

## NOTICE OF MEETING

### Invitation to noteholders' meeting for Suominen Notes due in 2019

Suominen Corporation (“**Suominen**” or the “**Issuer**”) has requested that Intertrust (Finland) Oy (the “**Noteholders' Agent**”) convenes the holders (the “**Noteholders**”) of its EUR 75,000,000 senior unsecured 4.375 percent rate notes due 2019 (ISIN FI4000108576) (the “**Notes**”) to a noteholders' meeting (the “**Noteholders' Meeting**”) in accordance with Clause 16 of the terms and conditions of the Notes. The purpose of the Noteholders' Meeting is for the Noteholders to consider and, if thought fit, to amend the terms and conditions as set out in Schedule A hereto (the “**Resolution**”).

If resolutions amending the terms and conditions are approved at the Noteholders' Meeting, the amendments shall take effect on the day that the Issuer in a notice to the Noteholders (in accordance with 22 (Notices and Press Releases) of the terms and conditions of the Notes) has identified as the effective date for the amendments (the “**Effective Date**”). The proposal to amend the terms and conditions of the Notes is hereafter referred to as the “**Proposal**”, and the proposed amendments to the terms and conditions of the Notes are hereafter referred to as the “**Amendments**”.

**The Noteholders' Meeting will be held on 25 September 2017 at 8:30 a.m. EET at the offices of Nordea, at the address Aleksis Kiven katu 7, FI-00500 Helsinki (attendance registration for the meeting will be open at 8:00 a.m. EET. However, official registration for the meeting to be made by 4:30 p.m EET on 18 September 2017.**

### Noteholders' Meeting

To be eligible to participate in the Noteholders' Meeting, a person must be registered in the relevant system of Euroclear Finland Ltd as a direct registered owner or be registered as an authorised nominee with respect to one or several Notes on 18 September 2017 (“**Voting Record Date**”). In addition, Noteholders are required to take certain actions in order to attend the Noteholders' Meeting. For further information regarding who is eligible to participate and what steps that may need to be taken to participate, please see “*Voting Procedure*” and “*Notification of Participation in a Noteholders' Meeting Required*” below.

Notwithstanding anything to the contrary contained herein or in any other document related to the Proposal, the Issuer reserves the right, in its sole discretion, to cancel the Noteholders' Meeting.

The information in this notice (including enclosures) is provided by Suominen, and the Noteholders' Agent expressly disclaims all liability whatsoever related to the content of this notice and the Proposal.

### Consent Solicitation and Tender Offer

Suominen is soliciting consents (the “**Consent Solicitation**”) to the Amendments and Nordea Bank AB (publ) is inviting Noteholders to tender their Notes (the “**Tender Offer**”), in each case as described in and subject to a consent solicitation and tender offer memorandum (the “**Consent Solicitation and Tender Offer Memorandum**”). Suominen offers certain fees and tender consideration, subject to fulfilment of conditions set out in the Consent Solicitation and Tender Offer Memorandum (including that resolutions amending the terms and conditions in accordance with the Proposal are approved at the Noteholders' Meeting). A Noteholder that wishes to participate in the Consent Solicitation or the Tender Offer must deliver consent voting instructions or tender and voting instructions in writing before relevant deadlines occurring prior to the Noteholders' Meeting, as prescribed in the Consent Solicitation and Tender Offer Memorandum, and should not attend the Noteholders' Meeting in person or by phone or represented by proxy (other than pursuant to a consent voting instruction or a tender and voting instruction, as applicable, in accordance with the terms set out in the Consent Solicitation and Tender Offer Memorandum). Nordea Bank AB (publ), Finnish Branch, acting as tender and tabulation agent under the Consent Solicitation and the Tender Offer, will represent such Noteholders at the Noteholders' Meeting and, at the meeting, vote on behalf of such noteholder at the meeting.

**Noteholders that wish to tender their Notes or be eligible to receive consent fees should not issue powers of attorney in the form set out in Schedule B to this notice, but should use the tender and voting instruction form or consent voting instruction form annexed to the Consent Solicitation and Tender Offer Memorandum. Noteholders who vote in respect of the Proposal at the Noteholders' Meeting (by attending the Noteholders' Meeting in person, by phone or represented by proxy (other than pursuant to a consent voting instruction or tender and voting instruction in accordance with the terms set out in the Consent Solicitation and Tender Offer Memorandum) will not be eligible to receive the Early Consent Fee or Tender Consideration (as defined in the Consent Solicitation and Tender Offer Memorandum).**

The Consent Solicitation and Tender Offer Memorandum describes the terms of the Consent Solicitation and Tender Offer. The Consent Solicitation and Tender Offer Memorandum also sets out important restrictions with respect to whom the Tender Offer and Consent Solicitation are made to.

If resolutions amending the terms and conditions are approved at the Noteholders' Meeting, the amendments shall take effect on the Effective Date.

## **Background**

The Issuer is contemplating to refinance a part of the outstanding Notes with new notes to be issued under standalone documentation. Consequently, Nordea Bank AB (publ) as an offeror (i) makes the Tender Offer; and (ii) the Issuer proposes to the Noteholders to pass, at a Noteholders' Meeting in respect of the Notes, a Resolution in favour of the Proposal.

Notes purchased by the offeror pursuant to the Tender Offer will be further cancelled and will not be re-issued or re-sold by the Issuer. Notes which have not been validly submitted or accepted for purchase pursuant to the Tender Offer will remain outstanding, subject to their terms and conditions (as potentially amended in accordance with the Proposal).

## **Agenda**

The Noteholders' Meeting is being convened for the purpose of obtaining the Noteholders' consent to the Proposal.

### *Agenda for the Noteholders' Meeting*

1. Opening of the meeting and election of chairman.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Resolution on whether the meeting has been duly convened.
5. Election of at least one person to verify the minutes.
6. Information about the background of the request.
7. Amendment of the terms and conditions of the Notes (the Proposal):
  - (i) Description of the main features of the Proposal.
  - (ii) Voting regarding the Proposal
8. Closing of the meeting

## **Proposal relating to the granting of consents to the Amendments of the terms and conditions of the Notes**

Suominen proposes that the Noteholders resolve to approve certain amendments to the terms and conditions of the Notes to take effect from the Effective Date as further specified in Schedule A: Amended Terms and Conditions.

## **Voting Procedure**

A Quorum at the Noteholders' Meeting exists if a Noteholder (or Noteholders) representing at least twenty (20) percent of the Adjusted Nominal Amount of the Notes (as defined in the terms and conditions of the Notes), respectively, attend the meeting in person or by telephone conference (or appear through duly authorised representatives).

A resolution concerning the Proposal (the Amendments) requires the consent of noteholders representing at least 50 percent of the Adjusted Nominal Amount for which noteholders are voting at the Noteholders' Meeting. If quorum does not exist at the Noteholders' Meeting, the Noteholders' Agent or Suominen may convene a second noteholders' meeting where the quorum requirement will not apply as stated in the Terms and Conditions of the Notes.

The Noteholders' Agent will verify and approve all consent voting instructions and tender and voting instructions submitted to the Tender and Tabulation Agent in accordance with the instructions and deadlines set out in the Consent Solicitation and Tender Offer Memorandum and votes casted at the Noteholders' Meeting.

A Noteholder holding more than one (1) Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only. Only direct registered owners of the Notes and nominees can cast votes at the Noteholders' Meeting. Such noteholders, who are registered as the holders of their Notes directly, may vote directly themselves. If a noteholder's Notes are registered through a nominee, such a nominee must provide a power of attorney to the noteholder in order for such noteholder to participate at the Noteholders' Meeting (Schedule B Power of Attorney). A nominee may also attend the Noteholders' Meeting and vote on behalf of such a noteholder in accordance with the noteholder's instructions.

The Noteholders' Agent recommends that you contact the securities firm that holds the Notes on your behalf for assistance if you wish to participate in the Noteholders' Meeting and do not know how your Notes are registered.

**Noteholders that wish to tender their Notes or be eligible to receive consent fees should not issue powers of attorney in the form set out in Schedule B to this notice, but should use the tender and voting instruction form or consent voting instruction form annexed to the Consent Solicitation and Tender Offer Memorandum. Noteholders who vote in respect of the Proposal at the Noteholder's Meeting (by attending the Noteholders' Meetings in person or represented by proxy (other than pursuant to a consent voting instruction or tender and voting instruction in accordance with the terms set out in the Consent Solicitation and Tender Offer Memorandum) will not be eligible to receive consent fees or tender consideration.**

#### **Notification of Participation in a Noteholders' Meeting Required**

Any Noteholder intending to attend the Noteholders' Meeting in person, by conference call or by proxy is requested to inform the Tender and Tabulation Agent of its attendance no later than by 4:30 p.m. EET on 18 September 2017 by e-mail: [is.operations.fi@nordea.com](mailto:is.operations.fi@nordea.com). A noteholder or its representative attending the Noteholders' Meeting shall prove its identity and, if applicable, right of representation.

#### **Non-reliance**

The Proposal is presented to the Noteholders by the Issuer, without any evaluation, advice or recommendations from the Noteholders' Agent whatsoever related to the content of this notice and the Proposal. No independent advisor has been appointed to review and/or analyse the Proposal (and the effects of the Proposal) from the Noteholders' perspective. Each Noteholder is recommended to seek professional advice to independently evaluate whether the Proposal from the Issuer (and the effects of the Proposal) is acceptable or not.

#### **Further information**

Questions relating to the administration of the Noteholders' Meeting should be referred to the Noteholders' Agent:

Intertrust (Finland) Oy: Alli Soralahti, Managing Director, [alli.soralahi@intertrustgroup.com](mailto:alli.soralahi@intertrustgroup.com) mobile +358 45 249 6103

Questions relating to the Consent Solicitation and Tender Offer should be referred to Nordea as solicitation agent and requests for a copy of the Consent Solicitation and Tender Offer Memorandum should be referred to the Dealer Manager and Solicitation Agent:

Nordea, e-mail: [NordeaLiabilityManagement@nordea.com](mailto:NordeaLiabilityManagement@nordea.com) Tel: +45 6161 2996

Helsinki, 6 September 2017

Intertrust (Finland) Oy

as the Noteholders' Agent



**TERMS AND CONDITIONS FOR  
SUOMINEN CORPORATION**

**EUR 75,000,000**

**SENIOR UNSECURED 4.375% RATE NOTES DUE 2019**

**ISIN: FI4000108576**

**[AS AMENDED ON \[•\]](#)**

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## 1 DEFINITIONS AND CONSTRUCTION

### 1.1 Definitions

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

"**Accounting Principles**" means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC on the application of international accounting standards (as in force on the Issue Date).

"**Adjusted EBITDA**" means, in respect of any Measurement Period, EBITDA for that Measurement Period adjusted by:

- (a) including earnings before interest, direct taxes, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) of a Group Company for the Measurement Period (or attributable to a business or assets acquired during the Measurement Period) prior to its becoming a Group Company or (as the case may be) prior to the acquisition of the business or assets; and
- (b) excluding earnings before interest, direct taxes, depreciation, amortisation and impairment charges, as reported in the Issuer's IFRS-accounts (calculated on the same basis as EBITDA) attributable to any Group Company (or to any business or assets) disposed of during the Measurement Period.

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

"**Affiliate**" means, in relation to any specified Person, another 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 or 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 agency agreement entered into on or before the Issue Date, between Issuer and the Agent, or any replacement agency agreement entered into after the Issue Date between the Issuer and a replacing Agent.

"**Agent**" means [Intertrust \(Finland\) Oy \(former Corp Nordic Finland Oy\)](#), a limited liability company incorporated under the laws of Finland with business identity code 2343108-1, acting for and on behalf of the Noteholders in accordance with these Terms and Conditions, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

"**Book-Entry Securities System**" means the [OM-Infinity](#) 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*~~348/2017~~, as amended).

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

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

"**Cash and Cash Equivalents**" shall mean the Group's consolidated cash and deposits in bank accounts, short term (up to 12 months' maturity) certificates of deposit or domestic commercial paper with a maturity of up to three months.

"**Change of Control Event**" means the occurrence of an event or series of events whereby any Person or group of Persons acting in concert (Fin: *yksissä tuumin toimiminen*) gain control of the Issuer and where "**control**" means (a) acquiring or controlling, directly or indirectly, more than 50 per cent of the total voting rights represented by the shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), or (b) the right to, directly or indirectly, appoint or remove at least a majority of the members of the board of directors of the Issuer.

"**Compliance Certificate**" means a certificate substantially in the form set out in Appendix 1 (*Form of Compliance Certificate*).

"**CSD**" means Euroclear Finland Oy, business identity code 1061446-0, Urho Kekkosen katu 5 C, P.O. Box 1110, 00101 Helsinki, Finland or any entity replacing the same as a central securities depository.

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

"**EBITDA**" shall mean earnings before interest, direct taxes, depreciation, amortisation and impairment charges, as reported in the Issuer's IFRS-accounts. EBITDA for any Measurement Period shall mean the cumulative aggregate amount of EBITDA of the last four consecutive financial quarters of the Group.

"**Euro**" and "**EUR**" means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

"**Event of Default**" means an event or circumstance specified in paragraphs (a) to (f) of Clause 12.1.

"**Existing Indebtedness**" means the Financial Indebtedness arising under the EUR 158 million senior term and revolving credit facilities agreement dated 20 October 2011 (as amended) between, amongst others, the Issuer as borrower and guarantor, certain Subsidiaries of the Issuer as guarantors, Nordea Bank Finland Plc, Pohjola Bank plc, Danske Bank Plc and Skandinaviska Enskilda Banken AB (publ) as mandated lead arrangers and original lenders and Danske Bank Plc as agent and security agent.

"**Final Maturity Date**" means 23 September 2019.

"**Finance Documents**" means these Terms and Conditions, the Guarantee and any other document by which these Terms and Conditions or the Guarantee are

amended or any part thereof waived in compliance with these Terms and Conditions.

**"Financial Indebtedness"** means:

- (a) moneys borrowed (including under any bank financing);
- (b) the amount of any liability under any lease or hire purchase contracts which would, in accordance with the Accounting Principles [as in force on the Issue Date](#) be treated as a finance lease or a capital lease);
- (c) receivables sold or discounted (other than on a non-recourse basis, provided that the requirements for de-recognition under the Accounting Principles are met);
- (d) any amount raised pursuant to any note purchase facility or the issue of any bond or note or similar instrument;
- (e) any other transaction (including the obligation to pay deferred purchase price) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Principles;
- (f) the marked-to-market value of derivative transactions entered into in connection with protection against, or in order to benefit from, the fluctuation in any rate or price (if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (g) counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution; and
- (h) liabilities under guarantees or indemnities for any of the obligations referred to in paragraphs (a) to (g) above.

**"Force Majeure Event"** has the meaning set forth in Clause 23.1.

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

**"Guarantee"** means a guarantee issued or to be issued by the Guarantors on or prior to the Issue Date in respect of the Guaranteed Obligations.

**"Guaranteed Obligations"** means all present and future obligations and liabilities of the Obligors to the Guaranteed Parties under the Finance Documents, the Issuing Agency Agreement and the Agency Agreement.

**"Guaranteed Parties"** means the Noteholders, the Agent (including in its capacity as Agent under the Agency Agreement) and the Issuing Agent.

**"Guarantors"** means each of the companies listed in Appendix 1 (*Guarantors*).

**"Hybrid Bond"** means the convertible hybrid bond of 5 February 2014 with a nominal value of EUR 17.5 million.

**"Incurrence Test"** means the test set forth in Clause 11.10 (*Financial undertakings*).

**"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 Noteholders) with a view to rescheduling any of its indebtedness (including company reorganisation under the Finnish Act on Company Reorganisation (Fin: *Laki yrityksen saneerauksesta* 47/1993, as amended) (or its equivalent in any other jurisdiction)) or (v) is subject to involuntary winding-up, dissolution or liquidation.

**"Interest"** means the interest on the Notes calculated in accordance with Clauses 7.1 to 7.3.

**"Interest Payment Date"** means 23 March and 23 September of each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from the application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 23 March 2015 and the last Interest Payment Date shall be the relevant Redemption Date.

**"Interest Period"** means (i) in respect of the first Interest Period, the period from (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). An Interest Period shall not be adjusted by application of the Business Day Convention.

**"Interest Rate"** means 4.375 per cent. per annum.

**"Issue Date"** means 23 September 2014.

**"Issuer"** means Suominen Corporation, a public limited liability company incorporated under the laws of Finland with business identity code 1680141-9.

**"Issuing Agency Agreement"** means the agreement dated 8 September 2014 regarding services related to the Notes entered into by and between the Issuer and the Issuing Agent in connection with the issuance of the Notes (as amended and restated from time to time).

**"Issuing Agent"** means Nordea Bank Finland Plc acting as issue agent (Fin: *liikkeeseenlaskijan asiamies*) and paying agent of the Notes for and on behalf of the Issuer, or any other party replacing the same as Issuing Agent in accordance with the regulations of the CSD.

**"Lead Managers"** means Nordea Bank Finland Plc and Pohjola Bank plc acting as lead managers of the issue of the Notes.

**"Measurement Period"** means, for purposes of the Incurrence Test, the latest twelve month period for which financial statements (annual and/or interim reports) are available.

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

**"Noteholder"** means the Person who is registered in the register maintained by the CSD pursuant to paragraph 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 Note.

**"Noteholders' Meeting"** means a meeting among the Noteholders held in accordance with Clause 16 (*Noteholders' Meeting*).

**"Notes"** means debt instruments, each for the Nominal Amount and of the type referred to in paragraph 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.

**"Obligor"** means the Issuer or a Guarantor.

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

**"Record Time"** means:

- (a) in relation to a payment of Interest, default interest and/or redemption of the Notes 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 Noteholders is to be made under Clause 13 (*Distribution of proceeds*);
- (b) in relation to a Noteholders' Meeting and Written Procedure, the end of the CSD Business Day specified in the communication pursuant to Clause 16.3 or Clause 17.3, 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 Notes are to be redeemed or repurchased in accordance with Clause 8 (*Redemption and repurchase of the Notes*).

**"Relevant Market"** means the Helsinki Stock Exchange maintained by NASDAQ OMX Helsinki Ltd.

**"Security"** means a mortgage, charge, pledge, lien, security assignment or security interest securing any obligation of any Person, or any other agreement or arrangement having a similar effect [\(and for the avoidance of doubt, each time not including any guarantee\)](#).

**"Subsidiary"** means, in relation to any Person, any Finnish or foreign legal entity (whether incorporated or not), in respect of which such Person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50) per cent. of the total number of votes held by the owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, or (iv) exercises control as determined in accordance with the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC on the application of international accounting standards (or as otherwise adopted or amended from time to time).

~~**"Total Consolidated Equity"** shall mean the aggregate of shareholders' equity plus minority interests, untaxed voluntary reserves and the principal amount (and any capitalized interest) of the Hybrid Bond to the extent it is treated as equity~~

~~according to the Accounting Principles less taxable items of untaxed reserves, and excluding, for the avoidance of doubt, any loan characterised as a capital loan according to the Finnish Companies Act.~~

**"Total Assets"** means the amount identified as "Total

Assets" in the consolidated balance sheet of the latest published consolidated financial statements of the Group.

**"Total Debt"** means, without double counting, the consolidated interest bearing liabilities of the Group, including the following:

- (a) the outstanding principal amount of any acceptance under any acceptance credit;
- (b) the outstanding principal amount of any bond, note, debenture, loan stock or other similar instrument;
- (c) the capitalised element of indebtedness under a finance or capital lease;
- (d) the outstanding principal amount of all moneys owing in connection with the sale or discounting of receivables (otherwise than on a non-recourse basis);
- (e) the outstanding principal amount of any indebtedness arising from any deferred payment agreements arranged primarily as a method of raising finance or financing the acquisition of an asset;
- (f) any fixed or minimum premium payable on the repayment or redemption of any instrument referred to in paragraph (c) above;
- (g) the outstanding principal amount of any indebtedness arising in connection with any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing; and
- (h) the outstanding principal amount of any indebtedness of any person of a type referred to in paragraphs (a) - (g) above which is the subject of a guarantee, indemnity or similar assurance against financial loss given by a Group Company.

**"Total Net Debt"** means Total Debt less Cash and Cash Equivalents.

**"Total Nominal Amount"** means the aggregate Nominal Amount of all the Notes outstanding at the relevant time.

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

## 1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) **"assets"** includes present and future properties, revenues and rights of every description;

- (b) "**incurrence**" or "**incur**" includes the issuance, assumption, guarantee of, or otherwise becoming liable for, any Financial Indebtedness (including through acquiring an asset, business or entity);
- (c) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted;
- (f) words denoting the singular number shall include the plural and vice versa; and
- (g) a time of day is a reference to Helsinki time.

1.2.2 When ascertaining whether a limit or threshold specified in Euro 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 Euro for the previous Business Day, as published by the European Central Bank on its website ([www.ecb.int](http://www.ecb.int)). If no such rate is available, the most recent rate published by the European Central Bank shall be used instead.

1.2.3 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

## **2 ISSUANCE AND STATUS OF THE NOTES**

2.1 The Notes are denominated in Euro and each Note is constituted by these Terms and Conditions.

2.2 The Notes are offered for subscription in a minimum amount of EUR 100,000 by way of a private placement mainly to domestic and international institutional investors outside of the United States of America through a book-building procedure (*private placement*). The subscription period shall commence and end on 16 September 2014. Bids for subscription shall be submitted to Nordea Bank Finland Plc Nordea Bank Finland Plc, Nordea Markets / Institutional Sales, Aleksis Kiven katu 9, Helsinki, FI-00020 Nordea, Finland, telephone: +358 9 369 50880 and to Pohjola Bank plc, Debt Capital Markets, Teollisuuskatu 1b, FI-00510 Helsinki, Finland, telephone: +358 10 252 7970 during the subscription period and within regular business hours. Subscriptions made are irrevocable. All subscriptions remain subject to the final acceptance by the Issuer. The Issuer may, in its sole discretion, reject a subscription in part or in whole. The Issuer shall decide on the procedure in the event of over-subscription. After the final allocation and acceptance of the subscriptions by the Issuer each investor that has submitted a subscription shall be notified by the Issuer whether and, where applicable, to what extent such subscription is accepted. Subscriptions notified by the Issuer as having been accepted shall be paid for as instructed in connection with the subscription. Notes subscribed and paid for shall be entered to the respective book-entry accounts of the subscribers on a date advised in connection with the issuance of the Notes in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as regulations and decisions of the CSD.

2.3 By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder (i) agrees that the Notes 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.

- 2.4 The nominal amount (Fin: *arvo-osuuden yksikkökoko*) of each Note is EUR 1,000 (the "**Nominal Amount**"). The aggregate nominal amount of the Notes is EUR 75,000,000. All Notes are issued on the Issue Date on a fully paid basis at an issue price of 99.730 per cent. of the Nominal Amount.
- 2.5 The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them.
- 2.6 Each Note is freely transferable after it has been registered into the respective book-entry account of a Noteholder but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

### 3 USE OF PROCEEDS

The Issuer shall use the proceeds from the issue of the Notes, less the costs and expenses incurred by the Issuer in connection with the issue of the Notes, for refinancing the Existing Indebtedness and for general corporate purposes of the Group.

### 4 CONDITIONS FOR DISBURSEMENT

- 4.1 The Issuing Agent shall pay the net proceeds from the issuance of the Notes to the Issuer on the later of (i) the Issue Date and (ii) the day on which the Agent notifies the Issuing Agent that it has received the following, in form and substance satisfactory to it:
- (a) the Finance Documents, the Issuing Agency Agreement and the Agency Agreement duly executed by the parties thereto;
  - (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Notes and the terms of the Finance Documents, the Issuing Agency Agreement and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
  - (c) a copy of a resolution from the board of directors of each Guarantor approving the terms of, and resolving to enter into, the Guarantee and any other documents necessary in connection therewith;
  - (d) evidence that the Person(s) who has/have signed the Finance Documents, the Issuing Agency Agreement, the Agency Agreement and any other documents in connection therewith on behalf of the Obligors is/are duly authorised to do so;
  - (e) evidence that (i) the Existing Indebtedness will be repaid in full on the Issue Date and (ii) the guarantees and Security granted in respect of the Existing Indebtedness will be released after such repayment;
  - (f) legal opinions issued by reputable law firms addressed to, and in form and substance satisfactory to, the Agent and the Lead Managers in relation to capacity, authorisation and due execution of the Finance Documents; and

(g) such other documents and information as is agreed between the Agent and the Issuer.

4.2 The Agent may assume that the documentation delivered to it pursuant to Clause 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation.

4.3 The Agent shall confirm to the Issuing Agent when it has received the documents and evidence referred to in Clause 4.1.

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

5.1 The Notes 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.

5.2 Each Noteholder consents to the Issuer having a right to obtain information on the Noteholders, their contact details and their holdings of the Notes registered in the Book-Entry Securities System, such as information recorded in the lists referred to in paragraphs 2 and 3 of Section 3 of Chapter 6 of the Book-Entry System Act kept by the CSD in respect of the Notes and the CSD shall be entitled to provide such information upon request. At the request of the Agent or the Issuing Agent, the Issuer shall (and shall be entitled to do so) promptly obtain such information and provide it to the Agent or the Issuing Agent, as applicable.

5.3 The Agent and the Issuing Agent shall have the right to obtain information referred to in Clause 5.2 from the CSD in respect of the Notes if so permitted under the regulations of the CSD. The Issuer agrees that each of the Agent and the Issuing Agent is at any time on its behalf entitled to obtain information referred to in Clause 5.2 from the CSD in respect of the Notes.

5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent as are notified by the Agent, in order for such individuals to independently obtain information referred to in Clause 5.2 directly from the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.

5.5 The Issuer, the Agent and the Issuing Agent may use the information referred to in Clause 5.2 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions with respect to the Notes and shall not disclose such information to any Noteholder or third party unless necessary for the before-mentioned purposes.

## **6 PAYMENTS IN RESPECT OF THE NOTES**

6.1 Any payments under or in respect of the Notes pursuant to these Terms and Conditions shall be made to the Person who is registered as a Noteholder at the Record Time 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.

6.2 If, due to any obstacle affecting the CSD, the Issuer cannot make a payment, such payment may be postponed until the obstacle has been removed. Any such postponement shall not affect the Record Time.

- 6.3 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.
- 6.4 All payments to be made by the Issuer pursuant to these Terms and Conditions shall be made without (and free and clear of any deduction for) set-off or counterclaim.

## **7 INTEREST**

- 7.1 Each Note carries Interest at the Interest Rate from (and including) the Issue Date up to (but excluding) the relevant Redemption Date.
- 7.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 7.3 Interest shall be calculated on the "actual/actual ICMA" basis as specified by the International Capital Market Association.
- 7.4 If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is one percentage point higher than the Interest Rate. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent, the Issuing Agent or the CSD, in which case the Interest Rate shall apply instead.

## **8 REDEMPTION AND REPURCHASE OF THE NOTES**

### **8.1 Redemption at maturity**

The Issuer shall redeem all of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity 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.

### **8.2 Issuer's purchase of Notes**

The Issuer may at any time and at any price purchase any Notes on the market or in any other way, provided that if purchases are made through a tender offer, the possibility to tender must be made available to all Noteholders on equal terms. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

### **8.3 Mandatory repurchase due to a Change of Control Event (put option)**

- 8.3.1 Upon the occurrence of a Change of Control Event, each Noteholder shall have the right to request that all, or only some, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 10.1.2 (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.
- 8.3.2 The notice from the Issuer pursuant to Clause 10.1.2 shall specify the repurchase date that is a CSD Business Day and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a

Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a Person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 10.1.2. The repurchase date must fall no later than 40 Business Days after the end of the period referred to in Clause 8.3.1.

- 8.3.3 The Issuer shall comply with the requirements of any applicable securities laws and regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 8.3, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 8.3 by virtue of the conflict.
- 8.3.4 Any Notes repurchased by the Issuer pursuant to this Clause 8.3 shall be promptly cancelled by the Issuer.
- 8.3.5 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 8.3, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in this Clause 8.3 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If the Notes tendered are not purchased within the time limits stipulated in this Clause 8.3, the Issuer shall repurchase any such Notes within five Business Days after the expiry of the time limit.
- 8.3.6 If Notes representing more than 75 per cent of the aggregate nominal principal amount of the Notes have been repurchased pursuant to this Clause 8.3, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price stated in Clause 8.3.1 above by notifying the remaining Noteholders of its intention to do so no later than 15 Business Days after the latest possible repurchase date pursuant to Clause 8.3.2. Such prepayment may occur at the earliest on the tenth CSD Business Day following the date of such notice.

## **9 GUARANTEE**

- 9.1 As continuing security for the due and punctual fulfilment of the Guaranteed Obligations, the Issuer shall procure that the Guarantors will at the latest on the Issue Date issue guarantees as for own debt (Fin: *omavelkainen takaus*) pursuant to the Guarantee for the benefit of the Guaranteed Parties. The Guarantee shall be entered into between the Guarantors and the Agent acting on behalf of the Guaranteed Parties.
- 9.2 The Guarantee is or is to be granted only for the benefit of the Guaranteed Parties. The Guarantee provides and will provide that only the Agent may exercise the rights under the Guarantee and only the Agent has the right to enforce the Guarantee. As a consequence, the Guaranteed Parties (other than the Agent) shall not be entitled, individually or collectively, to take any direct action to enforce any rights in their favour under the Guarantee.
- 9.3 Unless and until the Agent has received instructions from the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*), the Agent shall (without first having to obtain the Noteholders' consent) be entitled to enter into agreements with the Issuer or a third party or take any other actions, if it is, in the Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing any guarantees granted under to the Guarantee.

- 9.4 The Agent shall be entitled to release the guarantees granted under the Guarantee upon the discharge in full of the Guaranteed Obligations.

## 10 INFORMATION TO NOTEHOLDERS

### 10.1 Information from the Issuer

- 10.1.1 The Issuer will make the following information available to the Noteholders by publication on the website of the Issuer:
- (a) as soon as the same become available, but in any event within four months after the end of each financial year, its audited consolidated financial statements for that financial year and annual report;
  - (b) as soon as the same become available, but in any event within two months after the end of each quarter of its financial year, its unaudited consolidated financial statements or the year-end report (Fin: *tilinpäätöstiedote*) (as applicable) for such period;
  - (c) as soon as practicable following an acquisition or disposal of Notes by a Group Company, the aggregate Nominal Amount held by the Group Companies, or the amount of Notes cancelled by the Issuer;
  - (d) any other information required to be disclosed under the Finnish Securities Markets Act (Fin: *Arvopaperimarkkinalaki 746/2012*, as amended) and the rules and regulations of the Relevant Market; and
  - (e) any other information that would, if the Notes were as of the Issue Date listed on the Helsinki Stock Exchange maintained by NASDAQ OMX Helsinki Ltd, be required pursuant to the Rules of the Helsinki Stock Exchange (as in force from time to time and on the Issue Date being Rules 4.3.2.3 (*Auditor's report*) and 4.3.3 (*Continuous disclosure requirements*)).
- 10.1.2 The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of such Change of Control Event if a definitive agreement is in place providing for a Change of Control Event.
- 10.1.3 When the financial statements and other information are made available to the Noteholders pursuant to Clause 10.1.1, the Issuer shall send copies of such financial statements and other information to the Agent.
- 10.1.4 The Issuer shall prior to:
- (a) the incurrence of Financial Indebtedness, save for any Financial Indebtedness permitted pursuant to Clause 11.1.2; or
  - (b) a disposal referred to in Clause 11.5.1 (*Disposals*) for which an Incurrence Test is required to be carried out,
- submit to the Agent a Compliance Certificate (i) setting out calculations and figures as to compliance with Clause 11.10 (*Financial undertaking*), (ii) containing a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it, and (iii) attaching copies of any notices sent to the Relevant Market.

- 10.1.5 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

## 10.2 Information from the Agent

Subject to the restrictions of a non-disclosure agreement entered into by the Agent with the Issuer, the Agent is entitled to disclose to the Noteholders any event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent shall notify the Noteholders of the occurrence of an Event of Default in accordance with Clause 12.3.

## 10.3 Publication of Finance Documents

The latest version of the Finance Documents shall be available on the websites of the Issuer and the Agent.

## 11 UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 11 for so long as the Notes remain outstanding.

### 11.1 Financial Indebtedness

- 11.1.1 Except as provided under Clause 11.1.2, the Issuer shall not (and shall procure that no other Group Company will) incur any Financial Indebtedness, provided that the Issuer and such Group Company may incur Financial Indebtedness if:
- (a) no Event of Default is continuing or would occur as a result thereof; and
  - (b) the Incurrence Test is met.
- 11.1.2 Notwithstanding Clause 11.1.1, the Issuer and any other Group Company may incur Financial Indebtedness:
- (a) arising under the Finance Documents;
  - (b) arising under a credit facility with financial institutions in a maximum aggregate principal amount at any time outstanding not exceeding EUR ~~55~~ 100 million;
  - (c) arising under the Hybrid Bond or under any refinancing of the same if regarded as a Financial Indebtedness under the Accounting Principles;
  - (d) existing on the Issue Date (including but not limited to any loans made by a Group Company to another Group Company);
  - (e) arising under any loans made by an Obligor to another Obligor;

- (f) in addition to the loans permitted under paragraphs (d) and (e) above, arising under loans made within the Group on arm's length terms and for bona fide business reasons and not exceeding the aggregate amount of EUR 5,000,000;
- (g) arising under any guarantee which is permitted under Clause 11.7.2;
- (h) arising under any pension loans ~~not exceeding EUR 10,000,000~~ (Fin: takaisinlaina) issued by a pension insurance company;
- (i) arising under any existing or future commercial paper ~~in the maximum aggregate amount of EUR 40,000,000, provided however that the Group has Cash and Cash Equivalent and/or committed undrawn back up revolving facilities available in an amount equal to half of the Financial Indebtedness under such commercial paper;~~
- (j) any Financial Indebtedness (i) under existing finance or capital leases including, for the avoidance of doubt, the operational leases (amounting to EUR 2,500,000) and the leasing arrangement with Fortum treated as operational lease (amounting to EUR 6,400,000) and (ii) any additional finance or capital leases in the maximum amount of EUR ~~3,000,000~~ 5,000,000;
- (k) arising under any existing rental and hire contract liability or any future rental or hire contract liability replacing such existing liability on similar material terms ~~that would in future be booked as liability in the accounts of the Group;~~
- (l) arising under any derivative transaction entered into by a Group Company in the ordinary course of its day-to-day business for non-speculative purposes in connection with protection against or benefit from fluctuation in any rate or price or commodity;
- (m) arising under any netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group but only so long as (i) such arrangement does not permit credit balances of Obligors to be netted or set off against debit balances of members of the Group which are not Obligors and (ii) such arrangement does not give rise to other Security over the assets of Obligors in support of liabilities of members of the Group which are not Obligors;
- (n) arising in relation to Group Companies incorporated in Brazil in the maximum aggregate amount of EUR ~~5,000,000~~ 25,000,000 or the equivalent thereof in any other currencies;
- (o) arising in relation to any off-balance-sheet pension liability in the maximum aggregate amount of EUR 3,000,000 or the equivalent thereof in any other currencies; ~~and~~
- (p) arising under working capital financing arrangement of any Group Company in an aggregate amount not exceeding EUR 5,000,000 (or its equivalent in another currency or currencies) at any time; and
- (q) ~~(p)~~ not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed ~~EUR 4,000,000~~ the higher of EUR

15,000,000 or 5 per cent. of the Total Assets in aggregate for the Group at any time.

### 11.2 Restricted payments

The Issuer shall not:

- (a) declare or pay any dividend in respect of its shares;
- (b) repurchase or redeem its own shares;
- (c) redeem or reduce its share capital or other restricted equity; or
- (d) make any distribution or transfer 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 shareholders of the Issuer,

if an Event of Default is continuing or would occur as a result of such payment, repurchase, redemption, reduction, distribution or transfer.

### 11.3 Continuation of business

The Issuer shall procure that no substantial change is made to the general nature of the business from that carried on by the Group on the Issue Date.

### 11.4 Mergers and de-mergers

11.4.1 Except as provided under Clause 11.4.2 below, the Issuer shall not (and shall procure that no other Group Company will) carry out:

- (a) any merger (or other business combination or corporate reorganisation involving the consolidation of assets and obligations) of the Issuer or such other Group Company with any other Person;
- (b) any demerger (or a corporate reorganisation having the same or equivalent effect) of an Obligor;
- (c) any demerger (or corporate reorganisation having the same or equivalent effect) of a Group Company other than an Obligor, if as a result of such demerger or reorganisation any assets and/or operations would be transferred to a Person not being a Group Company; or
- (d) any liquidation of an Obligor.

11.4.2 Clause 11.4.1 above does not apply to:

- (a) any merger ~~of a~~ (or other business combination or corporate reorganisation involving the consolidation of assets and obligations) of the Issuer or such other Group Company with ~~another any other~~ Group Company provided that (i) if in such merger any Obligor is involved such Obligor would be the surviving entity (however in the case of entities established in Italy, and in addition to the aforesaid, a merger between an Obligor and another Obligor is permitted); or (ii) if in such merger the Issuer is involved, the Issuer would be the surviving entity;
- (b) any merger (or other business combination or corporate reorganisation involving the consolidation of assets and obligations) of the Issuer or such

other Group Company with any other Person (save for the Group Company) provided that (A) if in such merger any Obligor is involved such Obligor would be the surviving entity and the Incurrence Test is met and (B) if a Group Company (other than an Obligor) is a surviving entity the Incurrence Test is met; or

- (c) ~~(b)~~ the corporate reorganisation of any Group Company which is not an Obligor so long as any payments or assets distributed as a result of such reorganisation are distributed to other Group Companies.

11.4.3 Each Noteholder agrees, with respect to the Notes it holds, not to exercise, and hereby waives in advance, its right in accordance with the Finnish Companies Act (Fin: *Osakeyhtiölaki 624/2006*, as amended) to object to any merger or demerger if (and only if) such merger or demerger (as applicable) (a) is not prohibited under these Terms and Conditions or (b) has been consented to by the Noteholders in a Noteholders' Meeting or by way of a Written Procedure.

### 11.5 Disposals

11.5.1 Except as provided under Clause 11.5.2 below, the Issuer shall not (and shall procure that no other Group Company will) sell, transfer or otherwise dispose of all or a substantial part of the Group's assets (including shares or other securities in any Person) or operations (other than, in the case of an Obligor, to another Obligor and, in the case of a Group Company which is not an Obligor, to another Group Company), unless such sale, transfer or disposal:

- (a) is carried out at fair market value on terms and conditions customary for such transactions;
- (b) the Incurrence Test is met (tested pro forma after such disposal); and
- (c) no Event of Default is continuing or would result from such disposal.

11.5.2 Clause 11.5.1 above shall not be applied to sale of receivables (outstanding at any time) on non-recourse basis and on arm's length terms.

### 11.6 Negative pledge

11.6.1 Except as provided under Clause 11.6.2, the Issuer shall not (and shall procure that no other Group Company will):

- (a) create or allow to subsist any Security over any of its assets ~~or any guarantee in respect of any obligation of any Person;~~
- (b) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or reacquired by any Group Company;
- (c) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (d) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts; or
- (e) enter into any other preferential arrangement having a similar effect,

in respect of items (b) to (e), in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

11.6.2 Clause 11.6.1 does not apply to:

- (a) any lien arising by operation of law and in the ordinary course of trading;
- (b) any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by a Group Company for the purpose of:
  - (i) hedging any risk to which any Group Company is exposed in its ordinary course of trading; or
  - (ii) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,

excluding, in each case, any Security under a credit support arrangement in relation to a hedging transaction;
- (c) ~~(b)~~ any Security over or affecting any asset acquired by a Group Company or any company which becomes a Group Company, where the Security is created prior to the date on which that company becomes a Group Company if:
  - (i) the Security was not created in contemplation of that company becoming a Group Company;
  - (i) the principal amount secured has not been increased in contemplation of or since that company becoming a Group Company; and
  - (ii) the Security is removed or discharged within six (6) months of the date of that company becoming a Group Company;
- (d) ~~(e)~~ any Security securing indebtedness under paragraphs (h), (m) and (n) of Clause 11.1.2; ~~and~~
- (e) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any Group Company; and
- (f) ~~(d)~~ any Security not permitted by paragraphs (a) to ~~(ee)~~ above, securing indebtedness the principal amount of which does not in aggregate exceed ~~EUR 5,000,000 for the Group taken as a whole~~ 10 percent of the Total Assets.

## 11.7 Guarantees and indemnities

11.7.1 Except as provided under Clause 11.7.2, the Issuer shall not (and shall procure that no other Group Company will) create or allow to subsist any guarantee in respect of any obligation of any Person.

11.7.2 Clause 11.7.1 does not apply to:

- (a) guarantees, indemnities or performance bonds given in the ordinary course of its trading activities;
- (b) guarantees given in respect of the indebtedness of or performance of obligations of any Group Company provided that such indebtedness or obligations are incurred in the ordinary course of its trading activities on arm's length terms;
- (c) guarantees constituting or securing Financial Indebtedness that is permitted under Clause 11.1.2 (Financial Indebtedness);
- (d) guarantees and counter-indemnities existing on the Issue Date (including the guarantee given by the ~~Parent Issuer~~ to Bright Maze Oy in connection with the disposal of the flexible packaging business of the Group, however not to exceed EUR 5,000,000 (or its equivalent in other currencies));
- (e) any guarantee given for the purposes of securing or enhancing supplies of raw material or energy or enabling to fulfil any environmental permits or sales or deliveries or to assist research and development or to provide or secure premises or other facilities or machinery required by any Group Company, in order to carry on the ordinary course of its business, provided, however, that the aggregate of the guarantee obligations and liabilities under this paragraph (e) and the principal amounts of any loans made for corresponding purposes from time to time shall not exceed EUR ~~5,000,000~~ 15,000,000 (or its equivalent in other currencies);
- (f) notwithstanding paragraph (e) above, any guarantee given in respect of the indebtedness of or performance of obligations of Windsor Locks Nonwovens, Inc. for the purposes of securing or enhancing its:
  - (i) supplies of energy and/or;
  - (ii) lease agreements,

provided, however, that the aggregate of the guarantee obligations and liabilities under this paragraph (f) in respect of the guarantees referred to in paragraph (f)(i) from time to time shall not exceed USD 11,200,000 and, respectively, under paragraph (f)(ii) USD 8,700,000 from time to time; ~~and~~
- (g) any guarantee given in respect of any joint venture arrangement and related indebtedness; and
- (h) ~~(g)~~ any guarantees of Financial Indebtedness not permitted by paragraphs (a) to (fg) above where the outstanding principal amount of such guarantees does not exceed EUR ~~2,000,000~~ 3,000,000 (or its equivalent in any other currencies).

### 11.8 Compliance with laws

The Issuer shall (and shall procure that each other Group Company will) comply with all laws and regulations to which it may be subject from time to time, if failure so to comply would materially impair the ability of an Obligor to perform its obligations under the Finance Documents.

## 11.9 Related party transactions

The Issuer shall (and shall procure that each other Group Company will) conduct all dealings with the direct and indirect shareholders of the Group Companies and/or any Affiliates of such direct or indirect shareholders at arm's length.

## 11.10 Financial undertakings

11.10.1 The Incurrence Test is met if:

~~(a)~~ on the last day of the relevant Measurement Period the ratio of Total Net Debt to Adjusted EBITDA in respect of that Measurement Period does not exceed 4.0:1 ~~;~~ and calculated in accordance with the calculation principles set out in Clause 11.10.2.

~~(b) — on the last day of the relevant Measurement Period the ratio of Total Net Debt to Total Consolidated Equity on the last day of that Measurement Period does not exceed 100 per cent,~~

~~in each case calculated in accordance with the calculation principles set out in Clause 11.10.2.~~

11.10.2 For the purposes of the Incurrence Test the ratio of Total Net Debt to Adjusted EBITDA ~~and the ratio of Total Net Debt to Total Consolidated Equity~~ shall be calculated in accordance with the Accounting Principles and by reference to the latest interim or annual report (whichever is most recent) published pursuant to paragraphs (a) and (b) of Clause 10.1.1 and using:

(a) in the case of Total Net Debt, the amount of the Total Net Debt as at the last day of the relevant Measurement Period after adding the amount of the new Financial Indebtedness to be incurred; and

(b) in the case of Adjusted EBITDA, rolling 12 month cumulative aggregate figures after adding (or deducting) the amount of Adjusted EBITDA (calculated on the basis as the Adjusted EBITDA of the Group) of any entity to be acquired (or disposed); ~~and.~~

**11.11** ~~(c) in the case of the Total Consolidated Equity, the amount of the Total Consolidated Equity as at the last day of the relevant Measurement Period, and in connection to a disposal for which an Incurrence Test is to be made, after taking into account the effect of such disposal pro forma.~~ — **Subordination**

The Issuer irrevocably agrees that upon the occurrence of a bankruptcy or similar insolvency event of a Group Company, the intragroup loans between the Issuer and that Group Company shall be fully subordinated to, and shall rank in priority behind, any and all liabilities owed to the Guaranteed Parties under the Finance Documents.

## 11.12 Admission to trading

11.12.1 The Issuer shall use its best efforts to ensure that the loan constituted by these Terms and Conditions and evidenced by the Notes is admitted to trading on the Relevant Market, and that it remains admitted or, if such admission to trading is not possible to obtain or maintain, admitted to trading or traded on another regulated market or multilateral trading facility (each as defined in Directive 2004/39/EC on markets in financial instruments).

- 11.12.2 Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission for as long as any Notes are outstanding, but not longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Relevant Market and the CSD, subsist.

### **11.13 Undertakings relating to the Agency Agreement**

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

## **12 ACCELERATION OF THE NOTES**

- 12.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least twenty-five (25) per cent. of the Adjusted Nominal Amount (such demand may only be validly made by a Person who is a Noteholder at the end of the Business Day on which the demand is received by the Agent and shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 12.4, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not only some, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and/or (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:
- (a) an Obligor does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
    - (i) is caused by technical or administrative error; and
    - (ii) is remedied within five Business Days from the due date;
  - (b) an Obligor or any other Person (other than the Agent) does not comply with any material terms or conditions of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) above), unless the non-compliance:
    - (i) is capable of remedy; and
    - (ii) is remedied within twenty (20) Business Days of the earlier of the Agent giving notice and that Obligor or relevant other Person becoming aware of the non-compliance;
  - (c) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such

invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;

- (d) any Group Company is, or is deemed for the purposes of any applicable law to be, Insolvent;
  - (e) any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any material asset of a Group Company having an aggregate value of at least EUR 5,000,000 (or its equivalent in other currencies) and is not discharged within fourteen (14) Business Days;
  - (f) any Financial Indebtedness of a Group Company is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes 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 paragraph (f) if (i) any relevant payment to be made is contested in good faith and as long as it has not resulted in a payment obligation of the relevant member of the Group (confirmed by a court, arbitral tribunal or a government authority, subject to Clause 12.5) or (ii) the aggregate amount of Financial Indebtedness referred to herein is less than EUR 5,000,000.
- 12.2 The Agent may not accelerate the Notes in accordance with Clause 12.1 by reference to a specific Event of Default if it is no longer continuing.
- 12.3 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, except if the Event of Default does not relate to a payment failure in respect of the Notes and the Agent considers that withholding the notice is not detrimental to the interests of the Noteholders. The Agent shall, within 20 Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing (and if the Event of Default does not relate to a payment failure in respect of the Notes, within 60 Business Days, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*). The Agent shall always be entitled to take the time necessary to consider carefully whether an occurred event or circumstance constitutes an Event of Default.
- 12.4 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 12.5 If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal 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.
- 12.6 In the event of an acceleration of the Notes in accordance with this Clause 12, the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent. of the Nominal Amount.

### 13 DISTRIBUTION OF PROCEEDS

- 13.1 All payments by the Obligors relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 12 (*Acceleration of the Notes*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:
- (a) **first**, in or towards payment *pro rata* of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Noteholders) and/or the Issuing Agent in accordance with the Issuing Agency Agreement, (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, the enforcement of the Guarantee or the protection of the Noteholders' rights in each case as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 19.2.7, and (iv) any costs and expenses incurred by the Agent in relation to a Noteholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15.12;
  - (b) **secondly**, in or towards payment *pro rata* of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date) and default interest payable pursuant to Clause 7.4;
  - (c) **thirdly**, in or towards payment *pro rata* of any unpaid principal under the Notes; and
  - (d) **fourthly**, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer or the Guarantors, as appropriate.

- 13.2 If a Noteholder or another party has with the consent of the Agent paid any fees, costs, expenses or indemnities referred to in paragraph (a) of Clause 13.1, such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with paragraph (a) of Clause 13.1.
- 13.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes or the enforcement of the Guarantee constitute escrow funds and must be held on a separate interest-bearing account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 13 as soon as reasonably practicable.
- 13.4 If the Issuer or the Agent shall make any payment under this Clause 13, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least 15 Business Days before the payment is made. Such notice shall specify the Record Time, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Time specified in Clause 6.1 shall apply.

### 14 RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

- 14.1 If any Person other than a Noteholder wishes to exercise any rights specifically allocated to Noteholders under the Finance Documents, it must obtain a power of attorney from the Noteholder or a successive, coherent chain of powers of attorney

starting with the Noteholder and authorising such Person or provide other evidence of ownership or authorisation satisfactory to the Agent.

- 14.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.
- 14.3 The Agent shall only have to examine the face of a power of attorney or other evidence of authorisation that has been provided to it pursuant to Clause 14.1 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 Agent.

## 15 DECISIONS BY NOTEHOLDERS

- 15.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 15.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Noteholder on the Business Day immediately preceding the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting or by way of a Written Procedure, the Agent shall have the right to decide where such matter shall be dealt with.
- 15.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Noteholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable laws.
- 15.4 Only a Person who is, or who, directly or indirectly, has been provided with a power of attorney pursuant to Clause 14 (*Right to act on behalf of a Noteholder*) from a Person who is registered as a Noteholder:
- (a) at the Record Time on the CSD Business Day specified in the communication pursuant to Clause 16.3, in respect of a Noteholders' Meeting, or
  - (b) at the Record Time on the CSD Business Day specified in the communication pursuant to Clause 17.3, in respect of a Written Procedure,
- may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure in respect of Notes held by such Person at the relevant Record Time, provided that the relevant Notes are included in the Adjusted Nominal Amount.
- 15.5 The following matters shall require the consent of Noteholders representing at least 75 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at

a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3:

- (a) a change to the terms of any of Clause 2.1, and Clauses 2.5 and 2.6;
- (b) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 8 (*Redemption and repurchase of the Notes*);
- (c) a change to the Interest Rate or the Nominal Amount;
- (d) a change to the terms for the distribution of proceeds set out in Clause 13 (*Distribution of proceeds*);
- (e) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 15;
- (f) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (g) a release of a Guarantor of its obligations under the Guarantee other than as permitted under the Finance Documents;
- (h) a mandatory exchange of the Notes for other securities; and
- (i) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 12 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

15.6 Any matter not covered by Clause 15.5 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to paragraph (a) or (b) of Clause 18.1), an acceleration of the Notes or the enforcement of the Guarantee.

15.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15.5, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

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

15.8 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 16.1) or initiate a second Written Procedure (in accordance with Clause 17.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 15.7 shall not apply to such second Noteholders' Meeting or Written Procedure.

15.9 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent,

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

- 15.10 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 15.11 A matter decided at a duly convened and held Noteholders' Meeting or by way of a Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure.
- 15.12 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 15.13 If a decision is to be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies or (to the knowledge of the Issuer) its Affiliates, irrespective of whether such Person is directly registered as owner of such Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company or an Affiliate of the Issuer.
- 15.14 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **16 NOTEHOLDERS' MEETING**

- 16.1 The Agent shall convene a Noteholders' Meeting by sending a notice thereof to the CSD and each Noteholder no later than five Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).
- 16.2 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Clause 16.1 with a copy to the Agent. After a request from the Noteholders pursuant to Clause 19.4.4, the Issuer shall no later than five Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 16.1.
- 16.3 The notice pursuant to Clause 16.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), (iv) a specification of the CSD Business Day at the end of which a Person must be registered as a Noteholder 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 Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

- 16.4 The Noteholders' Meeting shall be held no earlier than ten Business Days and no later than 30 Business Days from the date of the notice.
- 16.5 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate.

## **17 WRITTEN PROCEDURE**

- 17.1 The Agent shall instigate a Written Procedure no later than five Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to the CSD and each Person who is registered as a Noteholder at the Record Time prior to the date on which the communication is sent.
- 17.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 17.1 to each Noteholder with a copy to the Agent.
- 17.3 A communication pursuant to Clause 17.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the CSD Business Day at the end of which a Person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 17.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 17.4 When a consent from the Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 15.5 or 15.6 has been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15.5 or 15.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

## **18 AMENDMENTS AND WAIVERS**

- 18.1 The Issuer and the Agent (acting on behalf of the Noteholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
- (a) such amendment or waiver is not detrimental to the interest of the Noteholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (c) such amendment or waiver has been duly approved by the Noteholders in accordance with Clause 15 (*Decisions by Noteholders*).
- 18.2 The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment.

- 18.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 18.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.3 (*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.
- 18.4 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## 19 APPOINTMENT AND REPLACEMENT OF THE AGENT

### 19.1 Appointment of Agent

- 19.1.1 By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder:
- (a) agrees to and accepts the appointment of the Agent to act as its agent and representative in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder including any legal or arbitration proceeding relating to the preservation, protection or enforcement of the Guarantee and to exercise such rights, powers, authorities and discretions as are specifically delegated to the Agent by these Terms and Conditions and the Guarantee together with all such rights, powers, authorities and discretions as are incidental thereto; and
  - (b) agrees to and accepts that, upon the Agent delivering an acceleration notice in accordance with Clause 12.1, ~~it will be considered to have irrevocably transferred to the Agent all its procedural rights and legal authority to claim and collect any and all receivables under the Notes, enforce the Guarantee and to receive any funds in respect of the Notes or under the Guarantee (Fin: *prokurasiirto*) as a result of which transfer~~, the Agent shall be irrevocably entitled to take all such action in its own name but on behalf of and for the benefit of each Noteholder (at the expense of the Noteholders).  
  
and otherwise as provided by the applicable law.
- 19.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents (in form and substance satisfactory to the Agent) that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request if due to such failure the Agent is unable to represent such Noteholder.
- 19.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 19.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement

and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

- 19.1.5 The Agent may act as agent or other representative for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **19.2 Duties of the Agent**

- 19.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents, including, inter alia, enforcing the Guarantee on behalf of the Noteholders. Except as specified in Clause 4 (*Conditions for disbursement*), the Agent is not responsible for the execution or enforceability of the Finance Documents.
- 19.2.2 When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 19.2.3 The Agent shall monitor the compliance by the Issuer with its obligations under the Finance Documents on the basis of information made available to it pursuant to the Finance Documents or received from a Noteholder. The Agent is not obligated to assess the Issuer's financial situation other than as expressly set out in these Terms and Conditions.
- 19.2.4 The Agent is entitled to take any step it in its sole discretion considers necessary or advisable to protect the rights of the Noteholders pursuant to these Terms and Conditions.
- 19.2.5 The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.
- 19.2.6 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.
- 19.2.7 The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs reasonably incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Obligors which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 13 (*Distribution of proceeds*).
- 19.2.8 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.

- 19.2.9 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 19.2.10 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 19.2.9.

### **19.3 Limited liability for the Agent**

- 19.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect loss.
- 19.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 19.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 19.3.4 The Agent shall have no liability to the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 15 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 12.1.
- 19.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

### **19.4 Replacement of the Agent**

- 19.4.1 Subject to Clause 19.4.7, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall in consultation with the Issuer appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of a Written Procedure initiated by the retiring Agent.
- 19.4.2 Subject to Clause 19.4.7, if the Agent is Insolvent, [or otherwise unable to continue to act as an Agent for the Noteholders according to the applicable law](#) the Agent shall be deemed to resign as Agent and the Issuer shall within ten Business Days appoint a successor Agent.
- 19.4.3 Any successor Agent appointed pursuant to this Clause 19.4 must be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

- 19.4.4 A Noteholder (or Noteholders) 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 Noteholder at the end of the Business Day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of a Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- 19.4.5 If the Noteholders have not appointed a successor Agent within 90 days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Agent.
- 19.4.6 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 19.4.7 The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.
- 19.4.8 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall, in respect of any action which it took or failed to take whilst acting as Agent, (a) remain entitled to the benefit of the Finance Documents and (b) remain liable under the Finance Documents. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 19.4.9 In the event that there is a change of the Agent in accordance with this Clause 19.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **20 NO DIRECT ACTIONS BY NOTEHOLDERS**

- 20.1 A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Guarantee 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 an Obligor in relation to any of the obligations of the Obligors under the Finance Documents.
- 20.2 Clause 20.1 shall not apply if:
- (a) the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take any of the actions referred to in Clause 20.1 but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 19.1.2), such actions within a reasonable period of time and such failure or

inability is continuing. However, if the failure to take such actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 19.2.9, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 19.2.10 before a Noteholder may take any action referred to in Clause 20.1; and

- (b) the Noteholders have resolved pursuant to these Terms and Conditions that, upon the occurrence of a failure by the Agent referred to in (a) above, a Noteholder shall have the right to take any action referred to in Clause 20.1.

20.3 The provisions of Clause 20.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 8.3 (*Mandatory repurchase due to a Change of Control Event (put option)*) or other payments which are due by the Issuer to some but not all Noteholders.

## 21 PRESCRIPTION

21.1 The right to receive payment of the principal of or interest on the Notes shall be prescribed and become void three years from the date on which such payment became due.

21.2 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 years will commence.

## 22 NOTICES AND PRESS RELEASES

### 22.1 Notices

22.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

- (a) if to the Agent, shall be given at the address specified on its website ~~www.corpnordic.com~~ [www.intertrust.com](http://www.intertrust.com) on the Business Day prior to dispatch;
- (b) if to the Issuing Agent, shall be given at the following address:  
 Nordea Bank Finland Plc  
 2716 Securities Operations, Corporate Actions  
 Aleksis Kiven katu 9, VU3180  
 FI-00020 NORDEA, Finland  
 Tel: +358 9 165 51362  
 Fax: + 358 9 165 51351;
- (c) if to the Issuer or the Guarantors, shall be given at the following address:  
 Suominen Corporation, Itämerentori 2 FI-00180 Helsinki, Finland,  
 telephone, +358 (0)10 214 300; and
- (d) if to the Noteholders, shall be given at their addresses as registered with the CSD, at the Record Time prior to dispatch, and by either courier delivery or letter for all Noteholders. A Notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

- 22.1.2 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be in English and sent by way of courier, fax, e-mail, personal delivery or letter and will become effective, in the case of courier or personal delivery, when it has been left at the address specified in Clause 22.1.1 or, in the case of letter, three Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 22.1.1 or, in the case of fax or e-mail, when actually received in a readable form.
- 22.1.3 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## **22.2 Press releases**

- 22.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 10.1.2, 12.3, 15.14, 16.1, 17.1 and 18.3 shall also be published by way of press release by the Issuer or the Agent, as applicable. Any such notice shall be deemed to have been received by the Noteholders when published in any manner specified in this Clause 22.2.1.
- 22.2.2 In addition to Clause 22.2.1, if any information relating to the Notes or the Group contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public in accordance with these Terms and Conditions, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to make public such information in accordance with these Terms and Conditions. If the Issuer does not promptly make public such information and the Agent considers it necessary to make such information public in accordance with Clause 22.2.1 before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled to do so.

## **23 FORCE MAJEURE AND LIMITATION OF LIABILITY**

- 23.1 Neither the Issuer, the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 23.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 23.3 Should a Force Majeure Event arise which prevents the Issuer, the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 23.4 The provisions in this Clause 23 apply unless they are inconsistent with the provisions of the Book-Entry System Act which provisions shall take precedence.

## **24 GOVERNING LAW AND JURISDICTION**

- 24.1 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.

24.2 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.

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

Place:  
Date:

SUOMINEN CORPORATION  
as Issuer

---

Name:

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

Place:  
Date:

~~CORP NORDIC~~ INTERTRUST (FINLAND-~~OY~~) OY  
as Agent

---

Name:

**APPENDIX 1: GUARANTORS**

| Name of Guarantor             | Business identity code (or equivalent, if any) |
|-------------------------------|--|
| Suominen Nonwovens Ltd.       | 0135649-8                                      |
| Cressa Nonwovens s.r.l.       | 03354120135                                    |
| Mozzate Nonwovens s.r.l.      | 03354100137                                    |
| Alicante Nonwovens S.A.U.     | A03080280                                      |
| Bethune Nonwovens, Inc.       | 45-3290583                                     |
| Green Bay Nonwovens, Inc.     | 80-0755308                                     |
| Windsor Locks Nonwovens, Inc. | 45-3290956                                     |

**APPENDIX 2: FORM OF COMPLIANCE CERTIFICATE**

To: ~~Corp Nordic Intertrust~~ (Finland-) Oy as Agent

From: Suominen Corporation as Issuer

Dated:

Dear Sirs

**Suominen Corporation – EUR 75,000,000  
senior unsecured fixed rate notes due 2019 (the "Notes")**

1. We refer to the terms and conditions of the Notes (the "**Terms and Conditions**"). This is a Compliance Certificate. Terms defined in the Terms and Conditions have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
2. On [ ] [we intend]/[ ] intends] to [incur Financial Indebtedness in the amount of [ ] and in the form of [ ]/dispose of [*relevant substantial assets*].
3. We confirm that:
4. ~~(a)~~ the ratio of Total Net Debt on [*last day of latest Measurement Period*] to Adjusted EBITDA in respect of the latest Measurement Period is [ ]:1; ~~and~~
- ~~(b)~~ ~~the ratio of Total Net Debt on [*last day of latest Measurement Period*] to Total Consolidated Equity on the last day of the latest Measurement Period is [ ] per cent.~~
5. ~~4.~~[We confirm that no Event of Default is continuing.]\*
6. ~~5.~~This Compliance Certificate is governed by Finnish law.

SUOMINEN CORPORATION  
as Issuer

\_\_\_\_\_  
Name:

\*If this statement cannot be made, the certificate should identify any Event of Default that is continuing and the steps, if any, taken to remedy it.

**SCHEDULE B to the notice of meeting – Form of a Power of Attorney**

**FORM OF POWER OF ATTORNEY**

For the Noteholders' Meeting in respect of Suominen Corporation's outstanding Notes (ISIN: FI4000108576) for which notice was given on 6 September 2017.

|   |                       |
|---|-----------------------|
| Person/entity that is given authorisation to vote, including Voting Instruction, at the Noteholders' Meeting: |                       |
| Name:   |                       |
| Company:  | Telephone number:     |
| <u>Vote on the Proposal indicated below</u>   |                       |
| In favour   | Nominal amount (EUR): |
| Against   | Nominal amount (EUR): |

We hereby confirm that the person/entity specified above has the right to vote for the nominal amount of Notes that we represent.

We represent an aggregate nominal amount of Notes of: EUR .....

We are:

Registered as holder in Euroclear Finland

Other intermediary and holds the Notes through (specify below):

.....

Place and date: .....

Telephone number: .....

E-mail: .....

Authorised signature of holder: .....

Name in block capitals: .....