



**TERMS AND CONDITIONS FOR
SOTKAMO SILVER OY
13,200,000 EUR
SENIOR SECURED FIXED RATE NOTES**

ISIN: FI4000315379

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TABLE OF CONTENTS

1.	DEFINITIONS AND CONSTRUCTION	3
2.	ISSUANCE AND STATUS OF THE NOTES	10
3.	USE OF NET PROCEEDS	11
4.	CONDITIONS FOR DISBURSEMENT	11
5.	NOTES IN BOOK-ENTRY FORM	12
6.	PAYMENTS IN RESPECT OF THE NOTES	13
7.	INTEREST	13
8.	REDEMPTION AND REPURCHASE OF THE NOTES	14
9.	TRANSACTION SECURITY	16
10.	INFORMATION TO NOTEHOLDERS	16
11.	GENERAL UNDERTAKINGS	18
12.	FINANCIAL COVENANTS	19
13.	EVENTS OF DEFAULT	20
14.	ACCELERATION OF THE NOTES	21
15.	DISTRIBUTION OF PROCEEDS	21
16.	RIGHT TO ACT ON BEHALF OF A NOTEHOLDER	22
17.	DECISIONS BY NOTEHOLDERS	22
18.	NOTEHOLDERS' MEETING	24
19.	WRITTEN PROCEDURE	25
20.	AMENDMENTS AND WAIVERS	25
21.	APPOINTMENT AND REPLACEMENT OF THE AGENT AND THE SECURITY AGENT	26
22.	NO DIRECT ACTIONS BY NOTEHOLDERS	31
23.	PRESCRIPTION	31
24.	NOTICES AND PRESS RELEASES	31
25.	FORCE MAJEURE AND LIMITATION OF LIABILITY	32
26.	GOVERNING LAW AND JURISDICTION	32

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

”Account Pledge Agreement” means the pledge agreement entered into between the Issuer and the Security Agent on or about the Issue Date in respect of a first priority pledge over the Pledged Account and all funds held on the Pledged Account from time to time, granted in favour of the Secured Parties (represented by the Security Agent).

”Accounting Principles” means (i) in relation to the Issuer, the generally accepted accounting principles in Finland, including the Finnish Accounting Act (*Fi: Kirjanpitolaki 1336/1997*, as amended from time to time), and (ii) in relation to the Parent, the generally accepted accounting principles in Sweden, and as regards the consolidated financial statements, the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

”Adjusted Nominal Amount” means the Total Nominal Amount less the Nominal Amount of all Notes owned by a Group Company, irrespective of whether such Group Company is directly registered as owner of such Notes.

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

”Agent” means Nordic Trustee Oy, incorporated under the laws of Finland with corporate registration number 2488240-7, 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.

”Agency Agreement” means the agency agreement entered into on or before the Issue Date, between the Issuer and Nordic Trustee Oy, or any replacement agency agreement entered into after the Issue Date between the Issuer and a replacing Agent.

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

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

”Business Mortgage Pledge Agreement” means the pledge agreement entered into between the Issuer and the Security Agent on or about the Issue Date in respect of a first priority pledge over the movable assets of the Issuer in the principle amount of EUR 35,000,000, granted in favour of the Secured Parties (represented by the Security Agent).

”Change of Control Event” means the occurrence of an event or series of events whereby one or more Persons, not being the present shareholders, acting in concert (*Fi: yksissä tuumin toimiminen*), acquire control over the Parent and where **”control”** means (a) acquiring or controlling directly more than 50 per cent of the total voting rights represented by the shares of the Parent (being votes which are capable of being cast at general meetings of shareholders), or (b) the right to directly appoint or remove at least a majority of the members of the board of directors of the Parent .

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

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

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

”**Disbursement Request**” means a letter substantially in the form set out in Appendix 2.

”**Escrow Account**” means a bank account of the Issuer, into which the Net Proceeds after deduction on the Issue Date for an amount corresponding to the Interest payable for one Interest Period to be held in the Pledged Account as set out in Section 11.1 below, will be transferred and to which the Agent has access right in accordance with the account agreement entered into between the Issuer and the Escrow Account Bank (hereinafter the “**Escrow Account Agreement**”).

”**Escrow Account Bank**” means Oulun Osuuspankki.

”**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 13.1 to 13.6.

”**Final Maturity Date**” means 27 March 2022.

”**Finance Documents**” means these Terms and Conditions, the Security Documents, the Agency Agreement and any other document designated by the Issuer and the Agent as a Finance Document.

”**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 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 or a sale and lease back transaction) having the commercial effect of a borrowing or otherwise being classified as 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.

”**Financial Report**” means the annual audited financial statements of the Issuer, which shall be prepared and made available according Clause 10 (*Information from the Issuer*).

”**Force Majeure Event**” has the meaning set forth in Clause 25.1.

”**Group**” means the Parent, the Issuer and their Subsidiaries from time to time (each a ”**Group Company**”).

”**Guarantee**” means the guarantee undertaking as for own debt issued by the Parent on or about the Issue Date in favour of the Secured Parties, represented by the Security Agent, for all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents.

”**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 (Fi: *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 (Fi: *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 27 March of each year or, to the extent such day is not a Business Day, the Business Day following from the application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 27 March 2019 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 ten (10) per cent. *per annum*.

”**Issue Date**” means 27 March 2018.

”**Issuer**” means Sotkamo Silver Oy, a limited liability company incorporated under the laws of Finland with business identity code 2029706-7 and address Kidekuja 2, 88610 Vuokatti, Finland.

”**Issuing Agent**” means Evli Pankki Oyj, or any other party replacing the same as Issuing Agent in accordance with the regulations of the CSD.

”**Liquid Assets**” means cash in hand and at banks and cash equivalents i.e. assets which can be converted into cash immediately.

”**Material Adverse Effect**” means a material adverse effect on (a) the Issuer's ability to perform its obligations under the Finance Documents or (b) the validity or enforceability of the Finance Documents.

”**Mining Act**” means the Finnish Mining Act (Fi: *Kaivoslaki*, 621/2011, as amended).

”**Mining Rights Pledge Agreement**” means the pledge agreement entered into between the Issuer and the Security Agent on or about the Issue Date in respect of a first priority pledge over the mining concession (Fi: *kaivosoikeus*, in accordance with the Mining Act (503/1965)) of the Issuer with mining registry no. K8194 relating to the Property, granted in favour of the Secured Parties (represented by the Security Agent).

”**Net Proceeds**” means the proceeds from the issuance of the Notes after deduction has been made for the transaction costs payable by the Issuer to the Issuing Agent for the services provided in relation to the placement and issuance of the Notes (if the Issuing Agent has requested that their respective fees and costs shall be deducted).

”**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 (Fi: *omistaja*) or nominee (Fi: *hallintarekisteröinnin hoitaja*) with respect to a Note.

”**Noteholders' Meeting**” means a meeting among the Noteholders held in accordance with Clause 18 (*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 (Fi: *Velkakirjalaki* 622/1947, as amended) (Fi: *joukkovelkakirja*) and which are governed by and issued under these Terms and Conditions.

”**Parent**” means Sotkamo Silver AB (publ), a public limited liability company incorporated under the laws of Sweden with business identity code 556224-1892 and address Hovslagargatan, 5B, SE-111 48 Stockholm, Sweden.

”**Permitted Debt**” means any Financial Indebtedness of the Issuer:

- a) incurred under the Notes;
- b) incurred under any financing agreement with Business Finland (formerly Tekes) in an aggregate maximum amount of EUR 7,000,000 at any one time;
- c) incurred under any working capital facility, including any overdraft facility, in an aggregate maximum amount of EUR 1,000,000 at any one time;
- d) incurred under any factoring facility in an aggregate maximum amount of EUR 3,500,000 at any one time;

- e) incurred under to any hire purchase or financial or capital lease arrangements incurred in the ordinary course of the Issuer's business in an aggregate maximum amount of EUR 2,000,000 at any one time;
- f) incurred under any guarantee issued by the Issuer in the ordinary course of business;
- g) arising under a foreign exchange transaction or commodity derivatives for spot or forward delivery entered into in connection with protection against fluctuation in currency rates or prices where the exposure arises in the ordinary course of business or in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- h) arising under any interest rate hedging transactions in respect of payments to be made under the Terms and Conditions, but not any transaction for investment or speculative purposes;
- i) related to any Shareholder Loan, including also accrued, unpaid management fee until 30.6.2019 to be converted to a Shareholder Loan, and any accrued, unpaid management fee thereafter whether converted to a Shareholder Loan or not;
- j) incurred under Advance Purchase Agreements;
- k) pension liabilities of the Issuer incurred in accordance with applicable pension plan or mandatory provisions of Finnish law;
- l) arising under any counter-indemnity obligations in respect of guarantees or other instruments issued by a bank or financial institution on behalf of the Issuer;
- m) incurred in respect of the supply and sale of assets or services by the Parent to the Issuer, in an aggregate maximum amount of EUR 1,500,000;
- n) incurred by the Issuer and subordinated to the obligations of the same under the Finance Documents and has a final redemption date or, when applicable, early redemption dates or instalment dates which occur after the Final Maturity Date; and
- o) any other Financial Indebtedness not covered under (a) - (n) above in an aggregate maximum amount of EUR 750,000.

"Permitted Security" means any guarantee or security:

- a) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with Advance Purchase Agreements but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- b) provided in relation to any factoring facility entered into by a Group Company;
- c) provided over any assets being subject to a financial lease or a sale lease back transaction;
- d) arising under any netting or set off arrangements under financial derivatives transactions or bank account arrangements, including group cash pool arrangements;

- e) provided for any liability of the Issuer arising from mandatory laws and regulations or by virtue of applicable licenses and permits governing the activity of the Issuer and required by any applicable authority, such as securities to be provided pursuant to Chapter 10, Section 108 of the Mining Act (*Fi: Kaivoslaki, 621/2011, as amended*) (*Fi: "Vakuus kaivostoiminnan lopettamista varten"*);
- f) any other security not covered under (a)-(e) above securing an aggregate maximum amount of EUR 500,000.

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

"**Pledged Account**" means a bank account of the Issuer in Oulun Osuuspankki, into which the amount corresponding to the Interest payable for one Interest Period will be transferred and which has been pledged in favour of the Secured Parties (represented by the Security Agent) under the Account Pledge Agreement.

"**Project Plan**" means the document in the form set out in Appendix 3.

"**Property**" means the property "Taivalhopea" in Sotkamo, Finland with property registration number 765-407-141-28 owned by the Issuer (including, without limitation, all buildings and constructions and constituents and appurtenances (*Fi: kiinteistön ainesosat ja tarpeisto*) thereon).

"**Real Property Mortgage Pledge Agreement**" means the pledge agreement entered into between the Issuer and the Security Agent on or about the Issue Date in respect of a first priority real estate mortgage over the Property in the principle amount of EUR 35,000,000 granted in favour of the Secured Parties (represented by the Security Agent).

"**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 15 (*Distribution of proceeds*); and
- (b) in relation to a Noteholders' Meeting and Written Procedure, the end of the CSD Business Day specified in the communication pursuant to Clause 18.3 or Clause 19.3, 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*).

"**Scheduled Disbursement Date**" means the date on which a Tranche is expected to be disbursed by the Agent to the Issuer in accordance with Clause 4 (*Conditions for Disbursement*).

"**Secured Obligations**" means all present and future obligations and liabilities of the Issuer to the Secured Parties under the Finance Documents and the Agency Agreement.

”**Secured Parties**” means the Noteholders, the Agent (including in its capacity as Agent under the Agency Agreement) and the Security Agent.

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

”**Security Agent**” means the security agent holding the Transaction Security on behalf of the Secured Parties, being Nordic Trustee Oy on the Issue Date.

”**Security Documents**” means the Account Pledge Agreement, the Business Mortgage Pledge Agreement, the Guarantee, the Mining Rights Pledge Agreement, the Real Property Mortgage Pledge Agreement, the Shareholder Loan Receivables Pledge Agreement and the Share Pledge Agreement.

”**Share Pledge Agreement**” means the pledge agreement entered into between the Parent and the Security Agent on or about the Issue Date in respect of all of the Parent's present shares in the Issuer as well as any future shares and other current and future securities issued by the Issuer to the Parent (as defined in the Share Pledge Agreement), granted in favour of the Secured Parties (represented by the Security Agent).

”**Shareholder Loans**” means any shareholder loan extended by the Parent to the Issuer, where the Issuer is the debtor and such shareholder loan according to its terms is subordinated to the obligations of the Issuer under the Finance Documents and the receivable thereunder is pledged under Shareholder Loan Receivables Pledge Agreement.

”**Shareholder Loan Receivables Pledge Agreement**” means the pledge agreement entered into between the Parent and the Security Agent on or about the Issue Date in respect of all of the Parent's Shareholder Loan receivables owing from time to time by the Issuer to the Parent (as defined in the Shareholder Loan Receivables Pledge Agreement), granted in favour of the Secured Parties (represented by the Security Agent).

”**Silver Mine Project**” means the silver mine deposit located in the municipality of Sotkamo, located on the Property, over which the Issuer has a mining concession for Ag-Au-Zn-deposit and where the Issuer has performed activities in preparation of constructing of the mine and starting of production.

”**Subsidiary**” means, in relation to any Person, any Finnish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (Fi: *tytäryhteisö*) to such Person, directly or indirectly, as defined in the Finnish Companies Act (Fi: *Osakeyhtiölaki* 624/2006, as amended).

”**Test Date**” means 31 December 2018 and the last day of each successive period of six (6) months thereafter.

”**Third Party Observer**” means a party designated as a Third Party Observer by the Agent.

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

”**Tranche**” means each disbursement made or to be made under these Terms and Conditions in accordance with Clause 4 (*Conditions for Disbursement*).

”**Transaction Security**” means the Security provided for the Secured Obligations pursuant to the Security Documents.

”**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 19 (*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) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (c) an Event of Default is continuing if it has not been remedied or waived;
 - (d) a provision of law is a reference to that provision as amended or re-enacted;
 - (e) words denoting the singular number shall include the plural and vice versa; and
 - (f) a time of day is a reference to Helsinki time.
- 1.2.2 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 100,000.00 by way of a private placement. 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.
- 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 (Fi: *arvo-osuuden yksikkökoko*) of each Note is EUR 100,000.00 (the ”**Nominal Amount**”). All Notes are issued on the Issue Date on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- 2.5 The Notes constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer without any preference among them.

- 2.6 Subject to any restrictions to which a Noteholder may be subject due to local law or otherwise, each Note is freely transferable, in whole but not in part, after it has been issued to a Noteholder. Each Noteholder must ensure compliance with the restrictions referred to above at its own cost and expense.
- 2.7 As of the Issue Date, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

3. USE OF NET 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 construction and production start of the Silver Mine Project and general corporate purposes of the Issuer.

4. CONDITIONS FOR DISBURSEMENT

- 4.1 Payment of the Net Proceeds, after deduction on the Issue Date for an amount corresponding to the Interest payable for one Interest Period to be held in the Pledged Account as set out in Section 11.1 below, from the issuance of the Notes to the Issuer from the Escrow Account shall take place in five (5) Tranches in accordance with the Project Plan and be conditional on the Agent having received
- (i) on or prior to the Issue Date the following documents:
 - (a) a duly executed copy of the Escrow Account Agreement;
 - (b) the Finance Documents duly executed by the parties thereto;
 - (c) a copy of a resolution from the board of directors of the Issuer approving the issue of the Notes and resolving to enter into the Finance Documents and authorising specified Person(s) to approve and execute any documents and take any other action necessary to consummate the issue of the Notes and the granting of the Security under the Security Documents;
 - (d) a copy of a resolution from the board of directors of the Parent resolving to enter into the Security Documents to which it is a party and authorising specified Person(s) to approve and execute any documents and take any other action necessary to consummate the Security granted thereunder;
 - (e) a legal opinion in a form satisfactory to the Agent on the validity and enforceability of the Security Documents entered into by the Parent, issued by A1 Advokater KB;
 - (f) a legal opinion in a form satisfactory to the Agent on the issue of the Notes and the validity and enforceability of the Security Documents entered into by the Issuer, issued by DLA Piper Finland Oy; and
 - (ii) on or before the date falling ten (10) Business Days before a Scheduled Disbursement Date for a Tranche the following documents or evidence
 - (g) a Disbursement Request for the proposed disbursement of a Tranche specifying:

- (i) the amount of the Tranche in EUR;
 - (ii) the Scheduled Disbursement Date, which shall be a Business Day, falling at least 10 (ten) days after the date of the Disbursement Request and on or before the Redemption Date;
 - (h) a certificate from the Issuer relating to the proposed disbursement of a Tranche in the form of Appendix 4 confirming the completion of a respective milestone specified in the Project Plan, signed by an authorised representative of the Issuer or, as applicable, the Third Party Observer and dated no earlier than the date falling twenty (20) days before the Scheduled Disbursement Date;
 - (i) a confirmation from the auditor of the Issuer that the Parent has invested in the Issuer an aggregate amount of EUR 13,000,000 after the Issue Date in the form of equity or as a Shareholder Loan.
- 4.2 The Agent may assume that the documentation and evidence delivered to it is accurate, legally valid, enforceable, correct and true, and the Agent does not have to verify or assess the contents of any such documentation. The conditions precedent set out in Clause 4.1 above are not reviewed by the Agent from a legal or commercial perspective on behalf of the Noteholders.
- 4.3 When the conditions precedent for disbursement set out in Clause 4.1 for each Tranche have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall instruct the Escrow Account Bank to transfer the Net Proceeds, after deduction on the Issue Date for an amount corresponding to the Interest payable for one Interest Period to be held in the Pledged Account as set out in Section 11.1 below, from the Escrow Account in successive Tranches to the Issuer to be applied in accordance with Clause 3 (*Use of Proceeds*).

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 regulation 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 or required by mandatory laws.

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 If payment or repayment is made in accordance with this Clause 6 (*Payments in Respect of the Notes*), the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 6.4 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.
- 6.5 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 1 (one) percentage points 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 or the Escrow Account Bank, 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 Business Day, then the redemption shall occur on the Business Day determined by application of the Business Day Convention.

8.2 Issuer's purchase of Notes

- (j) 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.
- (ii) The Issuer will collect funds for repayment of the Notes and will deposit the funds into the Pledged Account as follows:

Date	EUR
30.9.2020	900,000
31.12.2020	900,000
31.3.2021	900,000
30.6.2021	900,000
30.9.2021	900,000
31.12.2021	900,000
Total	5,400,000

The Issuer will, at the times described in more detail below, at a price per Note equal to 100 per cent. of the Nominal Amount, together with accrued but unpaid Interest, offer to purchase Notes from Noteholders by making a tender available to all the Noteholders pro rata to their holding of Notes. However, only whole Notes are accounted, not parts of Notes (the Nominal Amount of each being EUR 100.000). The amount available for each offer will amount to funds deposited to the Pledged Account for this purpose at the date of the offer. For avoidance of doubt, the amount corresponding to the Interest payable to the Notes for one Interest Period shall be held in the Pledged Account as referred in Section 4.1 above and shall not be used for this purchase.

The Noteholders may at their discretion decide whether to sell their Notes or not. In case not all the Noteholders are willing to have their Notes purchased, the Issuer will use the remaining deposited funds and purchase Notes from other Noteholders who have indicated their willingness to have Notes in excess of their pro rata share purchased with the terms described in this Section 8.2 (ii).

The Issuer will make this offer to the Noteholders within 10 Business Days after the dates mentioned above and the Noteholders shall respond to the offer within 10 Business Days after receipt of the offer (if not, they will be considered not to be willing to have their Notes purchased). The Noteholder's response shall include the maximum amount that the Noteholder is willing to accept to be purchased in that tender. The Notes will be purchased within 10 Business Days from the acceptance of the offer by the Noteholder. All these notices shall be made in writing or by email, as for the Noteholders to the addresses recorded in the Book-Entry Securities System referred to in Chapter 5 above or to another address of which the Issuer has been

informed. The Security Agent shall release the funds deposited for this purpose from the Pledged Account and instruct the payments to the Noteholders which have accepted the offer by the Issuer, against the written acceptance notices provided by the Issuer to the Security Agent.

In case and for as long as the aggregate amount of funds in the Pledged Account, including the amount deposited in accordance with Section 11.1 (*Pledged Account*) below, at any given time before the Final Maturity Date is equal to or exceeds the aggregate outstanding Nominal Amount of the Notes (excluding any Notes held by the Issuer) together with Interest payable until Final Maturity Date, the payment restrictions set out in Section 11.2 (*Distributions*) and in Section 11.8 (*Dealings with Related Parties*) are not applied as of that date, provided no Event of Default is outstanding or would occur as a result of such payment. The Issuer shall inform the Agent in writing of the amount standing to the credit of the Pledged Account before making any such payments. For avoidance of doubt, the Issuer may also purchase Notes with these funds after this date as described above.

- iii. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

8.3 Early redemption due to illegality (call option)

- 8.3.1 The Issuer may redeem all, but not only some, of the outstanding Notes at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest on a date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.
- 8.3.2 The Issuer shall give notice of any redemption pursuant to Clause 8.3.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse).
- 8.3.3 A notice of redemption in accordance with Clause 8.3.2 is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Notes in full at the applicable amounts.

8.4 Mandatory repurchase due to a Change of Control Event (put option)

- 8.4.1 Upon the occurrence of a Change of Control Event, each Noteholder shall have the right to request that all 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 sixty (60) 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).
- 8.4.2 The notice from the Issuer pursuant to Clause 10.1.2 shall specify the repurchase date that is a 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 repurchase or shall procure that a Person designated by the Issuer will purchase 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 twenty (20) Business Days after the end of the period referred to in Clause 8.4.1.

- 8.4.3 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 8.4 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 8.4 (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 8.4, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.
- 8.4.4 If Notes representing more than 75 per cent of the aggregate nominal principal amount of the Notes have been repurchased pursuant to this Clause 8.4, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price stated in Clause 8.4.1 above by notifying the remaining Noteholders of its intention to do so no later than fifteen (15) Business Days after the latest possible repurchase date pursuant to Clause 8.4.2. Such prepayment may occur at the earliest on the tenth Business Day following the date of such notice.

9. TRANSACTION SECURITY

- 9.1 As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Transaction Security has been provided and perfected in accordance with the terms of the Security Documents. The Security Agent shall hold the Transaction Security on behalf of the Secured Parties in accordance with the Security Documents.
- 9.2 The Transaction Security is granted only for the benefit of the Secured Parties. Only the Security Agent may exercise the rights under the Security Documents and only the Security Agent has the right to enforce the Security Documents. As a consequence, the Secured Parties shall not be entitled, individually or collectively, to take any direct action to enforce any rights in their favor under the Security Documents.
- 9.3 Unless and until the Security Agent has received instructions from the Noteholders in accordance with Clause 16 (*Decisions by Noteholders*), the Security 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 Security Agent's opinion, necessary for the purpose of maintaining, altering, releasing or enforcing the Transaction Security.
- 9.4 The Agent shall be entitled to release all Transaction Security upon the discharge in full of the Secured 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 delivering the same to the Agent:
- (a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, the audited unconsolidated financial statements for that financial year in Finnish, and annual report of the Parent in Swedish together with the summary of the annual report of the Parent in English;
 - (b) as soon as the same become available, but in any event within five (5) months after the end of each financial year, the summary in English of the audited financial statements for that financial year of the Issuer;

- (c) as soon as the same become available, but in any event within three (3) months after the end of the first half of each financial year, the unaudited consolidated interim reports (as applicable) of the Parent as published from time to time in accordance with the rules and regulations of stock exchange applicable to it from time to time;
- (d) as soon as the same become available, but in any event within three (3) months after the end of the first half of each financial year, the unaudited interim reports of the Issuer; and
- (e) the latest version of these Terms and Conditions.

The reports referred to above shall be prepared in accordance with the Accounting Principles applicable to the Issuer and the Parent, respectively.

- 10.1.2 The Issuer shall notify the Noteholders and the Agent promptly 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 The Issuer shall:

together with the audited unconsolidated financial statements and the unaudited interim reports submit to the Agent a Compliance Certificate (i) setting out calculations and figures as to compliance with Clause 12.1 (*Equity Ratio*) as regards the audited unconsolidated financial statements or the unaudited interim reports ,(ii) containing a confirmation that no Event of Default has occurred or, if an Event of Default has occurred, what steps have been or are being taken to remedy it (if any)).
 - 10.1.4 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.
 - 10.1.5 The Issuer is only obliged to inform the Agent according to this Clause 10 (*Information to Noteholders*) if informing the Agent would not conflict with any applicable law including securities market laws or regulations applicable to the Issuer or the Parent.
- 10.2 **Information from the Agent**
- 10.2.1 Subject to the applicable securities market laws and regulations, 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 14.2.
 - 10.2.2 The latest versions of the Finance Documents shall be available to the Noteholders at the office of the Agent during normal business hours.

11. GENERAL UNDERTAKINGS

11.1 Pledged Account

The Issuer shall procure that, for as long as any Notes are outstanding, but not longer than up to and including the Redemption Date, an amount corresponding to the Interest payable for one Interest Period shall be deposited and kept in the Pledged Account.

11.2 Distributions

The Issuer shall not:

- (i) pay any dividend on its shares, other than an aggregate amount not exceeding EUR 2,500,000 per calendar year in the years 2021 and 2022, provided that (A) in each calendar year the aggregate dividend payment, together with the payment under 11.2 (vi) below, does not exceed 40 % of the profit of the Issuer in the preceding financial year and (B) that the Liquid Assets of the Issuer, taking into account the funds collected into the Pledged Account in accordance with Section 8.2 (ii) above, amount to no less than EUR 7,000,000 after the payment of the dividend and (C) that the Issuer has collected funds for repayment of the Notes and deposited the funds into the Pledged Account in accordance with the time schedule described in 8.2 (ii) above;
- (ii) repurchase any of its own shares;
- (iii) redeem its share capital or other restricted equity with repayment to shareholders;
- (iv) grant any loans to any of the Issuer's direct or indirect shareholders;
- (v) make any other similar distribution or transfers of value (including but not limited to any distribution from the fund of invested unrestricted equity (Fi: *sijoitetun vapaan oman pääoman rahasto*)) to the direct or indirect shareholder of the Issuer; or
- (vi) repay any Shareholder Loans or accrued interest thereunder, except (for as long as no Event of Default is outstanding) accrued interest on the Shareholder Loans that are issued in accordance with Chapter 12, Section 1 of the Finnish Companies Act (Fi: *Osakeyhtiölaki*, as amended, 624/2006) and are existing at the Issue Date, in an aggregate amount not exceeding EUR 960,000 per each calendar year, provided that (A) in each calendar year the aggregate payment, together with the payment under 11.2 (i) above, does not exceed 40 % of the profit of the Issuer in the preceding financial year and (B) that the Liquid Assets of the Issuer, taking into account the funds collected into the Pledged Account in accordance with Section 8.2 (ii) above, amount to no less than EUR 7,000,000 after such payment; and C) that the Issuer has collected funds for repayment of the Notes and deposited the funds into the Pledged Account in accordance with the time schedule described in 8.2 (ii) above.

11.3 Nature of Business

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

11.4 **Financial Indebtedness**

The Issuer shall not, as of the Issue Date, incur any additional Financial Indebtedness, provided however that the Issuer has a right to incur Financial Indebtedness that constitute Permitted Debt.

11.5 **Disposal of Assets**

The Issuer shall not enter into a single transaction or a series of transactions (whether related to or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset other than in the ordinary course of trading of the Issuer, provided however that the Issuer has a right to sell or otherwise dispose of all or substantially all of its assets, rights and operations related to the Hopeavuori gold deposit which is situated in Valkeakoski.

11.6 **Negative Pledge**

The Issuer shall not create or permit to subsist any Security over any of its assets other than Permitted Security.

11.7 **Environmental compliance**

The Issuer shall:

- (i) comply with all environmental laws and regulations;
- (ii) obtain, maintain and monitor compliance with all requisite environmental permits applicable to it;
- (iii) implement procedures to monitor compliance with and to prevent liability under any environmental law, regulation or permit,

where failure to do so has or is reasonably likely to have a Material Adverse Effect.

11.8 **Dealings with Related Parties**

The Issuer shall conduct all dealings with the direct and indirect shareholders of the Group Companies at arm's length terms. The management fee, which will be invoiced monthly by the Issuer to the Parent, is EUR 1,250,000 for the first 12 months as of 1 April 2018 and thereafter EUR 1,500,000 per each coming 12 months period.

The management fee may be paid by the Issuer to the Parent quarterly on 30 April, 31 July, 31 October and 31 January of each calendar year provided, however, that the Liquid Assets of the Parent at the end of the previous month i.e. 31 March, 30 June, 30 September and 31 December, respectively, are EUR 2,500,000 or less.

12. **FINANCIAL COVENANTS**

12.1 **Equity Ratio**

The Issuer shall ensure that the Equity Ratio is equal to or greater than 30% (the "Test Rate") on each Test Date, save to the extent that the Issuer delivers, prior to the relevant Test Date, a written explanation (the "Test Notice") to the Agent setting out in detail the reasons why

the Test Rate will not be met on the relevant Test Date and the Test Rate is met within three (3) months of the relevant Test Date referred to above.

”**Equity Ratio**” means, as of any Test Date, the ratio of Equity to Total Assets, in each case as of such date.

”**Equity**” means by reference to the balance sheet of the Issuer, as of any Test Date, the sum of (i) restricted equity, (ii) non-restricted equity, and (iii) Shareholder Loans issued in accordance with Chapter 12, Section 1 of the Finnish Companies Act (Fi: *Osakeyhtiölaki*, as amended, 624/2006), in each case as of such date.

”**Total Assets**” means, as of any Test Date, the book value of the equity and liability of the Issuer as appears on a balance sheet of the Issuer in accordance with the Accounting Principles, in each case as of such date.

13. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause 13 (*Events of Default*) is an Event of Default.

13.1 Non-Payment

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

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

13.2 Other Obligations

The Issuer does not comply with any provision under the Finance Documents, in any other way than as set out in Clause 13.1 (*Non-Payment*), provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within thirty (30) Business Days from such request or any other applicable grace period given to the Issuer in respect of such obligation (if the failure or violation is not capable of being remedied, the Agent may declare the Notes payable without such prior written request).

13.3 Cross-Acceleration

Any Financial Indebtedness of the Issuer is not paid when due as extended by any applicable grace period, or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this Clause 13.3 (*Cross-Acceleration*) if the aggregate amount of Financial Indebtedness declared to be or otherwise becoming due and payable is less than EUR 3,200,000 and provided that it does not apply to any Financial Indebtedness owed to a Group Company.

13.4 Insolvency

The Issuer is Insolvent (as defined in Clause 1.1 (*Definitions*)).

13.5 Merger and Demerger

A decision is made that the Issuer shall be demerged or merged.

13.6 Cessation of Business

The Issuer or the Parent ceases to carry on its business.

14. ACCELERATION OF THE NOTES

14.1 If an Event of Default has occurred and is continuing, The Agent is entitled to, on behalf of the Noteholders, (i) by notice to the Issuer, declare all 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 (but such date may not fall after the Final Redemption Date), and/or (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

14.2 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. If the Noteholders (in accordance with these Terms and Conditions) 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.

14.3 If the right to accelerate the Notes is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.

14.4 In the event of an acceleration of the Notes in accordance with this Clause 14, the Issuer shall redeem all Notes at an amount per Note equal to 100 per cent. of the Nominal Amount plus accrued and unpaid Interest.

15. DISTRIBUTION OF PROCEEDS

15.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 14 (*Acceleration of the Notes*) and any proceeds received from an enforcement of the Transaction Security shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *first*, in or towards payment of the Agent under the Agency Agreement, including all costs and indemnities relating to the acceleration of the Notes or the protection of the Noteholders' rights under the Finance Documents;
- (b) *secondly*, in or towards payment of accrued but unpaid Interest under the Notes and any default interest payable pursuant to Clause 7.4;
- (c) *thirdly*, in or towards payment of unpaid principal under the Notes; and
- (d) *fourthly*, in or towards payment 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 Parent, if the funds were received as a result of enforcement of the Transaction Security by the Parent.

- 15.2 Any funds that the Agent receives in connection with the acceleration of the Notes or the enforcement of the Transaction Security 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 15 as soon as reasonably practicable.

16. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

- 16.1 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 authorising such Person or provide other evidence of ownership or authorisation satisfactory to the Agent.
- 16.2 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.
- 16.3 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 16.1 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.

17. DECISIONS BY NOTEHOLDERS

- 17.1 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.
- 17.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least twentyfive (25) 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.
- 17.3 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.

- 17.4 Only a Person who is, or who, directly or indirectly, has been provided with a power of attorney pursuant to Clause 16 (*Right to act on behalf of a Noteholder*) from a Person who is registered as a Noteholder:
- (a) at the Record Time on the Business Day, in respect of a Noteholders' Meeting, or
 - (b) at the Record Time on the Business Day, 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.
- 17.5 The following matters shall require the consent of Noteholders representing at least 66.6 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 19.3:
- (a) waive of a breach of, or an amendment of, any undertaking set out in Clause 11 (*General Undertakings*);
 - (b) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 17;
 - (c) a release of the Transaction Security, except in accordance with the terms of the Security Documents;
 - (d) an amendment of any payment day for principal or an Interest Payment Date or waive any breach of a payment undertaking.
- 17.6 Any matter not covered by Clause 17.5 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 19.3.
- 17.7 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least thirty (30) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference or other similar electronic means (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 17.8 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 18.1) or initiate a second Written Procedure (in accordance with Clause 19.1), 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 17.7 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 17.9 Notes held by the Parent (if any) shall not be considered when calculating if necessary majority has been achieved and shall not carry any voting right.

- 17.10 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.
- 17.11 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.
- 17.12 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.
- 17.13 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.
- 17.14 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, 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.
- 17.15 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders, 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.

18. NOTEHOLDERS' MEETING

- 18.1 The Agent shall convene a Noteholders' Meeting by sending a notice thereof to each Noteholder no later than five (5) 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).
- 18.2 Should the Issuer want to replace the Agent, it may convene a Noteholders' Meeting in accordance with Clause 18.1 with a copy to the Agent. After a request from the Noteholders pursuant to Clause 21.4.4, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 18.1.
- 18.3 The notice pursuant to Clause 18.1 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 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.

18.4 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days from the date of the notice.

18.5 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.

19. WRITTEN PROCEDURE

19.1 The Agent shall instigate a Written Procedure no later than five (5) 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 each Person who is registered as a Noteholder at the Record Time prior to the date on which the communication is sent.

19.2 Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 19.1 to each Noteholder with a copy to the Agent.

19.3 A communication pursuant to Clause 19.1 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 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 19.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

19.4 When a consent from the Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 17.5 or 17.6 has been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.5 or 17.6, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

20. AMENDMENTS AND WAIVERS

20.1 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 17 (*Decisions by Noteholders*).

20.2 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.

- 20.3 The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with Clause 20.1, setting out the date from which the amendment or waiver will be effective, and ensure that the latest versions of the Finance Documents shall be available to the Noteholders in the manner stipulated in Clause 10.2.2. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with any relevant organisation or authority (if any).
- 20.4 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.

21. APPOINTMENT AND REPLACEMENT OF THE AGENT AND THE SECURITY AGENT

21.1 Appointment of Agent and Security Agent

- 21.1.1 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 pursuant to the Act on Noteholders' Agent (Fi: *laki joukkolainanhaltijoiden edustajasta*, 574/2017, as amended) in accordance with these Terms and Conditions and other Finance Documents (save for mandatory provisions of the Act on Noteholders' Agent), and Security Agent (as applicable) in all matters relating to the Notes, Transaction Security and the Finance Documents, and authorises the Agent and the Security Agent to act on its behalf (without) first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions or the Security Documents in any legal or arbitration proceedings relating to the Notes held by such Noteholder, including any legal or arbitration proceeding relating to the perfection, preservation, protection or enforcement of the Transaction Security and to exercise such rights, powers, authorities and discretions as are specifically delegated to the Agent by these Terms and Conditions and the Security Documents 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 14.1, it will be considered to have irrevocably transferred to the Agent and the Security Agent all its procedural rights and legal authority to claim and collect any and all receivables under the Notes, enforce any Transaction Security and to receive any funds in respect of the Notes or under the Security Documents (Fi: *prokurasiiрто*) as a result of which transfer, the Agent and the Security 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).
- 21.1.2 Each Noteholder shall immediately upon request provide the Agent and/or the Security Agent with any such documents (in form and substance satisfactory to the Agent and the Security Agent, as applicable) that the Agent and/or the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 21.1.3 The Issuer shall promptly upon request provide the Agent and/or the Security Agent with any documents and other assistance that the Agent and/or the Security Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

- 21.1.4 The Agent and the Security Agent is entitled to fees for its work and to be indemnified for costs and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's and the Security Agent's obligations as Agent and Security Agent, respectively, under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 21.1.5 The Agent and the Security Agent may act as agent or security 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.

21.2 Duties of the Agent and the Security Agent

- 21.2.1 The Agent and the Security Agent, respectively, shall represent the Noteholders in accordance with the Finance Documents, including, *inter alia*, holding the Transaction Security pursuant to the Security Documents on behalf of the Noteholders and, where relevant, enforcing the Transaction Security on behalf of the Noteholders. However, the Agent and/or the Security Agent is not responsible for the execution or enforceability of the Finance Documents or the perfection of the Transaction Security.
- 21.2.2 When acting in accordance with the Finance Documents, the Agent and the Security Agent, as applicable, is always acting with binding effect on behalf of the Noteholders. The Agent and the Security Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.
- 21.2.3 The Agent's and the Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent and the Security Agent, respectively, only acts in accordance with the Finance Documents and upon instructions from the Noteholders, unless otherwise set out in the Finance Documents. In particular, the Agent and the Security Agent is not acting as an advisor (whether legal, financial or otherwise) to the Noteholders or any other Person and no opinion or advice by the Agent and the Security Agent, as applicable, will be binding on the Noteholders.
- 21.2.4 The Agent and the Security Agent, as applicable, 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.
- 21.2.5 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.
- 21.2.6 The Agent and the Security Agent, respectively, 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.
- 21.2.7 The Agent and the Security Agent shall each 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.
- 21.2.8 The Agent and the Security Agent, respectively, are entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent and/or the Security Agent, as applicable, 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 Issuer or the Transaction Security 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 15 (*Distribution of proceeds*).

- 21.2.9 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent and the Security Agent, respectively, 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.
- 21.2.10 If in the Agent's and/or Security Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent and the Security 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.
- 21.2.11 The Agent and the Security Agent, as applicable, 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 and Security Agent, as applicable, under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 21.2.10.
- 21.2.12 The Security Agent shall at all times maintain and keep all certificates and other documents that are bearers of right relating to the Transaction Security in safe custody on behalf of the Secured Parties in accordance with the terms and conditions of the Finance Documents. The Security Agent shall hold amounts recovered, net of costs (including legal costs) and expenses incurred in connection with the recovery, separated for the account of the Secured Parties and distribute such amounts recovered promptly to the Secured Parties in accordance with these Terms and Conditions.

21.3 Limited liability for the Agent and the Security Agent

- 21.3.1 Neither the Agent nor the Security Agent, as applicable, will 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. Neither the Agent nor the Security Agent, as applicable, shall never be responsible for indirect loss.
- 21.3.2 Neither the Agent nor the Security Agent shall 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 the Security Agent, as applicable, or if the Agent or the Security Agent, as applicable, has acted with reasonable care in a situation when the Agent or the Security Agent, as applicable, considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- 21.3.3 Neither the Agent nor the Security 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 or the Security Agent, as applicable, to the Noteholders, provided that the Agent and the Security Agent, as applicable, 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 and the Security Agent, as applicable, for that purpose.

21.3.4 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 17 (*Decisions by Noteholders*) or a demand by Noteholders given pursuant to Clause 14.1.

21.3.5 Any liability towards the Issuer which is incurred by the Agent or Security Agent, as applicable, 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.

21.4 Replacement of the Agent

21.4.1 Subject to Clause 21.4.7, 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.

21.4.2 Subject to Clause 21.4.7, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent.

21.4.3 Any successor Agent appointed pursuant to this Clause 21.4 must be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

21.4.4 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.

21.4.5 If the Noteholders have not appointed a successor Agent within ninety (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.

21.4.6 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.

21.4.7 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.

21.4.8 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.

21.4.9 In the event that there is a change of the Agent in accordance with this Clause 21.4, 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.

21.5 Replacement of the Security Agent

21.5.1 Subject to Clause 21.5.7, the Security 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 Security Agent at a Noteholders' Meeting convened by the Agent or by way of a Written Procedure initiated by the Agent.

21.5.2 Subject to Clause 21.5.7, if the Security Agent is Insolvent, the Agent shall be deemed to resign as Security Agent and the Issuer shall within ten (10) Business Days appoint a successor Security Agent.

21.5.3 Any successor Agent appointed pursuant to this Clause 21.5 must be an independent financial institution or other reputable company which regularly acts as security under debt issuances or collective secured financial arrangements.

21.5.4 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 Security Agent and appointing a new Security 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 Security Agent be dismissed and a new Security Agent appointed.

21.5.5 If the Noteholders have not appointed a successor Security Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Security Agent was dismissed through a decision by the Noteholders, the Issuer shall appoint a successor Security Agent.

21.5.6 The retiring Security Agent shall, at its own cost, make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Finance Documents.

21.5.7 The Security Agent's resignation or dismissal shall only take effect upon the appointment of a successor Security Agent and acceptance by such successor Security Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Security Agent.

21.5.8 Upon the appointment of a successor, the retiring Security 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 Security 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.

- 21.5.9 In the event that there is a change of the Security Agent in accordance with this Clause 21.5, the Issuer shall execute such documents and take such actions as the new Security Agent may reasonably require for the purpose of vesting in such new Security Agent the rights, powers and obligation of the Security Agent and releasing the retiring Security Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Security Agent agree otherwise, the new Security Agent shall be entitled to the same fees and the same indemnities as the retiring Security Agent as regards the service as a Security Agent.

22. NO DIRECT ACTIONS BY NOTEHOLDERS

- 22.1 A Noteholder may not take any steps whatsoever against the Issuer or with respect to the Transaction Security 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 (Fi: *yrittysaneeraus*) or bankruptcy (Fi: *konkurssi*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the obligations of the Issuer under the Finance Documents.

Clause 22.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take any of the actions referred to in Clause 22.1 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 21.1.2), 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 21.2.10, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 21.2.10 before a Noteholder may take any action referred to in Clause 22.1.

23. PRESCRIPTION

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

24. NOTICES

24.1 Notices

- 24.1.1 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.nordictrustee.com on the Business Day prior to dispatch;

- (a) if to the Issuer, shall be given at the address specified on its website www.silver.fi on the Business Day prior to dispatch and designated "To the attention of CEO Arttu Ohtonen"; and
 - (b) if to the Noteholders, shall be given at their addresses as registered with the Noteholder Register, at the Record Time prior to dispatch, and by either courier delivery or letter for all Noteholders. A Notice to the Noteholders can also be published on the websites of the Issuer and the Agent.
- 24.1.2 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 24.1.1 or, in the case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 24.1.1 or, in the case of fax or e-mail, when actually received in a readable form.
- 24.1.3 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.

If an Event of Default is continuing, any notice or other communication made by the Agent and the Security Agent, respectively, to the Issuer under or in connection with the Finance Documents may, provided that the Agent or the Security Agent, as applicable, deems it necessary in order to preserve the Noteholders' rights under the Finance Documents, be sent by email and will be effective on the day of dispatch (unless a delivery failure message was received by the Agent or Security Agent, as applicable), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day. Any notice or other communication to be sent by email by the Agent or the Security Agent, as applicable, to the Issuer in accordance with this paragraph (c) shall be sent to the CFO or the CEO of the Issuer, to the email addresses most recently notified by the Issuer to the Agent and Security Agent.

25. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 25.1 Neither the Issuer nor the 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 Issuer or Agent itself takes such measures, or is subject to such measures.
- 25.2 Should a Force Majeure Event arise which prevents the Issuer or the Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

26. GOVERNING LAW AND JURISDICTION

- 26.1 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.
- 26.2 The Issuer submits to the non-exclusive jurisdiction of the Finnish courts with the District Court of Helsinki (Fi: *Helsingin käräjäoikeus*) as the court of first instance.

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

Place:

Date:

SOTKAMO SILVER OY
as Issuer

Name:

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

Place:

Date:

NORDIC TRUSTEE OY
as Agent and Security Agent

Name:

APPENDIX 1: FORM OF COMPLIANCE CERTIFICATE

To: [•] as Agent

From: [•] as Issuer

Dated:

Dear Sirs

[•] –EUR 13,200,000

Senior secured fixed rate notes due 2022 (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. We confirm that the Equity Ratio on [*the relevant Test Date*] is [] %.
3. We confirm that no Event of Default has occurred.
4. This Compliance Certificate is governed by Finnish law.

SOTKAMO SILVER OY

as Issuer

Name:

APPENDIX 2: FORM OF DISBURSEMENT REQUEST

To: [•] as Agent

From: [•] as the Issuer

Date: [•]

Dear Sirs,

[•] –EUR 13,200,000

Senior secured fixed rate notes due 2022 (the "Notes")

1. We refer to the terms and conditions of the Notes. Terms defined in the Terms and Conditions have the same meaning when used in this Disbursement Request.
2. In accordance with Clause 4.1 (*Conditions for Disbursement*) (ii) of the Terms and Conditions, we hereby request the disbursement of the below:
 - Amount: [●] EUR (*the amount of the Tranche in EUR*)
 - Scheduled Disbursement Date: [●] (*the Scheduled Disbursement Date, which shall be a Business Day, falling at least 10 (ten) days after the date of the Disbursement Offer and on or before the Redemption Date*)
3. The disbursement of the Tranche shall be made to the following bank account of the Issuer:

4. This Disbursement Request is accompanied with a certificate [*in the form of Appendix 4*] confirming the completion of a respective milestone specified in the Project Plan, signed by [an authorised representative of the Issuer / the Third Party Observer] and dated no earlier than the date falling twenty (20) days before the Scheduled Disbursement Date.
5. This Disbursement Request is governed by Finnish law.

SOTKAMO SILVER OY

as Issuer

Name:

APPENDIX 3: PROJECT PLAN**Milestones and Scheduled Disbursement Dates**

(Terms defined below have the meaning given to them in the terms and conditions of the Notes.)

Tranche	Amount	Milestone and Scheduled Disbursement Date	Document
1	EUR 2,000,000	Beneficiation plant building steel frame is installed and cladding installation is started (estimated 15.05.2018)	Evidence of payment by the Issuer of the invoice from Ruukki Construction Oy concerning the installation of steel frame
2	EUR 3,000,000	All equipment from Blaiken plant is transported to Sotkamo site and equipment installation has started (estimated 15.07.2018)	Evidence of payment by the Issuer of the invoice from Betamet Oy concerning the Blaiken plant transport to the Sotkamo site
3	EUR 4,000,000	Parts of first grinding mill (except mill heads) is delivered to Sotkamo site (estimated 07.09.2018)	Payment of the invoice from Outotec concerning delivery of the parts of first grinding mill (except mill heads)
5	EUR 2,880,000	Start of process water test runs (estimated 15.1.2019)	Confirmation by the Third Party Observer

APPENDIX 4: FORM OF CONFIRMATION

To: [•] as Agent

From: [•] as the Issuer

Subject: Disbursement Request in accordance with the Terms and Conditions for Sotkamo Silver EUR 13,200,000 senior secured fixed rate notes dated [•] (the "**Terms and Conditions**")

Date: [•]

Dear Sirs

[•] –EUR 13,200,000

Senior secured fixed rate notes due 2022 (the "Notes")

1. We refer to the terms and conditions of the Notes (the "**Terms and Conditions**"). Terms defined in the Terms and Conditions have the same meaning when used in this Confirmation.
2. In accordance with Clause 4.1 (*Conditions for Disbursement*) (ii) of the Terms and Conditions, we hereby confirm the completion of milestone [•] as specified in the Project Plan and attach the Documents specified in column "*Documents*" of the Project Plan with regard to the above-mentioned milestone.
3. This Confirmation is governed by Finnish law.

SOTKAMO SILVER OY

as Issuer

Name: