

THIS IS A MODEL DOCUMENT SUBJECT TO FURTHER AMENDMENTS BY BUSINESS FINLAND
VENTURE CAPITAL LTD FROM TIME TO TIME, FINAL AGREEMENT BEING SUBJECT TO
MANAGEMENT TEAM'S BID AND NEGOTIATIONS.

Limited Partnership Agreement

between

[General Partner's name]

and

[Partnership's name]

[insert date]

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This Limited Partnership Agreement (the "**Agreement**") is entered into on *[insert date]*, by and between

- (a) *[insert name, business identity number, jurisdiction and address of the general partner of the fund]* (the "**General Partner**"); and
- (b) *[insert name, business identity number, if available, jurisdiction and address of the fund]*, (the "**Partnership**" or the "**Fund**", as the context may require); and
- (c) the investors set out in **Schedule A** who are limited partners in the Partnership (the "**Limited Partners**") and has subscribed to this Agreement by executing a Subscription Form, as set out in **Schedule B** (the "**Subscription Form**"):

The General Partner and the Limited Partners are jointly referred to as the "Partners" or separately a "Partner", as the context may require. Further, the General Partner, the Limited Partners and the Partnership are jointly referred to as the "Parties" or separately a "Party", as the context may require.

Recitals

- A.** The Partnership has been established by the General Partner and *[insert the name of the party acting as an initial Limited Partner]*¹ on [date] for the purpose of inviting the Limited Partners to participate in this investment opportunity by subscribing to this Agreement by executing the Subscription Form.
- B.** The Partners are partners in the Partnership. Each of the Limited Partners and the General Partner has committed to invest in the Partnership the amount set out in **Schedule 3.1** which amounts shall in the aggregate comprise the funds of the Partnership, to be invested, utilized and distributed in accordance with this Agreement.
- C.** The purpose of the Partnership is to invest the assets of the Fund and to carry out all functions and actions necessary and/or appropriate in connection therewith.
- D.** The purpose of this Agreement is to agree on the operation and administration of the Partnership and the Fund as well as on the relationship between the Partners and the Partnership and on other matters related thereto.

Now therefore, the Partners hereto agree as follows:

1. Definitions

As used in this Agreement, unless expressly otherwise stated or evident in the context, the following terms shall have the following meanings, the singular (where appropriate) shall include the plural and vice versa and references to Schedules and Sections shall mean Schedules and Sections of this Agreement:

¹ The Partnership has to be established prior to the First Closing (i.e. the Partnership has to be registered), as a result of which one initial Limited Partner is needed for the purposes of registration. Such initial Limited Partner could be a holding company of a Key Executive with a nominal commitment.

- 1.1 Acquisition Cost** shall mean the aggregate amount invested by the Partnership in an Investee Company together with any expenses associated with such Investment paid by the Partnership out of the assets of the Fund.
- 1.2 Act** shall mean the Finnish Act on Limited Partnerships (389/1988 as amended).
- 1.3 Additional Payment** shall mean, in respect of each Subsequent Limited Partner, the additional sum payable pursuant to Section 3.2(a)(ii)(B).
- 1.4 Affiliate** shall mean in relation to the person concerned
- (a) if that person is a corporation, any corporation that, directly or indirectly, through one or more intermediaries, owns or controls or is owned or controlled by, or is under common ownership or control with, any herein specified person; ownership or control shall be deemed to exist through the direct or indirect ownership of more than fifty per cent (50%) of the share capital or of more than fifty per cent (50%) of the shares entitling the holders to vote for the election of directors or persons performing similar functions, or right by any other means to elect or appoint a majority of directors, or persons performing similar functions; or
 - (b) if that person is an individual, any corporation that is, directly or indirectly, owned or controlled (as defined above in subsection (a)) by such individual, or in which the individual is a member of the board, director, employee or agent, or any of such individual's spouse, civil partner or business partner.
- 1.5 Agreement** shall mean this Limited Partnership Agreement, as amended from time to time.
- 1.6 AIFMD** shall mean the Alternative Investment Fund Managers Directive (2011/61/EU) and the Finnish national regulation implementing such directive from time to time. Finland has implemented the AIFM Directive by the Finnish Act on Alternative Investment Fund Managers (162/2014) that entered into force on 15 March 2014.

1.7	Auditor	shall mean the firm of chartered accountants appointed to act as Auditors to the Partnership, the first auditor being [<i>insert the name of the auditing firm</i> ²].
1.8	BFVC	shall mean Business Finland Venture Capital Oy (business id 2592216-7).
1.9	Business Day	shall mean a day (other than a Saturday or Sunday) when banks are generally open in Helsinki.
1.10	Capital Contribution	shall mean, in respect of the Limited Partners and the General Partner, the actually paid in amount of the Commitment by each such Partner.
1.11	Co-investment	shall have the meaning as set forth in Section 16.2.
1.12	Commitment	shall mean the aggregate amount of cash agreed to be advanced by a single Partner to the Fund, excluding any Additional Payment. The Commitments of the Partners are set out in Schedule 3.1 .
1.13	CRS	shall mean the Common Reporting Standard guidance by the Organization for Economic Co-operation and Development (OECD) followed by the countries, which have signed an international agreement on automatic exchange of information between the tax departments of the different partner jurisdictions. Finland has signed the said agreement in 2014.
1.14	DAC2	shall mean the Directive on Administrative Cooperation (Directive 2014/107/UE) through which the CRS has been implemented in Finland by adding the new Section 17c into the Finnish Act on Tax Assessment Procedure (1558/1995).
1.15	Drawdown Notice	shall mean a notice served on the Limited Partners by the General Partner pursuant to Section 4.1.
1.16	Establishment Costs	shall mean the costs and expenses related to the establishment of the Partnership including but not limited to legal, accountancy, printing,

² The auditing firm shall be an authorized public accountant firm, with a nominated responsible auditor.

postage and other costs of establishment but excluding commissions and out of pocket expenses payable to placement agents, brokers and intermediaries.

- 1.17 Exit** shall mean a sale, other disposal or total write-off by the Partnership of an Investment, provided that where an Investment in part has been sold, otherwise disposed of or written-off by the Partnership only that part shall be treated as having been exited and, provided further that where the loans or securities constituting an original or exchanged Investment have been exchanged for other loans or securities, such original or exchanged Investment shall not be treated as having been exited, until such time as such Investment is repaid, sold, otherwise disposed off or totally written-off and such securities received in exchange shall be treated as a continuation of the original Investment. "Exited" and "Un-exited" shall be construed accordingly.
- 1.18 FATCA** shall mean the Agreement on the Foreign Account Tax Compliance Act, which was signed between Finland and the United States in March 2014. The FATCA has been implemented in Finland by adding the new Section 17a into the Finnish Act on Tax Assessment Procedure (1558/1995).
- 1.19 Fee Period** shall mean a three (3) month period ending on 31 March, 30 June, 30 September and 31 December each year, including, for the avoidance of doubt, also the period commencing on the First Closing Date and ending on and including the earlier of the above mentioned dates following the First Closing Date, as set out in Section 5.3.
- 1.20 Final Closing Date** shall mean the final date on which new investors are admitted to participate in the Partnership and existing Limited Partners are permitted to increase their Commitments, which date shall be not later than the earlier of (i) [twelve (12)] months from the First Closing Date or (ii) when the amount of Total Commitments has reached [*insert the minimum amount of the commitments acceptable*] million, or such later date as the

- Limited Partners may approve by a Limited Partner Consent.
- 1.21 First Closing Date** shall mean the date of this Agreement.
- 1.22 First Closing Qualified Investor** shall mean an Investor having participated in the closing on the First Closing Date with a Commitment qualified by a condition that its Commitment may not represent a higher proportion of the Total Commitments than as specified in the Subscription Form at any given time, and, thus, undertaking to increase its Commitment in subsequent closings up to the maximum proportion of the Total Commitments, however not exceeding the total Commitment as indicated in the Subscription Form.
- 1.23 Follow-on Investment** shall mean an Investment in or in connection with an Investee Company in which the Partnership has already invested.
- 1.24 Fund** shall mean the fund comprising the Total Commitments to the Partnership.
- 1.25 General Partner** shall mean *[insert the name and business identity number of the general partner]*.
- 1.26 Investee Company** shall mean a company or other corporate entity and their subsidiaries, in which Investment or Investments have been made or is/are proposed to be made, directly or indirectly through a holding company, by the Partnership.
- 1.27 Investment** shall mean any investment acquired or proposed to be acquired by the Partnership by means of the assets of the Fund, including but not limited to shares, convertible loans, option rights, warrants, other securities of or relating to, and including loans (whether secured or unsecured) made to any body, corporate or other entity and any undertaking by the Partnership to make the same, but excluding any money-market investments or similar made for cash management purposes.
- 1.28 Investment Period** shall mean the period beginning on the First Closing Date and expiring on the earliest to occur of those events specified in Section 6.2.

1.29	Investment Policy	shall mean the investment policy of the Partnership as set out in Schedule 6.1 .
1.30	Investment Professionals	shall mean investment professionals of the Management Company (including Key Executives) actively participating in the management of the Partnership and/or its Investments or other funds managed by the Management Company.
1.31	IE Investor Reporting Guidelines	shall mean the investor reporting guidelines published by Invest Europe in October 2015, as they may be amended and updated from time to time or such other guidelines as may be approved or endorsed by Invest Europe.
1.32	IPEV Valuation Guidelines	shall mean the International Private Equity and Venture Capital Valuation Guidelines issued by International Private Equity and Venture Capital Board and published in December 2018, as they may be amended and updated from time to time.
1.33	Key Executive	shall mean each of [<i>insert the names of the key persons of the general partner and/or the management company</i>] and any other person appointed by the General Partner in accordance with Sections 7.1(b)(ii) and 7.4(b)(ii).
1.34	Key Person Event	shall mean the occurrence of an event as set out in Section 7.4.
1.35	Limited Partner	shall mean any person who is qualified as (a) a professional investor, or (b) a non-professional investor (<i>Fi: ei-ammattimainen sijoittaja</i>), without being a consumer eligible to invest in AIFs in accordance with the requirements of the Government Decree 226/2014, Section 6, and (i) who has requested to be treated as a professional investor in accordance with the Act on Investment Services (747/2012), and (ii) has given a Commitment of at least EUR 50,000 to the Fund; and (b) is admitted to the Partnership as a limited partner by signing a Subscription Form or a Subsequent Limited Partner Form of Adherence or Substitute Limited Partner Form of Adherence, in each case for so long as they remain a limited partner in the Partnership in accordance with the terms of this Agreement and shall, unless

the context otherwise requires, include the General Partner only in its capacity as an investor having a Commitment equal to no less than [³] % of the Total Commitments. The Limited Partners are set out in **Schedule A**.

- | | | |
|-------------|---|---|
| 1.36 | Limited Partner Advisory Committee | shall mean the committee comprising representatives of the Limited Partners, as described further in Section 14.2. |
| 1.37 | Limited Partner Consent | shall mean the written consent of at the minimum two (2) Limited Partners (other than [(i) the General Partner, the Management Company, any of their directors or employees, the Key Executives, and any of their Affiliates, in their capacity as a Limited Partner, as long as the General Partner has not been removed pursuant to Section 11.2, ⁴ and (ii) those Limited Partners whose Capital Contribution has been forfeited pursuant to Sections 4.5 or 10.3) representing, jointly, more than [fifty per cent (50 %)] of the Total Commitments (excluding the Commitment of [the General Partner and the Management Company, any of their directors or employees, the Key Executives, and their Affiliates, in their capacity as a Limited Partner, as long as the General Partner has not been removed pursuant to Section 11.2, ⁵]. |
| 1.38 | Limited Partner Special Consent | shall mean the written consent of at the minimum two (2) Limited Partners (other than [(i) the General Partner and the Management Company, any of their directors or employees, the Key Executives, and their Affiliates, in their capacity as a Limited Partner, as long as the General Partner has not been removed pursuant to Section 11.2, ⁶], and (ii) those Limited Partners whose Capital Contribution has been forfeited pursuant to Sections 4.5 or 10.3) representing, jointly, at least [seventy-five per cent (75 %)] of the Total Commitments (excluding the Commitment of [(i) the General Partner and the Management Company, any of |

³ As defined in 3.1(c)

⁴ Adjust based on the parties close to the General Partner and the Management Company making a Commitment to the Fund.

⁵ Adjust based on the parties close to the General Partner and the Management Company making a Commitment to the Fund.

⁶ Adjust based on the parties close to the General Partner and the Management Company making a Commitment to the Fund.

		their directors or employees, the Key Executives, and their Affiliates, in their capacity as a Limited Partner, as long as the General Partner has not been removed pursuant to Section 11.2, ⁷].
1.39	Management Agreement	shall mean the management agreement to be entered into by and between the Management Company and the General Partner on the date hereof substantially in the form as attached hereto as Schedule 7.1 .
1.40	Management Company	shall mean <i>[insert the name and business identity code of the Management Company]</i> .
1.41	Management Fee	shall mean the management fee payable to the General Partner in accordance with Section 5.3.
1.42	Partner	shall mean all or any of the Limited Partners and the General Partner, as the case may require.
1.43	Partnership	shall mean <i>[insert the name and business identity code, if available, of the fund]</i> , as set forth in the introductory paragraph hereof.
1.44	Partnership Agreement	shall mean the constitutive agreement of the Partnership entered into between the Partners on the even date herewith and enclosed hereto as Schedule 1.44 .
1.45	Partnership Expenses	shall have the meaning set forth in Section 5.1.
1.46	Payment Date	shall have the meaning set forth in Section 5.3.
1.47	[Placement Memorandum	shall mean the information memorandum furnished to each Limited Partner by the General Partner prior to them participating in the Partnership.]
1.48	Proceeds	shall mean the returns of capital received by the Partnership from the Investments, capital gains and other proceeds (including dividends, interests and possible tax credits), reduced by (i) all taxes and (ii) other expenses and costs attributable to such proceeds.

⁷ Adjust based on the parties close to the General Partner and the Management Company making a Commitment to the Fund.

1.49	Qualified Approval of the Limited Partner Advisory Committee	shall mean an approval by the Limited Partner Advisory Committee supported by at the minimum seventy-five per cent (75%) of the members of the Limited Partner Advisory Committee present (in person, by proxy or by phone) at the meeting.
1.50	Relevant Insurance Policy	shall have the meaning as set forth in Section 15(d).
1.51	Risk Finance Program	shall mean the risk finance program of Business Finland Venture Capital Oy (<i>Fi: Business Finland Venture Capital Oy:n riskirahoitusohjelma</i>) dated 23 January 2019 (Commission case number [⁸]).
1.52	State Aid Regulation	shall mean General Block Exemption Regulation (Commission Regulation (EU) N:o 651/2014 and the Finnish Act on Business Finland Venture Capital Ltd (Laki riskirahoitusta alkuvaiheen pääomarahastoihin sijoittavasta valtion kokonaan omistamasta osakeyhtiöstä, 967/2013).
1.53	Subscription Form	shall mean the form submitted by investors in order to become Limited Partners, substantially in the form set out in Schedule B .
1.54	Subsequent Limited Partner	shall mean a Limited Partner admitted to participate in the Partnership after the First Closing Date in accordance with Section 3.2.
1.55	Subsequent Limited Partner Form of Adherence	shall have the meaning set forth in Section 3.2 and attached hereto as Schedule 3.2 .
1.56	Substitute Limited Partner	shall mean a person or entity admitted pursuant to Section 10.1 as the successor to all or part of the rights and liabilities of a Limited Partner in respect of such Limited Partner's interest in the Partnership.
1.57	Substitute Limited Partner Form of Adherence	shall have the meaning set forth in Section 10.1 and attached hereto as Schedule 10.1 .
1.58	Suspension Period	shall have the meaning set forth in Section 7.4.

⁸ To be added once available.

1.59	Total Commitment	shall mean the aggregate amount of Commitments by all Partners.
1.60	Transfer	shall have the meaning set forth in Section 10.1.
1.61	Vested Proportion	shall have the meaning set forth in Section 11.2(b)(i).

The headings of this Agreement are for convenience of reference only and shall not in any way limit or affect the meaning or interpretation of the provisions of this Agreement.

2. Purpose, Name, Term and Principal Place of Business

2.1 Purpose

The purpose of the Partnership is to carry on the business of investors with a view to profit and in particular but without limitations to make, hold, monitor and realize investments in companies or other entities in accordance with the Investment Policy.

2.2 Name

The business of the Partnership shall be carried on under the name [*insert the trade name of the fund, also in Swedish and English, if applicable*] or such other name as shall from time to time be agreed between the General Partner and the Limited Partners with Limited Partner Consent.

2.3 Term

- (a) The term and the business activities of the Partnership shall commence on the First Closing Date and expire on the [*insert the base term of the fund in number of years*⁹] anniversary of the First Closing Date unless expired or terminated prematurely in accordance with Sections 2.3(c) or 11.3 or prolonged by the General Partner [at its own initiative but with the Limited Partner Special Consent] with a maximum of [*insert the period by which the term can be extended and the number of times the extension can be made*¹⁰], in each case of extension in order to permit an orderly realization of the Investments.
- (b) In the event a Party terminated this Agreement on the part of itself by virtue of Section 5.2 of the Act the applicable period of notice shall equal to the term of the Partnership remaining pursuant to the preceding paragraph at the time of such termination. In such case this Agreement shall remain in full force on the part of the other Parties. Such termination shall give no rights to the Parties, including the terminating Party, to request, and the Parties hereby irrevocably undertake not to request, premature distribution of the Partnership's assets,

⁹ Not to exceed 10+1+1 years.

¹⁰ Not to exceed 10+1+1 years.

but any and all distributions from the Partnership to the Parties shall be made in accordance with the terms set forth herein.

- (c) When the term has expired the Fund and the Partnership shall be dissolved in accordance with Section 12.

2.4 Principal Place of Business

The principal place of business of the Partnership shall be at *[insert the place of business]*, Finland, or such other place in Finland as the General Partner shall from time to time determine. The General Partner shall notify the Limited Partners as soon as practicable following any change in the principal place of business.

3. Commitments and Capital Contributions

3.1 Commitments

- (a) The maximum amount of Total Commitments targeted by the General Partner is Euro *[insert the total maximum size of the fund]*, whereas the minimum amount of Total Commitments is Euro *[insert the minimum size of the fund]*.
- (b) The Commitments of the Limited Partners are as set out in **Schedule 3.1** hereto.¹¹ The minimum size of Commitment by a Limited Partner is Euro *[insert the minimum amount of a single commitment¹²]* although the General Partner may decide, at its sole discretion, to accept Commitments of a lesser amount.
- (c) The General Partner's Commitment, together with the commitment of *[insert the name of the management company or another affiliate of the General Partner, if that will make the commitment]*, shall be the greater of (i) *[insert the aggregate minimum commitment to be made by the general partner and its affiliates in EUR]*, and (ii) *[insert the percentage the aggregate commitment to be made by the general partner and its affiliates shall bear to the Total Commitments]*, provided, however, that the General Partner's total commitment shall not exceed EUR []¹³. The General Partner will act and be treated in the capacity of a Limited Partner for all purposes relating to its Commitment.¹⁴
- (d) The General Partner shall register the Commitments of the Partners with the Finnish Patent and Registration Office as the capital contributions (*Fi: yhtiöpanos*) of the Partners in the Partnership.

¹¹ Kindly note that BFVC's Commitment may not be more than 50 % of the Total Commitments at any given time. Thus, BFVC's Commitment may be partly conditional at the first closing and may increase in the Subsequent Closings up to the maximum amount as defined in BFVC's investment decision regarding the Fund.

¹² A commitment less than EUR 50,000 shall not be accepted.

¹³ To be considered case by case.

¹⁴ On a case by case basis.

3.2 Subsequent Limited Partners

- (a) The General Partner may at its entire discretion, until the Final Closing Date, admit Subsequent Limited Partners to participate in the Partnership and admit existing Limited Partners to increase their Commitments. Where a Subsequent Limited Partner is admitted to participate in the Partnership or an existing Limited Partner is admitted to increase its Commitment the following terms are applied:
- (i) Each Subsequent Limited Partner, or existing Limited Partner who is increasing its Commitment, shall execute a Subsequent Limited Partner Form of Adherence (and each Limited Partner hereby irrevocably authorizes the General Partner to sign such Subsequent Limited Partner Form of Adherence on its behalf). Each executed Subsequent Limited Partner Form of Adherence shall be appended to this Agreement. The General Partner shall amend **Schedule 3.1** to reflect the new Commitments of the Subsequent Limited Partners and existing Limited Partners who are increasing their Commitment.
 - (ii) In the event Capital Contributions have been made prior to the admission of a Subsequent Limited Partner or increase of Commitment of an existing Limited Partner, each such Partner, save for the First Closing Qualified Investors as regards the Additional Payment, shall pay to the Partnership upon admission to participate in the Partnership
 - (A) as its initial Capital Contribution a sum equal to the amount it would have been required to pay as Capital Contribution pursuant to Section 4.1 had it been a Limited Partner as of the First Closing Date (taking into account, for the avoidance of doubt, (A) amounts drawn down for the purposes of covering the Management Fee and (B) any amount already paid by a Limited Partner who increases its Commitment, as applicable); as well as
 - (B) a sum equal to interest thereon at the rate of [*insert the premium percentage*¹⁵] per cent ([] %) per annum for the period beginning on the date upon which such Capital Contribution would have been payable had it been a Limited Partner in the Partnership on the First Closing Date and ending on the date of payment of the amount set out in item 3.2(a)(ii)(A) (an "**Additional Payment**").
- (b) All contributions under Section 3.2(a)(ii) by a Subsequent Limited Partner or an existing Limited Partner who is increasing its Commitment shall be made within ten (10) Business Days from the date upon which it was admitted to the Partnership or increased its Commitment, as applicable. However, for the purposes of Sections 8 and 9 such contributions shall be deemed to have been contributed on the date or dates upon which the contribution would have been

¹⁵ Expected the premium to equal to the hurdle rate. The hurdle rate is also the minimum rate of IRR referred to in Section 0.

payable had the Subsequent Limited Partner been a Limited Partner in the Partnership (or in case of a Limited Partner who is raising its Commitment, had the Limited Partner had the increased Commitment) on the First Closing Date.

- (c) The General Partner shall apply [(x)] the payments received pursuant to Section 3.2(a)(ii)(A), excluding, for the avoidance of doubt, payments towards the Management Fee, which shall be to the benefit of the General Partner in its capacity as the recipient of the Management Fee, and [(y)] the Additional Payments in making pro rata repayments to the existing Limited Partners so as to ensure that all Limited Partners are placed in the same economic position (except for the Additional Payment as set out in Section 3.2(a)(ii)(B)) as if they had all been admitted to the Partnership with their final Commitments on the First Closing Date. Repaid amounts representing payments under Section 3.2(a)(ii)(A) shall constitute a part of the receiving Limited Partner's un-drawn Commitment and thus be available for further drawdown in accordance with Section 4.1. Repaid amounts constituting Additional Payment shall not be treated as un-drawn Commitments and shall, thus, not be available for further drawdown and, accordingly, shall not be taken into account in the allocation of Proceeds pursuant to Section 8.1.
- (d) Payments made in accordance with Section 3.2(a)(ii) shall be deemed to have been made directly to the existing Limited Partners, excluding, for the avoidance of doubt, payments towards the Management Fee, which shall be deemed to have been made directly to the General Partner in its capacity as the recipient of the Management Fee, and shall not be subject to allocation or be deemed as distribution pursuant to Sections 8 and 9.

4. Drawdown of Commitments

4.1 Obligation to Pay Commitments

- (a) The Commitments shall be paid by each Limited Partner (including the General Partner acting in the capacity of a Limited Partner, save for as provided in Section 3.1(c) above) pro rata to their respective Commitment, in accordance with a written notice issued by the General Partner to each Limited Partner (a "**Drawdown Notice**") at such times after the First Closing Date as the General Partner may require. Each Drawdown Notice shall be dispatched by the General Partner no later than ten (10) Business Days prior to the due date of the payment.
- (b) In order to be binding upon the Limited Partners each Drawdown Notice shall include, at the minimum, the information set out in **Schedule 4.1(b)**.

4.2 Drawdowns following the end of the Investment Period

- (a) Following the end of the Investment Period, Drawdown Notices may only be served on a Limited Partner for the purpose of:
 - (i) paying ongoing operating expenses of the Partnership in accordance with Section 5.1;

- (ii) paying the Management Fee;
- (iii) subject to Section 6.2(a), completing Investments in respect of which a commitment to invest has been given prior to the end of the Investment Period, provided, however, that such Investment is completed within a period of [six (6)] months from the expiry of the Investment Period;
- (iv) completing Follow-on Investments;
- (v) covering the Partnership's post-closing obligations and liabilities attributable to an Exit; or
- (vi) covering the Partnership's indemnification obligations under Section 15.

4.3 Repayment and Redrawing

- (a) Save as set out below, Capital Contributions shall be finally returned to the Limited Partners only as set out in Section 9.1 below.
- (b) The Partnership may repay Capital Contributions, which shall be available for further drawdown by the Partnership under the following circumstances:
 - (i) following a subsequent closing in accordance with Section 3.2(c) above;
 - (ii) if Commitments have been drawn down for the purpose of making an Investment and all or part of such funds remains unused; and
 - (iii) following the release or realization of an underwriting, acquisition, syndication, refinancing or other disposition of investment (including bridge financing) by the Partnership within [twelve (12)] months from the Investment in which case an amount equal to the Acquisition Cost of such short-time Investment shall be available for further drawdown.
- (c) In case the Commitments have been drawn down for the purpose of making an Investment and all or part of such fund remain unused for a period of 90 Business Days, the Partnership shall repay the remaining part of such Capital Contribution which shall be available for further drawdown by the Partnership.
- (d) When making the repayment the General Partner shall inform the recipients that the returned funds may be subject to further drawdown.

4.4 Currency and Interest

- (a) Commitments shall be drawn down in Euro.
- (b) No interest shall be payable by the Partnership on any Capital Contributions advanced by the Limited Partners.

4.5 Failure to Comply with a Drawdown Notice

- (a) If:

- (i) a Limited Partner fails to advance to the Partnership the amount of Commitment required to be paid by such Limited Partner in a Drawdown Notice on or before the due date set out in the Drawdown Notice for such payment, and
- (ii) the Limited Partner fails, at the written request served by the General Partner, on or before the expiry of a period of [fourteen (14)] days from the due date set out in the Drawdown Notice, to remedy such default by advancing the required outstanding amount and to pay interest to the Partnership on the outstanding amount from the due date set out in the Drawdown Notice up to the payment of the outstanding amount at a rate of [twelve per cent (12%)] per annum,
- (iii) the General Partner shall have, without prejudice to any other rights it or the Partnership may have (and so that interest as set out above shall continue to accrue after such period of fourteen (14) days), at any time after the expiry of such period of fourteen (14) days right to do any of the following:
 - (A) to offer the whole or part of the Partnership interest of the defaulting Limited Partner to such person as the General Partner shall determine, provided, however, that such person is not a public entity or corporate body or another entity having received more than 50% of its funding from public sources (the "**Purchaser**"), for such price(s) as may be determined by the General Partner (acting in the interest of the Partnership and the non-defaulting Partners). The General Partner shall be constituted the agent for the sale of the defaulting Limited Partner's interest and each of the Limited Partners hereby irrevocably appoints the General Partner as their true and lawful attorney to execute any documents required in connection with such transfer if they shall become a defaulting Limited Partner and each such Limited Partner undertakes to ratify whatever the General Partner shall lawfully do pursuant to such power of attorney and to keep the General Partner indemnified against any claims, costs and expenses which the General Partner may suffer as a result thereof. The receipt by the General Partner or Partnership of the sale proceeds shall constitute a good and valid discharge to the Purchaser of the defaulting Limited Partner's interest in the Partnership. The Purchaser shall, on completion of the transfer, be treated as a Substitute Limited Partner; or
 - (B) subject to Limited Partner Advisory Committee consent, to take any action as the General Partner may think necessary to enforce the obligations of the defaulting Limited Partner to make payment of any sums required pursuant to its Commitment.

- (b) A failure of a Limited Partner to comply with a Drawdown Notice shall, without prejudice to the foregoing, result in suspension of (i) any distributions pursuant to Section 9 to such Limited Partner, and (ii) the voting rights of such Limited Partner for all purposes of this Agreement, including meetings of the Partnership.

5. Fees and Expenses of the Partnership

5.1 Partnership Expenses

- (a) The Partnership shall be responsible for the following costs and expenses (the "**Partnership Expenses**")¹⁶:
- (i) Reasonable Establishment Costs up to an amount of EUR [*insert the amount the Partnership should cover*]. Should the Partnership or the General Partner, as the case may be, have received any subsidies, grants or loans from public sources for the purpose of covering such Establishment Costs, such subsidies and grants shall be deducted from the amount of the Establishment Costs the Partnership shall cover;
 - (ii) Management Fee;
 - (iii) all reasonable direct or indirect costs and expenses incurred in relation to the administering and business of the Partnership, including, without limitation, costs of printing and circulating reports and notices, legal fees, auditors' and valuers' fees, insurance costs, borrowing and hedging costs, registration fees, accounting expenses and fees and expenses associated with a tax audit, but, for the sake of clarity, excluding, the management of the Partnership and preparation of reports and notices;
 - (iv) save for expenses referred to in Section 5.2(a)(v), below, all reasonable external consultant's fees and duties and fees of lawyers, auditors, valuers and any external consultants arising in respect of identifying, evaluating, negotiating, acquiring, holding, monitoring, protecting and realizing Investments, to the extent such costs, fees or duties have not been borne by the relevant Investee Company;
 - (v) costs and expenses attributable to (i) the AIFMD related reporting obligations for the Partnership, and (ii) an obligation to appoint a custodian entity pursuant to the AIFMD, if applicable.
 - (vi) all expenses related to any changes made to this Agreement or the Partnership Agreement and, unless borne by the relevant Partners, expenses related to any changes in Partners or their Commitments;

¹⁶ The Partnership Expenses cover costs and expenses incurred in relation to the preparation of the Limited Partnership Agreement and the establishment of the Partnership (including any fees charged by the relevant authorities in connection therewith). Please note that the Partnership Expenses do not cover such costs and expenses that are incurred in relation to the establishment of the General Partner and/or the Management Company.

- (vii) the indemnification obligations and liabilities of the Partnership as set out in Section 15;
 - (viii) expenses related to the meetings of the Partners; and
 - (ix) expenses related to quality assurance inspections as set out in Section 16.1(b).
- (b) The General Partner shall use its reasonable efforts to procure that the Partnership Expenses are borne by the relevant Investee Company or its holding entity, where relevant.

5.2 General Partner Expenses

- (a) The General Partner shall be responsible for the following costs and expenses:
- (i) Establishment Costs to the extent that such costs exceed EUR [*insert the same amount as the Partnership should cover*], or the lower amount to be covered by the Partnership if public subsidies and grants have been deducted from the amount the Partnership shall cover pursuant to Section 5.1(a)(i);
 - (ii) overheads, costs and expenses which are not directly or indirectly related to the administration and business of the Partnership, including remuneration and expenses paid to employees of the General Partner, rent and utilities expenditure, representation and administrative expenses of the General Partner;
 - (iii) travel costs and expenses related to Investment activities;
 - (iv) all costs and expenses attributable to the obligations set by the AIFMD to fund managers, including, but not limited to, the obligation to seek registration or, as the case may be, a license to act; and
 - (v) external consultants' fees in respect of investment management services that the General Partner has agreed to provide in accordance with this Agreement.

5.3 Management Fee

- (a) The General Partner shall be entitled to receive from the Partnership as a consideration for the services provided by General Partner hereunder a Management Fee as follows:
- (i) From the First Closing Date until the end of the Investment Period the Management Fee shall equal to [*insert the level of the management fee during the investment period*] % per annum of the Total Commitments;

- (ii) after the end of the Investment Period up and until the [¹⁷] anniversary of the First Closing Date, the Management Fee shall equal to *[insert the level of the management fee following the investment period]* % per annum of the aggregate of the Acquisition Cost of the Investments, reduced by the Acquisition Cost of realized (whether partly or in full) Investments and irrevocable write-offs (whether partly or in full) of Investments; and
 - (iii) after the *[insert the end of the initial fund term]* anniversary of the First Closing Date up and until the dissolution of the Partnership pursuant to Section 12, the Management Fee shall be as agreed between the General Partner and the Limited Partner Advisory Committee and consented by the Limited Partner Special Consent.
- (b) The Management Fee for the first fee period commencing on the First Closing Date and ending on and including the earlier of (i) 31 March, (ii) 30 June, (iii) 31 September and (iv) 31 December following the First Closing Date shall be paid when the General Partner so decides. Thereafter the Management Fee shall be paid quarterly in advance on 1 January, 1 April, 1 July and 1 October of each year (each a "**Payment Date**") with respect to each subsequent calendar quarter (the period ending on the earlier of (i) 31 March, (ii) 30 June, (iii) 31 September and (iv) 31 December following the First Closing Date and each subsequent calendar quarter a "**Fee Period**"). However, if the due date of the first Drawdown Notice issued by the General Partner is later than one month before the end of the first Fee Period, the General Partner may draw down the Management Fee for both the first Fee Period and the second Fee Period with the first Drawdown Notice. The Management Fee payable for the first Fee Period shall accrue on a daily basis and, accordingly, be calculated by multiplying the amount of the Management Fee for a full Fee Period by the product of a division of the number of days from the First Closing Date (that including) till the earlier of (i) 31 March, (ii) 30 June, (iii) 31 September and (iv) 31 December following the First Closing Date (that including) by the number of days of the relevant calendar quarter. The Management Fee payable for the Fee Periods ending prior to or on the Final Closing Date shall be calculated based on the amount of the Total Commitments fifteen (15) days before the relevant Payment Date. Payments received by the Partnership pursuant to Section 3.2(a)(ii) towards the Management Fee shall be allocated in accordance with Section 3.2(c). After the Investment Period the Management Fee shall be based on the aggregate of the Acquisition Cost of the Investments, reduced by the Acquisition Cost of realized (whether partly or in full) Investments and irrevocable write-offs (whether partly or in full) of Investments on the first day of the last month of the preceding Fee Period.
- (c) Notwithstanding as set forth in Section 5.3(a)(i), above, in the event the Partnership has not made any initial Investments during any period covering four (4) consecutive Fee Periods within the Investment Period, the Management Fee for the Fee Period directly after the last of the four consecutive Fee Periods shall be decreased by [50] per cent.

¹⁷ See Section 2.3(a).

- (d) Notwithstanding as set forth in 5.3(a), above, in the event an Investee Company was not eligible to state aid in accordance with the State Aid Regulation at the time of an Investment, the Acquisition Cost of such Investee Company shall be permanently deducted, for the purposes of calculating the Management Fee, during the Investment Period from the Total Commitments and, thereafter, from the aggregate Acquisition Cost of the Investments.

5.4 Transaction and Other Fees

- (a) Any (i) syndication fees, arrangement fees or other fees from third parties that have invested in an Investee Company and (ii) fees from Investee Companies, collected by the General Partner, its Affiliates and the Key Executives shall be offset against the Management Fee for the next full Fee Period following the date of collection of such fees. Should this result in that the Management Fee is reduced to less than zero, the next following drawdown in respect of Management Fee shall be reduced by an amount equal to such deficit. If there is such a deficit at the time of the dissolution of the Partnership the General Partner will pay an amount equal to such deficit to the Partnership.
- (b) Notwithstanding as set forth in subsection (a), above, the General Partner, its Affiliates and the Key Executives shall not be entitled to provide consultancy work for the Investee Companies against a separate consultancy fee.
- (c) However, the General Partner or representatives nominated by it are entitled to collect reasonable fees as the members of the Board of Directors as well as reasonable travel and out of the pocket expenses attributable to their role as members of the board from an Investee Company. None of these fees or expenses shall be offset against the Management Fee to the extent such fees or expenses are reasonable and paid in accordance with the relevant Investee Company's general remuneration policy.

6. Investment Activities and Guidelines

6.1 Investment Policy

- (a) The Partnership shall mainly invest in *[insert a description of the main investment strategy]*. In exercising investment activities under this Agreement the General Partner shall comply with the following investment policy guidelines:
- (i) The General Partner shall adhere to the investment objectives and policy of the Partnership set out in the Investment Policy in **Schedule 6.1**.
- (ii) No Investment shall be made in a company or other undertaking that is not eligible to state aid pursuant to the State Aid Regulations.
- (iii) [No Investment, including Follow-on Investments and Investments with a view to sub-underwrite, syndicate or sell a part thereof, shall be made or contractually committed by the Partnership and the Partnership shall

not enter into any guarantee, indemnity or undertaking in respect of any liability or obligation of any Investee Company in connection with the acquisition, holding or disposal of any Investee Company where the aggregate of the amounts invested, committed or for which the Partnership is liable in respect of such Investee Company exceeds [*insert the maximum percentage an individual Investment may represent of the Total Commitments*]¹⁸ per cent ([]%) or, with the approval of the Limited Partner Advisory Committee, [*insert the maximum percentage an individual Investment may represent of the Total Commitments*]¹⁹ per cent ([]%), of the Total Commitment.]

- (iv) No Investment shall be made or contractually committed by the Partnership and the Partnership shall not enter into any guarantee, indemnity or undertaking in respect of any liability or obligation of any Investee Company in connection with the acquisition, holding or disposal of any Investee Company where the aggregate of the amounts invested, committed or for which the Partnership is liable in respect of such Investee Company exceeds the aggregate un-drawn Total Commitment. For the avoidance of doubt it is noted that the aggregate of (i) Investments made or contractually committed by the Partnership, and (ii) Management Fees, and (iii) Partnership Expenses, covered by drawing down Commitments, may not exceed an amount equal to the Total Commitments.
- (v) The Partnership may give loans to Investee Companies in connection with an Investment only alongside with or for the preparation of equity investment, it being agreed and understood that convertible loan shall be considered an equity investment for the purposes of this Section. Further, the aggregate amount of such loans may not at any given time exceed [*insert the maximum percentage a loan granted to an individual Investee Company may represent of the Total Commitments*]²⁰ per cent ([]%) of the Total Commitment. The Partnership may not grant loans to third parties purely for commercial purposes (i.e. bank-type lending).
- (vi) No Investment shall be made in traded or listed securities.
- (vii) No direct Investment shall be made in real estates, directly or indirectly through real estate companies, other than as a part of or in conjunction with Investments in other businesses.
- (viii) No Investment shall be made in any fund or other form of pooled investment vehicle involving the delegation of the General Partner's discretionary investment management powers or the payment of carried interest, management fees or comparable priority profit share to any third party.

¹⁸ Expectation between 10 and 20%.

¹⁹ Expectation between 15 and 25%.

²⁰ Expectation between 10 and 20%.

- (ix) No Investment shall be made alongside a predecessor fund and/or successor fund of the Partnership.

6.2 Investment Period

- (a) The Investment Period commences on the First Closing Date and ends on [*insert the number of years*] anniversary of the First Closing Date unless prematurely terminated in accordance with sub-Section (d) or prolonged by the General Partner with a maximum of [one (1)] year subject to Limited Partner Advisory Committee's consent.
- (b) The General Partner shall cease to make commitments for Investments (other than (i) Investments in respect of which a commitment to invest has been given prior to the end of the Investment Period, provided, however, that such Investments must be capable of being completed within a period of six (6) months from the expiry of the Investment Period (ii) Investments for which exclusivity had been granted during the Investment Period, subject, however, to the approval by the Limited Partner Advisory Committee, and (iii) Follow-on Investments) upon the expiry of the Investment Period.
- (c) In the end of the Investment Period the General Partner shall draw up a list of all (i) Investee Companies, (ii) potential Investee Companies for which a commitment to invest has been given prior to the end of the Investment Period and (iii) potential Investments for which exclusivity had been granted during the Investment Period.
- (d) The Investment Period shall be prematurely terminated in the following events:
 - (i) when [*insert the percentage of Total Commitments*²¹] or more of the Total Commitments have been drawn down or contractually committed for Investments;
 - (ii) when, at the discretion of the General Partner, [*insert the percentage of Total Commitments*²²] or more of the Total Commitments have been drawn down or contractually committed for Investments;
 - (iii) when the General Partner and the Limited Partners with Limited Partners Consent agree to terminate the Investment Period;
 - (iv) upon occurrence of the event contemplated in Section 7.4(c).
- (e) If the Investment Period is prematurely terminated pursuant this Section the General Partner shall send a written notification thereof to each Limited Partner.

²¹ Expectation 66.7%.

²² Expectation 50%.

6.3 Investment Decisions

It is stated, for the avoidance of doubt that any and all decisions relating to Investments are made by the Board of Directors of the General Partner. Only Key Executives may be appointed in the Board of Directors of the General Partner.

6.4 Funding and Borrowing

- (a) The Investments and related activities of the Partnership shall be fully funded with the Commitments. However, in the event (i) an Investment needs to be made within a period that is shorter than the period reserved for a Drawdown Notice set forth in Section 4.1, or (ii) a Limited Partner has failed to advance to the Partnership any amounts pursuant to a Drawdown Notice as set forth in Section 4.1, the Partnership may borrow money and/or grant guarantees or give collaterals for a period of no more than six (6), and with a consent of the Limited Partner Advisory Committee twelve (12) months and up to an amount equaling the lesser of (i) the undrawn amount of the Total Commitments and (ii) [ten per cent (10 %)] of the Total Commitments, and, in relation to a failure to advance any amounts pursuant to a Drawdown Notice, only, (iii) the amount of the failed advance of Capital Contribution, for the purposes of covering any such amounts. [In addition to the above, the Partnership may issue equity guarantees in relation to the funding of the Investee Companies within the limits of the Commitments available for drawdowns and the exposure limits set out in Section 6.1(a)(ii).
- (b) The amount borrowed or guaranteed by the Partnership shall be taken into account in the calculation of aggregate amount of the total maximum exposure to a single Investee Company according to Section 6.1.
- (c) Borrowings referred to in this Section 6.4 may be acquired from the General Partner or any third party. The interest rate and the other terms for any borrowings shall be determined on an arm's length basis and any of the assets of the Partnership may be given as a collateral for such borrowings as deemed necessary by the General Partner.
- (d) The amounts as well as terms and conditions of any borrowings and/or granting of guarantees and/or giving of collaterals by the Partnership shall be reported to the Limited Partner Advisory Committee within reasonable time from the occurrence of such event. If the borrowings are acquired from the General Partner, the terms and conditions of such borrowings, including the amount thereof, shall also be reported to the Limited Partners in the quarterly report following the consummation of the borrowing.
- (e) In the event the Partnership is entitled to borrow money and/or grant guarantees or give collaterals as outlined above, the General Partner may, alternatively, choose to cover the deficit attributable to the failed advance of Capital Contribution, in whole or in part, by serving a Drawdown Notice to that effect to the non-defaulting Limited Partners pro rata to their respective Commitments.

7. Management of the Partnership

7.1 The General Partner

The General Partner shall have the exclusive responsibility for the management and control of the business and affairs of the Partnership. Without prejudice to its rights and obligations hereunder, the General Partner shall appoint the Management Company as a manager to the Partnership for the term of the Fund. The Management Company shall manage and operate the Partnership and shall perform all duties, powers and functions attributed to the General Partner hereunder pursuant to the provisions of the Management Agreement, provided that the General Partner shall remain responsible for the actions and omission of the manager. For the sake of clarity it is acknowledged by the Limited Partners that the appointment of the Management Company by the General Partner as the manager and the acceptance by the Management Company of the appointment shall create a contractual relationship between the General Partner and the Management Company only, and, accordingly, by assuming the role or through the actions and omissions as a manager of the Partnership the Management Company shall not accept or assume any liability towards the Limited Partners.

- (a) The General Partner shall be obliged to:
 - (i) devote as much of its time and attention as shall reasonably be required for the management of the business of the Partnership;
 - (ii) act in a professional and ethical manner and place Limited Partners' and the Partnership's interest before their own;
 - (iii) procure that the Management Company is registered with the Finnish Financial Supervisory Authority in accordance with the AIFMD;
 - (iv) procure that the Management Company's operations are arranged and that the Management Company manages the Partnership in accordance with the AIFMD;
 - (v) procure the compliance by the Partnership with the FATCA, the CRS and the DAC2;
 - (vi) procure that the Management Company's duties include the management, portfolio management, risk management, compliance with applicable anti-money laundering regulations and marketing duties for the Partnership and that the Management Company reports to the Finnish Financial Supervisory Authority in accordance with the applicable legislation and that the management, book-keeping and internal control procedures are adequate;
 - (vii) procure that all filings and registrations required in relation to the Partnership pursuant to the Act are promptly made and shall operate the Partnership in accordance with this Agreement;

- (viii) procure that the cash and cash equivalents are deposited on an account with a reputable commercial bank with a minimum of A rating by Standard & Poor's or Moody's, or, subject to a prior consent by the Limited Partner Advisory Committee, otherwise invested or deposited in a secured manner;
 - (ix) procure that it at all times has all the necessary equipment, office space, personnel and other resources at its use in order to be able to fulfil its obligations under this Agreement;
 - (x) procure that the Key Executives devote all of their business time to the affairs of the Partnership and any previous or successor funds managed or advised by [*insert the name of the Management Company*] or its Affiliates, having a similar investment strategy as the Partnership, it being agreed and understood that the Key Executives shall always devote sufficient time of their business time to the fulfilment of the General Partner's obligations under this Agreement²³;
 - (xi) inform the Limited Partner Advisory Committee forthwith if any of the Key Executives are no longer actively participating in the management of the Partnership by failing to fulfill their time commitments set forth in Section 7.1(a)(x) above.
 - (xii) inform the Limited Partner Advisory Committee forthwith if the Partnership, Management Company or any of their directors, officers, employees or agents becomes subject to criminal investigation or investigation by the Finnish Financial Supervisory Authority;
 - (xiii) allocate and procure that the Management Company allocates any and all investment opportunities falling within the Investment Policy and coming to its attention to the Partnership; and
 - (xiv) [inform the Limited Partners if the General Partner fails to perform any of its obligations under or otherwise breaches this Agreement or if the Management Company fails to perform any of its obligations under or otherwise breaches the Management Agreement.]
- (b) The General Partner shall have the power and authority to do all things necessary and/or appropriate for the Partnership's business on behalf of the Partnership including, but not limited to the following acts:
- (i) to locate, evaluate and negotiate investment opportunities and to acquire, hold, sell, exchange, convert or otherwise dispose of Investments for the account of the Partnership and to enter into investment agreements on behalf of the Partnership;
 - (ii) to appoint new Key Executives, subject, however, to approval by the Limited Partner Advisory Committee;

²³ To be amended case by case taking into account the different roles of each of the Key Executives.

- (iii) to monitor and, where appropriate, to appoint representatives to the boards of directors of the Investee Companies;
 - (iv) subject to the restrictions in Section 6.1(a)(ii), 6.1(a)(iv) and 6.1(a)(vi) to enter into any guarantee, indemnity or undertaking in respect of any liability or obligation of any Investee Company; in connection with the acquisition, holding or disposal of any Investee Company;
 - (v) subject to the restrictions in Section 6.1(a)(ii), to underwrite or acquire a part of an Investment with a view to sub-underwrite, syndicate or sell a part thereof and enter into other short-term investment transaction or obligations in respect of part of an Investment;
 - (vi) subject to the restriction in Section 6.4, to borrow money, directly or indirectly, for the purpose of funding a shortfall occasioned by the failure of a Limited Partner to comply with a Drawdown Notice. The Partnership shall have the right to use un-drawn Commitments as security for such borrowings and to issue equity guarantee letters in connection with the Investments;
 - (vii) to engage employees, agents, lawyers, accountants, custodians, brokers, investment and financial advisers and consultants as it may deem necessary or advisable in relation to the affairs of the Partnership;
 - (viii) to commence, conduct, settle or defend any litigation relating to the Partnership or its assets, save for any disputes where the adverse party is the General Partner or *[insert the name of the Management Company]*;
 - (ix) to sign, alone, the company name of the Partnership; and
 - (x) to take out appropriate liability insurance cover for the Key Executives and the General Partner for risks relating to the administration of the Partnership.
- (c) In order to avoid conflicts of interest the General Partner shall procure that none of the Limited Partners or their Affiliates, save for the Key Executives even if they are, directly or indirectly a Limited Partner, is having a seat in the Board of Directors of the General Partner or the Management Company.

7.2 Change of Control

The General Partner shall procure that all the shares, voting rights and the financial rights attached to the shares in each of the General Partner and the Management Company are held or controlled, directly or indirectly, by Key Executives or Key Executives and other Investment Professionals, unless the Limited Partners by a Limited Partner Special Consent, including the supportive vote of BFVC, agree to a reduced holding of shares or voting rights in the General Partner or the Management Company.

7.3 The Limited Partners

The Limited Partners shall take no part in the management or control of the business and affairs of the Partnership, and shall have no right or authority to act for the Partnership or to take any part in or in any way to interfere with the management of the Partnership or to vote on matters relating to the Partnership other than as mandatory under the Act or as set forth in this Agreement.

7.4 Key Person Event

- (a) If at any time
 - (i) [during the Investment Period
 - (A) more than *[insert the number of Key Executives]* of the Key Executives have permanently ceased devoting, or
 - (B) none of *[insert the name(s) of the triggering Key Individual(s)] is devoting;*, or
 - (ii) after the expiry of the Investment Period
 - (A) there are less than *[insert the number of Key Executives]* Key Executives devoting; or
 - (B) none of *[insert the name(s) of the triggering Key Individual(s)] is devoting;*²⁴

all²⁵ of their business time to the affairs of the Partnership and any previous or successor funds, managed or advised by *[insert the name of the Management Company]*, (a "**Key Person Event**") the Partnership shall not be permitted to make any further Investments or Follow-on Investments or Exits, other than (a) Investments, Follow-on Investments and Exits in respect of which a binding commitment has been entered into by the Partnership prior to such event, or (b) Investments, Follow-on Investments and Exits consented by the Limited Partner Advisory Committee, (such period referred to as the "**Suspension Period**"). The General Partner shall promptly inform the Limited Partners of the Key Person Event and the date thereof (the "**Suspension Date**"). For the avoidance of doubt, the Suspension Period shall not affect the rights of the General Partner to prepare Exits.

For the purposes of this Section a "permanent" failure to meet the devotion of time shall mean that a person fails to meet the set devotion criteria for a period of six (6) consecutive months or for a shorter period if it is objectively evident that the relevant person will not correct the failure within the six (6) months' period.

²⁴ To be tailored case by case to take into account the different roles, specialties and experience of the Key Executives and their individual relevance for the success of the Partnership.

²⁵ To be amended case by case taking into account the different roles of each of the Key Executives.

- (b) The Suspension Period shall be terminated on the earlier of the date:
 - (i) when decided so by the Limited Partners by a Limited Partner Special Consent; or
 - (ii) when a replacement Key Executive is (or Key Executives are) appointed by the General Partner and approved by the Limited Partner Advisory Committee (such decision to be taken within ten (10) Business Days from the notification of the appointment by the General Partner) so that there are at least [*insert the minimum number of Key Executives required*] Key Executives.
- (c) If the Suspension Period is not terminated pursuant to Section 7.4(b) above within a period of one hundred and eighty (180) days from the Suspension Date, the Investment Period will terminate with immediate effect, unless the Limited Partner Advisory Committee has approved the prolongation of the Suspension Period beyond such one hundred and eighty (180) days' period up to a maximum period of two hundred and seventy (270) days.
- (d) Without prejudice as set forth above, upon any departure, for whatever reason, of any Key Executive from the employment or service of the General Partner or the Management Company, the General Partner shall, without undue delay,
 - (i) inform the Limited Partners thereof;
 - (ii) prepare a plan how to remedy the departure of the Key Executive;
 - (iii) convene the Limited Partner Advisory Committee to discuss and approve the plan; and
 - (iv) report to the Limited Partner Advisory Committee the progress of the remedial plan as instructed by the Limited Partner Advisory Committee.

8. Allocation of Proceeds

8.1 Allocation of Proceeds among Partners

- (a) The amount of Proceeds allocated to the Limited Partners (including the General Partner in its capacity as a Limited Partner) shall be determined in accordance with the following (for the avoidance of doubt, any distributions of Proceeds allocated to the Partners shall be made in accordance with Section 9), it being understood that the allocation shall at all times be based on all the cash flows to and from the Fund, whether in form of Capital Contributions, repayments of Capital Contributions or distributions under Section 9, prior to and including the allocation at hand (rather than solely based on the Proceeds subject to the allocation):
- (b) All Proceeds shall be allocated immediately prior to its distribution pursuant to Section 9 as follows:

- (i) firstly, to the Limited Partners (including the General Partner in its capacity as a Limited Partner) pro rata to their respective Commitments, until each Limited Partner has received an amount equal to its Capital Contribution;
 - (ii) [secondly, to the Limited Partners (including the General Partner in its capacity as a Limited Partner) pro rata to their Commitments until each Limited Partner has received an amount representing an IRR of [] per cent ([] %) per annum on the daily balance by which the Capital Contributions with respect to such Limited Partner exceeds the repayments of Capital Contributions and distributions of Income to such Limited Partner].
 - (iii) [thirdly, [] per cent ([] %) to the General Partner and [] per cent ([] %) to the Limited Partners until the General Partner has, pursuant to this item 8.1(b)(iii), received an amount equal to [] per cent ([] %) as catch-up of all amounts allocated to the Limited Partners (including the General Partner in its capacity as a Limited Partner) pursuant to item 8.1(b)(ii) above and to the General Partner pursuant to this item 8.1(b)(iii); and
 - (iv) [fourthly, in respect of the remaining Income, [] per cent ([] %) to the General Partner as carried interest and [] per cent ([] %) to the Limited Partners (including the General Partner in its capacity as a Limited Partner) pro rata to their respective Commitments].²⁶
- (c) For the purposes of establishing whether the amounts in Section 8.1(b)(ii) have been satisfied, any sums paid by a Limited Partner on admission to the Partnership after the First Closing Date in accordance with Section 3.2 (disregarding any Additional Payment pursuant to Section 3.2(a)(ii)(B)) shall be deemed to have been paid on the date upon which they would have been paid had such Limited Partner been admitted to the Partnership on the First Closing Date.
 - (d) When Capital Contributions are drawn down from the Limited Partners (including the General Partner in the capacity as a Limited Partner), the allocation pursuant to Section 8.1 shall be adjusted accordingly.
 - (e) To the extent any applicable withholding tax or other similar taxes have been withheld from the Proceeds received by the Fund solely by reason of a Limited Partner's participation in the Fund, the full amount of such taxes withheld shall be taken into account when determining the allocation of Proceeds as set out above. For the purposes of determining the allocations of Proceeds to the Partners, the amounts allocated to each Limited Partner shall be deemed to be the aggregate of (i) actual allocations of Proceeds to such Limited Partner and

²⁶ BFVC may accept an asymmetric profit sharing for the benefit of private investors of the Partnership. If an asymmetric profit sharing is used, BFVC may pass a part of its share of the profits according to Sections 8.1 (b) (ii)-(iv) to the other investors of the Partnership. Asymmetric profit sharing is a part of the formal application of an investment and should be proposed by a prospective manager and it is subject to a decision by BFVC. BFVC's decision on asymmetric profit sharing will also include a decision on maximum amount of profits that can be asymmetrically passed to the other investors in the Partnership. For the sake of clarity, an asymmetric profit share does not affect the General Partner's share of the carried interest.

- (ii) any such applicable withholding tax or other similar tax withheld from the Proceeds received by the Fund solely by reason of such Limited Partner's participation in the Fund.
- (f) The General Partner may, on behalf of the Partnership, dispose of all or part of an interest in an Investee Company for the purpose of acquiring an interest of a different nature in the same Investee Company, provided that the new interest falls within the Investment Policy of the Partnership set out in Section 6.1. In such circumstances, the Proceeds arising upon disposition of an interest in an Investee Company shall not be allocated to the Partners to the extent such Proceeds is reinvested in another interest in the same Investee Company.
- (g) [The General Partner shall ensure that the minimum of *[insert the percentage]*²⁷ of the Proceeds allocated to the General Partner pursuant to Sections *[insert cross reference to catch-up and carry clauses]* shall be distributed among the Investment Professionals of the Management Company actively involved in the investment activities of the Partnership.]

8.2 Accounts

The Partnership shall, for administrative purposes, establish and maintain such accounts and records for each of the Partners as the General Partner shall deem necessary. Any amounts shall be credited or debited to and from these accounts as appropriate to reflect the Capital Contributions and allocation of Proceeds of the Partnership amongst the Limited Partners and the General Partner as set out in Section 8.1.

9. Distributions

9.1 Timing of Distributions

- (a) Following the First Closing Date the Partnership may at any time distribute Proceeds by means of refund of Capital Contributions and distribution of Proceeds. No distribution of assets of any kind shall be made from the Partnership other than as set out in this Section 9.
- (b) Upon any distribution the General Partner shall send the Limited Partners a distribution notice including the minimum information set forth in **Schedule 9.1(b)**;
- (c) Subject to Section 9.6, any amounts allocated to the Limited Partners (including the General Partner in its capacity as a Limited Partner) pursuant to Section 8.1 above shall be distributed to the Limited Partners within ten (10) Business Days after the relevant amount becomes available for distribution.
- (d) Any amounts allocated to the General Partner pursuant to Section 8.1 above shall be distributed to the General Partner as follows:

²⁷ Expectation 75–100%.

- (i) any amount allocated to the General Partner pursuant to Section 8.1 shall be first deposited to a separate account established by the General Partner (in the name of the Partnership); and
 - (ii) shall be released to the General Partner upon the Limited Partners having been distributed, taking into account any and all earlier distributions pursuant to Section 9.1, an amount equaling the Total Commitment plus the preferred return set out in Section 8.1(b)(ii);
 - (iii) notwithstanding the above the General Partner shall always have a right to release funds from the separate account to the extent (i) needed to cover any tax liability of the General Partner resulting from or attributable to the allocation of Proceeds pursuant to Section 8.1 or distribution of Proceeds to the separate account pursuant to Section 9.1(d)(i), or 9.1(d)(ii) consented by the Limited Partner Advisory Committee.
- (e) All distributions shall be made in Euros.

9.2 Withholding of Distributions

Instead of distributing Proceeds the General Partner may withhold such part of the distribution otherwise to be made and use the amounts withheld for the purposes of which it would be allowed to issue Drawdown Notices prior to or following such distribution. When withholding distributions as aforesaid, the General Partner shall withhold distributions in respect of each Limited Partner pro rata to their respective Commitment and for the purposes of this Agreement amounts so withheld shall be deemed as being distributed and thereafter subject to Drawdown Notice with due date on the same day. The General Partner shall immediately after making a decision to withhold distributions as aforesaid notify the Limited Partners accordingly and provide the Limited Partners with information as set out in Section 4.

9.3 General Partner Clawback

- (a) Upon the dissolution of the Partnership a new calculation of distribution of Proceeds and any other remaining assets of the Fund shall be made on the assumption that the aggregate Proceeds during the life of the Partnership should have been distributed based on the allocation of Proceeds set forth in Section 8.1 above.
- (b) If the General Partner has, according to the calculation described above, been distributed more than it is entitled to in accordance with Section 8.1, the excess amount (provided that the General Partner has, however, the right to deduct from such amounts all taxes that have been or will be allocated to such amounts and which taxes are or will not be recoverable by the General Partner) shall be promptly returned by the General Partner to the Partnership and allocated and distributed by the Partnership pursuant to Sections 8.1 and 9.1.

9.4 Limited Partner Clawback

- (a) Upon the dissolution of the Partnership a new calculation of distribution of Proceeds and any other remaining assets of the Fund shall be made on the assumption that the aggregate Proceeds during the life of the Partnership should have been distributed based on the allocation of Proceeds set forth in Section 8.1 above.
- (b) If any Limited Partner has, according to the calculation described above, been distributed more than it is entitled to in accordance with Section 8.1, the excess amount (provided that the Limited Partner has, however, the right to deduct from such amounts all final non-refundable taxes that have been or will be allocated to such amounts) shall be promptly returned by the Limited Partner to the Partnership and allocated and distributed by the Partnership.
- (c) If the Limited Partners have received distributions in accordance with Sections 8.1 and 9.1 and the Partnership is at any time unable to meet its costs and liabilities and the un-drawn Total Commitment does not suffice to cover such costs and liabilities the Limited Partners shall contribute to the Partnership by repayment of distributions received an amount sufficient to satisfy all or any portion of the Partnership's obligations. The amounts to be contributed shall be contributed in an order of priority being the reversed order of the allocations pursuant to Section 8.1 and distributed to the Limited Partners pursuant to Section 9.1 and shall be made by the Limited Partners pro rata in amounts corresponding in reverse to the proportions of each of the levels of allocations set out in Section 8.1 (in such a manner that as a result the distributions made, net of the repayments made pursuant to this clause, comply in the aggregate with the provisions of Sections 8.1 and 9.1). The amount to be contributed by each Limited Partner to the Partnership based on the foregoing shall not in any event exceed twenty five per cent (25%) of the amounts distributed to and received by such Limited Partner on the basis of Sections 8.1 and 9.1. Further, the Limited Partners shall be under no obligation to contribute any amounts based on the foregoing in respect of amounts distributed to and received by the Limited Partners more than two (2) years prior to date when the repayment is requested by the Partnership.
- (d) The obligation set out in Section 9.4(c) above shall remain in force until the second anniversary of the registration of the dissolution of the Partnership, after which no payments may be requested from the Limited Partners. In the event the Partnership has been dissolved upon realization of the costs and liabilities referred to in Section 9.4(c) above, the payments shall be made to the General Partner or, if a third party liquidation trustee has been appointed, to the liquidation trustee, for the sole purpose of covering such costs and liabilities.
- (e) In connection with each Exit the General Partner shall act with reasonable care and use its commercially reasonable efforts (acknowledging the aim of negotiating the best possible price) to minimize the representation and warranty obligations and other liabilities of the Partnership in order to limit the potential need to apply the repayment provisions of Section 9.4(c).

9.5 Distributions *in Specie*

- (a) Without prejudice as set forth in Section 12, during the Term of the Fund the Partnership shall not make any distributions *in specie* save for distribution of securities (i) that have achieved quotation, or (ii) that in connection with the distribution achieve quotation, in a reputable market place.
- (b) When making distributions *in specie* the General Partner shall allocate to each of the Limited Partners (and the General Partner in its role as a Limited Partner) such proportion of each class of securities equaling the proportion such Limited Partner's Commitment bears to the Total Commitments. In the event such distribution is not possible the allocation of each class of securities to each of the Limited Partners (and the General Partner in its role as a Limited Partner) shall be as close as possible to the proportionate allocation and any deficiency shall be distributed in cash.
- (c) The securities distributed *in specie* shall be valued in accordance with Section 12(b)(iii).
- (d) Subject to subsection (a), above, the General Partner may propose a distribution *in specie* to the Limited Partners, each of whom shall, within ten (10) Business Days upon receipt of the proposal in writing, inform the General Partner if (i) it accepts the distribution *in specie*, or (ii) objects the distribution *in specie* and requests the General Partner to sell the securities that would have otherwise been distributed *in specie* on behalf and in the name of the respective Limited Partner. Upon such request the General Partner shall sell the subject securities at the best possible terms and distribute the sales proceeds, less the costs attributable to the sale, to the relevant Limited Partner.

9.6 Limitations of Distributions

- (a) The General Partner shall not be obliged to cause the Partnership to make any distributions of Proceeds pursuant to this Section 9:
 - (i) unless the cumulative distributable amount exceeds EUR [10,000], provided that all the funds available for distribution in the end of each calendar year shall be so distributed, subject, however, to subsections (ii)-(v), below;
 - (ii) unless there is cash available therefore; or
 - (iii) which would render the Partnership insolvent;
 - (iv) if, at the reasonable discretion of the General Partner, the distribution would be made to a Partner that does not fulfill the requirements set by the applicable anti money laundering legislation; or
 - (v) which, in the reasonable opinion of the General Partner, would or might leave the Partnership without sufficient funds to meet any future obligations, liabilities or contingencies, as the case may be, including obligations to the General Partner.

10. Assignment of Interests

10.1 Assignment of Interests of Limited Partners

- (a) No sale, assignment, transfer, exchange, pledge, encumbrance or other disposition of or grant of any participation (a "**Transfer**") in all or any part of a Limited Partner's interest in the Partnership including, without limitation, all or any part of its Commitment and its Capital Contribution, whether voluntary or involuntary, shall be valid or effective without the prior written consent of the General Partner.
- (b) A Limited Partner wishing to transfer all or part of its interest in the Partnership including, without limitation, all or any part of its Commitment and its Capital Contribution, shall apply to the General Partner for a consent to the Transfer and shall furnish General Partner with such information regarding the proposed Transfer and the proposed assignee or transferee as may be requested by the General Partner. The General Partner shall grant its consent to or, if considered appropriate, its dissent of the proposed Transfer within thirty (30) Business Days from the date of the Limited Partner's written notice.
- (c) The proposed transferee or assignee shall be regarded as Substitute Limited Partner for the purposes of this Agreement. The transferring Limited Partner or the Substitute Limited Partner shall bear all costs and expenses arising in connection with any proposed Transfer hereunder, whether consented to by the General Partner or not.
- (d) Any Substitute Limited Partner shall be bound by all the provisions of this Agreement and, as a condition for giving their consents to any Transfer to be made in accordance with the provisions of this Section 10.1, the General Partner shall require the proposed Substitute Limited Partner to acknowledge its assumption (in whole or in part) of the obligations of the transferring Limited Partner by adhering to this Agreement as a signatory or by executing a Substitute Limited Partner Form of Adherence (and each Limited Partner hereby irrevocably authorizes the General Partner to sign such Substitute Limited Partner Form of Adherence on its behalf). Neither the Partnership nor the Partners shall incur any liability for allocations and distributions made in good faith to the transferring Limited Partner until a written instrument of transfer has been received by the Partnership and recorded in its books and the effective date of the Transfer has passed.
- (e) Notwithstanding any other provisions of this Section 10.1, intra-group transfers to another corporate body or entity that is within the same group, and as regards BFVC to another entity controlled, directly or indirectly, by the Republic of Finland, as the transferring Limited Partner or is an Affiliate of transferring Limited Partner are permitted and do not require a consent, provided however that the Substitute Limited Partner remains within the same group as the Limited Partner or is an Affiliate of the Limited Partner, and as regards BFVC under the direct or indirect control of the Republic of Finland, and that the transfer does not free the transferor from any of its obligations hereunder (except in case of BFVC or where the consent of the General Partner has been

given in accordance with this Section 10.1). For clarity, notwithstanding the above, each Substitute Limited Partner shall acknowledge its assumption (in whole or in part) of the obligations of the transferring Limited Partner by adhering to this Agreement by executing a Substitute Limited Partner Form of Adherence.

- (f) Notwithstanding any other provisions of this Section 10.1, each Limited Partner undertakes to notify the General Partner forthwith in writing of the full name of any entity or person to whom it proposes to Transfer its interest pursuant to this Section 10.1, of any change in its own name and any other information which the General Partner may reasonably request.

10.2 Assignment of Interest of the General Partner

The General Partner shall not Transfer all or any part of its interest in the Partnership including without limitation, all or any part of its Commitment and its Capital Contribution other than to another corporate body or entity owned by the Key Executives in the same proportions as the General Partner and provided that such entity has available the same resources as the General Partner, without a Limited Partner Special Consent including the supportive vote of BFVC.

10.3 Assignment of Interests in Violation of the Agreement

The Partnership shall not recognize any Transfer (including any Commitment or Capital Contribution) made in violation of this Agreement for the purposes of making distributions of Proceeds, refunds of Capital Contributions or otherwise. Any Transfer to a Substitute Limited Partner based on an untrue representation by such Substitute Limited Partner or the transferring Limited Partner, or which representation is subsequently breached by such Substitute Limited Partner or the transferring Limited Partner, shall be void. Accordingly, the General Partner shall not take any measures in respect of any authorities, including registration of the capital contribution with the Finnish Patent and Registration Office, to effectuate such Transfer.

11. Expulsion of Limited Partners, Removal of the General Partner and Premature Dissolution

11.1 Expulsion of Limited Partners

- (a) A Limited Partner may be expelled by the General Partner with a six (6) months' notice period, if such Limited Partner is declared bankrupt or is the object for liquidation or dissolution procedure.
- (b) If a Limited Partner has been so expelled, the other Limited Partners shall have the right, but not an obligation, pro rata to their Commitments, to redeem the interest of the expelled Limited Partner in the Partnership within sixty (60) days from the date of the expulsion. The redemption price shall be 1.0 times the Capital Contribution of the expelled Limited Partner. The expelled Limited Partner or the redeeming Limited Partners shall bear all costs and expenses arising in connection with such redemption.

- (c) In the event such interest in the Partnership of an expelled Limited Partner has not been redeemed during such redemption period of sixty (60) days, the General Partner shall offer such interest to the other Limited Partners and any third party as deemed appropriate by the General Partner and shall have the right to sell the interest as the attorney of the expelled Limited Partner to the Limited Partner or third party who have submitted the highest bid for the interest (each Limited Partner hereby appoints the General Partner as its attorney for the purposes of this Section and undertakes to ratify and approve all and any act the General Partner may perform pursuant to this authorization) and the Partnership shall be entitled to receive a commission of [twenty per cent (20%)] of the net proceeds of such sale. The remaining of the net proceeds from such sale shall be returned to the expelled Limited Partner. The purchaser of such interest shall be regarded as a Substitute Limited Partner for the purposes of this Agreement.

11.2 Removal of the General Partner

- (a) The General Partner may be removed with immediate effect, with regard to subsection 11.2(a)(i) and 11.2(a)(ii) by a Limited Partner Special Consent (disregarding, for the purposes of subsection 11.2(a)(i) and 11.2(a)(ii), the Commitment of the General Partner or [*insert the name of the Management Company*]), and with regard to subsections 11.2(a)(iii) through 11.2(a)(vi) by a Limited Partner Consent (including, at the minimum two (2) Limited Partners but disregarding, for the purposes of subsections 11.2(a)(iii) through 11.2(a)(vi), the Commitment of the General Partner or [*insert the name of the Management Company*]), and with regard to subsection 11.2(a)(vii) by a decision of BFVC, in the following circumstances:
- (i) without cause [following the Final Closing Date];
 - (ii) in the event a Key Person Event is triggered and the Suspension Period is not terminated pursuant to Section 7.4(b) within a period of 180 days, or, if the Limited Partner Advisory Committee has approved the prolongation of the Suspension Period beyond such one hundred and eighty (180) days' period pursuant to Section 7.4(c), after the expiry of such prolongation;
 - (iii) in the event that less than $[2/3]$ ²⁸ of the shares, the voting rights or the financial rights attached to the shares in each of the General Partner and the Management Company are held or controlled, directly or indirectly, by Key Executives, unless the Limited Partners by a Limited Partner Special Consent, including the supportive vote of BFVC, agree to such reduced holding of shares or voting rights in the General Partner;
 - (iv) the General Partner or the Management Company is declared bankrupt or is the object for liquidation or dissolution procedure;

²⁸ To be in line with Section 7.2

- (v) the General Partner, the Management Company or a Key Executive has committed gross negligence or willful misconduct in relation to the Partnership or otherwise rendered itself guilty of fraud or other crime that impairs the confidence of the Limited Partners in the General Partner, the Management Company or the Key Executives (acting jointly);
 - (vi) the General Partner, the Management Company or a Key Executive has committed a material breach of this Agreement or the Management Agreement; or
 - (vii) the General Partner or the Management Company has committed a material breach of the State Aid Regulation. For the purpose of this Section 11.2(a)(vii) a material breach shall include, but not be limited to, (i) a failure to Exit an Investment into a company that was not eligible to state aid in accordance with the State Aid Regulation at the time of an Investment, (ii) a failure to prepare and distribute reporting in accordance with Section 13.2 upon a written notice thereof by the Limited Partner Advisory Committee or BFVC, and (iii) a failure to ensure that an investment decision was profit-driven in accordance with the requirements set by the State Aid Regulation.
- (b) If the General Partner is removed in accordance with subsections 11.2(a)(i) through 11.2(a)(iii) above, it shall be entitled to:
- (i) a Vested Proportion (as defined below) of the distributions the General Partner is entitled to according to Sections 8.1(b)(iii), 8.1(b)(iv) and 9 in respect of Investments made prior to its removal. Such Vested Proportion shall be paid in connection with the future distributions made pursuant to Sections 8.1(b)(iii), 8.1(b)(iv) and 9 in respect of Investments made prior to the removal of the General Partner. When determining the amount of distributions the General Partner is entitled to pursuant to the foregoing, all Partnership Expenses incurred prior to the date of removal of the General Partner (including the Management Fee payable in accordance with Section 11.2(b)(iii) below, if applicable) and all costs incurred in relation to Investments made or decided prior to the date of such removal shall be fully deducted from the Proceeds accruing from Investments made or decided prior to such removal.
 - (ii) The General Partner's right to the catch-up and carried interest payable pursuant to Sections 8.1(b)(iii), 8.1(b)(iv) and 9 shall during the Investment Period vest following a linear scale where at the Final Closing Date the vested entitlement is zero per cent (0%) and in the end of the Investment Period fifty per cent (50%). After the Investment Period the General Partner's right to the catch-up and carried interest shall continue vesting following a linear scale where during each twelve (12) month period subsequent to the Investment Period the vested entitlement shall increase by ten (10) percentage units, provided that the total aggregate entitlement shall not exceed eighty per cent (80%) (the "**Vested Proportion**").

- (iii) Additionally, if the General Partner is removed in accordance with subsection 11.2(a)(i) above, it shall be entitled to the Management Fee for a period of six (6) months upon having received a written notice of removal from the Limited Partners, paid as set forth in Section 5.3, subject, however, to the delivery by the General Partner of all the books of account, records, registers, correspondence, documents and assets relating to the affairs or belonging to the Partnership in its possession or under its control to the new general partner or the liquidator of the Partnership, as applicable.
- (c) If the General Partner is removed in accordance with sub-Sections 11.2(a)(iv), 11.2(a)(v), 11.2(a)(vi) or 11.2(a)(vii) above, the General Partner's right to any further distributions of Proceeds and any other payments it is entitled to under this Agreement (including, without limitation, the Management Fee) in the capacity of the General Partner shall be fully forfeited and the General Partner shall be obliged to return to the Partnership any previous distributions of catch-up and carried interest received by it based on Sections 8.1(b)(iii), 8.1(b)(iv) and 9.1 (provided that the General Partner has, however, the right to deduct from such amounts all taxes that have been or will be allocated to such amounts and which taxes are or will not be recoverable by the General Partner). However, if the General Partner is removed in accordance with sub-Sections 11.2(a)(iv) through 11.2(a)(vii) but the General Partner has challenged the grounds for such removal, which contesting is accepted by a final judgment in a competent court, the removal shall remain in force but the General Partner shall be entitled to the same compensation as if it had been removed in accordance with sub-Section 11.2(a)(i).
- (d) The Limited Partners may, upon removal of the General Partner, with a Limited Partner Consent, supported by the vote of BFVC, appoint a replacement general partner, who shall assume the rights and obligations of the General Partner under this Agreement without, however, prejudice to Section 11.2(b).
- (e) For the avoidance of doubt, the removal of the General Partner shall in no way affect its position and rights as a Limited Partner. Further, for the avoidance of doubt, Section 9.3 shall, *mutatis mutandis*, be applied to the carried interest paid to the General Partner based on Section 11.2(b) regardless of the removal of the General Partner. In case a new general partner has been appointed by the Limited Partners the obligation by the General Partner and the replacing general partner to repay the carried interest pursuant to Section 9.3 shall be in proportion to the amounts received pursuant to Sections 8.1(b)(iii), 8.1(b)(iv) and 9.
- (f) The General Partner shall be obliged to inform the Limited Partners without undue delay upon having become aware of an alleged breach by the General Partner or the Management Company of the State Aid Regulations, this Agreement or the Management Agreement or of an alleged commitment by the General Partner, the Management Company or any of the Key Executives of gross negligence or willful misconduct in relation to the Partnership or fraud or other crime. Notwithstanding anything as set forth elsewhere in this Agreement, after informing the Limited Partners, the General Partner shall procure that the

Partnership does not make any further Investments or Follow-on Investments, other than (a) Investments, Follow-on Investments and Exits in respect of which a binding commitment has been entered into by the Partnership prior to such event, or (b) Investments, Follow-on Investments and Exits consented by the Limited Partner Advisory Committee. Such suspension of the Investment and Exit activities shall remain in force up and until the Limited Partners have made a decision whether or not to remove the General Partner in accordance with this Section 11.2.

11.3 Premature Dissolution

- (a) The Partnership shall be terminated prematurely and dissolved in the following circumstances:
 - (i) following a removal of the General Partner pursuant to Section 11.2(a), unless a replacing general partner has been appointed upon Limited Partner Consent pursuant to Section 11.2(d);
 - (ii) by agreement between the General Partner on the one side and Limited Partners representing [ninety per cent (90%)] of Total Commitments on the other side; and
 - (iii) by the General Partner in the event of a change of law which, in the reasonable opinion of the General Partner, such opinion being supported by a reputable legal counsel if such supporting opinion is required by Limited Partners representing at least twenty five percent (25%) of the Total Commitment, makes the continuation of the Partnership unlawful, impractical or inadvisable.

12. Dissolution of the Partnership

- (a) Save as provided for in Sections 8 and 9 and upon the dissolution of the Partnership, a Limited Partner shall not have the right to have its Capital Contribution refunded. Subject to Section 9.3, the General Partner shall not be personally liable for the return of the Capital Contributions made by any of the Limited Partners.
- (b) Upon dissolution of the Partnership:
 - (i) No further business shall be conducted except for such action as shall be necessary for the winding-up of the affairs of the Partnership and the distribution of the assets of the Partnership among the Partners. The General Partner shall act as a liquidating trustee provided, however, that if the General Partner has been removed for a reason set forth in Sections 11.2(a)(iv), 11.2(a)(v), 11.2(a)(vi) and 11.2(a)(vii) above, the Limited Partners may by a Limited Partner Consent, supported by the vote of BFVC, designate another party to act as a liquidating trustee. The Limited Partners shall have the right to grant such third party liquidating trustee or trustees such remuneration as compensation for acting as a liquidating trustee as they consider appropriate.

- (ii) The liquidating trustee shall make best efforts to sell any or all of the assets of the Partnership on the best terms available. If the trustee has not been able to sell the assets, it may distribute all or any of the assets of the Partnership *in specie*. The liquidating trustee shall cause the Partnership to pay all debts, obligations and liabilities of the Partnership and all costs of liquidation, whereafter the remaining proceeds and assets to be distributed *in specie*, shall be allocated to the accounts of each of the Partners in accordance with the provisions of Section 8 and shall, thereafter, be distributed among the Partners on the basis set out in Section 9.
- (iii) The assets and securities distributed *in specie* shall be valued as follows:
 - (A) in case the distributable securities have achieved quotation, the securities shall be valued at the amount being the weighted average of the closing bid prices on the relevant market on the five (5) trading days preceding and the five (5) trading days including and following the date on which the decision was made to distribute such securities;
 - (B) in case the distributable securities achieve quotation in connection with the distribution, the securities shall be valued at the listing price;
 - (C) in case the distribution includes other securities than securities referred to in Section 9.5(a) or other assets, such securities or assets shall be valued at the current market value, as determined in good faith by the liquidating trustee. In case the liquidating trustee is the General Partner, such valuation shall be approved by the Limited Partner Advisory Committee. In the event the Limited Partner Advisory Committee does not approve the valuation, the General Partner shall have a reputable investment bank to make a valuation of such securities or assets at the reasonable cost of the Partnership.

13. Accounts, Reports and Auditors

13.1 Accounts

The General Partner shall prepare and approve accounts of the Partnership in respect of each accounting period of the Partnership in accordance with the generally accepted accounting principles in Finland, including a balance sheet, profit and loss account and a summary of Investments. The General Partner shall cause such accounts to be audited by the Auditors. A set of the unaudited accounts shall be furnished to each Partner as soon as possible (but in any event within [one (1) month]) following the end of each accounting period. A set of the audited accounts including the report of the Auditors and a statement of the accounting policies shall be furnished to each Partner as soon as possible (but in any event within [three (3) months]) following the end of each accounting period.

13.2 Reports

- (a) The General Partner shall prepare and provide each Limited Partner with quarterly financial unaudited reports, containing summary of the activities of the Partnership. The summary report shall be distributed to the Limited Partners within [30 days after the end of the preceding quarter] and shall comprise:
 - (i) a statement of Investments and other assets of the Partnership;
 - (ii) details of Investments purchased, sold and otherwise disposed of during the relevant period and the value of each Investment;
 - (iii) information required by Annex III of the General Block Exemption Regulation (Commission Regulation (EU) N:o 651/2014) of Investee Companies actually having received an Investment, including Exited Investee Companies, to BFVC in CSV-file format
 - (iv) a statement of the Limited Partners' accounts;
 - (v) information of any refunds of the Capital Contributions to the Limited Partners and any other distributions of Proceeds to the Limited Partners and the General Partner; and
 - (vi) specification, per Investee Company and individual, of any fees and other charges charged to the Partnership pursuant to Sections 5.4(a) and 5.4(c).
- (b) Further, the General Partner shall prepare and make available for the Limited Partners a net asset value calculation of the Fund assets within five (5) Business Days upon the end of each calendar quarter;
- (c) Such reports and calculations shall be prepared substantially in accordance with the IE Investor Reporting Guidelines and IPEV Valuation Guidelines. The calculation shall itemize the share of each Limited Partner [and reflect and take into account possible asymmetry of allocation of Proceeds set out in Section [8.1]];
- (d) The Management Company shall report on the details and the investment activities of the Partnership to European Data Co, Invest Europe and Finnish Venture Capital Association as comprehensively as reasonably possible;
- (e) The General Partner acknowledges that the Commitment by BFVC is governed by the State Aid Regulation involving, among others, certain reporting obligations for BFVC to the EU Commission and a potential inspection by the EU Commission of the Risk Finance Program. The General Partner undertakes to (i) prepare such reports and provide such information as may be required by BFVC in order to fulfill the reporting requirements set by the State Aid Regulation, and (ii) assist BFVC in relation to the EU Commission inspection and to prepare and provide the information required by the EU Commission during such inspection to the Commission either directly or through BFVC or the Ministry of Economic Affairs and Employment of Finland. Furthermore, the General Partner

acknowledges that BFVC is obliged to report on its investments to the authorities governing and monitoring BFVC. The General Partner undertakes to prepare such reports and provide such information as may be required by BFVC in order to fulfill the reporting requirements of the governing and monitoring authorities. BFVC shall use its commercially reasonable efforts to make the information requests as early as reasonably possible.

13.3 Auditors

The Auditor of the Partnership shall always be an auditing firm approved by the Finnish Patent and Registration Office. The Partnership and the General Partner shall, however, not have the same auditing firm. The Auditors may be removed by a Limited Partner Consent. Any replacement auditors to be appointed following such removal or resignation of the Auditors shall be appointed by the General Partner with Limited Partner Consent.

14. Partnership Meetings and Limited Partner Advisory Committee

14.1 Partnership meetings

- (a) The General Partner shall convene an annual general meeting of the Partners to be held no later than within three (3) months following the end of each fiscal year of the Partnership. The meeting shall be convened with no less than ten (10) Business Days' notice to each Limited Partner. The agenda for each annual general meeting of Partners shall include, without limitation, the following items of business:
 - (i) presentation of the audited accounts for the previous accounting period;
 - (ii) presentation of a valuation and status report on Investments;
 - (iii) presentation of the investment activities of the Partnership in light of the Investment Policy during the previous accounting period, including a presentation of the investment and exit targets for the current accounting period; and
 - (iv) nomination of members to the Limited Partner Advisory Committee among representatives nominated by Limited Partners who have not been eligible to appoint a member pursuant to Section 14.2(a).]
- (b) In case the Auditor of the Partnership is replaced, the General Partner shall give its permission to the Limited Partners to discuss with the former Auditor about the reasons of its removal as well as the accounting and other records of the Partnership.
- (c) The General Partner shall also convene a meeting of the Partners upon the written request of Limited Partners representing at least [ten per cent (10%)] of the Total Commitments. Notice to such meeting shall be given within ten (10)

Business Days following such request. The notice period shall be not less than ten (10) and not more than forty (40) Business Days prior to such meeting.

- (d) Either the General Partner or the chairman of the Limited Partner Advisory Committee may, individually, also call a meeting of the Partners on their own initiative by giving notice of such meeting to each Partner not less than ten (10) and more than forty (40) Business Days prior to such meeting.
- (e) Unless expressly stated otherwise in this Agreement, all motions considered at any meeting of Partners shall be determined by a resolution passed by the Limited Partners on a vote per euro committed basis and with a simple majority of votes represented at the meeting.
- (f) For the avoidance of doubt, the Partners' meeting shall not have any authority to take part in the management or control of the business of the Partnership.

14.2 Limited Partner Advisory Committee

- (a) The Partnership shall have a Limited Partner Advisory Committee comprising a minimum of three (3) and a maximum of *[insert the maximum number of members]* ordinary members and their personal deputy members.²⁹ Each Limited Partner whose Commitment (calculated together with the Commitments of its Affiliates) is at least Euro *[insert the threshold amount]* and BFVC has the right to appoint a member and, at its sole discretion, a deputy member for such member, to the Limited Partner Advisory Committee. In the event the aforementioned Limited Partners, whose Commitment is at least Euro *[insert the threshold amount]*, and BFVC comprise jointly the minimum of three (3) ordinary members, no additional ordinary member is required to be appointed. In the event there are no other or only one Limited Partner (besides BFVC) having a direct right based on their respective Commitments to appoint an ordinary member to the Limited Partner Advisory Committee, the General Partner should inform the other Limited Partners thereof in the order of the size of their Commitments and enquire their willingness to appoint a member. Based on the foregoing, the available seats up to two (2) members shall be allocated to those of the eligible Limited Partners who wish to appoint a member (and a deputy member) in the order of the size of their Commitments. In the event there are more than *[insert the maximum number of members minus one]* Limited Partners each with a Commitment of Euro *[insert the threshold amount]* or more, the available seats shall be allocated to those of the eligible Limited Partners who wish to appoint a member (and a deputy member) in the order of the size of their Commitments.
- (b) The members of the Limited Partner Advisory Committee shall nominate a chairman and a deputy chairman among themselves. Notwithstanding the foregoing, the General Partner or its Affiliates shall not have the right to appoint a member to the Limited Partner Advisory Committee.

²⁹ The selection of the Limited Partners to the Limited Partner Advisory Committee should take place in a systematic and structured manner. The General Partner should be active in this sense yet taking into consideration the limitations set out in the Limited Partnership Agreement.

- (c) Each Limited Partner shall have the right to replace the member or the deputy member of the Limited Partner Advisory Committee appointed by it or them, as the case may be, by notifying the General Partner and the Limited Partner Advisory Committee members thereof. Should any Limited Partner fail to comply with a Drawdown Notice as set out in Section 4.5, the appointee of such Limited Partner shall not longer be entitled to attend or vote at any subsequent meeting of the Limited Partner Advisory Committee until the failure has been rectified. Unless the failure has been rectified within the time period set forth in Section 4.5, such Limited Partner shall lose its right to appoint a member in the Limited Partner Advisory Committee and a replacing member shall be appointed by the other Limited Partners in accordance with above.
- (d) The functions of the Limited Partner Advisory Committee shall be to:
- (i) review implementation of the Investment Policy of the Partnership by the General Partner.
 - (ii) follow-up on a case-by-case basis any single Investment or Follow-on Investment, it being understood that the final investment decisions on all such Investments or add-on Investments shall be made by the General Partner;
 - (iii) be consulted by the General Partner, at the General Partner's sole discretion, on general policies and guidelines and prospective investment sectors;
 - (iv) approve the actions proposed by the General Partner in case of a defaulting Limited Partner pursuant to Section 4.5(a)(iii)(B);
 - (v) approve borrowing a loan, granting guarantees or giving a collateral for a period exceeding six (6) months pursuant to Section 6.4(a);
 - (vi) approve an investment or depositing of the cash or cash equivalents of the Fund pursuant to Section 7.1(a)(viii);
 - (vii) approve a new Key Executive appointed by the General Partner Pursuant to Section 7.1(b)(ii) and 7.4(b)(ii);
 - (viii) approve upon prolongation of the Suspension Period in accordance with Section 7.4(c);
 - (ix) instruct the General Partner on the reporting program of the progress of the remedial plan in accordance with Section 7.4(d);
 - (x) approve new Investments after the Investment Period pursuant to Section 6.2;
 - (xi) give a consent to the release of funds to the General Partner from the separate account in accordance with Section 9.1(d)(iii);

- (xii) approve Investments, Follow-on Investments and Exits during a Suspension Period as set out in Section 7.4 and during a suspension period as set out in Section 11.2(f);
 - (xiii) approve Investments pursuant to Section 6.1(a)(ix).
 - (xiv) review and decide upon any conflicts of interest in relation to the Partnership, which decision will be binding on the General Partner;
 - (xv) agree the Management Fee for the prolongation period of the Term with the General Partner, which agreement is subject to a Limited Partner Special Consent;
 - (xvi) approve the serving of Drawdown Notices by the General Partner in deviation from Section 4.1;
 - (xvii) review the methodology used for Investee Company valuations; and
 - (xviii) give a consent for establishment of or acting for a new fund with a different investment focus than the one of the Partnership, in accordance with Section 16.3(a)(iii).]
 - (xix) review implementation by the General Partner of the Responsible Investment Policy of the Partnership set out in **Schedule 14.2**.
- (e) The Limited Partner Advisory Committee shall meet when requested by the General Partner, chairman on the Limited Partner Advisory Committee, a member of the Limited Partner Advisory Committee or Limited Partners representing at least [ten per cent (10%)] of the Total Commitments by a notice of meeting including an agenda for the meeting sent out at least ten (10) Business Days prior to the meeting, and it shall constitute a quorum when the chairman or his/her deputy and at least fifty per cent (50%) of the members or their deputies (including the chairman or deputy) are present in person or by phone or another technical device as agreed by the Limited Partner Advisory Committee. The meeting shall not make decisions on other issues than those listed on the agenda included in the notice of the meeting unless all members of the Limited Partner Advisory Committee consent thereto. Any member of the Limited Partner Advisory Committee shall have a right to have an issue included in the agenda provided that the issue is notified to the General Partner at least fifteen (15) Business Days prior to the meeting. Decisions of the meeting shall be recorded in minutes, which shall be signed by the chairman and one member having been present at the meeting. The minutes shall be sent to the members of the Limited Partner Advisory Committee within thirty (30) day after the meeting and approved at the following meeting. A copy of the minutes of a meeting of the Limited Partner Advisory Committee shall be provided to all Limited Partners at the request of any Limited Partner. All decisions by the Limited Partner Advisory Committee shall be made on a one-person-one-vote basis and, generally, unless stated otherwise, with a simple majority of all the votes of all members of the Limited Partner Advisory Committee. A member of the Limited Partner Advisory Committee who has a conflict of interest, whether

evident or contingent, in respect of any matter dealt with in the Limited Partner Advisory Committee shall be excluded from voting in such matter.

- (f) Notwithstanding as set forth in subsection (e), above, the Limited Partner Advisory Committee shall have at least two in-person meetings during each calendar year. Unless the Limited Partner Advisory Committee has otherwise convened in person twice during a calendar year the General Partner shall convene the Limited Partner Advisory Committee to an in person meeting(s) to fulfill the minimum requirement.
- (g) For the avoidance of doubt, the Limited Partner Advisory Committee shall not have any authority to take part in the management or control of the business of the Partnership.
- (h) The General Partner shall, promptly upon acquiring any such knowledge, provide the Limited Partner Advisory Committee with reasonable information on any conflict of interest and non-arm's length interactions or transactions in relation to the Partnership.

15. Indemnity

- (a) The General Partner and its respective shareholders, officers, partners, agents, consultants and employees involved in the operation of the Fund shall have no liability for any loss incurred by the Partnership or any Limited Partner howsoever arising in connection with the services provided by any of them pursuant to this Agreement and each of them shall be entitled to be indemnified out of the assets of the Fund against any and all claims, liabilities (including liabilities in contract or tort), costs or expenses (including legal fees) incurred or threatened by reason of him/her or it being or having been the General Partner or a shareholder, officer, partner, agent, consultant or employee of the General Partner or having been appointed a director/representative on the board/committee of an Investee Company or having been a member of the Limited Partner Advisory Committee provided, however, that such person shall not be so indemnified with respect to any matter
 - (i) resulting from its gross negligence, fraud, bad faith, willful misconduct or willful illegal act determined by a competent court in a final judgment;
 - (ii) where the claim has been made by or the liability, cost or expense incurred or accrued in relation to a dispute with another person indemnified herein;
 - (iii) where the claim has been made by Limited Partners representing at least fifty per cent (50%) of the Total Commitments,

and provided, further, that such indemnified person has undertaken in writing to return any received indemnification (x) to the extent such person has received compensation against such liabilities, costs and expenses from a third party or, (y) the full amount of received compensation (save for costs

attributable to defending the claim to the extent not compensated by the plaintiff) in case a final court order or arbitration award declared the claim ungrounded.

- (b) The General Partner shall not be liable to the Partnership or any Limited Partner for the negligence, dishonesty, willful default or bad faith of any agent acting on behalf of the General Partner or the Partnership provided that such agent was selected, appointed and supervised by the General Partner applying reasonable care.
- (c) Members of the Limited Partner Advisory Committee shall have no liability for any loss incurred by the Partnership or any Limited Partner howsoever arising in connection with the services provided by any of them pursuant to this Agreement and each of them shall be entitled to be indemnified out of the assets of the Partnership against any and all claims, costs or expenses (including legal fees) incurred.
- (d) Any amount payable to an indemnified party shall be reduced by any amount recovered by that indemnified party under an insurance policy to the extent it relates to the same liability (a "**Relevant Insurance Policy**").
- (e) The General Partner must take all reasonable efforts to claim and recover and to ensure that any relevant indemnified party claims and recovers any amount available under a Relevant Insurance Policy.
- (f) The General Partner must implement appropriate professional indemnity insurance in respect of the principal professional activities undertaken by it in connection with the Partnership and its Investments on terms consistent with best industry practice and with reputable insurers. Details of such insurance policy must be disclosed to the Limited Partner Advisory Committee as soon as reasonable practicable and on renewal of such insurance policy.
- (g) Notwithstanding anything else set forth in this Section 15, the General Partner shall indemnify and keep indemnified the Limited Partners (excluding the Management Company in its role as a Limited Partner and any Limited Partner being an Affiliate of the General Partner) and the Partnership from any direct loss, damage, cost or expense incurred by any of them by reason of an Investment being outside the Investment Policy or in breach of any State Aid Regulation, including any such loss, damage, cost or expense resulting from the operation of Section 16.9(f). For clarity, in the event any of the indemnitees under this subsection 15(g) makes a claim against the General Partner for breaching the Investment Policy or any State Aid Regulation, the General Partner or any of its respective shareholders, officers, partners, agents, consultants and employees involved in the operation of the Fund shall not be entitled to indemnification pursuant to this Section 15.

16. Miscellaneous

16.1 Investment Intent of the Limited Partners

- (a) Each Limited Partner by execution of this Agreement warrants to every other Partner and to the Partnership that it has received a copy of the Placement Memorandum, which draws attention to the need to evaluate the merits and risk of an investment in the Partnership and the need for a Limited Partner to evaluate its ability to bear the economic risk and lack of liquidity of an investment in the Partnership.
- (b) Subject to a Limited Partner Consent, the Limited Partners shall have a right to perform quality assurance inspections on all documentation of the Partnership, the General Partner and the Management Company relating to the investment activities of the Partnership, including investment records and documentation, accounting records and valuations of the Investee Companies in any of the following circumstances:
 - (i) a Key Person Event is triggered as set forth in Section 7.4;
 - (ii) the General Partner has repeated delays with respect to preparing and providing reports referred to in Section 13.2;
 - (iii) the valuation reports prepared by the General Partner are substantially erroneous or include material deficiencies; or
 - (iv) whenever any other exceptional event occurs that has or may have a material adverse effect on the Partnership's business.

The Partnership shall be responsible for the costs and expenses incurred in relation to the quality assurance inspections.

16.2 Co-investment

- (a) The General Partner may at its sole discretion and on such terms as it may decide, but provided always such action is consistent with the best interests of the Fund, provide the Limited Partners or third parties with co-investment opportunities in respect of the investment opportunity available to the Partnership. In case a co-investment opportunity is offered to one Limited Partner the opportunity shall be offered to all of the other Limited Partners. The co-investment opportunity will be allocated between the interested Limited Partners pro-rata to their respective Commitments. All such co-investments shall be on substantially the same terms as the Investment by the Partnership. In making an investment decision with respect to any co-investment opportunity which may be offered to a Limited Partner, each Limited Partner agrees that it will rely on its own independent evaluation of the terms of such investment and the merits and risks involved, and the General Partner will make no investment recommendation to such Limited Partner and will have no liability to such Limited Partner in connection with any information provided to each Limited Partner or any such co-investment decision. Any costs attributable to the co-

investment opportunity shall be borne by the parties participating in such opportunity.

16.3 Competition

- (a) The functions and duties which the General Partner undertake on behalf of the Partnership shall not be exclusive and any of the employees of the General Partner, including the Key Executives, may perform similar functions and duties for others and, without limitation, may act as a general partner and manager or investment advisor of or to other funds and partnerships or engage in any other activity provided, however, that:
 - (i) the General Partner and the Key Executives shall continue properly to perform their responsibilities under this Agreement;
 - (ii) the General Partner shall not and shall procure that the Key Executives existing from time to time and any former Key Executive shall not, during the Investment Period without in each case a Limited Partner Special Consent, act as a general partner, manager or investment advisor to, or establish, any other investment fund having or acting with a similar investment focus as the Partnership; and
 - (iii) the General Partner shall not and shall procure that the Key Executives shall not, during the Investment Period without in each case the Qualified Approval of the Limited Partner Advisory Committee, act as a general partner, manager or investment advisor to, or establish, any other investment fund having or acting with a different investment focus than the Partnership.

16.4 Allocation of Liabilities

- (a) The Limited Partners shall not be personally responsible for the liabilities or obligations of the Partnership, except where otherwise provided for in this Agreement and/or where mandatory under the Act or in other applicable laws, if any. For the avoidance of doubt, the liability of a Limited Partner may not exceed the aggregate of its Commitment and any amounts distributed to such Limited Partner pursuant to Section 9 as Proceeds (other than refund of the Capital Contributions, as the case may be).
- (b) Without prejudice as set forth in Section 15, the General Partner shall be fully responsible for all liabilities and obligations of the Partnership (for the avoidance of doubt, to the extent provided for in this Agreement such obligations shall be primarily covered by the Capital Contributions); it being understood and agreed that the General Partner shall not, subject to Section 9.3, above, be liable to any other Partner for the refund of any Capital Contributions paid to the Partnership.

16.5 Separate Liabilities of the General Partner

The General Partner hereby undertakes that it shall at all times duly pay and discharge its separate and private debts and arrangements incurred or assumed by it in its capacity

as General Partner of the Partnership, including the expenses set out in Section 5.2. The General Partner shall keep the Partnership assets and the Limited Partners and their assets indemnified from all liabilities in respect of such debts and arrangements. The General Partner shall maintain such insurance in respect of its activities in accordance with this Agreement as it considers reasonable.

16.6 Most Favored Nation Clause

- (a) The General Partner agrees that in the event any terms more favorable than those set out in this Agreement are offered to any Limited Partner, save for BFVC, or Subsequent Limited Partner, save for terms relating or attributable to (i) the fiscal status of, or (ii) laws or regulations of a stock exchange or other regulatory authority (including, for clarity, the State Aid Regulation) applicable to, the relevant Limited Partner or Subsequent Limited Partner, such terms shall automatically accrue for the benefit of all Limited Partners, except for those Limited Partners who have informed the General Partner in writing that they will not accept the offered new terms.
- (b) The General Partner will disclose to each Limited Partner a copy of any agreement or side letter between it and any Limited Partner (including any Subsequent Limited Partner) within twenty (20) Business Days upon execution of the same by the General Partner.

16.7 Act on Limited Partnerships

The Partnership is a limited partnership (*Fi: kommandiittiyhtiö*) and shall be registered pursuant to the Finnish Act on Limited Partnerships (389/1988, as amended, the "**Act**") with the Finnish Patent and Registration Office. The General Partner shall see to it that any relevant changes in the composition or terms of the Partnership effected pursuant to this Agreement and any further changes in the future shall forthwith be notified with the Finnish Patent and Registration Office by amending the Partnership Agreement, and each Limited Partner hereby irrevocably authorizes the General Partner to sign the amended Partnership Agreement and other relevant documents on its behalf and register the amended Partnership Agreement with the Finnish Patent and Registration Office.

16.8 Confidential Information

- (a) The Limited Partners shall not, and shall use all reasonable endeavors to procure that no person connected with or associated with each such Limited Partner shall disclose to any person, firm or corporation or use to the detriment of the Partnership or any of the Partners any confidential information which may have come to its knowledge as a result of being a Limited Partner in the Partnership including but not limited to information regarding:
 - (i) the affairs of the Partnership;
 - (ii) any of the Partners;
 - (iii) proposed or actual Investment by the Partnership; or

- (iv) any of the Investee Companies.
- (b) Notwithstanding the foregoing, a Limited Partner which is the trustee of a trust shall be entitled to communicate information regarding the Partnership and Investments or proposed Investments to beneficiaries under such trust if required to do so under the terms of the relevant trust deed, provided, however, further that such beneficiaries are bound by such duties of confidentiality as if they were Limited Partners in the Partnership.
- (c) The obligations of a Limited Partner under Section 16.8(a) shall not restrict the disclosure by the relevant Limited Partner(s) of information:
 - (i) which (A) is publicly available or is received from sources other than the Partnership, the General Partner, the Management Company or another Limited Partner (or any director, officer, employee or agent of the Partnership, the General Partner, the Management Company or a Limited Partner) and (B) is not received subject to any obligation of confidentiality;
 - (ii) which is possessed by such Limited Partner prior to the receipt thereof from the General Partner or which becomes known to the public other than as a result of a breach of any obligations by such Limited Partner;
 - (iii) which is disclosed by a Limited Partner to any other Limited Partner or the directors, officers, auditors, employees, agents and professional consultants of such Limited Partner, provided that confidential information may only be disclosed to external auditors, lawyers or consultants that are either bound by a professional duty of confidentiality or that have entered into a written confidentiality undertaking;
 - (iv) to information disclosed to a prospective Substitute Limited Partner, provided however that in case of information being disclosed by a Limited Partner such disclosure shall always be subject to the disclosing Limited Partner informing the General Partner of such disclosure in advance; and
 - (v) any information which has to be disclosed according to applicable legislation or stock exchange regulation or regulation issued by public authorities (including, but not limited to, the State Aid Regulation).
- (d) Notwithstanding the foregoing each Limited Partner shall be entitled to disclose the following information (including disclosure on its websites and as a part of its annual accounts or reports):
 - (i) the name and address of the Partnership and the General Partner;
 - (ii) the geographic and general investment strategy of the Partnership;
 - (iii) the closing date(s) of the Partnership;

- (iv) the amount of the Total Commitments;
 - (v) the ownership interest of the respective Limited Partner and the amounts contributed by the respective Limited Partner to the Partnership as of any specified date;
 - (vi) the equity (*Fi: oma pääoma*) and the profit (*Fi: tulos*) of the Partnership as shown in its annual accounts;
 - (vii) (vii) the aggregate amount distributed by the Partnership to the respective Limited Partner as of any specified date; and
 - (viii) (viii) the book value, fair market value and the acquisition cost of the relevant Limited Partner's interest in the Partnership as determined by such Limited Partner (provided that the Limited Partner does not represent that any information prepared by the Limited Partner has been approved by the General Partner or the Partnership).
- (e) Notwithstanding the foregoing, BFVC shall be entitled to disclose any information as required by the State Aid Regulation from time to time and any information required by the authorities governing and monitoring the State Aid Regulation in Finland and in the EU and any information required by the authorities governing and monitoring BFVC.

16.9 State Aid Eligibility

- (a) The General Partner hereby confirms that it will fully comply with the State Aid Regulation and the Risk Finance Program (including, but not limited to, the investment process, the documentation requirements and not making an Investment in a company in difficulty) at all times during the Term of the Partnership.
- (b) The Investee Companies shall at the time of an Investment be eligible to state aid in accordance with the State Aid Regulation. The General Partner will notify all Investee Companies, prior to an Investment by the Partnership in each such company, that Investments may contain state aid according to the General Block Exemption Regulation (Commission Regulation (EU) N:o 651/2014).
- (c) In the event that the General Partner, the Management Company, BFVC or a competent authority discovers that one or more of the Investee Companies or Investments³⁰ were non-eligible to the state aid in accordance with the State Aid Regulation at the time of an Investment, the General Partner shall (i) inform the Limited Partners forthwith, and (ii) make an Exit of such Investee Company(ies) or an Investment without undue delay upon having become aware of the situation.
- (d) In case the Proceeds resulting from such Exit together with any other Proceeds attributable to the relevant Investee Company is less than the Acquisition Cost

³⁰ An Investment could be in breach of state aid regulation in case it is carried out by means of share purchase from another shareholder instead of share subscription or purchase of treasury shares.

of the same, the General Partner shall compensate such loss to the Partnership;
and

- (e) Notwithstanding as set forth in Section [8.1(b)(iii)/8.1(b)(iv)], in case the Proceeds resulting from such Exit together with any other Proceeds attributable to the relevant Investee Company is more than the Acquisition Cost of the same, the General Partner shall not be entitled to any allocation of catch-up or carried interest pursuant to Section [8.1(b)(iii)/8.1(b)(iv)] as a result thereof, but such Proceeds shall be allocated among the Limited Partners (including the General Partner in its role as a Limited Partner) in proportion to their Commitments.
- (f) In the event that an Investment is found to constitute or contain any element of unlawful State Aid, the General Partner shall recover any sums which BFVC is required to recover pursuant to a decision of the Commission of the European Communities, European Court of Justice or any other competent authority including for the avoidance of doubt any interest at the rate set by such authority. The General Partner shall agree with the Investee Companies that whenever an Investment is made the Partnership is able to require the repayment of any sums so invested which need to be recovered pursuant to this clause.

16.10 Surviving Clauses

This Agreement will cease to remain in force upon dissolution of the Partnership. The following Sections shall, however, survive the termination of this Agreement: Section 15 Indemnity, Section 16.8 Confidential Information, Section 16.13 Agreement Binding upon Successors and Assigns and Section 16.14(a) Governing Law and Arbitration.

16.11 Variation of the Agreement

- (a) This Agreement may be amended in whole or in part by a Limited Partner Special Consent (including General Partner in its capacity as a Limited Partner), including the supportive vote of BFVC provided, however, that no such variation shall be made which shall amend the terms of this Section 16.11(a), impose upon any Partner any obligation to make any further payment to the Partnership beyond the amount of its Commitment or which would otherwise adversely affect the rights and interests of any of the Limited Partners or the General Partner, including without limitation any change in the allocation of Proceeds, without the affirmative consent of all Partners adversely affected thereby. Notwithstanding the above, an amendment of the Investment Policy shall require the consent of all the Limited Partners (including the General Partner in its capacity as a Limited Partner).
- (b) The General Partner shall notify the Finnish Financial Supervisory Authority on significant amendments that have been made to this Agreement in accordance with Section 16.11(a), above, without undue delay.
- (c) Notwithstanding as set forth in Section 16.11(a), above, the General Partner may correct any technical errors in the Agreement on its own initiative by notifying the Limited Partners of such corrections.

16.12 Notices

Notices, which may or are required to be given hereunder by any Partner to another, shall be in writing and sent by facsimile or prepaid first class post to the relevant Partner at its address set forth in **Schedule 16.12** or such other address as may be designated by any Partner hereto by written notice to the General Partner. Any notice sent by facsimile shall be deemed to be received immediately and any notice sent by prepaid first class post shall be deemed to be received seven (7) days after the date of posting.

16.13 Agreement Binding Upon Successors and Assigns

Except as otherwise specified herein, this Agreement shall inure to the benefit of and be binding upon heirs, executors and administrators or other representatives, successors and assigns of the respective Parties hereto.

16.14 Value Added Tax

- (a) If the General Partner is or becomes liable to pay any value added tax or equivalent relating to the Management Fee by reason of it being treated as making taxable supplies pursuant to this Agreement:
 - (i) it shall be entitled to be indemnified out of the assets of the Fund in an amount equal to any such liability; and
 - (ii) it shall consult with the Limited Partners on measures to manage the Partnership in such a way as to minimize the incidence of such value added tax.
- (b) If necessary in order to avoid payment of value added tax or equivalent relating to the Management Fee, the General Partner shall procure that the Partnership and the General Partner are registered as members of the same value added tax group.

16.15 Governing Law and Arbitration

- (a) This Agreement and the rights of the Partners hereto shall be governed by and construed in accordance with Finnish law.
- (b) Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Finland Chamber of Commerce. The arbitration shall be held in Helsinki and the arbitral proceedings shall be conducted in English language.

16.16 Execution in Counterpart

This Agreement has been executed in two (2) identical counterparts. Each Party approves this agreement and accedes to it by signing a separate signature page.

[the remainder of this page intentionally left blank]

Signature 1/3

This Agreement has been executed in two (2) identical counterparts. Each Party approves this agreement and accedes to it by signing a separate signature page.

In *[date and place]*

[insert the name of the GP]

Signature 2/3

This Agreement has been executed in two (2) identical counterparts. Each Party approves this agreement and accedes to it by signing a separate signature page.

In *[date and place]*

[insert the name of the fund]

represented by its General Partner

[insert the name of the GP]

Signature 3/3

This Agreement has been executed in two (2) identical counterparts. Each Party approves this agreement and accedes to it by signing a separate signature page.

In *[date and place]*

[insert the name of each Limited Partner participating the closing where the LPA is signed]

on behalf of each of the above mentioned by
virtue of powers-of-attorney

[insert the name of the GP]

Undertaking

The Management Company hereby

- (a) agrees to be bound by this Agreement, as applicable, and undertakes to procure that the General Partner complies with this Agreement; and
- (b) confirms that they will fully comply with the State Aid Regulation and the Risk Finance Program (including, but not limited to, the investment process and the documentation requirements) at all times during the Term of the Partnership.

In _____, _____ [20xx]

[insert the name of the Management Company]
