

**LETTER OF COMMITMENT**  
**CONCERNING**  
**THE NATO INNOVATION FUND**

The Signatories:

- Understanding the need to foster a channel of responsibly developed, commercial emerging and disruptive technologies (“EDTs”) with potential defence and security applications to Allies and NATO;
- Recognising the merits of a multinational NATO innovation fund investing alongside other trusted capital sources to “crowd in” investment capital and help generate new innovations in areas key to Allied security;
- Acknowledging the effort to bolster diverse EDT entrepreneurial and defence capabilities across Allies’ innovation ecosystems; and
- Confirming the desire to prove the value of early and patient capital to EDT companies by achieving commercial success,

Intend to become Limited Partners of the NATO Innovation Fund (the “Fund”) to support start-ups working on dual-use EDTs in areas key to Allied security. As such, each Signatory commits to enter into the Fund’s governance model, funding model, and framework for the Fund and its Sub-Fund 1 as laid out in the Limited Partnership Agreement (“LPA”) enclosed hereto, subject, as relevant, to their pending legislative and budgetary approvals or reviews to confirm compatibility alongside national law.

Signatories will by 1 October 2022 identify a specific legal entity or individual that will be responsible for signing the LPA. This identified entity or individual shall be prepared to sign the LPA no earlier than 1 February 2023, or within fourteen days of formal approval of the Fund by the Luxembourg financial supervisory authority, the *Commission de Surveillance du Secteur Financier* (the “CSSF”), whichever is later.

Signatories will carry out all activities under this Letter of Commitment (“LOC”) in accordance with their respective national laws, regulations, and policies.

This LOC comes into effect upon signature by the Signatories. This LOC is signed this [30<sup>th</sup>] day of June in the year 2022 in one original copy in English and one original copy in French, with each Signatory receiving a certified copy of each.

## **ANNEX 1**

### **INTERIM LPAC**

By signing the LOC, the Signatories decide the following in relation to the Interim LPAC.

After the signing of the LOC at the 2022 June NATO Summit, the activities of the Limited Partnership Working Group shall cease, and participating Allies will form an interim combined Partnership Limited Partner Committee ("P-LPAC") and Sub-Fund Limited Partner Committee ("SF-LPAC") (the "Interim LPAC") that will comprise of one representative of each participating Ally.

The role of the Interim LPAC will be to:

1. Approve the candidates selected by the executive search firms for (i) the independent Directors of both the orphan holding vehicle (the "Parent Foundation") and the General Partner (GP); (ii) the independent Directors of the Investment Manager (IM); and, (iii) the Senior Management Team of the IM;
2. Fulfil the roles of the P-LPAC and SF-LPAC set out in accordance with the terms of the LPA, and grant approvals in relation to such matters to the extent the Interim LPAC decides to do so.

Decisions of the Interim LPAC will be deemed to be binding decisions of the P-LPAC and SF-LPAC, and such decisions will be ratified at the first meetings of the P-LPAC and SF-LPAC following establishment of the Fund. The procedures of the Interim LPAC, including voting, will be those applicable to the P-LPAC and SF-LPAC as set out in the LPA.

Participating Allies will bear the costs and all risks that arise from activities undertaken by and in support of the Interim LPAC and the formation of the NATO Innovation Fund, including all activities undertaken by the NATO International Staff in this regard. Participating Allies will ensure that there will in no event be any impact on budgets that are common funded as a result of these activities.

Prior to the signing of the LPA, the NATO International Staff will take the necessary steps to support the Interim LPAC and establishment of the NATO Innovation Fund.

The Signatories:  
[Placeholder]