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

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| **[SCHEDULE 4** | Disclosure Letter] |

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

PARTIES

1. [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];
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 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];
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]; and
5. [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] (the **Company**).

The parties (1) – ([2]) are hereinafter referred to collectively as the **Founders** and each separately as a **Founder**. The parties ([3]) – ([4]) 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 **Parties** and each separately as a **Party**.

BACKGROUND

1. The Company was established on [DATE] and registered with the Finnish Trade Register on [DATE] and is in the business of [BUSINESS DESCRIPTION]. The Company’s current Articles of Association are attached hereto as Schedule 1.
2. This Agreement contemplates a seed investment in the Company, by which the Investors are willing to make an investment in the Company and the Company and the Founders are willing to accept such investment and issue preferred series seed shares in the Company (the **Series Seed Shares**) to the Investors at the Closing (as defined below) on the terms and conditions set forth herein.

**IT IS AGREED** as follows:

1. DEFINITIONS

|  |  |
| --- | --- |
| **Agreement** | means this Investment Agreement and the Schedules thereto. |
| **Articles of Association** | means the articles of association of the Company as amended from time to time. |
| **Board of Directors** | means the board of directors of the Company. |
| **Closing** | has the meaning set out in Section 2.3.1. |
| **Common Shares** | means the common shares in the Company. |
| **Company** | has the meaning set out in the introductory paragraphs hereof. |
| **[Disclosure Letter** | means the disclosure letter issued by the Founders and the Company to the Investors as at the Closing, attached hereto as Schedule 4.] |
| **Effective Date** | means the date of this Agreement. |
| **[ESOP** | has the meaning set out in Section 2.2.1.] |
| **Founders** | has the meaning set out in the introductory paragraphs hereof. |
| **Investment** | has the meaning set out in Section 2.1.1. |
| **Investors** | has the meaning set out in the introductory paragraphs hereof. |
| **Party** | has the meaning set out in the introductory paragraphs hereof. |
| **Series Seed Shares** | has the meaning set out in the introductory paragraphs hereof. |
| **Shareholders’ Agreement** | means the shareholders’ agreement relating to the Company. |

1. INVESTMENT
   1. Investment

The Investors shall make the investment in one (1) tranche. The Investment consists of [ADD] new Series Seed Shares issued to the Investors for a maximum aggregate subscription price of EUR [ADD] (the **Investment**). The subscription price of each Series Seed Share shall be EUR [ADD]. The Investment and the issued Series Seed Shares shall be divided as set out below:

|  |  |  |
| --- | --- | --- |
| Investor | Investment (EUR) | Shares |
| [ADD INVESTOR] | [ADD] | [ADD] |
| [ADD INVESTOR] | [ADD] | [ADD] |

The fully diluted shareholding of the Company before and after the Investment [(including the ESOP (as defined below))] is set out in Schedule 2.

* 1. Unanimous Shareholders’ Decision

The Founders have passed a Unanimous Shareholders’ Decision deciding, *inter alia*, upon (i) amendment of the Articles of Association establishing the Series Seed Shares, (ii) the issuance of a maximum aggregate number of [ADD] Series Seed Shares to the Investors, (iii) [the authorization of the Board of Directors to issue a maximum aggregate number of [ADD] stock options entitling to a maximum aggregate number of [ADD] Common Shares for the creation of the employee stock option plan (the **ESOP**) and (iv)] election of the members of the Board of Directors. A copy of the Unanimous Shareholders’ Decision, including the amended Articles of Association and the share issue terms, is attached hereto as Schedule 3.

The Company shall not issue any share certificates or interim certificates on the Series Seed Shares.

* 1. Closing

By signing this Agreement, the Parties confirm that the closing of the Investment (the **Closing**) has occurred and that the following actions have been carried out simultaneously:

1. the Parties have signed this Agreement;
2. the Founders have decided on the Investment and the related matters as set out in Section 2.2 and in Schedule 3;
3. the Parties have signed the Shareholders’ Agreement; and
4. the Investors have subscribed Series Seed Shares issued in accordance with Section 2.1.

All deliveries made and actions taken at the Closing are deemed to have occurred simultaneously as a part of a single transaction, and no action is deemed to have been taken and no delivery is deemed to have been made until each of the above deliveries and actions were completed.

Each Investor shall pay in cash the subscription price of the Series Seed Shares subscribed by it to the bank account of the Company [ADD] within [ADD (ADD)] business days from the Effective Date.

If an Investor does not pay the subscription price of the Series Seed Shares subscribed by it in full within [ADD] business days from the Effective Date, the Company may by written notice to the Investor in default cancel the share subscription of such Investor without prejudice to the remedies available to the Company and the other Parties hereunder or under law.

* 1. Undertaking after Closing

The Company shall file the amended Articles of Association and the Investment with the Finnish Trade Register without delay.

1. REPRESENTATIONS AND WARRANTIES
   1. General

The Company and each Founder, severally but not jointly, hereby represent and warrant to the Investors that[, except as set forth in the Disclosure Letter, which exceptions shall be deemed to be part of the representations and warranties made under this Section 3,] the following representations are true, correct and not misleading as of the Effective Date, except as otherwise indicated. [All agreements, registered intellectual property rights and patent applications of the Company are listed in the Disclosure Letter.]

The Investors are entering into this Agreement in reliance upon each of the representations and warranties under this Section 3 being true, correct and not misleading on the Effective Date. The Company and the Founders undertake to indemnify and compensate the Investors severally but not jointly, in proportion to their respective maximum liability described below, for any damage the Investors may suffer should any of the representations and warranties turn out to be untrue, incorrect or misleading on the Effective Date. The Company’s liability to an Investor shall not exceed the amount invested by such Investor pursuant to this Agreement and the Founders’ aggregate liability to an Investor on a pro rata basis shall not exceed [30]% of the amount invested by such Investor pursuant to this Agreement. The aggregate compensation to an Investor shall not exceed the amount invested by such Investor pursuant to this Agreement. Any claim for a breach of the representations and warranties given under this Section 3 shall be made within eighteen (18) months of the Effective Date. No limitations of liability described in this Agreement shall apply to intentional or grossly negligent breaches of the representations and warranties.

The Founders’ and the Company’s representations and warranties under this Section 3 are the sole and exclusive representations and warranties and no Party may rely on any other representation, warranties or guarantees whatsoever, whether implied or arising out of the applicable legislation, unless expressly set out in this Section 3. This entails that the Company and/or the Founders may not rely on any representations or warranties whatsoever given by the Investors.

Based on the above, the Founders and the Company hereby represent and warrant to the Investors as follows:

* 1. Organization, Good Standing and Authorization

The Company is a company duly organized and validly existing under the laws of Finland. No decision regarding the Company’s bankruptcy, restructuring, winding up or liquidation has been passed and no such application relating to the Company is pending or, to the knowledge of the Founders, threatening.

Each of the Founders and the Company has the power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated herein. This Agreement has been duly executed and delivered by each of the Founders and the Company and constitutes legal, valid and binding obligations enforceable against each of the Founders and the Company in accordance with its respective terms.

The Founders or the Company are not in any way restricted by any articles of association, constitutional document, law, statute or order, or by any other agreement to which any of them is a party, from entering into this Agreement.

* 1. Capitalization

All the shares in the Company are fully paid up. No share certificates or interim certificates for the shares or any other securities in the Company have been issued.

There are no outstanding obligations, warrants, options, special rights, subscriptions, right of first refusal, pre-emptive rights, contracts or agreements to which the Company or the Founders are bound providing for the issuance of any additional shares or encumbrance whatsoever or any other rights to the shares in the Company except as disclosed in the capitalization table attached hereto as Schedule 2. There are no declared but unpaid dividends by the Company.

* 1. Liabilities

The Investors have been presented with a true and fair view of the financial condition, the assets and liabilities (including provisions for all warranty claims and for bad and doubtful debts) of the Company. There are no liabilities (whether actual or contingent and whether on- or off balance sheet) of the Company, which relate to any fact, occurrence or event before the Effective Date other than liabilities disclosed or provided for in the audited annual accounts of the Company and liabilities arisen in the ordinary course of business conducted in accordance with sound and prudent business practice taking into consideration the overall business environment and economic conditions and in compliance with the applicable laws, and always on an arm’s length basis.

* 1. Nature of Disclosure

To the knowledge of the Founders, there is no material fact, occurrence or circumstance relating to the affairs or business of the Company, which has not been disclosed to the Investors and which might reasonably be expected to influence the decision of a prudent investor whether to enter into the Agreement, invest in the Company or the terms on which a prudent investor would enter into the Agreement or invest in the Company. The information provided by the Company and the Founders to the Investors has been true, complete and accurate in all material respects and no other matter which renders any such information misleading exists.

* 1. Intellectual Property Rights

The intellectual property rights of the Company comprise all such rights necessary to permit the operation of the business of the Company as now being conducted. The Company holds exclusive title and all the transferable rights (including rights to transfer, assign, modify and further develop such rights and create derivative works thereof) to the works performed by its employees and/or created by its subcontractors. The Company has no further financial obligation to such employees or subcontractors arising out of or in connection with such works or services performed for the Company.

The intellectual property rights and the conduct of the business and activities of the Company to the extent and in the manner it is, was, or is contemplated to be conducted did not, do not and will not, before or after the Closing (i) infringe or misappropriate the rights to intellectual property rights of any third party, (ii) violate the rights of any third party (including rights to privacy or publicity), or (iii) constitute unfair competition or trade practices under the laws of any jurisdiction, and the Company has not received notice from, including, but not limited to, any third party claiming or alleging any such infringement, misappropriation, or violation and there are no valid grounds for any bona fide claims by, including, but not limited to, third party alleging such infringement, misappropriation or violation. The Company has not in its possession any formal report or opinion indicating that, including, but not limited to, any third party infringing or misappropriating the intellectual property rights of the Company.

The business of the Company or products delivered or services rendered by the Company do not violate or infringe any open source licenses or free software licenses.

The rights, interest and title in and to all the domain names used in the business of the Company shall vest exclusively on the Company.

All software and computer equipment used, possessed, owned, leased, or hired by the Company has the necessary and required software licenses. Such software licenses are valid, enforceable and binding on the Company and the Company in compliance with all the terms and conditions of such license. No amount is outstanding or due and payable on any license on the Effective Date. No software or computer equipment used, possessed, owned, leased or hired by the Company is unauthorized or not validly licensed.

* 1. Contracts

All transactions of the Company have been made on an arm’s length basis on sound commercial terms and bona fide for the operations of the Company.

All agreements to which the Company is a party, written and/or oral, are in full force and effect with their respective terms and neither the Company nor, to the knowledge of the Founders, any of the counterparties is in material default thereunder. No event, occurrence, condition or act has occurred which, whether with or without notice, lapse of time or both, would constitute a default or event of default by the Company or, to the knowledge of the Founders, any of the counterparties with respect to any such term or provision of any such agreement. No notice of termination or of the intention to terminate has been received or given in respect of any agreements and, to the knowledge of the Founders, there are no grounds for prematurely terminating, rescinding, rendering void or adjusting any of such agreements.

The Company is not, and will not be due to the Investment, in breach or in default of any loan agreement including any financing agreement with any governmental financing agencies (such as Tekes or Finnvera).

* 1. Compliance with Law

The Company has, in all material respects at all times, been in compliance with all laws and regulations applicable to it, in particular personal data laws. No notices or claims have been received by the Company or, to the knowledge of the Founders, are threatened against the Company, asserting the Company’s violation of, liability for or potential responsibility under any applicable law, regulations or any authorizations, approvals, consents, permits or licenses.

* 1. Employment Matters

The Company has at all times complied with all employment agreements (including with respect to terminations thereof) and any and all applicable laws, regulations, policies and collective bargaining agreements with respect to their employees, data protection and safety and health matters. The Company has not received notice, which notice remains current, of any claim that they have not complied with any employment, labor, data protection, safety and health regulations or related laws, regulations, policies or collective bargaining agreements.

* 1. Litigations

There are no pending or, to the knowledge of the Founders, threatening claims, disputes, litigations or other proceedings involving the Company.

There is no action, suit, investigation or proceeding before any court or by or before any governmental body or arbitration tribunal pending against the Company or, to the knowledge of the Founders, any proceedings threatened against the Company.

* 1. Taxes

The Company has (i) filed all necessary tax returns by their required deadlines, (ii) paid or accrued all taxes shown to be due on such returns, and (iii) paid or accrued all taxes for which a notice of assessment or collection has been received and there are no pending tax audits of the Company and no tax authority has asserted any claim for taxes based on a tax audit.

The Company has paid or withheld, collected and paid over to the appropriate authorities all taxes and similar payments (including but not limited to employer and pension insurance payments) required by law to be paid, withheld or collected.

1. MISCELLANEOUS
   1. Confidentiality

Section 12 (*Confidentiality*) of the Shareholders’ Agreement shall apply to this Agreement.

* 1. Amendment; No Waiver

Any changes to this Agreement may be made only in writing and signed by the duly authorized representatives of the Parties. Any other amendments shall be void.

Failure by any Party at any time or times to require performance of any provision of this Agreement shall in no manner affect its right to enforce the same, and the waiver by any Party of any breach of any provision of this Agreement shall not be construed to be a waiver by such Party of any succeeding breaches of such provision, or waiver by such Party of any breach of any other provision hereof.

* 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 the Parties Section of this Agreement or to such address as subsequently notified by a respective Party by a written notice and such notice shall be deemed given when received by the other Parties in accordance with this Section 4.3.

* 1. Entire Agreement

This Agreement and the documents referred to herein, together with all the Schedules hereto, constitutes the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement, and supersedes 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 Finnish 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. Titles, Gender and Headings

The titles, gender captions and headings of this Agreement are included for ease of reference only and will be disregarded in interpreting or construing this Agreement.

* 1. Attorneys’ Fees

All costs and expenses relating to the drafting of this Agreement and the Shareholders’ Agreement and to the execution of the transactions contemplated herein shall be borne by the Company. Each Party shall bear its own advisor’s fees, costs and expenses in full. However, the Company shall reimburse counsel to the Investors for reasonable out-of-pocket fees incurred in connection with the Investment, which shall not exceed EUR [ADD] (excluding VAT).

* 1. Agreement Copies

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.

* 1. Governing Law

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.

* 1. 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 (1). 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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| Name:  Title: |  | Name:  Title: |