of the kind specified by any provision of Part II (other than article 5 (accepting deposits)) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, or to lend money to the Issuer.
- 18.14 The Fiscal Agent shall not be responsible to anyone with respect to the legality of this Agreement or the validity or legality of the Notes or Coupons.
- 18.15 In the case of any default by the Issuer or the Guarantor, the Fiscal Agent shall have no duty or responsibility in the performance of the Issuer's obligations under the Conditions.

19. Communication with Paying Agents

A copy of all communications relating to the subject matter of this Agreement between the Issuer or the Guarantor and any of the Paying Agents other than the Fiscal Agent shall be sent to the Fiscal Agent.

20. Termination of Appointment

- 20.1 The Issuer and the Guarantor may terminate the appointment of any Paying Agent at any time and/or appoint additional or other Paying Agents by giving to the Paying Agent whose appointment is concerned and, where appropriate, the Fiscal Agent at least 45 days' prior written notice to that effect, provided that, so long as any of the Notes is outstanding:
- (a) in the case of a Paying Agent, the notice shall not expire less than 45 days before any due date for the payment of interest; and
 - (b) notice shall be given under Condition 12 (*Notices*) at least 30 days before the removal or appointment of a Paying Agent.
- 20.2 The termination of the appointment of a Paying Agent under this Agreement shall not entitle the Paying Agent to any amount by way of compensation but shall be without prejudice to any amount then accrued due.
- 20.3 All or any of the Paying Agents may resign their respective appointments under this Agreement at any time by giving to the Issuer, the Guarantor and, where appropriate, the Fiscal Agent at least

90 days' prior written notice to that effect provided that, in the case of a Paying Agent, so long as any of the Notes is outstanding and in definitive form, the notice shall not expire less than 45 days before any Interest Payment Date. Following receipt of a notice of resignation from a Paying Agent, the Issuer shall promptly, and in any event not less than 30 days before the resignation takes effect, give notice of such resignation to the Noteholders under Condition 12 (*Notices*). If the Fiscal Agent resigns or is removed pursuant to clauses 20.1 or 1.1 above or in accordance with this clause 20.3, the Issuer and the Guarantor shall promptly and in any event within 30 days appoint a successor (being a leading bank acting through its office in London). If the Issuer and the Guarantor fail to appoint a successor within such period, the Fiscal Agent shall be entitled, on behalf of the Issuer and the Guarantor, to appoint in its place as a successor Fiscal Agent a reputable financial institution of good standing which the Issuer and the Guarantor shall approve.

20.4 Notwithstanding the provisions of clauses 20.1, 20.2 and 20.3, so long as any of the Notes is outstanding, the termination of the appointment of a Paying Agent (whether by the Issuer and the Guarantor or by the resignation of the Paying Agent) shall not be effective unless upon the expiry of the relevant notice there is:

(a) a Fiscal Agent;

(b) a Paying Agent (which may be the Fiscal Agent) having its specified office in the place (if any) required by the rules and regulations of the relevant Stock Exchange or any other relevant authority; and

(c) a Paying Agent (which may be the Fiscal Agent) in a jurisdiction within Europe.

20.5 Any successor Paying Agent shall execute and deliver to its predecessor, the Issuer, the Guarantor and, where appropriate, the Fiscal Agent an instrument accepting its appointment under this Agreement, and the successor Paying Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of the predecessor with like effect as if originally named as a Paying Agent.

20.6 If the appointment of a Paying Agent under this Agreement is terminated (whether by the Issuer and the Guarantor or by the resignation of the relevant Paying Agent), the Paying Agent shall on the date on which the termination takes effect deliver to its successor Paying Agent (or, if none, the Fiscal Agent) all Notes and Coupons surrendered to it but not yet destroyed and all records concerning the Notes and Coupons maintained by it (except such documents and records as it is obliged by law or regulation to retain or not to release) and pay to its successor Paying Agent (or, if none, to the Fiscal Agent) the amounts (if any) held by it in respect of Notes or Coupons which have become due and payable but which have not been presented for payment, but shall have no other duties or responsibilities under this Agreement.

20.7 If the Fiscal Agent or any of the other Paying Agents shall change its specified office, it shall give

to the Issuer, the Guarantor and, where appropriate, the Fiscal Agent not less than 45 days' prior written notice to that effect giving the address of the new specified office. As soon as practicable thereafter and in any event at least 30 days before the change, the Fiscal Agent shall, at the request of the Issuer, give to the Noteholders on behalf of and at the expense of the Issuer (failing which, the Guarantor) notice of the change and the address of the new specified office under Condition 12 (*Notices*).

- 20.8 A corporation into which any Paying Agent for the time being may be merged or converted or a corporation with which the Paying Agent may be consolidated or a corporation resulting from a merger, conversion or consolidation to which the Paying Agent shall be a party shall, to the extent permitted by applicable law, be the successor Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties to this Agreement. Notice of any merger, conversion or consolidation shall forthwith be given to the Issuer, the Guarantor and, where appropriate, the Fiscal Agent.

21. Meetings of Noteholders

- 21.1 The provisions of Schedule 6 shall apply to meetings of the Noteholders and shall have effect in the same manner as if set out in this Agreement provided that, so long as any of the Notes are represented by a Global Note, the expression **Noteholders** shall include the persons for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear, and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg), as the holders of a particular principal amount of such Notes (each an **Accountholder**) (in which regard a certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding save in the case of manifest error) for all purposes other than with respect to the payment of principals and interest on such Notes, the right to which shall be vested as against the Issuer solely in the bearer of each Global Note in accordance with and subject to its terms, and the expressions **holder** and **holders** shall be construed accordingly and the expression **Notes** shall mean units of EUR 500,000,000 principal amount of Notes.

22. Notices

- 22.1 All notices or other communications under or in connection with this Agreement shall be in English and shall be delivered in person, sent by first class pre-paid post or by facsimile in accordance with the address and facsimile details below.
- 22.2 Any notice shall, in the case of a letter, be effective only on actual delivery, and, in the case of a facsimile, when a transmission report showing the successful transmission of the facsimile is received by the sender. However, a notice given in accordance with the above but received on a day which is not a business day or after 5.00pm in the place of receipt will only be deemed to be given on the next business day.

22.3 The address and facsimile number of each party for all notices under or in connection with this Agreement are:

Autoliv, Inc.
(a) in the case of the
Issuer:

World Trade Center
Klarabergsviadukten 70, Sec C
107 24 Stockholm
Sweden

Facsimile No: +46 8 587 206 33
Email: Par-Ola.Wirenlin@autoliv.com
(Attention: Par-Ola Wirenlind (Treasurer))

Autoliv ASP, Inc.
(b) in the case of the
Guarantor:

World Trade Center
Klarabergsviadukten 70, Sec
E
107 24 Stockholm
Sweden

Facsimile No: +46 8 587 206 33
Email: Par-Ola.Wirenlin@autoliv.com
(Attention: Par-Ola Wirenlind (Treasurer))

HSBC Bank
(c) in the case of the
Fiscal Agent:

8 Canada
Square
London
E14 5HQ

Facsimile No: +44 (0)345 587 0429
Email: ctla.payingagency@hsbc.com
(Attention: The Senior Manager, CTLA Client
Services, Corporate Trust and Loan
Agency)

or to such other address or facsimile number or marked for the attention of such other person or department as may from time to time be notified by any party to the others by not less than five days' written notice in accordance with the provisions of this clause. In this clause 22, **business day** in relation to any place means a day on which commercial banks are open for general business in the that place.

23. Communications

- 23.1 In no event shall the Agents be liable for any Losses arising in regards to receiving or transmitting any data from the Issuer, the Guarantor, any Authorised Person or any party to the transaction via any non-secure method of transmission or communication, such as, but without limitation, by facsimile or email.
- 23.2 The Issuer and the Guarantor accept that some methods of communication are not secure and the Agents shall incur no liability for receiving Instructions via any such non-secure method. The Agents are authorised to comply with and rely upon any such notice, Instructions or other communications believed to have been sent or given by an Authorised Person or an appropriate party to the transaction (or authorised representative thereof). The Issuer, the Guarantor and each authorised officer of the Issuer and the Guarantor shall use all reasonable endeavours to ensure that Instructions transmitted to the Agents pursuant to this Agreement are complete and correct. Any Instructions shall be conclusively deemed to be valid Instructions from the Issuer, the Guarantor or an authorised officer of the Issuer or the Guarantor to the Agents for the purposes of this Agreement.

24. Amendments

The Fiscal Agent, the Issuer and the Guarantor may agree, without the consent of any Noteholder, to:

- (a) any modification of the Notes, the Coupons or of this Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law; or
- (b) any modification (except a Basic Terms Modification) of the Notes, the Coupons or this Agreement which is not materially prejudicial to the interests of the Noteholders.

Any such modification shall be binding on the Noteholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).

25. Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

26. Taxes and Stamp Duties

The Issuer or, failing the Issuer, the Guarantor agrees to pay any and all stamp and other documentary taxes or duties which may be payable in connection with the execution, delivery, performance and enforcement of this Agreement by the Paying Agent.

27. General

27.1 This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

27.2 If any provision in or obligation under this Agreement is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation, under this Agreement, and (ii) the validity, legality or enforceability under the law of any other jurisdiction of that or any other provision in or obligation under this Agreement.

28. Governing Law and Submission to Jurisdiction

28.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement are governed by, and construed in accordance with, English law.

28.2 Subject to clause 28.4 below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (a **Dispute**) and each party submits to the exclusive jurisdiction of the English courts.

28.3 For the purposes of clauses 28.2 and 28.4, the Issuer and the Guarantor each waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

28.4 To the extent allowed by law, the Agents may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

28.5 Each of the Issuer and the Guarantor irrevocably appoints Airbags International Limited at Viking Way, Congleton, Cheshire, CW12 1TT as its agent under this Agreement for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Airbags International Limited being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in England in respect of

any Dispute. The Issuer and the Guarantor each agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this clause shall affect the right to serve process in any other manner permitted by law.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

LEGAL ADDRESSES AND BANKING DETAILS OF THE PARTIES

Schedule 1

Forms of Global Notes

Part 1

Form of the Temporary Global Note

AUTOLIV, INC.

TEMPORARY GLOBAL NOTE

EUR 500,000,000 0.750 per cent. Guaranteed Notes due 2023

unconditionally and irrevocably guaranteed by

AUTOLIV ASP, INC.

This temporary Global Note is issued in respect of the EUR 500,000,000 0.750 per cent. Guaranteed Notes due 2023 (the **Notes**) of Autoliv, Inc. (the **Issuer**). The Notes are issued subject to and with the benefit of an Agency Agreement (the **Agency Agreement**) dated 26 June 2018, between, among others, the Issuer, Autoliv ASP, Inc. (the **Guarantor**) and HSBC Bank plc as Fiscal Agent (the **Fiscal Agent**) and the Conditions of the Notes (the **Conditions**) set out in Part 2 of Schedule 2 to the Agency Agreement. Words and expressions defined in the Conditions shall have the same meanings when used in this temporary Global Note.

Payments in respect of the Notes are unconditionally and irrevocably guaranteed by the Guarantor as provided in a Guarantee dated 26 June 2018 entered into by the Guarantor.

1. **Promise to Pay**

Subject as provided in this temporary Global Note, the Issuer, for value received, promises to pay the bearer of this temporary Global Note the sum of EUR 500,000,000 (five hundred million Euros) or such lesser sum as is equal to the principal amount of the Notes represented by this temporary Global Note on 26 June 2023 or on such earlier date as the principal or other amounts in respect of this temporary Global Note may become due under the Conditions and to pay interest on (and which is calculated by reference to) the principal sum for the time being outstanding of this temporary Global Note at the rate of 0.750 per cent. per annum from (and including) 26 June 2018 payable annually in arrear on 26 June in each year until payment of the principal sum has been made or duly provided for in full together with any premium and other amounts as may be payable, all subject to and under the Conditions.

The principal amount of Notes represented by this temporary Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear Bank S.A./N.V. and Clearstream Banking S.A. (each a **relevant Clearing System** and together the **relevant Clearing Systems**). The records of the relevant Clearing Systems (which expression in this temporary Global Note means the records that each relevant Clearing System holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the principal amount of Notes represented by this temporary Global Note and, for these purposes, a statement issued by a relevant Clearing System (which statement shall be made available to the bearer upon request) stating the nominal amount of Notes represented by this temporary Global Note at any time shall, save in the case of manifest error, be conclusive evidence of the records of the relevant Clearing System at that time.

2. **Exchange for Permanent Global Note and Purchases**

The permanent Global Note to be issued on exchange for interests in this temporary Global Note will be substantially in the form set out in Part 2 of Schedule 1 to the Agency Agreement.

Subject as provided below, the permanent Global Note will only have an entry made to represent definitive Notes after the date which is 40 days after the closing date for the Notes (the **Exchange Date**).

Interests in this temporary Global Note may be exchanged for interests recorded in the records of the relevant Clearing Systems in a duly executed and authenticated permanent Global Note without charge, in full or partial exchange for this temporary Global Note, in order that the permanent Global Note represents an aggregate principal amount of Notes equal to the principal amount of this temporary Global Note submitted for exchange. Notwithstanding the foregoing, no such exchange shall be made unless there shall have been presented to the Fiscal Agent or such other person as the Fiscal Agent may direct (the **Exchange Agent**) by a relevant Clearing System a certificate to the effect that it has received from or in respect of a person entitled to a beneficial interest in a particular principal amount of the Notes (as shown by its records) a certificate of non-US beneficial ownership from such person in the form required by it.

Notwithstanding the foregoing, where this temporary Global Note has been exchanged in part for the

permanent Global Note pursuant to the foregoing and definitive Notes have been issued in exchange for the total amount of Notes represented by the permanent Global Note pursuant to its terms, then interests in this temporary Global Note will no longer be exchangeable for interests in the permanent Global Note but will be exchangeable, in full or partial exchange, for duly executed and authenticated definitive Notes, without charge, in the denomination of EUR100,000 and integral multiples of EUR1,000 in excess thereof up to and including EUR199,000 each with interest coupons attached, such definitive Notes to be substantially in the form set out in Part 1 of Schedule 2 to the Agency Agreement. Notwithstanding the foregoing, definitive Notes shall not be so issued and delivered unless there shall have been presented to the Exchange Agent by Euroclear or Clearstream, Luxembourg a certificate to the effect that it has received from or in respect of a person entitled to a beneficial interest in a particular principal amount of Notes (as shown by its records) a certificate of non-US beneficial ownership from such person in the form required by it.

Any person who would, but for the provisions of this temporary Global Note and of the Agency Agreement, otherwise be entitled to receive either (a) an interest in the permanent Global Note or (b) definitive Notes shall not be entitled to require the exchange of an appropriate part of this temporary Global Note for an interest in the permanent Global Note or definitive Notes unless and until he shall have delivered or caused to be delivered to Euroclear or Clearstream, Luxembourg a certificate of non-US beneficial ownership in the form required by it.

This temporary Global Note may be exchanged by the bearer hereof on any day (other than a Saturday or Sunday) on which banks are open for general business in the United Kingdom. The aggregate principal amount of interests in the permanent Global Note recorded in the records of the relevant Clearing Systems or, as the case may be, definitive Notes issued upon an exchange of this temporary Global Note will, subject to the terms hereof, be equal to the aggregate principal amount of this temporary Global Note submitted by the bearer for exchange (to the extent that such principal amount does not exceed the aggregate principal amount of this temporary Global Note).

Upon (a) any exchange of a part of this temporary Global Note for an interest in the permanent Global Note or for a definitive Note, (b) receipt of instructions from Euroclear or Clearstream, Luxembourg that, following the purchase by or on behalf of the Issuer, the Guarantor or any of the Issuer's other subsidiaries of a part of this temporary Global Note, part is to be cancelled or (c) any redemption of a part of this temporary Global Note, the Issuer shall procure that the portion of the principal amount of this temporary Global Note so exchanged, cancelled or redeemed shall be entered *pro rata* in the records of the relevant Clearing Systems. On an exchange in whole of this temporary Global Note, this temporary Global Note shall be surrendered to or to the order of the Fiscal Agent.

3. Benefits

Until the entire principal amount of this temporary Global Note has been extinguished in exchange for the permanent Global Note and/or definitive Notes, the bearer of this temporary Global Note shall (subject as provided below) in all respects be entitled to the same benefits as if he were the bearer of the definitive Notes referred to above, except that the bearer of this temporary Global Note shall only be entitled to receive any payment on this temporary Global Note on presentation of certificates as provided below. Accordingly, except as ordered by a court of competent jurisdiction or as required by law or

applicable regulation, the Issuer and any Paying Agent may (subject as provided below) deem and treat the holder of this temporary Global Note as the absolute owner of this temporary Global Note for all purposes. All payments of any amounts payable and paid to such holder shall, to the extent of the sums so paid, discharge the liability for the moneys payable on this temporary Global Note and on the relevant definitive Notes and/or Coupons.

4. Payments

Payments due in respect of Notes for the time being represented by this temporary Global Note shall be made to the bearer of this temporary Global Note only upon presentation by Euroclear or, as the case may be, Clearstream, Luxembourg to the Fiscal Agent at its specified office of a certificate to the effect that it has received from or in respect of a person entitled to a particular principal amount of the Notes (as shown on its records) a certificate of non-US beneficial ownership in the form required by it. Each payment so made will discharge the Issuer's obligations in respect thereof.

The bearer of this temporary Global Note will not be entitled to receive any payment of interest due on or after the Exchange Date unless, upon due certification, exchange of this temporary Global Note is improperly withheld or refused.

Upon any payment in respect of the Notes represented by this temporary Global Note, the Issuer shall procure that the amount so paid shall be entered *pro rata* in the records of the relevant Clearing Systems. In the case of any payment of principal the Issuer shall procure that the amount so paid shall be entered *pro rata* in the records of the relevant Clearing Systems and, upon such entry being made, the principal amount of the Notes recorded in the records of the relevant Clearing Systems and represented by this temporary Global Note shall be reduced by the amount so paid. Any failure to make such entries shall not affect the discharge referred to in the first paragraph above.

5. Accountholders

For so long as any of the Notes is represented by this temporary Global Note or by this temporary Global Note and the permanent Global Note and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Clearstream, Luxembourg, if Clearstream, Luxembourg shall be an accountholder of Euroclear, and Euroclear, if Euroclear shall be an accountholder of Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular principal amount of Notes (each an **Accountholder**) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall, save in the case of manifest error, be conclusive and binding for all purposes) shall be treated as the holder of that principal amount for all purposes (including but not limited to for the purposes of any quorum requirements of, or the right to demand a poll or, meetings of the Noteholders and giving notice to the Issuer pursuant to Condition 10 (*Events of Default*) and Condition 7.5 (*Redemption at the Option of the Holders*) other than with respect to the payment of principal, premium and interest on the Notes, the right to which shall be vested, as against the Issuer, solely in the bearer of this temporary Global Note in accordance with and subject to its terms. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the bearer of this temporary Global Note.

In the event that this Global Note (or any part of it) has become due and repayable in accordance with the Conditions or that the maturity date of the Notes has occurred and, in either case, payment in full of the amount due has not been made to the bearer in accordance with the provisions set out above, then from 8.00 p.m. (London time) on such day each Accountholder will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant executed by the Issuer on 26 June 2018 in respect of the Notes and the bearer will have no further rights under this Global Note (but without prejudice to the rights which any person may have under the Deed of Covenant).

6. Notices

For so long as all of the Notes are represented by this temporary Global Note or by this temporary Global Note and the permanent Global Note and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant Accountholders rather than by publication as required by Condition 12 (*Notices*). Any such notice shall be deemed to have been given to the Noteholders on the day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

Whilst any of the Notes held by a Noteholder are represented by a Global Note, notices to be given by such Noteholder may be given by such Noteholder (where applicable) through the applicable clearing system's operational procedures approved for this purpose and otherwise in such manner as the Fiscal Agent and the applicable clearing system approve for this purpose.

7. Prescription

Claims against the Issuer and the Guarantor in respect of principal or premium and interest on the Notes represented by this temporary Global Note will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in Condition 8 (*Taxation*)).

8. Put Option

For so long as all of the Notes are represented by this temporary Global Note or by this temporary Global Note and the permanent Global Note and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, the option of the Noteholders provided for in Condition 7.5 (*Redemption at the Option of the Holders*) may be exercised by an Accountholder giving notice to the Fiscal Agent in accordance with the standard procedure of Euroclear and/or Clearstream, Luxembourg (as the case may be) (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common safe-keeper for them to the Fiscal Agent by electronic means) and in a form acceptable to Euroclear and Clearstream, Luxembourg of the principal amount of the Notes in respect of which such option is exercised and the Issuer shall procure that the portion of the principal amount of this temporary Global Note so redeemed shall be entered in the records of the relevant Clearing System.

9. Redemption at the Option of the Issuer

For so long as all of the Notes are represented by this temporary Global Note or by this temporary Global Note and the permanent Global Note and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, no selection of Notes to be redeemed will be required under Condition 7.4 (*Provisions relating to Partial Redemption*) in the event that the Issuer exercises its option pursuant to Condition 7.3 (*Redemption at the Option of the Issuer*) in respect of less than the aggregate principal amount of the Notes outstanding at such time. In such event, selection of the interests in this temporary Global Note subject to the exercise of this option will be made in accordance with the standard rules and procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

0013117-0002372 ICM:29837691.10

24

10. Euroclear and Clearstream, Luxembourg

Notes represented by this temporary Global Note are transferable in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg, as appropriate.

11. Authentication and Effectuation

This temporary Global Note shall not become valid or enforceable for any purpose unless and until it has been authenticated by or on behalf of the Fiscal Agent and effectuated by the entity appointed as common safe-keeper by the relevant Clearing Systems.

The Notes are intended to be held in a manner which would allow Eurosystem eligibility and as such this Global Note is intended upon issue to be deposited with one of Euroclear or Clearstream, Luxembourg as common safekeeper. This does not necessarily mean that the Notes represented by the Global Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life, such recognition depending upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met).

12. Contracts (Rights of third Parties) Act 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this temporary Global Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

13. Severability

If any provision in or obligation under this temporary Global Note is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair (i) the validity, legality or enforceability under the law of that jurisdiction of any other provision in or obligation under this temporary Global Note, or (ii) the validity, legality or enforceability under the law of any other

jurisdiction of that or any other provision in or obligation under this temporary Global Note.

14. Governing Law

This temporary Global Note and any non-contractual obligations arising out of or in connection with it are governed by, and construed in accordance with, English law.

IN WITNESS whereof the Issuer has caused this temporary Global Note to be signed by a person duly authorised on its behalf.

LEGAL ADDRESSES AND BANKING DETAILS OF THE PARTIES

_____	_____
_____	_____
_____	_____
_____	_____