

Terms and Conditions

Eagle Industries Oy

EUR 105,000,000

Senior Secured Callable Bonds 2015/2020

ISIN: FI4000148705

6 March 2015

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

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1. Definitions and Construction

1.1 Definitions

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

"**Accounting Principles**" means generally accepted accounting principles in Finland, including International Financial Reporting Standard (IFRS).

"**Acquisition**" means the transaction where the Equity Investors, through their shareholding in the Issuer, acquire 100 per cent. of the shares in the Target Company.

"**Adjusted Nominal Amount**" means the aggregate Outstanding Nominal Amount of all Bonds, less the Nominal Amount of all Bonds owned by a Group Company or an Affiliate of the Issuer, irrespective of whether such person is directly registered as owner of such Bonds.

"**Advance Purchase Agreements**" means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than 90 days after the date of supply, or (b) any other trade credit incurred in the ordinary course of business.

"**Affiliate**" means any Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, "**control**" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have meanings correlative to the foregoing.

"**Agency Agreement**" means the fee agreement entered into between the Trustee and the Issuer on or about the Issue Date regarding, *inter alia*, the remuneration payable to the Trustee.

"**Bondholder**" means the person who is registered in the register maintained by the CSD pursuant to Clause 2 of Section 3 of Chapter 6 of the Book-Entry System Act as direct registered owner (Fin: *omistaja*) or nominee (Fin: *hallintarekisteröinnin hoitaja*) with respect to a Bond.

"**Bondholders' Meeting**" means a meeting among the Bondholders held in accordance with Clause 18 (*Bondholders' Meeting*).

"**Bonds**" means debt instruments of the type referred to in Clause 1 of Section 34 of the Act on Promissory Notes (Fin: *Velkakirjalaki 622/1947*, as amended) (Fin: *joukkovelkakirja*) and which are governed by and issued under these Terms and Conditions.

"**Book-Entry Securities System**" means the OM system being part of the book-entry register maintained by the CSD or any other replacing book-entry securities system.

"**Book-Entry System Act**" means the Finnish Act on Book-Entry System and Clearing Operations (*Fin: Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta 749/2012, as amended*).

"**Business Day**" means a day on which the deposit banks are generally open for business in Helsinki.

"**Business Day Convention**" means the first following day that is a CSD Business Day.

"**Cash Equivalent Investments**" means, in respect of the Group, and at any time, (i) immediately available funds at bank or postal accounts and (ii) marketable debt securities held for cash management purposes that can be realised promptly and which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investor Services Limited, or, if no rating is available in respect of the commercial paper or debt securities, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating.

"**Change of Control**" means the occurrence of an event or series of events whereby one or more persons, not being MB Funds (or an Affiliate of MB Funds), acting together, acquire control over the Issuer or the Target Company and where "**control**" means (a) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Issuer or the Target Company, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer or the Target Company.

"**Completion Date**" means the date of completion of the Acquisition.

"**Compliance Certificate**" means a certificate, in form and substance satisfactory to the Trustee, signed by the Issuer certifying that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it. If the Compliance Certificate is provided in connection with an Incurrence Test, the certificate shall include calculations and figures in respect of the ratio of Net Interest Bearing Debt to EBITDA. If the Compliance Certificate is provided in connection with that a Financial Report is made available, the certificate shall include calculations and figures in respect of the ratio of Equity to Total Assets.

"**CSD**" means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euroclear Finland Oy, business identity code 1061446-0, Urho Kekkosen katu 5 C, P.O. Box 1110, 00101 Helsinki.

"**CSD Business Day**" means a day on which the Book-Entry Securities System is open in accordance with the regulations of the CSD.

"**EBITDA**" means, in respect of any Reference Period, the consolidated profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any member of the Group;

- (b) before deducting any Net Finance Charges;
- (c) before taking into account any extraordinary items which are not in line with the ordinary course of business;
- (d) before taking into account any Transaction Costs and any transaction costs relating to any acquisition of any additional target company;
- (e) not including any accrued interest owing to any member of the Group;
- (f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (h) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (i) plus or minus the Group's share of the profits or losses of entities which are not part of the Group; and
- (j) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of members of the Group.

"**Equity**" means by reference to the consolidated balance sheet of the Group the sum of (i) restricted equity, (ii) non-restricted equity (and, for the purposes of the Maintenance Test, minority interests for the Group), and (iii) Shareholder Loans (and for the for the purposes of the Maintenance Test, the Equity Hybrid Loan).

"**Equity Contributions**" means:

- (a) the EUR 95,000,000 amount to be provided by the Equity Investors to the Issuer in form of Equity, to partially finance the Acquisition and costs relating thereto (the "**Initial Equity Contribution**") and refinancing existing loans in an amount of EUR 10,200,000 (as per 31 December 2014) in the Target Company, which shall be transferred to the Escrow Account and may be released prior to any disbursement of Net Proceeds; and
- (b) the Equity Hybrid Loan in an amount of EUR 20,000,000, to partially finance the PM2 Conversion Capex and the PM2 Conversion Contingency Buffer and costs relating thereto (the "**Subsequent Equity Contribution**"), which shall be made to the Issuer within 18 months from the Issue Date, provided that if the Issuer has not received the Subsequent Equity Contribution within such period, the Issuer may instead complete the Equity Issue within the same period.

"**Equity Hybrid Investors**" means Nordic Mezzanine Fund III L.P., LähiTapiola Keskinäinen Vakuutusyhtiö and LähiTapiola Keskinäinen Henkivakuutusyhtiö.

"Equity Hybrid Loan" means the EUR 20,000,000 amount to be provided by the Equity Hybrid Investors.

"Equity Investors" means MB Equity Fund IV Ky, Nordic Mezzanine Fund III L.P., Elo Mutual Pension Insurance Company, Finnish Industry Investment Ltd and the management of the Group or an affiliate thereof.

"Equity Issue" means an investment in the Equity of the Issuer, in a minimum amount of EUR 20,000,000, provided that it is completed and fully paid for within 18 months after the Issue Date.

"Equity Listing Event" means an initial public offering of shares of the Issuer, after which such shares shall be quoted, listed, traded or otherwise admitted to trading on a Regulated Market.

"Escrow Account" means a bank account of the Issuer, into which the Net Proceeds and the Initial Equity Contribution will be transferred and which has been pledged in favour of the Trustee and the Bondholders (represented by the Trustee) under the Escrow Account Pledge Agreement.

"Escrow Account Pledge Agreement" means the pledge agreement entered into between the Issuer and the Trustee on or about the Issue Date in respect of a first priority pledge over the Escrow Account and all funds held on the Escrow Account from time to time, granted in favour of the Trustee and the Bondholders (represented by the Trustee).

"EUR" or **"Euro"** means the single currency of the Participating Member States.

"Event of Default" means an event or circumstance specified in any of the Clauses 15.1 (*Non-Payment*) to and including Clause 15.10 (*Continuation of the Business*).

"Final Redemption Date" means 13 March 2020.

"Finance Charges" means, for the relevant Reference Period, the aggregate amount of accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalised by any member of the Group according to the latest Financial Report(s) (calculated on a consolidated basis) other than Transaction Costs, capitalised interest in respect of any loan owing to any member of the Group or any Shareholder Loan and taking no account of any unrealised gains or losses on any derivative instruments other than any derivative instrument which are accounted for on a hedge accounting basis.

"Finance Documents" means:

- (a) these Terms and Conditions;
- (b) the Transaction Security Documents;
- (c) the Intercreditor Agreement;
- (d) the Agency Agreement; and

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

"Financial Indebtedness" means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans;
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is treated as a finance lease in accordance with the accounting principles applicable on the Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)-(f).

"Financial Report" means the Group's annual audited financial statements or quarterly interim unaudited reports, which shall be prepared and made available according Clause 12.1 (*Information from the Issuer*).

"First Call Date" means the date falling 48 months after the Issue Date.

"Group" means the Issuer and each Subsidiary from time to time.

"Group Company" means a member of the Group.

"Incurrence Test" has the meaning ascribed to such term in Clause 14.1 (*Incurrence Test*) and 14.2 (*Calculation Adjustments*).

"Insolvent" means, in respect of a relevant person, that it (i) is deemed to be insolvent within the meaning of Section 1 of Chapter 2 of the Finnish Bankruptcy Act (Fin: *Konkurssilaki 120/2004*, as amended) (or its equivalent in any other jurisdiction), (ii) admits inability to pay its debts as they fall due, (iii) suspends making payments on any of its debts, (iv) by reason of actual financial difficulties commences negotiations with its creditors (other than the Bondholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Finnish Act on Company Reorganisation (Fin: *Laki yrityksen saneerausesta 47/1993*, as amended) (or its

equivalent in any other jurisdiction)) or (v) is subject to involuntary winding-up, dissolution or liquidation.

"Intercompany Loans" means the loan granted by the Issuer to the Target Company in an initial amount of approximately EUR 155,000,000 which may be subsequently increased with approximately EUR 20,000,000.

"Intercreditor Agreement" means the intercreditor agreement, dated 25 February 2015, between, amongst others, between, *inter alios*, the Issuer, the Trustee, the Junior Creditors, the Security Agent and the Shareholder Creditors (each as defined therein).

"Interest" means the interest on the Bonds calculated in accordance with Clause 9 (*Interest*).

"Interest Payment Date" means 13 March and 13 September each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Bonds shall be 13 September 2015 and the last Interest Payment Date shall be the Final Redemption Date.

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

"Interest Rate" means a fixed interest rate of 8.25 per cent. *per annum* payable semi-annually in arrears.

"Issue Date" means 13 March 2015.

"Issuer" means Eagle Industries Oy, business identity code 2673676-1, Bulevardi 1, 00100 Helsinki.

"Issuing Agent" means Svenska Handelsbanken AB (publ), Branch Operation in Finland, or any other party replacing the same as Issuing Agent in accordance with the regulations of the CSD.

"Kotka Site Real Estate" means the real properties 285-1-129-22, 285-1-129-23, 285-1-129-26 and 285-1-129-29.

"Maintenance Test" has the meaning described to such term in Clause 14.3 (*Maintenance Test*).

"Make Whole Amount" means a price equivalent to the sum of:

- (a) the Outstanding Nominal Amount;
- (b) the present value on the relevant record date of 4.125 per cent. of the Outstanding Nominal Amount as if such payment originally should have taken place on the Interest Payment Date falling 48 months after the Issue Date; and

(c) the present value on the relevant record date of the remaining coupon payments, less any accrued but unpaid Interest, through and including the date falling 48 months after the Issue Date,

(d) accrued (but unpaid) interest on the redeemed amount,

(b) and (c) calculated by using a discount rate of 50 basis points over the comparable German government bond rate (i.e. comparable to the remaining duration of the Bonds until the mentioned date falling 48 months after the Issue Date) and where "relevant record date" shall mean a date agreed upon between the Trustee, the CSD and the Issuer in connection with such repayment.

"Market Loan" means any loan or other indebtedness where an entity issues commercial paper, certificates, subordinated debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on NASDAQ OMX Helsinki or any other regulated or unregulated recognised market place.

"Material Adverse Effect" means a material adverse effect on (A) the business, financial condition or operations of the Group taken as a whole, (B) the Issuer's ability to perform and comply with the undertakings set out in Clause 13(*General Undertakings*), or (C) the validity or enforceability of these Terms and Conditions.

"Material Group Company" means the Issuer or a Subsidiary representing more than 10.00 per cent. of the total assets or EBITDA of the Group on a consolidated basis according to the latest Financial Report.

"MB Funds" means MB Equity Fund IV Ky, business identity code 2129071-3, Bulevardi 1, 00100 Helsinki, the majority owner of the Issuer at the Completion Date.

"Net Finance Charges" means, for the Reference Period, the Finance Charges according to the latest Financial Report(s), after deducting any interest payable during that Reference Period to any member of the Group and any interest income relating to cash or Cash Equivalent Investment (and excluding any interest capitalised on Shareholder Loans).

"Net Interest Bearing Debt" means the aggregate interest bearing debt less cash and Cash Equivalent Investment of the Group, in accordance with the applicable Accounting Principles, of the Group from time to time (for the avoidance of doubt, excluding guarantees, bank guarantees, Shareholder Loans, the Equity Hybrid Loan, any claims subordinated pursuant to the Intercreditor Agreement and interest bearing debt borrowed from any Group Company).

"Net Proceeds" means the proceeds from the Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Sole Bookrunner (if the Sole Bookrunner has requested that their respective fees and costs shall be deducted) and the Issuing and Paying Agent for the services provided in relation to the placement and issuance of the Bonds.

"Nominal Amount" has the meaning set forth in Clause 2(c) (*Status of the Bonds*).

"Outstanding Nominal Amount" means the outstanding Nominal Amount of each Bond from time to time taking into account any prepayments made on the Bonds.

"Paying Agent" means, initially the Issuing Agent, or any other party replacing the same as Paying Agent in accordance with the regulations of the CSD.

"Participating Member States" means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"Permitted Debt" means any Financial Indebtedness:

- (a) incurred under the Bonds;
- (b) of the Group incurred pursuant to any financial leasing arrangements incurred in the ordinary course of the Group's business in a maximum amount of EUR 1,000,000;
- (c) of the Group incurred pursuant to any sale and lease back transaction regarding the Power Generation Asset;
- (d) taken up from a Group Company;
- (e) of the Group under any guarantee issued by a Group Company in the ordinary course of business;
- (f) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- (g) arising under any interest rate hedging transactions in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- (h) related to any Shareholder Loans or the Equity Hybrid Loan;
- (i) incurred under an Advance Purchase Agreements;
- (j) incurred as a result of any Group Company acquiring another entity, other than the Target Company, and which is due to that such acquired entity holds indebtedness, provided that the Incurrence Test is met, tested pro forma including the acquired entity in question
- (k) pension liabilities of the Group, in an outstanding amount not exceeding EUR 500,000;
- (l) until the Completion Date and in any case no later than the following Business Day, any Financial Indebtedness that is owed by the Target Company or

otherwise incurred as a result of the Issuer acquiring the Target Company and which is due to any Group Company holding indebtedness;

- (m) arising under any additional purchase price amount payable pursuant to the terms of the Acquisition in an aggregate amount not exceeding EUR 3,000,000, provided that the Issuer or the Target Company is reimbursed from relevant third parties for any such amounts payable; and
- (n) any other Financial Indebtedness not covered under (a)-(m) above in an aggregate maximum amount of EUR 500,000.

"Permitted Security" means any guarantee or security:

- (a) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (b) provided in relation to any lease agreement entered into by a Group Company;
- (c) provided over any assets being subject to a financial lease or a sale lease back transaction, permitted pursuant to (b) and (c) of the definition of Permitted Debt above;
- (d) second ranking security (Fi: *jälkipantti*) over the Transaction Security provided for any Equity Hybrid Loan, provided that the provider(s) of any Equity Hybrid Loans have acceded to the Intercreditor Agreement as Junior Creditors (as defined therein);
- (e) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;
- (f) any guarantee or security provided by or over a Group Company to secure any Permitted Debt;
- (g) provided for any guarantees issued by a Group Company in the ordinary course of business; or
- (h) any other security not covered under (a)-(g) above securing an aggregate maximum amount of EUR 500,000.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

"PM1" means the Target Company's paper machine 1 located at the Kotka Site Real Estate producing saturated base kraft.

"PM2" means the Target Company's paper machine 2 located at the Kotka Site Real Estate.

"**PM2 Conversion**" means the EUR 125,000,000 investment programme prepared by the Issuer regarding the conversion of one of the Target Company's paper machines into producing carton board for the Folding Box Board and the Food Service Board markets.

"**PM2 Conversion Capex**" means the capital expenditures required for the PM2 Conversion.

"**PM2 Conversion Contingency Buffer**" means the EUR 15,000,000 raised in the Bond Issue and the Equity Contributions to cover unexpected additional capital expenditures related to the PM2 Conversion.

"**Power Generation Asset**" means the combined natural gas and steam power station located at the Target Company's factory area and owned by the Target Company.

"**Record Date**" means:

- (a) means in relation to a payment of Interest, default interest and/or redemption of the Bonds when such payment is made through the Book-Entry Securities System, the end of the first CSD Business Day prior to, as applicable, (i) an Interest Payment Date, (ii) the day on which default interest is paid, (iii) a Redemption Date or (iv) a date on which a payment to the Bondholders is to be made under Clause 16(Allocation of Proceeds); and
- (b) in relation to a Bondholders' Meeting and Written Procedure, the end of the CSD Business Day specified in the communication pursuant to Clause 18(c) or Clause 19(c), as applicable; and
- (c) otherwise, the end of the fifth CSD Business Day prior to another relevant date.

"**Redemption Date**" means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and Repurchase of the Bonds*).

"**Reference Date**" means 31 March, 30 June, 30 September and 31 December in each year for as long as any Bonds are outstanding. The first Reference Date shall be 30 June 2015 for the purposes of the Maintenance Test.

"**Reference Period**" means each period of 12 consecutive calendar months.

"**Regulated Market**" means any regulated market (as defined in Directive 2004/39/EC on markets in financial instruments).

"**Secured Creditors**" has the meaning ascribed to that term in the Intercreditor Agreement.

"**Secured Obligations**" has the meaning ascribed to that term in the Intercreditor Agreement.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

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

"Security Agent" means, Nordic Trustee Oy, in its capacity as security agent, or subsequently any other security agent, appointed by the Secured Creditors from time to time pursuant, to the Intercreditor Agreement, holding the Transaction Security on behalf of the Secured Creditors.

"Shareholder Loans" means any shareholder loan (other than the Equity Hybrid Loan) of the Issuer or any of its Subsidiaries, where the Issuer or the relevant Subsidiary is the debtor, if such shareholder loan (A) according to its terms and pursuant to the Intercreditor Agreement, are subordinated to the obligations of the Issuer under the Terms and Conditions, (B) according to its terms have a final redemption date or, when applicable, early redemption dates or installment dates which occur after the Final Redemption Date, and (C) according to its terms yield only payment-in-kind interest.

"Sole Bookrunner" means Pareto Securities Oy.

"Subsidiary" means a subsidiary of the Company according to Chapter 1 Section 6 of the Finnish Accounting Act (1336/1997), as amended (*Fi. kirjanpitolaki*) (or under such provision as may replace this provision).

"Target Company" means Kotkamills Oy, business identity code 0827424-1, P.O. Box 62-63 / FI-48101 Kotka, Finland, following the completion of the Acquisition, being a wholly-owned Subsidiary of the Issuer.

"Total Assets" means the consolidated book-value of all assets of all members of the Group calculated in accordance with the Accounting Principles.

"Total Nominal Amount" means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

"Transaction Costs" means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (A) the Bond Issue, (B) the listing of the Bonds, (C) the Acquisition and (D) fees on the Equity Hybrid Loan (including a commitment fee of maximum EUR 200,000 *per annum* if the Equity Hybrid Loan is fully undrawn, an agency fee of maximum EUR 20,000 *per annum* and an one-off underwriting fee of 1.0 per cent. of the amount of the Equity Hybrid Loan).

"Transaction Security Documents" means the relevant security agreements purporting to create:

- (a) a first ranking pledge (*Fi. ensipantti*) over all of the shares in the Target Company;
- (b) a first priority business mortgage in the Target Company in the amount of EUR 150,000,000;

- (c) a first priority real estate mortgage in the amount of EUR 150,000,000 over the Kotka Site Real Estate owned by the Target Company; and
- (d) a first ranking pledge over the Intercompany Loans,

in each case as specified in the relevant Transaction Security Document.

"**Transaction Security**" means the Security granted to secure the Secured Obligations pursuant to the Transaction Security Documents.

"**Trustee**" means Nordic Trustee Oy, business identity code 2488240-7, Aleksanterinkatu 15 B, 00100 Helsinki, Finland or another party replacing it, as Trustee, in accordance with these Terms and Conditions.

"**Written Procedure**" means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 19 (*Written Procedure*).

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
 - (i) "**assets**" includes present and future properties, revenues and rights of every description;
 - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (iii) a "**regulation**" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (iv) an Event of Default is continuing if it has not been waived;
 - (v) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vi) a time of day is a reference to Helsinki time.
- (b) A notice shall be deemed to be sent by way of press release if it is made available to the public within Finland promptly and in a non-discriminatory manner.
- (c) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the European Central Bank on its website (www.ecb.int). If no such rate is available, the most recently published rate shall be used instead.

- (d) No delay or omission of the Trustee or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

2. Status of the Bonds

- (a) The Bonds are denominated in EUR and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.
- (b) By subscribing for Bonds, each initial Bondholder agrees, and by acquiring Bonds, each subsequent Bondholder confirms, (i) that the Bonds shall benefit from and be subject to the Finance Documents and (ii) agrees to be bound by these Terms and Conditions and the other Finance Documents including, without limitation, the Intercreditor Agreement. These Terms and Conditions are subject to the Intercreditor Agreement. In the event of any discrepancy between these Terms and Conditions and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.
- (c) The Nominal Amount of each Bond is EUR 100,000 (the "**Nominal Amount**"). All Bonds are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- (d) The minimum permissible investment upon issuance of the Bonds is EUR 100,000.
- (e) Except as set out in Clause 5 (*Transfer restrictions*) below, and subject to any restrictions to which a Bondholder may be subject due to local law or otherwise, the Bonds are freely transferrable. Each Bondholder must ensure compliance with local laws and regulations applicable at their own cost and expense.
- (f) The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law, and without any preference among them.
- (g) As of the Issue Date, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

3. Use of Proceeds

The Net Proceeds from the Bond Issue shall firstly, together with the Initial Equity Contribution, be applied towards financing the PM2 Conversion Capex and the PM2 Conversion Contingency Buffer, and secondly towards financing general corporate purposes.

4. Conditions Precedent

- (a) The payment of the Net Proceeds into the Escrow Account is subject to the Trustee having received (i) duly executed Terms and Conditions and (ii) a duly executed copy of the Escrow Account Pledge Agreement, including evidence of perfection of the Security over the Escrow Account.
- (b) The Issuer shall provide, or procure the provision of, to the Trustee and/or the Security Agent (as applicable), in form and substance satisfactory to the Trustee and/or the Security Agent (acting reasonably) duly executed copies of:
 - (i) a copy of a resolution from the board of directors of the Issuer approving the issue of the Bonds and the terms of the Finance Documents and resolving to enter into such documents and authorizing specified Person(s) to approve and execute any other documents necessary in connection therewith;
 - (ii) a copy of a resolution from the board of directors of the Target Company approving the terms of the Finance Documents and resolving to enter into such documents and authorizing specified Person(s) to approve and execute any other documents necessary in connection therewith;
 - (iii) evidence that the share purchase agreement regarding the Acquisition has been duly executed and completed;
 - (iv) evidence that the Initial Equity Contribution has been transferred to the Escrow Account;
 - (v) evidence that the amount provided under the Initial Equity Contribution suffice to fully finance the Acquisition;
 - (vi) evidence that all conditions for completion of the Acquisition (other than the payment of the purchase price) as set out in the acquisition agreement have been satisfied, including any competition approvals;
 - (vii) evidence that the Finance Documents have been duly executed;
 - (viii) evidence that the Bond Issue is fully funded up to EUR 105,000,000;
 - (ix) evidence that the Transaction Security Documents have been duly executed and perfected; and
 - (x) a legal opinion on the validity and enforceability of the Security Documents issued by Roschier Attorneys Ltd.

For the avoidance of doubt, (i) any real estate mortgage and business mortgage is deemed perfected for the purposes of Clause 4(b)(ix) where, in addition to due execution of the relevant Transaction Security Documents, duly signed applications for the registration of such mortgages have been filed with the appropriate registration authority with instruction to the authority to

deliver the registered mortgage notes to the Trustee and (ii) interest payments under any Intercompany Loans subject to Transaction Security may be made until an Event of Default.

- (c) When the conditions precedent for disbursement set out in Clause 4(b) (*Conditions Precedent*) have been fulfilled to the satisfaction of the Trustee (acting reasonably), the Trustee shall instruct the escrow bank to transfer the Net Proceeds from the Escrow Account and be applied in accordance with Clause 3 (*Use of Proceeds*).
- (d) Notwithstanding the above, the Trustee may, before release of the Net Proceeds, on the Completion Date release part of the Initial Equity Contribution with an amount necessary to fund the Acquisition, including any costs relating to the Acquisition.
- (e) If the conditions precedent for disbursement set out in Clause 4(b) (*Conditions Precedent*) have not been fulfilled to the satisfaction of the Trustee (acting reasonably) or waived by the Trustee by 31 May 2015, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. Any funds distributed by the Trustee to the Bondholders in accordance with the Escrow Account Pledge Agreement shall be deemed to be paid by the Issuer for the redemption under this Clause 4(e) (*Conditions Precedent*). The repurchase date shall fall no later than 30 June 2015.

5. Transfer restrictions

- (a) No Bondholder may offer, sell, pledge or otherwise transfer any Bond except:
 - (i) to the Issuer;
 - (ii) to a person who the seller reasonably believes is a QIB within the meaning of Rule 144A under the Securities Act purchasing for its own account or for the account or benefit of a QIB in a transaction meeting the requirements of Rule 144A;
 - (iii) outside the United States in compliance with Rule 903 or Rule 904, as applicable, of Regulation S under the Securities Act;
 - (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available);
 - (v) pursuant to any other available exemption from registration under the Securities Act, subject to the receipt by the Issuer of an opinion of counsel or such other evidence that the Issuer may reasonably require confirming that such sale or transfer is in compliance with the Securities Act; or
 - (vi) pursuant to an effective registration statement under the Securities Act,

provided however that in each case a transfer is made in accordance with all applicable securities laws of the states of the United States and any other jurisdiction.

- (b) The Issuer makes no representation as to the availability of an exemption from registration provided by Rule 144 of the Securities Act.

6. Bonds in Book-Entry Form

- (a) The Bonds will be issued in dematerialised form in the Book-Entry Securities System in accordance with the Book-Entry System Act and regulations of the CSD and no physical notes will be issued.
- (b) Each Bondholder consents to the Issuer having a right to obtain information on the Bondholders, their contact details and their holdings of the Bonds registered in the Book-Entry Securities System, such as information recorded in the lists referred to in Clauses 2 and 3 of Section 3 of Chapter 6 of the Book-Entry System Act kept by the CSD in respect of the Bonds and the CSD shall be entitled to provide such information upon request. At the request of the Trustee, the Issuing Agent or the Paying Agent, the Issuer shall (and shall be entitled to do so) promptly obtain such information and provide it to the Trustee, the Issuing Agent or the Paying Agent, as applicable.
- (c) The Trustee, the Issuing Agent and the Paying Agent shall have the right to obtain information referred to in Clause 6(b) (*Bonds in Book-Entry Form*) from the CSD in respect of the Bonds if so permitted under the regulation of the CSD. The Issuer agrees that each of the Trustee, the Issuing Agent and the Paying Agent is at any time on its behalf entitled to obtain information referred to in Clause 6(b)(*Bonds in Book-Entry Form*) from the CSD in respect of the Bonds.
- (d) The Issuer shall issue any necessary power of attorney to such persons employed by the Trustee or the Paying Agent, as notified by the Trustee or the Paying Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney given to the Trustee unless directed by the Trustee or unless consent thereto is given by the Bondholders.
- (e) The Issuer, the Trustee, the Issuing Agent and the Paying Agent may use the information referred to in Clause 6(b)(*Bonds in Book-Entry Form*) only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions with respect to the Bonds and shall not disclose such information to any Bondholder or third party unless necessary for the before-mentioned purposes.

7. Right to Act on Behalf of a Bondholder

- (a) If any person other than a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other proof of authorisation from the Bondholder or a successive, coherent chain of powers

of attorney or proofs of authorisation starting with the Bondholder and authorising such person.

- (b) A Bondholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) The Trustee shall only have to examine the face of a power of attorney or other proof of authorisation that has been provided to it pursuant to Clause 7(b) (*Right to Act on Behalf of a Bondholder*) and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or is otherwise notified to the Trustee.

8. Payments in Respect of the Bonds

- (a) Any payments under or in respect of the Bonds pursuant to these Terms and Conditions shall be made to the person who is registered as a Bondholder at the Record Date prior to an Interest Payment Date or other relevant due date in accordance with the Finnish legislation governing the Book-Entry Securities System and book-entry accounts as well as the regulations of the CSD.
- (b) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Any such postponement shall not affect the Record Date. Interest shall accrue in accordance with Clause 9(c) (*Interest*) during such postponement.
- (c) If payment or repayment is made in accordance with this Clause 8 (*Payments in Respect of the Bonds*), the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- (d) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

9. Interest

- (a) Each Bond carries Interest at the Interest Rate from (and including) the Issue Date up to (but excluding) the relevant Redemption Date.
- (b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each and, in case of an incomplete month, the actual number of days elapsed (30/360-days basis).

- (d) If the Issuer fails to pay any amount due under these Terms and Conditions, the Issuer shall pay default interest on such amount at a rate corresponding to the Interest Rate plus 2.00 per cent., from (and including) the date such payment was due up to (but excluding) the date of actual payment. Accrued default interest shall not be capitalised.

10. Redemption and Repurchase of the Bonds

10.1 Redemption at maturity

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Redemption Date with an amount per Bond equal to the Outstanding Nominal Amount together with accrued but unpaid Interest. If the Final Redemption Date is not a CSD Business Day, then the redemption shall occur on the CSD Business Day determined by application of the Business Day Convention.

10.2 Amortisation

- (a) The Issuer shall repay the total Nominal Amount in the amount and at the dates set out below:

Date	Amount
The date falling 18 months after the Issue Date	EUR 7,500,000
The date falling 24 months after the Issue Date	EUR 7,500,000
The date falling 30 months after the Issue Date	EUR 7,500,000
The date falling 36 months after the Issue Date	EUR 7,500,000
The date falling 42 months after the Issue Date	EUR 7,500,000
The date falling 48 months after the Issue Date	EUR 7,500,000
The date falling 54 months after the Issue Date	EUR 7,500,000

- (b) Any repayment under Clause 10.2(a) (*Amortisation*) above shall be made as partial prepayments of all outstanding Bonds (at par) by way of reducing the Outstanding Nominal Amount of each Bond pro rata (rounded down to the nearest EUR 1.00). Amortizations shall be made at 100.00 per cent. of the Outstanding Nominal Amount.
- (c) The remaining outstanding amount under the Bonds shall be redeemed on the Final Redemption Date.

10.3 Group Company's purchase of Bonds

Each Group Company may, subject to applicable law, at any time and at any price purchase Bonds provided that such purchase is made through a public offer. Bonds held by a Group Company may at such Group Company's discretion be retained, sold or, if held by the Issuer, cancelled.

10.4 Voluntary Total Redemption

- (a) The Issuer may redeem the Bonds in whole, but not in part, on any CSD Business Day from and including:
 - (i) the Issue Date to, but not including, the First Call Date at a price equivalent to the Make Whole Amount;
 - (ii) the First Call Date to, but not including, the date falling 54 months after the Issue Date at a price equivalent to 101.65 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest; and
 - (iii) the date falling 54 months after the Issue Date to, but not including, the Final Redemption Date at a price equivalent to 100.825 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest.
- (b) Redemption in accordance with Clause 10.4(a) (*Voluntary Total Redemption*) shall be made by the Issuer giving not less than twenty (20) Business Days' notice prior to the relevant Redemption Date to the Bondholders and the Trustee and in accordance with the instructions of the Issuer, the Paying Agent or the Issuing Agent, as applicable. Any such notice is irrevocable and, upon expiry of such notice, the Issuer is bound to redeem the Bonds in full with the applicable amounts.

10.5 Voluntary Partial Prepayment upon an Equity Listing Event

- (a) The Issuer may, in connection with an Equity Listing Event, repay up to 30 per cent. of the total Outstanding Nominal Amount, in which case all outstanding Bonds shall be partially repaid by way of reducing the Outstanding Nominal Amount of each Bond *pro rata*, provided that such repayment is made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer as a result of the Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such Equity Listing Event and net of taxes paid or payable as a result of such Equity Listing Event), and provided that the repayment occurs on an Interest Payment Date within 180 days after the Equity Listing Event.
- (b) Partial prepayment in accordance with Clause 10.5(a) (*Voluntary Partial Prepayment upon an Equity Listing Event*) shall be equal to the repaid percentage of the Outstanding Nominal Amount (rounded down to the nearest EUR 1.00) plus;

- (i) if made before the First Call Date, at the price set out in paragraph (ii) of Clause 10.4(a) (*Voluntary Total Redemption*), and if made at any time thereafter, at the relevant price set out in Clause 10.4(a) (*Voluntary Total Redemption*) for the relevant period; and
 - (ii) accrued but unpaid interest on the repaid amount.
- (c) Repayment shall be made to each Bondholder on an Interest Payment Date occurring within one hundred eighty (180) days following the Equity Listing Event (giving not less than twenty (20) Business Days' notice prior to the relevant repayment date to the Bondholders and the Trustee).
- (d) Partial repayment in accordance with this Clause 10.5 may only be made at one occasion.

10.6 Change of Control Put Option

- (a) Should a Change of Control occur, each Bondholder shall have a right of prepayment ("**Change of Control Put Option**") of the Bonds at a price of 101 per cent. of the Outstanding Nominal Amount (plus accrued and unpaid interest) by giving the Issuer notice of its intention to invoke its Change of Control Put Option during a period of 60 days following the notice of a potential Change of Control (the "**Exercise Period**"), being e.g. receipt of an offer or signing of a sale and purchase agreement in respect of the shares of the Issuer.
- (b) The settlement date of the Change of Control Put Option shall occur 20 Business Days after the expiry of the Exercise Period.

10.7 General

The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 10, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 10 by virtue of the conflict.

11. Transaction Security

11.1 Granting of the Transaction Security

- (a) As continuing Security for the due and punctual fulfillment of the Secured Obligations, the Issuer shall (and will ensure that the Target Company will), prior to the release of the Net Proceeds from the Escrow Account, grant the Transaction Security to the Secured Creditors as represented by the Security Agent on the terms set out in the Transaction Security Documents.
- (b) The Security Agent shall hold the Transaction Security on behalf of the Secured Creditors in accordance with the terms of the Transaction Security Documents and the Intercreditor Agreement.

- (c) Unless and until the Security Agent has received instructions from the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*), the Security Agent shall (without first having to obtain the Bondholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, releasing or enforcing the Transaction Security or for the purpose of settling the Bondholders', the Equity Hybrid Investors' or the Issuer's rights to the Transaction Security, in each case in accordance with the terms of the Transaction Security Documents, the Intercreditor Agreement and the terms of the Finance Documents, and provided that such agreements or actions are not detrimental to the interests of the Bondholders.
- (d) The Trustee shall be entitled to give instructions relating to the Transaction Security to the Security Agent in accordance with the Intercreditor Agreement.

11.2 Release of Transaction Security

The Security Agent may at any time, acting on instructions of the Bondholders, release any Transaction Security in accordance with the terms of the Transaction Security Documents and the Intercreditor Agreement.

11.3 Enforcement of Transaction Security

- (a) The Security Agent may only take action to accelerate or enforce any Transaction Security in accordance with the terms of the Intercreditor Agreement.
- (b) Upon an enforcement of the Transaction Security or following receipt of any recovery after the occurrence of an insolvency event of the Issuer, the enforcement proceeds and any amount of recoveries will, pursuant to the Intercreditor Agreement, be distributed in the following order:
 - (i) *firstly*, in or towards payment of fees owed to the Security Agent and the Trustee, including all costs and indemnities relating to the acceleration of the Bonds, the enforcement of the Transaction Security or the protection of the Secured Creditors' rights under the Transaction Security
 - (ii) *secondly*, towards payment of accrued interest unpaid under the Bonds;
 - (iii) *thirdly*, towards payment of principal under the Bonds;
 - (iv) *fourthly*, in or towards payment of any other costs or outstanding amounts under the Bonds;
 - (v) *fifthly*, in or towards payment of fees owed to the agent under the Equity Hybrid Loan;
 - (vi) *sixthly*, towards payment of accrued interest unpaid under the Equity Hybrid Loan; and

- (vii) *seventhly*, towards payment of principal under the Equity Hybrid Loan and any other amounts outstanding under the Equity Hybrid Loan.
- (c) Any excess funds after the application of proceeds in accordance with (b)(i) to (vi) above shall be paid to the Issuer and other Group Companies.
- (d) All Transaction Security or arrangement having similar effects may be released by the Security Agent, without the need for any further referral to or authority from anyone, upon any enforcement provided that the proceeds are distributed in accordance with the provisions set out in the Intercreditor Agreement.

12. Information to Bondholders

12.1 Information from the Issuer

- (a) The Issuer shall make the following information available in the English language to the Bondholders by publication on the website of the Issuer:
 - (i) as soon as the same become available, but in any event within three (3) months after the end of each financial year, the annual audited consolidated financial statements of the Group and the annual audited unconsolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
 - (ii) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, the quarterly interim unaudited consolidated reports of the Group and the quarterly interim unaudited unconsolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer's board of directors;
 - (iii) the latest version of the Terms and Conditions; and
 - (iv) any other information required by the Finnish Securities Markets Act (*Arvopaperimarkkinalaki 746/2012*) and the rules and regulations of the Regulated Market on which the Bonds are listed.
- (b) The reports referred to under 12.1(a)(i)-(ii) (*Information from the Issuer*) shall be prepared in accordance with the Accounting Principles and when the Bonds have been listed shall, in addition, be prepared in accordance with IFRS and made available in accordance with the rules and regulations of NASDAQ OMX Helsinki (as amended from time to time) and the Finnish Securities Markets Act (Fi: *Arvopaperimarkkinalaki 746/2012*).
- (c) The Issuer shall:

- (i) in connection with the incurrence of Financial Indebtedness and/or in connection with a Restricted Payment that requires that the Incurrence Test is met, respectively;
 - (ii) in connection with the delivery of the Financial Reports in Clause 12.1(a)(ii) (*Information from the Issuer*) being delivered; and
 - (iii) within 20 days following a request from the Trustee,

issue a Compliance Certificate to the Trustee.
- (d) When the financial statements and other information are made available to the Bondholders pursuant to Clause 12.1(a) (*Information from the Issuer*), the Issuer shall send copies of such financial statements and other information to the Trustee.
- (e) The Issuer shall promptly notify the Trustee when the Issuer is or becomes aware of (i) the occurrence of a Change of Control, or (ii) that an Event of Default has occurred, and shall provide the Trustee with such further information as the Trustee may request (acting reasonably) following receipt of such notice.
- (f) The Issuer is only obliged to inform the Trustee according to this Clause 12.1 (*Information from the Issuer*) if informing the Trustee would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with NASDAQ OMX Helsinki. If such a conflict would exist pursuant to the listing contract with NASDAQ OMX Helsinki or otherwise, the Issuer shall however be obliged to either seek approval from NASDAQ OMX Helsinki or undertake other reasonable measures, including entering into a non-disclosure agreement with the Trustee, in order to be able to timely inform the Trustee according to this Clause 12.1 (*Information from the Issuer*).
- (g) The Issuer shall, subject to the regulations of the CSD and applicable laws, be entitled to obtain information of the Bondholders from the CSD and the CSD shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to the regulations of the CSD and applicable laws, be entitled to acquire from the CSD a list of the Bondholders, provided that it is technically possible for the CSD to maintain such a list.

12.2 Information from the Trustee

The Trustee is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Trustee may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

12.3 Publication of Finance Documents

- (a) The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Trustee.
- (b) The latest versions of the other Finance Documents shall be available for review at the office of the Trustee during normal business hours.

13. General Undertakings

13.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 13 (*General Undertakings*) for as long as any Bonds remain outstanding.

13.2 Distributions

- (a) The Issuer shall not, and shall procure that none of its Subsidiaries will:
 - (i) pay any dividend on its shares to the Issuer's direct or indirect shareholders;
 - (ii) in case of the Issuer only, repurchase or redeem any of its own shares;
 - (iii) redeem or reduce its share capital or other restricted equity with repayment to shareholders;
 - (iv) make any payments or prepayments of principal or interest under any Shareholder Loan or the Equity Hybrid Loan;
 - (v) grant any loans, except to Group Companies and to other parties if the loan relates solely to vendor financing to a purchaser of assets permitted to be disposed of hereunder on customary terms, provided that a vendor financing may never exceed 15 per cent. of the total purchase price for the relevant asset and that the remaining 85 per cent. or more is paid in cash; or
 - (vi) make any other similar distribution or transfers of value (including but not limited to any distribution from the fund of invested unrestricted equity (Fin: *sijoitetun vapaan oman pääoman rahasto*)) to the direct or indirect shareholder of the Issuer, or any Affiliates of the Issuer (other than the Issuer or another Subsidiary of the Issuer),

sub-clauses (i)-(vi) above each being a "**Restricted Payment**".

- (b) Notwithstanding Clause 13.2(a) (*Distributions*), a Restricted Payment may be made in relation to:

- (i) by any of the Issuer's Subsidiaries if such Restricted Payment is made as loans to customers in the ordinary course of business or is made as loans and does not at anytime in aggregate exceed EUR 250,000;
- (ii) by any of the Issuer's Subsidiaries if such Restricted Payment is made to the Issuer or any of the Subsidiaries and, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Issuer, is made on a *pro rata* basis;
- (iii) by the Issuer to management shareholders in an aggregate amount not exceeding EUR 100,000 in any financial year; and
- (iv) in the form of cash interest to the Equity Hybrid Investors, provided that (A) no Event of Default is continuing or would result from such Restricted Payment, (B) the Incurrence Test is fulfilled (calculated on a pro forma basis including the relevant Restricted Payment), and (C) the aggregate amount of all Restricted Payments of the Group to the Equity Hybrid Investors does not exceed EUR 1,600,000 during any financial year plus Transaction Costs (provided that the limit of EUR 1,600,000 shall, for any financial year, be increased by the amount of cash interest on the Equity Hybrid Loan which could not be paid during the previous financial year due to the restrictions in this subparagraph (A)-(B)).

13.3 Listing of the Bonds

The Issuer shall ensure that the Bonds are listed at the corporate bond list on NASDAQ OMX Helsinki not later than one year after the Issue Date and shall take all measures required to ensure that the Bonds, once listed on NASDAQ OMX Helsinki, continue being listed on NASDAQ OMX Helsinki for as long as any Bond is outstanding (however, taking into account the rules and regulations of NASDAQ OMX Helsinki and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to the redemption of the Bonds).

13.4 Nature of Business

The Issuer shall procure that no substantial change (other than the PM2 Conversion) is made to the general nature of the business carried on by the Group as of the Issue Date if such substantial change would have a Material Adverse Effect

13.5 Financial Indebtedness

The Issuer shall not, and shall procure that none of its Subsidiaries will, incur any additional Financial Indebtedness, provided however that the Issuer and the Subsidiaries have a right to incur Financial Indebtedness that constitute Permitted Debt, if such Permitted Debt is incurred on market terms (or better).

13.6 Disposal of Assets

The Issuer shall not, and shall procure that no Subsidiary, sell or otherwise dispose of any business, assets or shares in any Subsidiary other than:

- (a) disposals made by a Group Company to another Group Company, provided that if the asset which is subject to such disposal consists of any real estate or part thereof (including PM1 and, after the completion of the PM2 Conversion, PM2), shares or receivables covered by the Transaction Security, the Security over such asset shall either remain in place or equivalent Security must be given over that asset by the acquiring Group Company;
- (b) in the ordinary course of business of the disposing entity;
- (c) disposals of obsolete and redundant assets;
- (d) disposal of any assets belonging to PM2, in connection with the PM2 Conversion;
- (e) disposals in exchange, within six months from the disposal, for other assets comparable or superior as to type, value and quality, provided that if any real estate is received in exchange of another real estate that is subject to Transaction Security, the received real estate shall also be subject to Transaction Security;
- (f) disposal of the Power Generation Asset, provided that 50 per cent. of the net proceeds from such disposal shall be applied in partial repayment on outstanding Bonds by way of reducing the Outstanding Nominal Amount of each Bond pro rata within two months following such disposal;
- (g) where the aggregate value of assets disposed does not exceed EUR 500,000 in any financial year,

provided that the transaction (other than in respect of subparagraph (a) above) is carried out on arm's length terms and in each case subject to the terms of the Intercreditor Agreement. The repayment per Bond pursuant to subparagraph (f) above shall equal the repaid percentage of the Outstanding Nominal Amount (rounded down to the nearest EUR 1.00) plus 3.00 per cent and accrued but unpaid interest on the repaid amount.

13.7 Negative Pledge

The Issuer shall not, and shall procure that none of its Subsidiaries, provide, prolong or renew any security over any of its/their assets (present or future) to secure any loan or other indebtedness, provided however that the Group Companies have a right to (A) provide, prolong and renew any Permitted Security, and (B) retain, but not prolong or renew, any existing security in relation to indebtedness held by an entity acquired, save for the Acquisition, by a Group Company.

13.8 Dealings with Related Parties

The Issuer shall, and shall procure that its Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders at arm's length terms.

13.9 Subsequent Equity Contribution

The Issuer shall procure that the Subsequent Equity Contribution is made to the Issuer within 18 months from the Issue Date, provided that if the Issuer has not received the Subsequent Equity Contribution, the Issuer may instead complete the Equity Issue within the same period.

13.10 Registration undertakings

The Issuer shall procure that a duly signed application is filed within one month from Completion Date for registration pursuant to Chapter 14, Section 5, Subsection 2 of the Code of Real Estate (Fi: *maakaari 540/1995, as amended*) that PM1 shall belong to the applicable real estate within the Kotka Site Real Estate on which it is located and which is subject to Transaction Security. Upon completion of the PM2 Conversion, the Issuer shall procure that a duly signed application is filed within one month from such completion for registration pursuant to Chapter 14, Section 5, Subsection 2 of the Code of Real Estate (Fi: *maakaari 540/1995, as amended*) that also PM2 shall belong to the applicable real estate within the Kotka Site Real Estate on which it is located and which is subject to Transaction Security.

14. Financial Covenants

14.1 Incurrence Test

In these Terms and Conditions, the Incurrence Test is met if the ratio of Net Interest Bearing Debt to EBITDA is not greater than 3.00:1, calculated in accordance with the calculation principles set out in Clause 14.2 (*Calculation Adjustments*), on a consolidated basis and based on the most recently delivered Financial Report.

14.2 Calculation Adjustments

- (a) The calculation of the ratio of Net Interest Bearing Debt to EBITDA shall be made as per a testing date determined by the Issuer, falling no more than one month prior to the incurrence of the new Financial Indebtedness, or making of a Restricted Payment, as applicable. The Net Interest Bearing Debt shall be measured on the relevant testing date so determined, but include the new Financial Indebtedness provided it is an interest bearing obligation (however, any cash balance resulting from the incurrence of the new Financial Indebtedness shall not reduce the Net Interest Bearing Debt).
- (b) The figures for EBITDA, Finance Charges and Net Finance Charges for the Reference Period ending on the last day of the period covered by the most recent Financial Report shall be used for the Incurrence Test, but adjusted so that:
 - (i) entities acquired or disposed of by the Group during the Reference Period, or after the end of the Reference Period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Reference Period; and

- (ii) any entity to be acquired with the proceeds from new Financial Indebtedness shall be included, pro forma, for the entire Reference Period.

14.3 Maintenance Test

The Issuer shall ensure that the Equity to Total Assets in respect of each Reference Period ending on a Reference Date shall be at least 30 per cent.

15. Events of Default and Acceleration of the Bonds

Each of the events or circumstances set out in this Clause 15 (*Events of Default and Acceleration of the Bonds*) (other than Clause 15.11 (*Events of Default and Acceleration of the Bonds*)) is an Event of Default.

15.1 Non-Payment

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless the non-payment:

- (a) is caused by technical or administrative error; and
- (b) is remedied within five (5) Business Days of the due date.

15.2 Maintenance Test

The Issuer has failed to comply with the Maintenance Test.

15.3 Other Obligations

The Issuer does not comply with any provision under the Finance Documents, in any other way than as set out in Clause 15.1 (*Non-Payment*), provided that the Trustee has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within fifteen (15) Business Days from such request (if the failure or violation is not capable of being remedied, the Trustee may declare the Bonds payable without such prior written request).

15.4 Cross-Acceleration

Any Financial Indebtedness of a Material Group Company is not paid when due as extended by any originally applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 15.4 (*Cross-Acceleration*) if the aggregate amount of Financial Indebtedness declared to be or otherwise becoming due and payable is less than EUR 1,000,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

15.5 Insolvency

- (a) Any Material Group Company is, or is deemed for the purpose of any applicable law to be, Insolvent; or

- (b) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

15.6 Insolvency Proceedings

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, corporate restructuring (Fin: *yritysaneeraus*) scheme of arrangement or otherwise) of any Material Group Company; and
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets or any analogous procedure or step is taken in any jurisdiction.

15.7 Mergers and Demergers

A decision is made that any Material Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

15.8 Creditors' Process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding EUR 1,000,000 and is not discharged within 60 days.

15.9 Impossibility or Illegality

It is or becomes impossible or unlawful for the Issuer to fulfill or perform any of the provisions of these Terms and Conditions or if the obligations under these Terms and Conditions are not, or cease to be, legal, valid, binding and enforceable.

15.10 Continuation of the Business

The Issuer or any other Material Group Company ceases to carry on its business if such discontinuation is likely to have a Material Adverse Effect.

15.11 Acceleration of the Bonds

- (a) Subject to the Intercreditor Agreement, if an Event of Default has occurred and is continuing, the Trustee is entitled to, on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not only some, of the Bonds due for payment together with any other amounts payable under the Finance

Documents, immediately or at such later date as the Trustee determines (but such date may not fall after the Final Redemption Date), and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

- (b) If the Bondholders (in accordance with these Terms and Conditions) instruct the Trustee to accelerate the Bonds, the Trustee shall, provided that the provisions of the Intercreditor Agreement has been complied with, promptly declare the Bonds due and payable and take such actions as, in the opinion of the Trustee, may be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- (c) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.
- (d) In the event of an acceleration of the Bonds in accordance with this Clause 15 (*Events of Default and Acceleration of the Bonds*), the Issuer shall before the First Call Date redeem all Bonds with an amount equal to the amount set forth Clause 10.4(a)(ii) (*Voluntary Total Redemption*) and thereafter as applicable according to Clause 10.4 (*Voluntary Total Redemption*) considering when the acceleration occurs.

16. Allocation of Proceeds

- (a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 15 (*Events of Default and Acceleration of the Bonds*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in accordance with the Intercreditor Agreement.
- (b) Any amount which pursuant to the Intercreditor Agreement is payable in respect of the Bonds shall be applied in the following order of priority, in accordance with the instructions of the Trustee:
 - (i) **first**, in or towards payment of the Trustee under the Agency Agreement, including all costs and indemnities relating to the acceleration of the Bonds or the protection of the Bondholders' rights under the Finance Documents;
 - (ii) **secondly**, towards payment of accrued Interest unpaid under the Bonds;
 - (iii) **thirdly**, in or towards payment of principal under the Bonds; and
 - (iv) **fourthly**, in or towards payment of any other costs or outstanding amounts unpaid under the Bonds.

Any excess funds after the application of proceeds in accordance with Clauses 16(b)(i)-(iv)(*Allocation of Proceeds*) above shall be paid in accordance with the Intercreditor Agreement.

- (c) Funds that the Security Agent receives (directly or indirectly) in connection with the acceleration of the Bonds or the enforcement of the Transaction Security shall constitute escrow funds and must be promptly turned over to the Secured Creditors in accordance with the Intercreditor Agreement.

17. Decisions by Bondholders

- (a) A request by the Trustee for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Trustee) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.
- (b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Trustee and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Trustee and dealt with at a Bondholders' Meeting or by way a Written Procedure, as determined by the Trustee. The person requesting the decision may suggest the form for decision making, but if it is in the Trustee's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.
- (c) The Trustee may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Bondholders and such person has informed the Trustee that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- (d) Only a person who is, or who has been provided with a power of attorney pursuant to Clause 7 (*Right to Act on Behalf of a Bondholder*) from a person who is, registered as a Bondholder:
 - (i) at the Record Date prior on the CSD Business Day of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or
 - (ii) at the Record Date on the CSD Business Day specified in the communication pursuant to Clause 19(c) (*Written Procedure*), in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.

- (e) The following matters shall require the consent of Bondholders representing at least $66\frac{2}{3}$ per cent. of the Adjusted Nominal Amount for which Bondholders

are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19(c) (*Written Procedure*):

- (i) waive of a breach of, or an amendment of, any undertaking set out in Clause 13 (*General Undertakings*);
 - (ii) a release of Security provided under the Transaction Security Documents;
 - (iii) any material amendments of the terms of the Intercreditor Agreement;
 - (iv) a reduce of the principal amount, the Interest Rate or the interest amount which shall be paid by the Issuer;
 - (v) an amendment of any payment day for principal or a Interest Payment Date or waive any breach of a payment undertaking; or
 - (vi) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 17 (*Decisions by Bondholders*).
- (f) Any matter not covered by Clause 17(e) (*Decisions by Bondholders*) shall require the consent of Bondholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 19(c) (*Written Procedure*).
- (g) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least twenty (20) per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
 - (ii) if in respect of a Written Procedure, reply to the request.
- (h) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Trustee or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 18(a)) (*Bondholders' Meeting*) or initiate a second Written Procedure (in accordance with Clause 19(a)) (*Written Procedure*), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 17(g) (*Decisions by Bondholders*) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (i) Any decision which extends or increases the obligations of the Issuer or the Trustee, or limits, reduces or extinguishes the rights or benefits of the Issuer or

the Trustee, under the Finance Documents shall be subject to the Issuer's or the Trustee's consent, as applicable.

- (j) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (k) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (l) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (m) All reasonable costs and expenses incurred by the Issuer or the Trustee for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Trustee, shall be paid by the Issuer.
- (n) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Trustee provide the Trustee with a certificate specifying the number of Bonds owned by Group Companies or its Affiliates, irrespective of whether such person is directly registered as owner of such Bonds. The Trustee shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company.
- (o) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Trustee, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

18. Bondholders' Meeting

- (a) The Trustee shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

- (b) Should the Issuer want to replace the Trustee, it may convene a Bondholders' Meeting in accordance with Clause 18(a) (*Bondholders' Meeting*) with a copy to the Trustee. After a request from the Bondholders pursuant to Clause 21.4(c) (*Replacement of the Trustee*), the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 18(a) (*Bondholders' Meeting*).
- (c) The notice pursuant to Clause 18(a) (*Bondholders' Meeting*) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a specification of the CSD Business Day at the end of which a person must be registered as a Bondholder in order to be entitled to exercise voting rights at the meeting, and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.
- (d) The Bondholders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.
- (e) Without amending or varying these Terms and Conditions, the Trustee may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Trustee may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

19. Written Procedure

- (a) The Trustee shall instigate a Written Procedure no later than five (5) Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each such person who is registered as a Bondholder on the Business Day prior to the date on which the communication is sent.
- (b) Should the Issuer want to replace the Trustee, it may send a communication in accordance with Clause 19(a) (*Written Procedure*) to each Bondholder with a copy to the Trustee.
- (c) A communication pursuant to Clause 19(a) (*Written Procedure*) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the CSD Business Day on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten (10) Business Days from the communication pursuant to Clause 19(a)) (*Written Procedure*). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

- (d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 17(e) (*Decisions by Bondholders*) and 17(f) (*Decisions by Bondholders*) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17(e) or 17(f) (*Decisions by Bondholders*), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

20. Amendments and Waivers

- (a) Subject to the terms of the Intercreditor Agreement, the Issuer and the Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 17 (*Decisions by Bondholders*).
- (b) The Trustee shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 20(a) (*Amendments and Waivers*), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 12.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- (c) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Trustee, as the case may be.

21. Appointment and Replacement of the Trustee

21.1 Appointment of the Trustee

- (a) By subscribing for Bonds, each initial Bondholder, and, by acquiring Bonds each subsequent Bondholder appoint:
 - (i) the Trustee to act as its agent and representative in all matters relating to the Bonds and the Finance Documents, and authorises the Trustee to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder and to exercise such rights, powers, authorities and discretions as are specifically delegated to the Trustee by these Terms and Conditions and the Finance Documents together with all such rights, powers, authorities and discretions as are incidental thereto;

- (ii) agrees to and accepts that, upon the Trustee delivering an acceleration notice in accordance with Clause 15.11 *Acceleration of the Bonds*), it will be considered to have irrevocably transferred to the Trustee all its procedural rights and legal authority to claim and collect any and all receivables under the Bonds, enforce any Finance Document and to receive any funds in respect of the Bonds or under the Finance Documents (Fin: *prokurasiirto*) as a result of which transfer, the Trustee shall be irrevocably entitled to take all such action in its own name but on behalf of and for the benefit of each Bondholder (at the expense of the Bondholders); and
 - (iii) confirms the appointment under the Intercreditor Agreement of the Security Agent to act as its agent in all matters relating to Transaction Security, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and acknowledges and agrees that the rights, obligations, role of and limitations of liability for the Security Agent is further regulated in the Intercreditor Agreement and the Transaction Security Documents.
- (b) Each Bondholder shall immediately upon request provide the Trustee and the Security Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Trustee or the Security Agent, as applicable), that the Trustee or Security Agent (as applicable) deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. Neither the Trustee nor the Security Agent is under any obligation to represent a Bondholder which does not comply with such request if due to such failure the Trustee is unable to represent such Bondholder.
- (c) The Issuer shall promptly upon request provide the Trustee with any documents and other assistance (in form and substance satisfactory to the Trustee), that the Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (d) The Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Trustee's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

21.2 Duties of the Trustee

- (a) The Trustee shall represent the Bondholders in accordance with the Finance Documents, and, where relevant, in relation to instructions to the Security Agent to enforce the Transaction Security on behalf of the Bondholders.
- (b) When acting in accordance with the Finance Documents, the Trustee is always acting with binding effect on behalf of the Bondholders. The Trustee shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.

- (c) The Trustee shall monitor the compliance by the Issuer with its obligations under these Terms and Conditions on the basis of information made available to it pursuant to the Finance Documents or received from a Bondholder. The Trustee is not obligated to assess the Issuer's financial situation other than as expressly set out in these Terms and Conditions.
- (d) The Trustee is entitled to take any step it in its sole discretion considers necessary or advisable to protect the rights of the Bondholders pursuant to these Terms and Conditions.
- (e) The Trustee is entitled to delegate its duties to other professional parties, provided that such professional parties are selected with due care.
- (f) The Trustee shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (g) The Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Trustee pay all reasonable costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event which the Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer which the Trustee reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents. Any compensation for damages or other recoveries received by the Trustee from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 16 (*Allocation of Proceeds*).
- (h) Notwithstanding any other provision of the Finance Documents to the contrary, the Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (i) If in the Trustee's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Trustee) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, the Trustee may refrain from acting in accordance with such instructions, or taking such action, until it has received such indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- (j) The Trustee shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Trustee under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause (i) above.

21.3 Limited liability for the Trustee

- (a) The Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Trustee shall never be responsible for indirect loss.
- (b) The Trustee shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Trustee or if the Trustee has acted with reasonable care in a situation when the Trustee considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.
- (c) The Trustee shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Trustee to the Bondholders, provided that the Trustee has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Trustee for that purpose.
- (d) The Trustee shall have no liability to the Bondholders for damage caused by the Trustee acting in accordance with instructions of the Bondholders given in accordance with Clause 17 (*Decisions by Bondholders*) or a demand by Bondholders given pursuant to Clause 15.11(a) (*Acceleration of the Bonds*).
- (e) Any liability towards the Issuer which is incurred by the Trustee in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

21.4 Replacement of the Trustee

- (a) Subject to Clause 21.4(f) (*Replacement of the Trustee*), the Trustee may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Trustee at a Bondholders' Meeting convened by the retiring Trustee or by way of Written Procedure initiated by the retiring Trustee.
- (b) Subject to Clause 21.4(f) (*Replacement of the Trustee*), if the Trustee is Insolvent, the Trustee shall be deemed to resign as Trustee with immediate effect and the Issuer shall within ten (10) Business Days appoint a successor agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (c) A Bondholder (or Bondholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Trustee

and appointing a new Trustee. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Trustee be dismissed and a new Trustee appointed.

- (d) If the Bondholders have not appointed a successor Trustee within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Trustee was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- (e) The retiring Trustee shall, at its own cost, make available to the successor Trustee such documents and records and provide such assistance as the successor Trustee may reasonably request for the purposes of performing its functions as Trustee under the Finance Documents.
- (f) The Trustee's resignation or dismissal shall only take effect upon the appointment of a successor Trustee and acceptance by such successor Trustee of such appointment and the execution of all necessary documentation to effectively substitute the retiring Trustee.
- (g) Upon the appointment of a successor, the retiring Trustee shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Trustee. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Trustee.
- (h) In the event that there is a change of the Trustee in accordance with this Clause 21.4 (*Replacement of the Trustee*), the Issuer shall execute such documents and take such actions as the new Trustee may reasonably require for the purpose of vesting in such new Trustee the rights, powers and obligation of the Trustee and releasing the retiring Trustee from its further obligations under the Finance Documents and the Agency Agreement.

22. Appointment and Replacement of the Issuing Agent and the Paying Agent

- (a) The Issuer appoints the Issuing Agent and the Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.
- (b) The Issuing Agent and the Paying Agent may retire from their respective assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent or the Paying Agent is Insolvent, the Issuer

shall immediately appoint a new Issuing Agent or Paying Agent, which shall replace the old Issuing Agent or Paying Agent in accordance with these Terms and Conditions.

23. No Direct Actions by Bondholders

- (a) A Bondholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Fin: *yriytysaneeraus*) or bankruptcy (Fin: *konkurssi*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.
- (b) Clause 23(a) (*No Direct Actions by Bondholders*) shall not apply if (i) the Trustee has been instructed by the Bondholders in accordance with these Terms and Conditions to take certain actions but is legally unable to take such actions, or (ii) the Security Agent has been instructed by an Instructing Party (as defined in the Intercreditor Agreement) in accordance with the Intercreditor Agreement to enforce the Transaction Security but is legally unable to take such enforcement actions.

24. Prescription

- (a) The right to receive payment of the principal of or interest on the Bonds shall be prescribed and become void three (3) years from the date on which such payment became due.
- (b) If a limitation period is duly interrupted in accordance with the Finnish Act on Limitations (Fin: *Laki velan vanhentumisesta 728/2003, as amended*), a new limitation period of at least three (3) years will commence.

25. Notices

- (a) Subject to Clause 25(d) (*Notices*), any notice or other communication to be made under or in connection with the Finance Documents:
 - (i) if to the Trustee, shall be given at the address registered with the Finnish Trade Register on the Business Day prior to dispatch;
 - (ii) if to the Issuing Agent, shall be given at the address registered with the Finnish Trade Register on the Business Day prior to dispatch.
 - (iii) if to the Issuer, to the following address:

Eagle Industries Oy
Bulevardi 1
00100 Helsinki
 - (iv) if to the Bondholders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Bondholders.

- (b) Any notice to the Bondholders shall also be published on the websites of the Issuer and the Trustee.
- (c) Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 25(a) (*Notices*) or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25(a) (*Notices*).
- (d) If an Event of Default is continuing, any notice or other communication made by the Trustee to the Issuer under or in connection with the Finance Documents may, provided that the Trustee deems it necessary in order to preserve the Bondholders' rights under the Finance Documents, be sent by email and will be effective on the Business Day of dispatch (unless a delivery failure message was received by the Trustee), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following Business Day. Any notice or other communication to be sent by email by the Trustee to the Issuer in accordance with this Clause 25(c) (*Notices*) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Trustee.

26. Taxation

The Issuer shall pay any stamp duty and other public fees accruing in connection with the Bond Issue, but not in respect of trading in the secondary market (except to the extent required by applicable laws), and shall deduct at source any applicable withholding tax payable pursuant to law.

27. Governing Law and Jurisdiction

- (a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Finland.
- (b) The Issuer submits to the non-exclusive jurisdiction of the Finnish courts with the District Court of Helsinki (Fin: *Helsingin käräjäoikeus*) as the court of first instance.
- (c) Clauses 27 (*Governing Law and Jurisdiction*) (a) and (b) above shall not limit the right of the Trustee (or the Bondholders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

[Signature page to follow]

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Helsinki, Finland

Date: ___ March 2015

For and behalf of

Eagle Industries OY

as Issuer

Name:

We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

Place: Helsinki, Finland

Date: 5 March 2015

Nordic Trustee Oy

as Trustee



Name: SAMI MIETTINEN

We hereby certify that the above terms and conditions are binding upon ourselves.

Place: Helsinki, Finland

Date: 6 March 2015

For and behalf of

Eagle Industries OY

as Issuer



Name: Kari Rytönen

We hereby undertake to act in accordance with the above terms and conditions to the extent they refer to us.

Place: Helsinki, Finland

Date: ___ March 2015

Nordic Trustee Oy

as Trustee

Name: