

UNDERTAKING TO PROVIDE SECURITY

In line with Item 1 of the Rules for the deposit-based recycling system for plastic bottles (hereafter “Rules”) administered by Suomen Palautuspakkaus Oy (hereafter “Palpa”) _____ (hereafter “Security Provider”) undertakes to abide by the following security arrangement:

1. Obligation to provide security

The Security Provider undertakes to lodge with Palpa security to cover

- (i) debts and liabilities to Palpa that relate to the deposit-based recycling system for plastic bottles referred to in the Rules as well as other debts and liabilities that are based on the Rules;
- (ii) compensation for any damage that Palpa may incur as a result of the violation of the Rules that are in force at any given time; and
- (iii) interest, penal interest, collection costs and other such charges in connection with the payments referred to in paragraphs i) and ii) above.

(the payments referred to above under paragraphs i), ii) and iii) shall hereafter be referred to collectively as the “Principal Debt”).

The Security Provider has received the valid Rules and Annexes (Annex 1) in connection with the signing of this Undertaking. Any subsequent amendment of the Rules shall not have any effect on the validity of this Undertaking.

The Board of Directors of Palpa may at its discretion change the amount of the security required from the Security Provider. Should the amount of the security confirmed by the Board of Directors of Palpa to the Security Provider exceed the amount already provided by the Security Provider, the Security Provider shall be obliged to deliver the requisite additional amount of security to Palpa within 30 days of receipt of the decision to increase the amount of the required security.

Annually, no later than 1 December, the Security Provider must inform Palpa’s managing director in writing of the estimated volume of recyclable plastic bottles that the Security Provider intends to use in the next calendar year.

At the time of concluding this Undertaking, the Security Provider is required to lodge with Palpa security amounting to _____ euros. Acceptable security comprises a cash deposit in a savings bank operating in Finland or an absolute bank guarantee provided by such savings bank.

2. Pledge agreement

In order to meet the security obligation concluded in Clause 1, the Security Provider hereby pledges its account number _____ - _____ held in _____ (hereafter "Bank"), inclusive of the funds therein at any given time. Any interest or other income accruing to the account shall also be covered by the Pledge.

The Pledge shall act as security for the Principal Debt.

Should the Security Provider not settle on the due date the debt or liability relating to the deposit-based recycling system for plastic bottles referred to in the Rules as well as other debts and liabilities that are based on the Rules, and/or should the Board of Directors of Palpa consider that the Rules have been violated in such a way as to cause damage to Palpa, Palpa's Board of Directors has the option to realise the Pledge, without further consultation with the Security Provider and irrespective of the provisions of Chapter 10 of the Commercial Code, by withdrawing the funds from the pledged account or by any other method deemed appropriate by Palpa. The funds thus acquired shall be used to repay the Principal Debt.

The Security Provider is entitled to withdraw funds from the pledged account only when Palpa has notified the Bank in writing that the validity of this Undertaking is terminated.

3. Bank guarantee

The security obligation concluded in Clause 1 may also be met by means of a guarantee provided by the Security Provider, under which _____ issues an absolute guarantee for the payment of the Principal Debt. The absolute bank guarantee shall correspond in amount to the amount of the security requirement that is confirmed to the Security Provider at any given time.

4. Period of validity of the Undertaking

This Undertaking shall enter into force when the Security Provider signs it. It shall remain in force for as long as the Security Provider is the Deposit Payer referred to in Item 1 of the Rules and in any case for as long as the Security Provider has debts or liabilities towards Palpa that relate to the Principal Debt.

5. Resolving disputes

Disputes arising from this Undertaking shall be resolved in the last instance by arbitration by a single arbitrator in line with the rules of the Arbitration Board of the Central Chamber of Commerce of Finland. The proceedings shall be subject to Finnish law. The arbitration proceedings shall take place in Helsinki.

Place and date:

Name of Security Provider:

Signature:

Name in print:

We are in receipt of the above Undertaking and we agree to the terms and conditions therein.

Helsinki, _____

SUOMEN PALAUTUSPAKKAUS OY

Name in print:

ANNEXES

Annex 1 Rules of the deposit-based recycling system for plastic bottles

Annex 2 Receipt of service and Undertaking issued by the Bank

ANNEX 2

RECEIPT OF SERVICE AND UNDERTAKING

We have been notified of a pledge agreement issued by _____ (“Security Provider”), dated __.__.____, concerning the pledging of account number _____- _____ and the funds contained therein at any given time to Suomen Palautuspakkaus Oy. We undertake to maintain the aforementioned security on behalf of the pledgee, thereby waiving our right of set-off to the pledged funds.

Place and date:

Name of Bank:

Signature:

Name in print:
