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| **SHAREHOLDERS’ AGREEMENT** |
| relating to |
| **[ADD name of the company]** |
| (Business Identity Code [add business identity code]) |
|  |
|  |
|  |
|  |
|  |
| **[ADD DATE]** |

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SCHEDULES

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| **SCHEDULE 1** | Form of Share Transfer Agreement |

THIS SHAREHOLDERS’ AGREEMENT (the Agreement) is made and entered into on [DATE] (the Effective Date) by and between the following parties:

1. PARTIES
2. [NAME OF FOUNDER] ([PERSONAL/BUSINESS IDENTITY CODE]), [ADDRESS]/[a [ADD] company incorporated and existing under the laws of [ADD] whose registered office is at [ADDRESS]], [EMAIL ADDRESS];
3. [NAME OF FOUNDER] ([PERSONAL/BUSINESS IDENTITY CODE]), [ADDRESS]/[a [ADD] company incorporated and existing under the laws of [ADD] whose registered office is at [ADDRESS]], [EMAIL ADDRESS];
4. [NAME OF INVESTOR] ([PERSONAL/BUSINESS IDENTITY CODE]), [ADDRESS]/[a [ADD] company incorporated and existing under the laws of [ADD] whose registered office is at [ADDRESS]], [EMAIL ADDRESS];
5. [NAME OF INVESTOR] ([PERSONAL/BUSINESS IDENTITY CODE]), [ADDRESS]/[a [ADD] company incorporated and existing under the laws of [ADD] whose registered office is at [ADDRESS]], [EMAIL ADDRESS];
6. a new Shareholder, who has adhered to this Agreement by means of a separate adherence agreement as a Shareholder, and as an Investor or as a new Working Shareholder, as the case may be; and
7. [NAME OF THE COMPANY] ([BUSINESS IDENTITY CODE]), a [ADD] company incorporated and existing under the laws of [ADD] whose registered office is at [ADDRESS], [EMAIL ADDRESS] (**Company**).

The parties (1) – ([2]) are hereinafter referred to collectively as the **Founders** and each separately as a **Founder**.

The parties ([3]) – ([4]) and a new Investor, as the case may be, are hereinafter referred to collectively as the **Investors** and each separately as an **Investor**.

The parties (1) – ([5]) are hereinafter referred to collectively as the **Shareholders** and each separately as a **Shareholder**.

The Founders and new Shareholder(s) who has/have adhered to this Agreement as a new Working Shareholder, are hereinafter referred to collectively as the **Working Shareholders** and each separately as a **Working Shareholder**.

The parties (1) – ([6]) are hereinafter referred to collectively as the **Parties** and each separately as a **Party**.

1. DEFINITIONS

In this Agreement, unless the contrary intention appears, the following words and expressions have the following meanings:

|  |  |
| --- | --- |
| **Agreement** | means this Shareholders’ Agreement and the Schedules thereto. |
| **Articles of Association** | means the articles of association of the Company, as amended from time to time. |
| **Board** | means the board of directors of the Company. |
| **Breaching Party** | has the meaning set out in Section 16.2. |
| **Business** | means the business of the Company or the companies belonging to the same group, as carried out by the Company and such companies from time to time. |
| **Cause** | means   1. termination of the employment agreement for reasons attributable to the Working Shareholder and permitting termination or cancellation by the employer as currently defined in Section 2 of Chapter 7 and Section 1 of Chapter 8 of the Finnish Employment Contracts Act; or 2. termination or cancellation of the managing director’s or other director’s agreement for reasons attributable to the Working Shareholder and permitting termination or cancellation by the employer as currently defined in Section 2 of Chapter 7 and Section 1 of Chapter 8 of the Finnish Employment Contracts Act (irrespective of whether the Finnish Employment Contracts Act applies to the agreement of such Working Shareholder); or 3. termination of the employment agreement, the managing director agreement or other director agreement by the Working Shareholder, unless termination is permitted for reasons attributable to the employer as currently defined Section 1 of Chapter 8 of the Finnish Employment Contracts Act (irrespective of whether the Finnish Employment Contracts Act applies to the agreement of such Working Shareholder); or 4. a material breach of this Agreement by the Working Shareholder, provided that the Working Shareholder has not remedied such breach (if possible to be remedied) within a period of thirty (30) days after the Working Shareholder received a written notice from the Company and/or any other Shareholder of the breach. |
| **Common Share** | has the meaning set out in Section 5.1.1. |
| **Companies Act** | means the Finnish Companies Act (*osakeyhtiölaki* 624/2006), as amended from time to time. |
| **Company** | has the meaning set out in the introductory paragraphs hereof. |
| **Effective Date** | means the date of this Agreement. |
| **[ESOP** | has the meaning set out in Section 5.4.1.] |
| **Founders** | has the meaning set out in the introductory paragraphs hereof. |
| **Holding Company** | means a legal entity through which a Shareholder holds Shares. |
| **Intellectual Property Rights** | means copyrights (excluding paternity rights), copyright related rights, know-how, trademarks, domain-names, utility models, logos and trade names, product descriptions, patents, innovations, discoveries, trade secrets, ideas, methods, rights in designs, computer software, and scientific, technical and product information relating to the Company (and any of its affiliate) or arising from the business of the Company (and any of its affiliates), regardless of whether registered or not and including application for grant of any of the foregoing and all rights or forms of protection having equivalent or similar effect to any of the foregoing, which may now or at any time hereafter, anywhere in the world. |
| **Investment Agreement** | has the meaning set out in Section 3.3. |
| **Investors** | has the meaning set out in the introductory paragraphs hereof. |
| **Liquidation Event** | means (i) a Trade Sale or (ii) liquidation, dissolution, winding up or bankruptcy of the Company. |
| **Material Breach** | has the meaning set out in Section 16.1. |
| **Party** | has the meaning set out in the introductory paragraphs hereof. |
| **Purchaser** | has the meaning set out in Section 10.5.1. |
| **Qualified Majority** | means the Shareholders holding at least two thirds (2/3) of the Shares held by all Shareholders and including always the Shareholders holding more than fifty per cent (50%) of the Series Seed Shares. |
| **Selling Shareholder** | has the meaning set out in Section 10.5.1. |
| **Selling Shareholder’s Notice** | has the meaning set out in Section 10.5.2. |
| **Series Seed Share** | has the meaning set out in Section 5.1.1. |
| **Share** | means any class of shares (including the Common Shares and the Series Seed Shares), all securities entitling to shares in the Company, e.g. convertible loans and option rights, and any other special rights or instruments which entitle to subscribe to or convert into shares in the Company as well as the contractual subscription and redemption rights based on which shares in the Company can be acquired (however excluding the contractual rights based on this Agreement). |
| **Shareholder** | means a person who holds Shares. |
| **Shareholders with Redemption Right** | has the meaning set out in Section 9.2. |
| **Shareholders’ Meeting** | means the ordinary or extraordinary shareholders’ meeting of the Company. |
| **Third Party Purchaser** | has the meaning set out in Section 10.4.1. |
| **Trade Sale** | means any of the following events: (i) a sale to a third party of all or substantially all of the Shares; (ii) sale to an existing Shareholder of all or substantially all of the Shares not already held by such Shareholder; (iii) sale, transfer, exclusive license or other disposition of all or substantially all of the assets of the Company; or (iv) merger, reorganisation or consolidation or other transaction subsequent to which the Shareholders will, as a result of such transaction, possess less than fifty per cent (50%) of the shares of the surviving or new entity. |
| **Trade Sale Offer** | has the meaning set out in Section 10.4.1. |
| **Transfer** | means, with respect to any class of Shares or any interest therein, (i) to offer, sell, grant any pledge, option, right or warrant to purchase or purchase, any option or lend or otherwise transfer (including but not limited to by way of the liquidation of community property between spouses, or transfer to a spouse or to an ascendant or a descendant) or dispose of, directly or indirectly, any such Shares or interests therein; or (ii) enter into any swap or other arrangement that transfers to any third party, in whole or in part, any of the economic rights of any Shares or interests therein, whether any such transaction described in clause (i) or (ii) above is to be settled in cash, by delivery of any shares or interests in any other legal entity or otherwise. When used as a noun, the term Transfer shall have the correlative meaning. |
| **Transfer Notice** | has the meaning set out in Section 10.2.1. |
| **Transferring Shareholder** | has the meaning set out in Section 10.2.1. |
| **Working Shareholders** | has the meaning set out in the introductory paragraphs hereof. |

1. BACKGROUND AND PURPOSE

Upon entering into this Agreement, the Parties agree on certain rights and obligations of the Shareholders and the Company and on the management of the Company.

On the Effective Date, the Company is engaged in the business of [specify scope of business].

On the even date herewith, the Parties have executed an investment agreement relating to the Company (the **Investment Agreement**).

The objective of the Parties is to manage and develop the business and the operations of the Company in order to maximize the value of the Shares. The intention of the Parties is also to raise additional funds to the Company. The Parties acknowledge and understand that a new investor who will provide such funds might require the Shareholders to enter into a new shareholders’ agreement and that the new investor may require that the shares issued to it shall be preferred shares.

The Parties may also enter into a minority shareholders’ agreement to which certain minority shareholders and/or transferees of Shares are required to adhere as decided by the Board.

The Parties warrant that they have carefully and independently evaluated the rights and obligations arising out of this Agreement and the risks and possibilities relating to this Agreement.

1. GENERAL OBLIGATIONS

The Working Shareholders agree to contribute to that the Company would be successful and that it would be able to achieve the objectives set forth in the business plan of the Company (as amended from time to time by the Board).

Each Shareholder undertakes, also through the members of the Board or other representatives appointed by it, at the Shareholders’ Meetings, at the meetings of the Board and in any other occasion to exercise its voting rights and to act otherwise in a way necessary to ensure the proper realization of and compliance with the terms of this Agreement and the Articles of Association. For the avoidance of doubt, the above does not mean that the Shareholder needs at all times to be present or represented in the Shareholders’ Meeting or in the meeting of the Board.

1. SHARE CLASSES
   1. Common and Preferred Shares

The Company has two (2) separate classes of shares: common shares (the **Common Shares**) and preferred series seed shares (the **Series Seed Shares**). The Series Seed Shares shall have preference set out in Section 5.2 over the Common Shares in the Liquidation Events and shall be convertible into Common Shares at any time as set out in Section 5.3 below but otherwise the Common Shares and the Series Seed Shares shall have equal rights in the Company. Each Common Share and Series Seed Share shall carry one (1) vote.

* 1. Liquidation Preference

In the event of any Liquidation Event of the Company, the proceeds shall be paid to the Shareholders as follows:

1. First, the greater of:
2. the original subscription price paid for each Series Seed Share added with declared but unpaid dividends on each Series Seed Share; or
3. the amount that holder of Series Seed Shares would have received, had the Series Seed Shares been converted into Common Shares immediately prior to the Liquidation Event

shall be paid to the holders of the Series Seed Shares.

1. Secondly, the remaining proceeds shall be distributed to the holders of Common Shares on a pro rata basis.
   1. Conversion

Each Series Seed Share shall be convertible into one (1) Common Share at any time upon the request of each holder of the Series Seed Shares, subject to adjustments for stock splits, reverse splits and the like.

* 1. [Employee Stock Option Plan

The Parties agree that stock options may be offered to the current or future key personnel of the Company (including outside expert members of the Board). For this purpose, the Shareholders have on the date of this Agreement made a resolution on the creation of the employee stock option plan (the **ESOP**) consisting of [10.0]% of all Shares (on a fully diluted basis) after the Closing (as defined in the Investment Agreement). The stock options issued under the ESOP shall entitle to Common Shares. The Investors and the Founders shall, subject to the prior written consent of the holders of the majority of the Series Seed Shares, agree on the structuring and other details of the ESOP.

The issuance of stock options or Shares pursuant to the ESOP shall always require the holder of stock options or Shares to adhere to this Agreement and/or to the possible minority shareholders’ agreement regarding the Company in accordance with Section 10.3.1.]

1. SHARE CERTIFICATES

The Company has not issued any share certificates representing the Shares. The Shareholders hereby waive their right under the Companies Act to require the Board to issue share certificates, interim certificates, option certificates or similar certificates.

1. FUTURE FINANCING
   1. General

The Parties acknowledge and accept that the Company may from time to time issue new Shares strictly in accordance with this Agreement.

All Investors shall have a pro rata right, but not an obligation, to participate in subsequent issuances of any Shares on the same terms and conditions as any other Shareholder or third party investor or financer. In addition, should any Investor choose not to purchase or subscribe to its full pro rata portion (calculated based on the Investor’s then-current shareholding) in such issuances of any Shares, the other Investors shall have the right to purchase or subscribe to the remaining pro rata portion of the Shares. In the event an Investor has not replied or notified the Company of its participation in issuance of the Shares in writing within fourteen (14) days after having received a notice by letter or email from the Company about the terms of the issuance, it shall be deemed to have irrevocably waived its subscription right to its pro rata part of issued Shares.

* 1. Third Party Financing

In the event that the Company is raising funds (such as third party financer as mentioned under Section 7.1), the Shareholders understand that there may be a need to enter into a new shareholders’ agreement or other agreements (such as investment agreement or subscription agreement) regarding the Company and/or to amend the Articles of Association as well as take other actions to secure the Company’s financing. Therefore, the Shareholders commit to vote in favour of any decisions in the Shareholders’ Meetings relating to amending the Articles of Association, directed Share issuances, other corporate resolutions on financing and any other matters required to complete the fund raising, provided that the holders of more than 2/3 of the Series Seed Shares and the holders of more than 2/3 of the Common Shares vote for it. The Shareholders shall also sign and execute any shareholders’ agreement and other agreements (such as investment agreement or subscription agreement) required for completion of the above actions. If a Shareholder does not execute such agreement(s) or vote in favour of the above actions simultaneously with the other Shareholders, he shall be deemed to have appointed the Investors, or any person appointed by the Investors, for that purpose to be its sole agent and attorney to execute all necessary agreements, to vote in favour of any matters and to take any other necessary actions on its behalf provided that if such agreements would impose any onerous obligations on a Shareholder adversely deviating from the obligations of other Shareholders, the consent of the affected Shareholder to such agreement shall be specifically required.

1. GOVERNANCE OF THE COMPANY

The Board shall consist of the maximum of five (5) members, of which two (2) members and their personal deputy members shall be elected by holders of the majority of the Common Shares and one (1) elected by holders of the majority of the Series Seed Shares. Other members of the Board, if any, shall be appointed by the Shareholders in accordance with the Companies Act.

In addition to any other approval required under the Companies Act and the Articles of Association, the Company shall not, without the written consent of the holders of the majority of the Series Seed Shares:

1. adversely change the rights of the Series Seed Shares or amend the Articles of Association;
2. issue, redeem, purchase or otherwise acquire, or sell or otherwise transfer any Shares;
3. declare or pay any dividend or make a decision on other asset distribution;
4. change the number of the members of the Board;
5. merge, demerge, liquidate or dissolve the Company, including any Liquidation Event;
6. transfer, lease, license (other than licenses granted in the ordinary course of business on a non-exclusive basis), pledge or encumber assets or rights material to the Company’s business;
7. enter into any agreement or assignment with a Shareholder or its immediate family member or any entity controlled by a Shareholder and/or its immediate family member or make any amendments thereto; or
8. hire or fire any Working Shareholders or amend the terms of service or employment agreements of the Working Shareholders.

Any and all matters referred to in this Section 8 concerning an affiliate (including a subsidiary, joint venture or branch) of the Company shall require the same majority as set out above in this Section 8.

1. REDEMPTION OF SHARES FROM WORKING SHAREHOLDERS

The Common Shares owned by the Working Shareholders are subject to the right of redemption in accordance with the provisions of this Section 9.

If a Working Shareholder’s service or employment agreement is terminated, the Company primarily and the other Shareholders (other than the Working Shareholder whose service or employment agreement has been terminated) (the **Shareholders with Redemption Right**) secondarily on pro rata basis to their then-current ownership of the Shares on a fully-diluted basis, have a right to redeem the Shares of such Working Shareholder as set forth in this Section 9. The right of redemption shall lapse upon the Working Shareholder’s Shares becoming vested.

The Common Shares of the Working Shareholders (including, for the sake of clarity, the Founders) shall vest as follows: 25% of the Common Shares shall vest one (1) year following the vesting commencement date with the remaining 75% of the Common Shares vesting in equal monthly installments over the next three (3) years, thus one hundred percent (100%) of the Working Shareholder’s Common Shares will vest in four (4) years from the vesting commencement date.

The vesting commencement date shall mean (i) in respect of the Founders, the Effective Date, and (ii) in respect of the other Working Shareholders, the date of such Working Shareholder’s adherence to this Agreement. Notwithstanding anything to the contrary above, the Board shall have the right to agree on deviations to the above regular vesting periods on a case by case basis in writing, subject to the written consent of the Board member appointed by the holders of the Series Seed Shares or, if such Board member has not been appointed, subject to the written consent of the holders of majority of the Series Seed Shares.

In case of employee stock options, the terms of the stock option scheme shall prevail, i.e. the Shares subscribed with stock options shall not be subject to the vesting and redemption provisions of this Section 9.

A Trade Sale shall accelerate the vesting of the Working Shareholder’s unvested Shares to the effect that all the Working Shareholder’s unvested Shares will vest upon the occurrence of a Trade Sale provided that, as a result of such Trade Sale, the respective Working Shareholder’s service or employment relationship is terminated without a Cause.

All unvested Shares shall vest if the Working Shareholder’s service or employment relationship is terminated without a Cause after one (1) year from the vesting commencement date.

The price for the Working Shareholder’s unvested Shares to be redeemed shall be the lower of (i) the original purchase and/or subscription price of such Shares paid by the respective Working Shareholder; or (ii) the fair market value of such Shares.

The termination of the Working Shareholder’s employment shall be deemed as an offer from such Working Shareholder to the Company and the Shareholders with Redemption Right to redeem the unvested Shares. The notice regarding the exercise of the right to redeem the Working Shareholder’s unvested Shares under this Section 9 shall be given by the Company to all Shareholders with Redemption Right within two (2) months from the effective termination date of the Working Shareholder’s employment or service agreement. If the Company has not confirmed within the above two (2) months period that it will redeem all the respective Working Shareholder’s unvested Shares, then the Shareholders with Redemption Right shall have, on a pro rata basis, the right to redeem the remaining of the Working Shareholder’s unvested Shares by giving a written notice to all Shareholders with Redemption Right within four (4) months from effective termination date of the Working Shareholder’s employment or service agreement. In the event one or more Shareholders with Redemption Right do not wish to exercise such right, the Shareholders with Redemption Right exercising the redemption right shall be entitled to redeem all Shares on a pro rata basis.

If the Company or the Shareholders with Redemption Right have not required the respective Working Shareholder’s unvested Shares to be redeemed, the respective Working Shareholder shall have the right to keep also the unvested Shares.

The transfer of the Working Shareholder’s unvested Shares to be redeemed shall take place no later than within fourteen (14) days of the above notice of the exercise of the redemption right in accordance with the Share Transfer Agreement in a form of Schedule 1. In the event the Working Shareholder will not sign the Share Transfer Agreement, the acquisition and transfer of title of the redeemed Shares shall be regarded to have taken place upon the Company and/or the Shareholder(s) with Redemption Right exercising its redemption right notifying the respective Working Shareholder of its confirmation to acquire such Working Shareholder’s unvested Shares or part of them and paying the corresponding redemption price to the bank account of the Working Shareholder or if the Working Shareholder has not provided details of his bank account, to a new bank account opened in the name of the Company specifically for the purposes of depositing the redemption price for the benefit of the Working Shareholder.

1. TRANSFER OF SHARES
   1. Limitations on Transfer

Before a Liquidation Event of the Company, no Shareholder shall, directly or indirectly, Transfer any of its Shares unless such Transfer is expressly allowed under this Agreement. Each Party acknowledges and agrees that the restrictions on Transfers of Shares set forth in this Agreement are reasonable in view of the purpose of this Agreement and the intent of the Parties to reach a common exit for the Company.

Unless otherwise expressly agreed in this Agreement, no transferee, including but not limited to any new person or entity subscribing for the Shares in the Company, of the Shares shall become a shareholder of the Company, and no Shares shall be transferred on the books and records of the Company, until the transferee executes a written adherence agreement to this Agreement and/or to a minority shareholders’ agreement, as the case may be, in the form and substance satisfactory to the Board (including vote of the member appointed by the holders of the Series Seed Shares), under which the transferee assumes all or part of the obligations of the transferor under this Agreement and agrees to be bound by and subject to all of the terms and conditions of this Agreement and/or the minority shareholders’ agreement as the case may be, including any amendments made thereto. The Shareholders hereby irrevocably agree that such adherence agreement to this Agreement and/or to the minority shareholders’ agreement, as the case may be, when executed by the transferee and the Company (in a form approved by the Board as specified above) shall be valid and binding upon all the Parties.

Notwithstanding anything else stated in this Agreement or the Articles of Association, each of the Investors may freely Transfer the Shares held by it to any fund(s) or companies owned or controlled by the Investor, any parent company (up and including the ultimate parent company) or other affiliate of the Investor, or any general or limited partner or shareholder of the Investor, provided that the respective transferee prior to such Transfer shall have agreed in writing to be bound by the terms of this Agreement applicable to the said Investor. If a transferee to whom Shares have been transferred pursuant to this paragraph shall cease to be a company controlling the Investor, controlled by the Investor or under the same control as the Investor, such transferee shall be bound to retransfer the Shares to the Investor. It is acknowledged and understood that the right of first refusal under Section 10.2 and the tag-along right under Section 10.5 shall not apply to any Transfer made pursuant to this paragraph.

Notwithstanding anything else stated in this Agreement or the Articles of Association, each of the Shareholders may freely Transfer the Shares held by it to a Holding Company provided that the respective Holding Company prior to such Transfer shall have agreed in writing to be bound by the terms of this Agreement applicable to the said Shareholder. All the rights and obligations set out in this Agreement to a Shareholder apply also *mutatis mutandis* to a Holding Company through which such Shareholder holds Shares. The use of Holding Company does not in anyway relieve the respective Shareholder from obligations under this Agreement, as the obligations of a Holding Company are parallel to those of the Shareholder utilising a Holding Company. A breach of this Agreement by a Holding Company is deemed as a breach by the Shareholder using it and vice versa. All transfer restrictions and other obligations regarding Shares (including e.g. pledging and issuance and custody of share certificates) apply *mutatis mutandis* also to the shares in a Holding Company. If a Holding Company to whom Shares have been transferred pursuant to this paragraph shall cease to be a company wholly-owned or controlled by the Shareholder, such Holding Company shall be bound to retransfer the Shares to the respective Shareholder. It is acknowledged and understood that the right of first refusal under Section 10.2 and the tag-along right under Section 10.5 shall not apply to any Transfer made pursuant to this paragraph. Further, each Shareholder using a Holding Company undertakes that the respective Holding Company shall not without prior written consent of the holders of the majority of the Series Seed Shares:

1. engage in any other activities (business or otherwise) than holding the Shares;
2. in addition to the respective Shareholder, have any other holders of shares or any instruments that can be converted into or give a right to subscribe for or purchase shares in the Holding Company;
3. have any other holdings or assets; or
4. incur any debt or other liabilities or obligations.

The Parties irrevocably waive their right to redeem Shares under the redemption clause of the Articles of Association, when the Transfer of the Shares is done in accordance with this Section 10.

* 1. Right of First Refusal

Before a Shareholder Transfers a part or all of its Shares (the **Transferring Shareholder**), the Shares shall be offered first for redemption for the Company and secondly to the Shareholders on a pro rata to the Shareholders’ then current shareholdings basis by a written notice to the Company and the other Shareholders (the **Transfer Notice**). The Transfer Notice shall include at least the following information: transferee, purchase price, payment terms of the purchase price, date of transfer of the title and other material terms of the Transfer. The Transfer Notice shall constitute an irrevocable offer by such Transferring Shareholder to Transfer all Shares specified in the Transfer Notice subject to the terms of the Transfer Notice.

If the Company wishes to use its right of first refusal, it has to notify the Transferring Shareholder and the other Shareholders of the exercise of the right of first refusal in writing within thirty (30) days from the date of receipt of the Transfer Notice.

If the Company does not use its right of first refusal or does not use it with respect to all of the Shares, the other Shareholders have the secondary right of first refusal (but not obligation) to purchase the Transferring Shareholder’s remaining Shares in accordance with the terms specified in the Transfer Notice by giving a written notice to the Transferring Shareholder and all other Shareholders within fourteen (14) days from the end of the above thirty (30) days period. If more than one (1) Shareholder wishes to use his right of first refusal, the Shares shall be divided between such Shareholders in proportion to their then-current aggregate shareholdings in the Company, unless otherwise agreed between such acquiring Shareholders.

For the avoidance of doubt, if (and only when it is obvious that) the Company and the other Shareholders do not use their right of first refusal, as set above, in full, the Transferring Shareholder has the right to Transfer his Shares (or the part of them that have not been acquired under this Section 10.2) to the third party specified in the Transfer Notice at a price not less than the price specified in the Transfer Notice and otherwise under the terms specified in the Transfer Notice. This right of the Transferring Shareholder to Transfer his Shares shall be valid for ninety (90) days from the lapse of the above mentioned fourteen (14) days period given to the other Shareholders to exercise their right of first refusal. After the above ninety (90) days period, the Transferring Shareholder shall not have the right to Transfer his Shares without recommencing the procedure under this Section 10.2.

For the avoidance of doubt, if a Shareholder does not exercise its right of first refusal, it shall be entitled to exercise the tag-along right under Section 10.5 in any subsequent Transfer of Shares.

* 1. Adherence Agreement

All Transfers of the Shares shall always be conditional upon the transferee committing to adhere to this Agreement (as a Shareholder and, when applicable, as an Investor or as a Working Shareholder) and/or to the possible minority shareholders’ agreement regarding the Company, in accordance with the decision of the Board (subject to the consent of the member of the Board who has been appointed by the holders of the Series Seed Shares) by signing a separate adherence agreement. The adherence agreement approved by the Board and executed by the Company shall be binding on all the Parties. For the avoidance of doubt, it is stated that no separate consent shall be required from any Party due to the adherence of a third party to this Agreement and/or the possible minority shareholders’ agreement, if the terms and conditions of this Agreement are complied with. The Board also has the right, subject to the consent of the member of the Board appointed by the holders of the Series Seed Shares or, if such Board member has not been appointed, subject to the written consent of the holders of the majority of the Series Seed Shares, to agree with the third party on exceptions to the non-competition undertaking of this Agreement and/or the possible minority shareholders’ agreement.

* 1. Drag-Along

If a bona fide arm’s length third party (the **Third Party Purchaser**) at any time makes a written offer of a Trade Sale and the Qualified Majority wishes to accept such offer (the **Trade Sale Offer**), the Qualified Majority will have the option to require that each Shareholder sells and transfers all its Shares on the same terms and conditions and against the same consideration for a Share determined in the Trade Sale Offer (or, if the Third Party Purchaser wishes to execute the Trade Sale in any other way than by purchase of the Shares, the Qualified Majority will have the right to require that the Company and the Shareholders will cause such Trade Sale to be executed). Existing redemption rights and rights of first refusal will not apply upon the Qualified Majority using their aforesaid drag-along right.

* 1. Tag-Along

Before a Shareholder (the **Selling Shareholder**) Transfers its Shares (or any part thereof) to any other Shareholder or to a third party (the **Purchaser**), the Selling Shareholder shall have the right to sell or otherwise Transfer its Shares or a part of them to the Purchaser subject to such Transfer being conditional, if any other Shareholder so wishes, upon the Purchaser simultaneously purchasing the pro rata part of such other Shareholder’s Shares at the same price which is payable for the Shares of the Selling Shareholder and also otherwise on the same terms as the Selling Shareholder is Transferring its Shares.

The Selling Shareholder shall notify the other Shareholders in writing of the identity of the Purchaser and all terms of the Share Transfer (the **Selling Shareholder’s Notice**) and the other Shareholders shall notify the Selling Shareholder in writing within fourteen (14) days of the receipt of the Selling Shareholder’s Notice, whether they wish to exercise their tag-along right.

If the aggregate number of Shares proposed to be sold by the Selling Shareholder and the other Shareholders exercising their tag-along right hereunder would exceed the number of Shares which can be Transferred to the Purchaser, then each Shareholder exercising its tag-along right shall only be entitled to request that the Shares that will be Transferred to the Purchaser are divided between the Selling Shareholder and the other Shareholders exercising their tag-along right on a pro rata basis based upon their ownership of all Shares.

If the Transfer of the Shares to the Purchaser has not been completed within ninety (90) days from the end of the fourteen (14) days period under Section 10.5.2 and the Selling Shareholder would wish to Transfer its Shares (or any part thereof) to the Purchaser, then the Selling Shareholders shall provide a new Selling Shareholder’s Notice and the other Shareholders will have a new fourteen (14) days period of informing whether or not they wish to exercise their tag-along right.

1. INFORMATION RIGHTS
   1. Financial Information

In addition to any and all information rights of the shareholders generally under the Companies Act, the Company shall provide to each Investor:

1. within thirty (30) days from the end of each financial period, an annual unaudited financial statements for each financial period of the Company, including an unaudited balance sheet and a profit and loss account as of the end of such financial period, an unaudited statement of operations and an unaudited statement of cash flows of the Company for such year, all prepared in accordance with generally accepted accounting principles and practices in Finland; and
2. within thirty (30) days after the end of each quarterly period, a quarterly unaudited financial statements of the Company, including an unaudited balance sheet and a profit and loss account as of the end of such quarter, an unaudited statement of operations and an unaudited statement of cash flows of the Company for such quarter, all prepared in accordance with generally accepted accounting principles and practices in Finland, subject to changes resulting from normal year-end audit adjustments.

The Company shall provide the Investors with audited records of any of the foregoing once available and, as regards item (a) above, in any event within one hundred twenty (120) days after the end of each fiscal year of the Company.

* 1. Inspection Rights

The Company shall, upon written request of an Investor, allow such Investor and its professional advisors to visit and inspect the Company’s properties and premises (excluding R&D premises), to examine its books of account and records, to take copies thereof and to discuss the Company’s affairs, finances and accounts with its officers, all at such reasonable times as may be requested by such Investor.

1. CONFIDENTIALITY

Each Party undertakes to keep confidential and not to disclose, divulge, or use for any purpose other than for exercising its rights hereunder, any confidential information (whether or not marked as confidential) obtained from the Company. However, the Parties are entitled to disclose confidential information to their attorneys, accountants, consultants, and other professionals, to the extent necessary for exercising their rights hereunder.

Each Shareholder has the right, notwithstanding the above confidentiality undertaking and without the other Parties’ consent, to disclose the information or the state of affair to third parties or to publish the information, if the Shareholder in question has an obligation to do that pursuant to laws, regulations or other reporting requirements that the Shareholder may be subject to, or when authorized by the Board, or, subject to a separate confidentiality undertaking which is materially consistent with the terms of this Section 12, when offering or Transferring the Shares to third parties under Section 10.

The Shareholders agree to keep in confidence the confidential information during the validity of this Agreement and three (3) years after the earlier of (i) the termination or expiration of this Agreement and (ii) the date that such Shareholder ceases to be a party to this Agreement.

Nothing in this Section 12 shall restrict the right of the Company to use confidential information in its regular business operations.

1. NON-COMPETITION AND NON-SOLICITATION

Each of the Working Shareholders undertakes, during the validity of this Agreement and for a period of one (1) year after it has Transferred all its Shares, not to compete, directly or indirectly, with the Business provided that for the purposes of this non-competition undertaking the definition of Business shall not include any business that was not carried out or was not contemplated to be carried out by the Company or companies belonging to the same group upon termination of this Agreement or when the Working Shareholder Transferred all its Shares. The above includes also the Working Shareholder acting, directly or indirectly, as an employee, consultant, shareholder, member of the Board, advisor or in any other role in a company competing with the Business. Also, the preparation of any business competing with the Business by the Working Shareholder during the above non-competition period is prohibited.

During the validity of this Agreement and for a period of one (1) year after the Shareholder has Transferred all of its Shares, the Transferring Shareholder shall not directly or indirectly solicit the employees or consultants of the Company or the companies belonging to the same group with the Company.

The Shareholders expressly hereby warrant that this Section 13 is fair and reasonable in all parts and that it does not unreasonably prohibit them from being employed or earning their living without breaching the prohibition on competition or the prohibition on solicitation.

The Board shall have the right, at the justified request made by the Shareholder in writing, to agree on exceptions (also in the adherence agreement(s)) to the above non-competition and non-solicitation undertakings on a case by case basis, subject to the written consent of (i) the member of the Board appointed by the holders of the Series Seed Shares or, if not appointed, (ii) the holders of the majority of the Series Seed Shares.

The Parties acknowledge that the Investors are engaged in investment activities. Nothing in this Section 13 shall prevent or prohibit the Investors from making or maintaining any investments or from appointing directors or representatives to the boards of directors of their investee companies.

1. INTELLECTUAL PROPERTY RIGHTS

The Parties acknowledge and agree that the essential condition of this Agreement is that the Company shall have, without any separate compensation, all the right, title and interest in and to all the Intellectual Property Rights arising out of the business of the Company and its affiliates which are developed or generated prior to or after the execution of this Agreement based on the Working Shareholder’s employment, whether through a third party company or otherwise, and in and to all the results of the Working Shareholder’s work. The Working Shareholders agree without any delay to transfer all such rights and rights to amend, change, further develop, assign, license or otherwise transfer to third parties the objects of such rights as the Company deems best, pursuant to this Agreement and the employment, service or any other contractual relationship of the Working Shareholder without any compensation payable by the Company or the affiliates to the maximum extent allowed by applicable laws. The Working Shareholders shall irrevocably and unconditionally waive all claims relating to any Intellectual Property Rights transferred under this Section 14 or the utilization thereof against the Company and/or its affiliates.

The Shareholders agree, without delay, at the request of the Company, to deliver to the Company all documents and other such information which relate to the confirmation of or transfer of the title to the said Intellectual Property Rights to the Company and/or its affiliates, and also otherwise to act in such a manner that the Company or its affiliates can make use of or register such Intellectual Property Rights or to maintain the registration in any country, authority or court.

The Company and its affiliates shall have an exclusive right to utilize the said results and the Intellectual Property Rights transferred under this Section 14 commercially and industrially, transfer them to third parties, amend and further develop them without a separate consent of the respective Working Shareholder. In accordance with what has been set forth above, the Company and its affiliates shall always have the right to use the results or the Intellectual Property Rights of the performed work also after the termination of the employment or service relationship of the Working Shareholder or termination of any other agreement regarding work for the Company and/or its affiliates.

Should the Company or any of its affiliates be deemed not to have received title to the said Intellectual Property Rights resulting from the work of the Working Shareholders in the Company and/or its affiliates or for the Company and/or its affiliates, the Company shall always, in accordance with what has been set forth above, have an exclusive, free of charge right of use thereof and, if it so wishes, the right to redeem such right. In such an event, the Company and its affiliates shall also be entitled to transfer, change and further develop the Intellectual Property Rights and to assign such Intellectual Property Rights or part thereof to third parties on the terms the Company deems best.

1. TERM

This Agreement shall enter into force with respect to each of the Parties on the Effective Date and with respect to each new Shareholder by means of the signature of a separate adherence agreement.

This Agreement is in force until the Company completes its initial public offering on a stock exchange. However, this Agreement shall terminate with respect to each Shareholder (save for the sections of this Agreement which are intended to survive any termination of this Agreement, including Sections 12 (*Confidentiality*), 13 (*Non-competition and non-solicitation*), 14 (*Intellectual property rights*), 16 (*Material breach of agreement*) and 17 (*Miscellaneous*)), when such Shareholder has Transferred all its Shares in accordance with the terms and conditions of this Agreement and no longer holds any Shares. For the sake of clarity, any Transfer of Shares in breach of this Agreement shall not terminate this Agreement with respect to such Transferring Shareholder.

Termination of this Agreement (either with respect to all Parties or with respect to a particular Party) shall not release any of the Parties, or such Party, as the case may be, from any liability under any obligation pursuant to this Agreement which at the time thereof has already fallen due for performance or any antecedent breach of this Agreement.

1. MATERIAL BREACH OF AGREEMENT

**Material Breach** means (i) any breach of the non-competition or non-solicitation provisions under Section 13; (ii) any breach of the provisions of Section 10 (save for a breach of procedural term provided the breach is rectified within the above thirty (30) days period and that no damage has been incurred to any other Party); or (iii) any other material breach of this Agreement which is not rectified, if capable of being rectified, within thirty (30) days after receipt of written notice of default setting forth particulars of the alleged breach.

In the event of a Material Breach by a Party (the **Breaching Party**), the Breaching Party shall pay to all non-breaching Shareholders pro rata to their then-current shareholdings liquidated damages in the amount of EUR [ADD] per each Material Breach or, if the non-breaching Shareholders unanimously so agree, the amount of liquidated damages shall be paid to the Company. The liquidated damages do not limit the non-breaching Shareholders’ right to receive from the Breaching Party a full compensation for all damages exceeding the amount of the liquidated damages or for damages incurred before the breach was remedied.

In addition to the liquidated damages under Section 16.2 above, the Company primarily and the non-breaching Shareholders secondarily shall be entitled, but not obliged, to redeem the Shares owned by the Breaching Party. The redemption price shall be the lower of (i) the original purchase and/or subscription price of such Shares paid by the respective Shareholder or (ii) the fair market value of such Shares. If several Parties wish to exercise their right of redemption, the Shares shall be divided among the Parties wishing to redeem the Shares by the Board in proportion to the Shares owned by such Parties already. If the division of the Shares does not come out even, the residual Shares shall be divided among the Parties wishing to redeem the Shares by drawing lots.

1. MISCELLANEOUS
   1. Further Assurances

Each of the Parties shall execute such documents and take such actions as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby.

The Shareholders shall not enter into any other shareholders’ agreement or be bound towards any Shareholder by way of any other commitment or agreement with respect to the Shares and/or the Company unless all the Shareholders are parties to such agreement (such as a separate minority shareholders’ agreement) or other commitment.

* 1. Amendments

Any amendment to this Agreement shall be in writing and shall have no effect before signed by duly authorised representatives of all Parties save for adherence of new Shareholder in accordance with Section 10.3.

* 1. No Waiver

Any failure or delay by a Party in exercising any right or remedy will not constitute a waiver. No waiver of any term or condition of this Agreement or of any right or remedy arising in connection therewith shall constitute a continuing waiver. A waiver is not valid or binding on the Party granting that waiver unless made in writing.

* 1. Notices

All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or:

1. upon receipt, if delivered personally to the Party to be notified;
2. once sent, if sent by email during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient’s next business day;
3. five (5) business days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or
4. one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt.

All communications shall be sent to the respective Parties at their address as set forth in Section 1 or as set forth in a separate adherence agreement, or to such address or email address as subsequently notified by the respective Party by a written notice and such notice shall be deemed given when received by the other Parties in accordance with Section 17.4.1.

* 1. Entire Agreement

This Agreement and the documents referred to herein, together with all the exhibits hereto, constitute the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement, and supersede any and all prior understandings and agreements, whether oral or written, between or among the Parties hereto with respect to the specific subject matter hereof.

The Parties agree that in case of conflict between this Agreement and the Articles of Association or this Agreement and the Companies Act (save for any statutory stipulations), this Agreement shall prevail.

* 1. Severability

If any provision of this Agreement shall be found by any court of competent jurisdiction to be invalid or unenforceable, the Parties hereby waive such provision to the extent that it is found to be invalid or unenforceable. Such provision shall, to the maximum extent allowable by law, be modified by such court so that it becomes enforceable as close to the original provision as possible, and, as modified, shall be enforced as any other provision hereof, all the other provisions hereof continuing in full force and effect.

* 1. Assignment

This Agreement shall be binding upon and inure to the benefit of the Parties and nothing in this Agreement, express or implied, shall constitute any rights or remedies to any third parties under this Agreement.

Any attempt without such permission to assign, transfer, delegate or sublicense any rights, duties or obligations that arise under this Agreement shall be void. Subject to the foregoing, and except as otherwise provided herein, this Agreement, and the rights and obligations of the Parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives.

* 1. Agreement Copies
     1. This Agreement may be executed in any number of counterparts and all of the counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by email shall be effective as delivery of a manually executed counterpart of this Agreement.
  2. Governing Law
     1. This Agreement, including the arbitration clause, and any dispute, claim or controversy arising out of or relating to this Agreement, or the breach, termination or validity thereof, are governed by the laws of Finland without regard to its principles and rules on conflict of laws.
  3. Arbitration

Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The number of arbitrators shall be one. The seat of arbitration shall be Helsinki. Finland. The language of the arbitration shall be English. However, evidence may be submitted and witnesses may be heard in Finnish, to the extent the arbitral tribunal deems it appropriate.

*[SIGNATURE PAGE TO FOLLOW]*

**AS WITNESS** this Agreement has been duly executed by the Parties on the date stated at the beginning of this Agreement.

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