

DATE: 2019

SUBSCRIPTION AND SHAREHOLDER'S AGREEMENT RELATING TO CAURA LTD

Between

SAI LAKSHMI

and

CAURA LTD

and

THE INVESTORS

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PARTIES

- (1) The persons whose names and addresses are set out in Part 1 of Schedule 1 (together the “**Investors**” and each an “**Investor**”);
- (2) **SAI LAKSHMI** of 4 Editha Mansions, Edith Grove, London, SW10 0NN (the “**Founder**”); and
- (3) **CAURA LTD** (company number 11520538) whose registered office is at 4 Editha Mansions, Edith Grove, London, SW10 0NN (the “**Company**”).

INTRODUCTION

- (A) The Company is a company limited by shares, brief particulars of which are set out in Schedule 2.
- (B) Details of the legal and beneficial ownership of the share capital of the Company are set out in Schedule 3.
- (C) The Investors wish to subscribe for shares in the capital of the Company on and subject to the terms of this Agreement.

OPERATIVE PROVISIONS

1. DEFINITIONS

- 1.1 In this Agreement, except where a different interpretation is necessary in the context, the words and expressions set out below shall have the following meanings:

“**Act**” means the Companies Act 2006, as amended from time to time;

“**Acting in Concert**” has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

“**Additional Shares**” means up to 250,000 Ordinary Shares to be subscribed for by one or more Additional Investor(s) at the Subscription Price per share pursuant to clause 3.3;

“**Additional Investors**” has the meaning in clause 3.3;

“**Adherence Agreement**” means the adherence agreement in the form set out in Schedule 6;

“**Affiliate**” means, with respect to any Investor, any other person who, directly or indirectly, controls, is controlled by, or is under common control with such Investor, including, without limitation, any general partner, managing member, officer or director of such Investor or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management or advisory company with, such Investor;

“**Articles**” means the Model Articles as amended or superseded from time to time and as modified by the terms of this Agreement pursuant to clause 23;

“**Asset Sale**” means the disposal by the Company of all or substantially all of its undertaking and assets or the grant of an exclusive license over all or substantially all of the Intellectual Property of the Company (other than, in either case, such a disposal or grant to another Group Company which is made with prior written consent of an Investor Majority);

“**Board**” means the board of directors of the Company as constituted from time to time;

“**Business Day**” means a day on which the English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

“**Civil Partner**” means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

“**Completion**” means Completion by the parties of their respective obligations in accordance with clauses 4.1 and 4.2;

“**Completion Conditions**” means the conditions set out in Schedule 4;

“**Completion Date**” means the next Business Day following the date on which the Completion Conditions are satisfied or waived by the Investors, or such other date agreed by the Company and the Investors;

“**Company’s Solicitors**” means CMS Cameron McKenna Nabarro Olswang LLP;

“**Controlling Interest**” means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;

“**CTA 2010**” means the Corporation Tax Act 2010;

“**Employee**” means an individual who is employed by, or who provides consultancy services to, the Company;

“**Founder Shares**” means the Ordinary Shares held from time to time by the Founder;

“**Fund Manager**” means a person whose principal business is to make, manage or advise upon investments in securities;

“**Intellectual Property**” means copyrights, trade and service marks, trade names, rights in logos and get-up, inventions, confidential information, trade secrets and know-how, registered designs, design rights, patents, utility models, semi-conductor topographies, all rights of whatsoever nature in computer software and data, all rights of privacy and all intangible rights and privileges of a nature similar or allied to any of the foregoing, in every case in any part of the world and whether or not registered; and including all granted registrations and all applications for registration in respect of any of the same but excluding any standard “**off the shelf**” software products;

“**Investment Fund**” means a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager;

“**Investor Majority**” means the holder(s) from time to time of more than 50% of the Ordinary Shares with the exception of the Founder Shares;

“**Investors**” shall have the meaning in the Parties section above and shall additionally mean those who have adhered to this Agreement from time to time pursuant to clauses 10.2 and 10.3;

“**IPO**” means the admission of all or any of the Shares or securities representing those shares (including without limitation American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be traded or quoted on Nasdaq or on the Official List of the United Kingdom Listing Authority or on the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

“Model Articles” means the model articles of association for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229);

“a Member of the same Fund Group” means if the Shareholder is an Investment Fund or a nominee of that Investment Fund:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution, winding up or liquidation of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed or advised by the Fund Manager;
- (c) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa;

“a Member of the same Group” means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

“Nasdaq” means the Nasdaq Global Market of the Nasdaq Stock Market Inc.;

“Ordinary Shares” means the ordinary shares of £0.00001 each in the capital of the Company;

“Period” means the period of 12 months immediately preceding the Termination Date;

“Permitted Transferees” means, in relation to:

- (a) a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161 of the Act), any Member of the same Group;
- (c) in relation to a Shareholder which is an Investment Fund, any Member of the same Fund Group; and
- (d) in relation to an Investor / Additional Investor: (i) to any Member of the same Group; (ii) to any Member of the same Fund Group; or (iii) to any nominee of an Investor / Additional Investor;

“Privileged Relation” in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including a step or adopted or illegitimate child and their issue);

“Proposed Purchaser” means a proposed purchaser of Shares who at the relevant time has made an offer on arm’s length terms to acquire Shares;

“Resolutions” means the resolutions in agreed form to be passed by the Company by written resolution as specified in paragraph 1 of Schedule 4;

“Restricted Area” means the United Kingdom and elsewhere in the world in respect of which (i) the Company has material business operations as at the Termination Date; or (ii) the Founder has direct or indirect responsibility during the Period;

“**Sale**” means a Share Sale or an Asset Sale;

“**Shareholders**” means the Founder, the Investors and the other members of the Company from time to time who are a party to this Agreement;

“**Shares**” means shares in the capital of the Company from time to time;

“**Share Option Plan**” means the share option plan to be established by the Company pursuant to clause 7.1 below;

“**Share Sale**” means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where the sale is a sale of the entire issued share capital of the Company to a Holding Company;

“**Subscription Price**” means the price per Ordinary Share of £5.00 to be paid by the Investor(s) and/or the Additional Investors to the Company in subscription for the Subscription Shares and / or Additional Shares pursuant to clause 3;

“**Subscription Shares**” means the Ordinary Shares to be subscribed for by the Investor(s) at the Subscription Price pursuant to clause 3.1;

“**Subsidiary**” means a subsidiary of the Company as defined in section 1159 of the Act;

“**Subsidiary Undertaking**” and “**Parent Undertaking**” have the meanings set out in the Act;

“**Taxation**” means all forms of taxation, duties, rates, levies, contributions, withholdings, deductions, liabilities to account, charges and imposts whether imposed in the United Kingdom or elsewhere in the world;

“**Taxing Authority**” means HM Revenue and Customs and any other governmental, state, federal, provincial, local governmental or municipal authority, body or official whether of the United Kingdom or elsewhere in the world;

“**Termination Date**” means the date upon which the relevant Founder ceases to be a director or Employee of the Company, whichever is the latest;

2. INTERPRETATION

- 2.1 Words and expressions which are defined in the Articles shall have the meanings attributed to them therein when used in this Agreement unless otherwise defined or the context otherwise requires.
- 2.2 Words and expressions which are defined in the Act shall have the meanings attributed to them therein when used in this Agreement unless otherwise defined or the context otherwise requires.
- 2.3 The clause and paragraph headings and the table of contents used in this Agreement are inserted for ease of reference only and shall not affect construction.
- 2.4 References to persons shall include bodies corporate, unincorporated associations and partnerships, in each case whether or not having a separate legal personality.
- 2.5 References to documents “**in the agreed form**” are to documents in terms agreed on behalf of the Company and the Investors.
- 2.6 References to those of the parties that are individuals include their respective legal personal representatives.

- 2.7 References to “**writing**” or “**written**” includes any other non-transitory form of visible reproduction of words.
- 2.8 References to the word “**include**” or “**including**” (or any similar term) are not to be construed as implying any limitation and general words introduced by the word “**other**” (or any similar term) shall not be given a restrictive meaning by reason of the fact that they are preceded or followed by words indicating a particular class of acts, matters or things.
- 2.9 Except where the context specifically requires otherwise, words importing one gender shall be treated as importing any gender, words importing individuals shall be treated as importing corporations and vice versa, words importing the singular shall be treated as importing the plural and vice versa, and words importing the whole shall be treated as including a reference to any part thereof.
- 2.10 References to statutory provisions, enactments or EC Directives shall include references to any amendment, modification, extension, consolidation, replacement or re-enactment of any such provision, enactment or EC Directive (whether before or after the date of this Agreement), to any previous enactment which has been replaced or amended and to any regulation, instrument or order or other subordinate legislation made under such provision, enactment or EC Directive unless any such change imposes upon any party any liabilities or obligations which are more onerous than as at the date of this Agreement.
- 2.11 Section 1122 of the CTA 2010 shall apply to determine whether one person is connected with another for the purposes of this Agreement.

3. SUBSCRIPTIONS

- 3.1 Subject to the provisions of clause 4, the Investors apply for the allotment and issue to them at Completion of the following Ordinary Shares as set out in the table below at the Subscription Price and the Company accepts such applications:

(1)	(2)	(3)
Name of Investor	No. of Ordinary Shares	Total subscription monies (£)
Tobias Astor	5,000	£25,000
Tom Burrell	5,000	£25,000
Vishal Sawhney	5,000	£25,000
Alexis Papandrea	5,000	£25,000
Chris Snow	5,000	£25,000
Adnan Afzal	5,000	£25,000
Total	30,000	£150,000

- 3.2 Each of the Investors shall be entitled to direct that the Subscription Shares be issued and registered in the name of any nominee or custodian holding such shares on its behalf as bare nominee and the provisions of clauses 3.1, 4 and 15.1 shall be interpreted accordingly.
- 3.3 On or before 1 January 2020 (unless the Company, subject to the written consent of an Investor Majority, chooses to extend such date), the Company may at the discretion of the Board allot and issue the Additional Shares to new investors or existing investors (“**Additional Investors**”) at any time and on more than one occasion.
- 3.4 Each party to the Agreement warrants to each of the other parties that:
- 3.4.1 it has the power and authority to enter into and perform its obligations under this Agreement;
- 3.4.2 when executed, its obligations under this Agreement will be binding on it; and
- 3.4.3 execution and delivery of, and performance by it of its obligations under this Agreement will not result in any breach of applicable law.
- 3.5 The Founder agrees to pass the Resolutions and hereby irrevocably waives or procures the waiver of all or any pre-emption rights he or his nominees may have pursuant to the Company’s articles of association or otherwise so as to enable the issue of any shares in the capital of the Company contemplated by this Agreement to proceed free of any such pre-emption rights.

4. COMPLETION

- 4.1 Subject to each of the Completion Conditions being satisfied in full or waived by the Investors on or prior to Completion, completion of the subscription by the Investors for the Subscription Shares shall take place on the Completion Date by the electronic exchange of signatures when the events set out in clause 4.2 shall take place in such order as the Investors may require.
- 4.2 The following events shall occur on the Completion Date:
- 4.2.1 each Investor shall pay the sum set out against its name in column 3 of the table in clause 3.1 above (being the aggregate subscription price for the Subscription Shares subscribed for by each Investor) by electronic funds transfer to the bank account of the Company as set out below (or as otherwise agreed) and payment made in accordance with this clause 4.2 shall constitute a good discharge for each such Investor of its obligations under this clause 4.2:

Account name	:	CMS CMNO LLP Client Account
Bank	:	Lloyds Bank Plc
		39 Threadneedle Street
		London, EC2R 8AU
Account number	:	00230949
Sort code:	:	30-00-09
IBAN	:	GB15 LOYD 300009 00230949
Swift/BIC	:	LOYDGB2L

- 4.2.2 written resolutions of the sole director shall be passed (on or prior to the Completion Date) pursuant to which the Company shall:
- (a) subject to the receipt of the relevant subscription monies, issue the Subscription Shares credited as fully paid to the Investors and enter their names in the register of members in respect thereof;
 - (b) execute and deliver to the Investors certificates for the Subscription Shares;
 - (c) pass any such other resolutions as may be required to carry out the obligations of the Company under this Agreement.
- 4.3 The following events shall occur on or prior to completion of each subscription for Additional Shares:
- 4.3.1 each such Additional Investor shall pay the relevant subscription price for the Additional Shares subscribed by such Additional Investor by electronic funds transfer to such bank account of the Company as it may direct;
 - 4.3.2 each such Additional Investor who is not already a party to this Agreement shall sign an Adherence Agreement; and
 - 4.3.3 a meeting of the Board shall be held at which the Company shall, subject to the receipt of the relevant subscription monies:
 - (a) issue the relevant number of Additional Shares credited as fully paid to the relevant Additional Investor and enter its name in the register of members in respect thereof; and
 - (b) execute and deliver to a share certificate to the relevant Additional Investor for the relevant Additional Shares.

5. THE BOARD

- 5.1 The Board shall comprise a maximum of five members.
- 5.2 The members of the Board immediately following Completion shall be Sai Lakshmi.
- 5.3 Where the Board comprises of more than one director, at least four Board meetings will be held in person in each calendar year.
- 5.4 Board meetings may be held by telephone or video conference between directors who are not all in one place so long as they are all able to speak to and hear each other.
- 5.5 The quorum for Board meetings shall be three directors. If and to the extent that the Founder is a director, then the quorum must include the Founder.
- 5.6 Where two or less directors have been appointed, the quorum shall be all the directors.
- 5.7 **Founder Directors**
- 5.7.1 For so long as the Founder and his Permitted Transferees hold not less than 10% of the Shares, the Founder shall have the right to appoint and maintain in office three natural persons (including himself) as he may from time to time nominate as directors of the Company (the “**Founder Directors**”, and each a “**Founder Director**”) and to remove any director so appointed and, upon his removal, to appoint another director in his place.

- 5.7.2 Appointment and removal of any Founder Director shall be by written notice to the Company signed by or on behalf of the Founder, which notice shall take effect on delivery at the registered office of the Company or at any meeting of the Board.

6. CONSENT MATTERS

- 6.1 From the date of this Agreement, each of the Shareholders (who are a party to this Agreement) shall exercise all voting rights and powers of control available to him in relation to the Company to procure that, save with the prior written consent of an Investor Majority (such consent not to be unreasonably withheld or delayed), the Company shall not effect any of the matters referred to in Schedule 5.
- 6.2 From the date of this Agreement, as a separate obligation, severable from the obligations in clause 6.1, the Company agrees that save with the prior written consent of an Investor Majority (such consent not to be unreasonably withheld or delayed), it shall not effect any of the matters referred to in Schedule 5.

7. SHARE OPTION PLAN

- 7.1 Following Completion, the Company shall adopt a share option plan whereby options over a maximum of 200,000 Ordinary Shares may be granted to directors, employees and consultants of the Company in such number as may be decided by the board (the “**Share Option Plan**”).

8. BUSINESS UNDERTAKINGS

- 8.1 The Founder will use his reasonable endeavours to promote the best interests of the Company.
- 8.2 The Company shall apply the proceeds of the subscription by the Investors for the Subscription Shares and the Additional Investors for the Additional Shares in the furtherance of the Company’s working capital requirements.
- 8.3 The Founder and the Company severally undertakes to the Investors to procure, so far as it lies within their respective power to do so, that the Founder and the Company will comply with the requirements set out in Schedule 5.
- 8.4 For so long as he is an Employee, director or non-executive director of the Company, the Founder undertakes to be actively involved in the business of the Company and to devote his time and attention to the business of the Company, except as otherwise agreed between the Founder and the Investors.

9. SALE OR IPO

- 9.1 It is acknowledged by the parties that in the event of a Sale or IPO, the Investors or their Permitted Transferees will not give any representations, warranties or indemnities (save for warranties as to title to the Shares held by the Investor and its capacity of the same (as appropriate) to enter into such a transaction).

10. FURTHER ISSUE AND TRANSFER OF SHARES

- 10.1 Subject to clause 10.4 below, the Founder undertakes to the Company that he shall not, and shall not agree to, transfer, mortgage, charge or otherwise dispose of, or grant any option or other rights over, the whole or any part of his interest in any Shares to any person except where permitted so to do pursuant to the Articles or this Agreement.

- 10.2 Without prejudice to clause 10.1, none of the Shareholders shall effect any disposal described in clause 10.1 nor shall the Company issue any Shares or equity securities, to any person who is not a party to this Agreement without first obtaining from the transferee or subscriber an Adherence Agreement unless otherwise agreed by the Board.
- 10.3 The Adherence Agreement shall be in favour of the Company and the Shareholders and shall be delivered to the Company at its registered office. No share transfer or issue of shares shall be registered unless such Adherence Agreement has been delivered.
- 10.4 Subject to clauses 10.2 and 10.3, any Shareholder shall be permitted to transfer Shares to a Permitted Transferee.

11. FOUNDER COVENANTS

- 11.1 For the purpose of assuring to the Investors the value of the business and the full benefit of the goodwill of the business of the Company, the Founder hereby undertakes and covenants with the Investors and the Company that (save with prior written consent of an Investor Majority) he shall not:
- 11.1.1 while he is a director or Employee of the Company carry on or be concerned, engaged or interested directly or indirectly (in any capacity whatsoever) in any trade or business competing with the trade or business of the Company as carried on at the time; or
- 11.1.2 during the period of 12 months commencing on the Termination Date:
- (a) within the Restricted Area, carry on or be concerned, engaged or interested directly or indirectly in any capacity whatsoever in any trade or business competing with the business carried on by the Company in which he shall have been engaged or involved at any time during the Period;
 - (b) either on his own behalf or in any other capacity whatsoever directly or indirectly do or say anything which may reasonably be considered likely to lead to any person ceasing to do business with the Company on substantially the same terms as previously (or at all);
 - (c) either on his own behalf or in any other capacity whatsoever directly or indirectly endeavour to entice away from the Company or solicit any person, firm or company who was a client, customer, supplier, agent or distributor of the Company during the Period with whom he shall have been engaged or involved by virtue of his duties during the Period in competition with or to the detriment of the Company; or
- 11.1.3 at any time after the Termination Date represent himself as being in any way currently connected with or interested in the business of the Company (other than as a Shareholder).
- 11.2 Each of the restrictions contained in each paragraph of clause 11.1 is separate and distinct and is to be construed separately from the other such restrictions. The Founder hereby acknowledges that, whether or not he continues to hold Shares, he considers such restrictions to be reasonable both individually and in the aggregate and that the duration extent and application of each of such restrictions are no greater than is necessary for the protection of the goodwill of the businesses of the Company. However, if any such restriction shall be found to be void or unenforceable but would be valid or enforceable if some part or parts thereof were deleted or

the period or area of application reduced, the Founder hereby agrees that such restriction shall apply with such modification as may be necessary to make it valid.

12. DRAG ALONG

12.1 If the holders of 75 per cent of the Shares (the “**Selling Shareholders**”) wish to transfer all their interest in Shares (the “**Sellers’ Shares**”) to a Proposed Purchaser, the Selling Shareholders shall have the option (the “**Drag Along Option**”) to compel each other holder of Shares (each a “**Called Shareholder**” and together the “**Called Shareholders**”) to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the “**Drag Purchaser**”) in accordance with the provisions of this clause.

12.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a “**Drag Along Notice**”) to the Company, which the Company shall forthwith copy to the Called Shareholders, at any time before the transfer of the Sellers’ Shares to the Drag Purchaser. A Drag Along Notice shall specify that:

12.2.1 the Called Shareholders are required to transfer all their Shares (the “**Called Shares**”) under this clause;

12.2.2 the person to whom they are to be transferred;

12.2.3 the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (the “**Drag Consideration**”);

12.2.4 the proposed date of transfer, and

12.2.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the “**Sale Agreement**”),

(and, in the case of clauses 12.2.3 to 12.2.5 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this clause.

12.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers’ Shares by the Selling Shareholders to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

12.4 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the Drag Consideration when due and shall not be obliged to give warranties or indemnities except a warranty as to capacity to enter into a Drag Document and the full title guarantee of the Shares held by such Called Shareholder.

12.5 Within three Business Days of the Company copying the Drag Along Notice to the Called Shareholders (or such later date as may be specified in the Drag Along Notice) (the “**Drag Completion Date**”), each Called Shareholder shall deliver:

12.5.1 duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;

12.5.2 the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and

12.5.3 duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,

(together the “**Drag Documents**”).

- 12.6 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company’s receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company’s receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration in trust for each of the Called Shareholders without any obligation to pay interest.
- 12.7 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this clause 12 in respect of their Shares.
- 12.8 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder’s Shares pursuant to this clause 12 and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder’s Shares on the Called Shareholder’s behalf to the Drag Purchaser to the extent the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder’s Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 12.9 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a “**New Shareholder**”), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Drag Purchaser and the provisions of this clause shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

13. CONFIDENTIALITY

- 13.1 Subject to clause 13.2, each of the parties agrees to keep secret and confidential and not to disclose or divulge to any third party or to enable or cause any person to become aware of any confidential information relating to the Company and this Agreement including, but not limited to, Intellectual Property (whether owned or licensed by the Company), lists of customers, reports, notes, memoranda and all other documentary records pertaining to the Company or its business affairs, finances, suppliers, customers or contractual or other arrangements but excluding any information which is in the public domain (otherwise than through the wrongful disclosure of any party) or which they are required to disclose by law or by the rules of any regulatory body to which the Company is subject.

- 13.2 The parties will keep the contents of this Agreement confidential, but may disclose such contents to the extent reasonably required in carrying out the Company's business and in discussion with professional advisors, banks, potential investors in the Company and potential senior executives of the Company, provided that in such cases the disclosing party uses all reasonable endeavours to ensure that such disclosure is made under condition of confidentiality.

14. ANNOUNCEMENTS

- 14.1 Except in accordance with clause 14.2, the parties shall not make any public announcement or issue a press release or respond to any enquiry from the press or other media concerning or relating to this Agreement or its subject matter (including but not limited to the Investors' investment in the Company) or any ancillary matter.

- 14.2 Notwithstanding clause 14.1, any party may:

14.2.1 after consultation with the other parties and with the prior written approval of the Founder, an Investor Majority and the Board; or

14.2.2 if and to the extent required by:

- (a) law; or
- (b) any securities exchange on which any party's securities are listed or traded; or
- (c) any regulatory or governmental or other authority with relevant powers to which any party is subject or submits, whether or not the requirement has the force of law,

make or permit to be made an announcement concerning or relating to this Agreement or its subject matter or any ancillary matter.

15. COSTS AND EXPENSES

- 15.1 Each party shall bear their own costs and disbursements incurred in the negotiations leading up to and in the preparation of this Agreement and of matters incidental to this Agreement.

16. EFFECT OF CEASING TO HOLD SHARES

- 16.1 A party shall cease to be a party to this Agreement for the purpose of receiving benefits and enforcing his rights with effect from the date he ceases to hold or beneficially own any shares in the capital of the Company (but without prejudice to any benefits and rights enjoyed prior to such cessation).

17. CUMULATIVE REMEDIES

- 17.1 The rights, powers, privileges and remedies conferred upon the Investors in this Agreement are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law.

18. WAIVER

- 18.1 The express or implied waiver by any party to this Agreement of any of its rights or remedies arising under this Agreement or by law shall not constitute a continuing waiver of the right or remedy waived or a waiver of any other right or remedy.

19. ENTIRE AGREEMENT

- 19.1 This Agreement and the documents referred to or incorporated in it constitute the entire agreement between the parties relating to the subject matter of this Agreement and supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing, between the parties in relation to the subject matter of this Agreement.
- 19.2 Each of the parties acknowledges and agrees that it has not entered into this Agreement in reliance on, and shall have no remedies in respect of, any statement or representation of any person (whether a party to this Agreement or not) other than as expressly incorporated in this Agreement and the documents referred to or incorporated in this Agreement.
- 19.3 Without limiting the generality of the foregoing, each of the parties irrevocably and unconditionally waives any right or remedy it may have to claim damages and/or to rescind this Agreement by reason of any misrepresentation (other than a fraudulent misrepresentation) having been made to it by any person (whether party to this Agreement or not) and upon which it has relied in entering into this Agreement.
- 19.4 Each of the parties acknowledges and agrees that the only cause of action available to it under the terms of this Agreement and the documents referred to or incorporated in this Agreement shall be for breach of contract.
- 19.5 Nothing contained in this Agreement or in any other document referred to or incorporated in it shall be read or construed as excluding any liability or remedy as a result of fraud.

20. VARIATION AND TERMINATION

- 20.1 All and any of the provisions of this Agreement may be deleted, varied, supplemented, restated or otherwise changed in any way at any time with the prior written consent of the Company, the Founder and an Investor Majority in which event such change shall be binding against all of the parties hereto provided that if such change would impose any new obligations on a party, vary an express contractual right of that party under this Agreement or increase any existing obligation, the consent of the affected party to such change shall be specifically required.
- 20.2 This Agreement may be terminated with the prior written consent of the Company, the Founder and an Investor Majority, in which event such termination shall be binding against all of the parties hereto save that nothing in this clause shall release any party from liability for breaches of this Agreement which occurred prior to its termination.
- 20.3 This Agreement shall terminate and cease to have effect upon an IPO, save that nothing in this clause shall release any party from liability for breaches of this Agreement which occurred prior to its termination.

21. NO PARTNERSHIP

- 21.1 Nothing in this Agreement is intended to or shall be construed as establishing or implying any partnership of any kind between the parties.

22. ASSIGNMENT AND TRANSFER

- 22.1 Subject to clause 22.3, this Agreement is personal to the parties and no party shall:
- 22.1.1 assign any of its rights under this Agreement; or
 - 22.1.2 transfer any of its obligations under this Agreement; or

- 22.1.3 sub-contract or delegate any of its obligations under this Agreement; or
- 22.1.4 charge or deal in any other manner with this Agreement or any of its rights or obligations.
- 22.2 Any purported assignment, transfer, sub-contracting, delegation, charging or dealing in contravention of clause 22.1 or 22.3 shall be ineffective.
- 22.3 An Investor may assign the whole or part of any of its rights in this Agreement to any person who has received a transfer of shares in the capital of the Company from such Investor in accordance with the New Articles and has executed an Adherence Agreement (an “Assignee”).

23. RIGHTS OF THIRD PARTIES

- 23.1 Subject to clause 23.2, except for an assignment in accordance with clause 22, this Agreement does not confer any rights on any person or party (other than the parties to this Agreement) pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 23.2 The general partner of an Investor or the management company authorised or transferee from time to time to act on behalf of an Investor shall be entitled to enforce all of the rights and benefits under this Agreement at all times as if party to this Agreement.

24. CONFLICT BETWEEN AGREEMENTS

- 24.1 Subject to any applicable law, in the event of any ambiguity or conflict between this Agreement and the memorandum of association of the Company or the New Articles, the terms of this Agreement shall prevail as between the Shareholders.

25. COUNTERPARTS AND SIGNATURES

- 25.1 This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all the counterparts shall together constitute one and the same agreement. The exchange of a fully executed version of this Agreement (in counterparts or otherwise) by electronic transmission and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes and shall be sufficient to bind the parties to the terms and conditions of this Agreement. No exchange of original signatures is necessary.

26. NOTICES

- 26.1 Any communication and/or information to be given in connection with this Agreement shall be in writing in English and shall either be delivered by hand (which shall include by internationally recognised overnight courier service) or sent by first class post, email or in electronic form if so required by the Investors:
 - 26.1.1 to any company which is a party at its registered office (or such other address as it may notify to the other parties to this Agreement for such purpose); or
 - 26.1.2 to any party to this Agreement which is not a company, at the address of that individual shown in Schedule 1,
 (or in each such case such other address as the recipient may notify to the other parties for such purpose).
- 26.2 A communication sent according to clause 26.1 shall be deemed to have been received:
 - 26.2.1 if delivered by hand, at the time of delivery; or

26.2.2 if sent by pre-paid first class post, on the second day after posting; or

26.2.3 if sent by email or other electronic communication, at the time of completion of transmission by the sender,

except that if a communication is received between 5.30 p.m. on a Business Day and 9.30 a.m. on the next Business Day, it shall be deemed to have been received at 9.30 a.m. on the second of such Business Days.

27. CONSIDERATION

27.1 The consideration under this Agreement consists of the obligations of the parties to each other, and the Founder agrees that payment by the Investors to the Founder of £1.00 (receipt of which is hereby acknowledged), and the investment by the Investors in the Company, alone and together amount to good consideration in respect of the obligations of the Founder under this Agreement.

28. SEVERANCE

28.1 If any provision of this Agreement is held to be invalid or unenforceable by any judicial or other competent authority, all other provisions of this Agreement will remain in full force and effect and will not in any way be impaired.

28.2 If any provision of this Agreement is held to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted, restricted or limited in a particular manner, the provision in question will apply with the minimum modifications necessary to make it valid and enforceable. If any provision is deleted pursuant to this clause 28.2 the remaining provisions shall remain in full force and effect.

29. GOVERNING LAW

29.1 This Agreement (and any dispute or claim relating to it or its subject matter (including non-contractual claims)) is governed by and is to be construed in accordance with English law.

30. JURISDICTION

30.1 The parties irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute, claim or issue (including non-contractual claims) which may arise out of or in connection with this Agreement.

31. REGULATORY MATTERS

31.1 No Investor or general partner of any Investor or management company authorised from time to time to act on behalf of any Investor is acting for or advising any other party to the transaction that is the subject of this Agreement and accordingly no such Investor, general partner of any Investor and/or management company of any Investor (as appropriate) shall be responsible to any other party for providing any protection afforded to any client (as defined in the Glossary to the FSA Handbook of rules and guidance) for any Investor.

32. EXCULPATION AMONG INVESTORS

32.1 Each Investor acknowledges to the other Investors that such Investor is not relying upon any person, firm, or corporation, other than the Company, the Founder and the Company's officers and directors, in making its investment or decision to invest in the Company. Each Investor agrees that neither:

32.1.1 any Investor; or

32.1.2 the respective Affiliates of any Investor;

shall be liable to each of the other Investors for any action heretofore or hereafter taken or omitted to be taken by any of them in connection with the transactions described in this Agreement.

33. OTHER INVESTMENTS AND BUSINESS OPPORTUNITIES

- 33.1 The Company acknowledges that the Investors are in the business of venture capital investing and therefore may have previously made investments in and may review business plans and related proprietary information for many enterprises including enterprises which may have products or services which compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict the Investors from continuing to hold investments or from entering into discussions with, investing or participating in any particular enterprise whether or not such enterprise has products or services which compete with those of the Company so long as the Investors do not disclose any of the Company's confidential information in connection with any such discussions or investment.
- 33.2 None of the Investors nor any of their Affiliates shall be obligated to present any particular investment opportunity to the Company even if such opportunity is of a character that, if presented to the Company, could be taken by the Company, and the Investors (together with their Affiliates) shall each have the right to take for such its own account or to recommend to others any such particular investment opportunity.

SCHEDULE 1

Part 1 The Investors

Name	Address
Tobias Astor	Treetops, Cedar Drive, Snitterfield, CV37 0LJ
Tom Burrell	Flat 3, 1-3 Newbury Street, London. EC1A 7HU
Vishal Sawhney	44 Royal Hill, Greenwich, London, SE10 8RT
Alexis Papandrea	Gateways, Cranleigh Road, Guildford, GU5 0PB
Chris Snow	26 Edis Street, London, NW1 8LE
Adnan Afzal	19 Brayburne Avenue, London, SW4 6AD

Part 2 The Founder

Name	Address
Sai Lakshmi	4 Editha Mansions, Edith Grove, London, SW10 0NN

SCHEDULE 2
PARTICULARS OF THE COMPANY

Registered number:	11520538
Registered office:	4 Editha Mansions, Edith Grove, London, SW10 0NN
Director:	Sai Lakshmi
Accounting reference date:	31 August
Charges:	None
Auditors:	None
Issued share capital (immediately prior to Completion):	See Part 1 of Schedule 3

SCHEDULE 3

Part 1

Members of the Company – pre-Completion

Member	Number of Ordinary Shares held
Sai Lakshmi	800,000
Total issued shares	800,000

Part 2

Members of the Company - post-Completion

Member	Number of Ordinary Shares held
Sai Lakshmi	800,000
Tobias Astor	5,000
Tom Burrell	5,000
Vishal Sawhney	5,000
Alexis Papandrea	5,000
Chris Snow	5,000
Adnan Afzal	5,000
Total issued shares	830,000

SCHEDULE 4
COMPLETION CONDITIONS

1. The passing of director's and shareholders' resolutions, in the agreed form, at a duly convened Board meeting and by shareholders' written resolution to:
 - (a) authorise the issue and allotment of the Subscription Shares and the Additional Shares and issue share certificates in respect thereof; and
 - (b) waive pre-emption rights in respect of the allotment and issue of the Subscription Shares and the Additional Shares.

SCHEDULE 5
CONSENT MATTERS

MATTERS REQUIRING CONSENT OF AN INVESTOR MAJORITY

1. Other than in connection with the issue and allotment of shares pursuant to:
 - (a) the Share Option Plan; or
 - (b) a subscription for Additional Shares,permit or cause to be proposed any alteration to the Company's share capital (including any increase or decrease to the number of shares in issue) or the rights attaching to its shares or waive any right to receive payment on any of its shares issued partly paid.
2. Permit or cause to be proposed any alteration to the rights attaching to the Ordinary Shares.
3. Create any new class of shares with rights or preferences senior to the Ordinary Shares.
4. Negotiate or permit the disposal of shares or assets in the Company amounting to a Sale or IPO.
5. Permit or cause to be proposed any amendment to the Articles.
6. Other than in the ordinary course of business, incur any individual item of indebtedness in excess of £100,000 or incur aggregate indebtedness of £500,000.
7. Enter into any transaction to make payment other than on an arm's length basis for the benefit of the Company.
8. Other than where expressly contemplated by this Agreement or the Articles, enter into or vary any transaction or arrangement with, or for the benefit of any of its directors or shareholders or any other person who is a connected person with any of its directors or shareholders, including any director's loans.
9. Permit the Company to cease, or propose to cease, to carry on its business or permit the Company or its directors (or any one of them) to take any step to wind up the Company, save where it is insolvent (within the meaning of section 123 of the Insolvency Act 1986).
10. Permit the Company or its directors (or any one of them) to take any step to place the Company into administration (whether by the filing of an administration application, a notice of intention to appoint an administrator or a notice of appointment), permit the Company or its directors to propose or enter into any arrangement, scheme, moratorium, compromise or composition with its creditors (whether under Part I of the Insolvency Act 1986 or otherwise) or to apply for an interim order under Part I of the Insolvency Act 1986, or permit the Company or its directors to invite the appointment of a receiver or administrative receiver over all or any part of the Company's assets or undertaking.

SCHEDULE 6
ADHERENCE AGREEMENT

This Agreement is made the [●] day of [●] by [●]

WHEREAS

- (A) By a [transfer]/[subscription for shares] dated [of even date herewith] [[●] (the “**Transferor**”) transferred to the Transferee]/[[●] (“**the Subscriber**”) subscribed for] Ordinary Shares of [●] each in the capital of Caura Ltd (the “**Company**”) (together the [“**Transferred Shares**”]/[“**Subscribed Shares**”]).
- (B) This Agreement is entered into in compliance with the terms of clause [10.2] of an agreement dated [●] made between (1) [name parties to the agreement] and (2) the Company and others (all such terms as are therein defined) (which agreement is herein referred to as the “**Investment Agreement**”).

NOW THEREFORE IT IS AGREED as follows:

1. Words and expressions used in this Agreement shall have the same meaning as is given to them in the Investment Agreement unless the context otherwise expressly requires.
2. The [Transferee]/[Subscriber] (i) hereby agrees to assume the benefit of the rights [of the Transferor] under the Investment Agreement in respect of the [Transferred]/[Subscribed] Shares); and (ii) hereby agrees to assume and assumes the burden of the [Transferor’s] obligations under the Investment Agreement to be performed after the date hereof in respect of the [Transferred]/[Subscribed] Shares.
3. The [Transferee]/[Subscriber] hereby agrees to be bound by the Investment Agreement in all respects as if the [Transferee]/[Subscriber] were a party to the Investment Agreement as [a shareholder] [an Investor] and to perform [:
 - (a) all the obligations of the Transferor in that capacity thereunder; and
 - (b)]all the obligations expressed to be imposed on such a party to the Investment Agreement[;][in both cases], to be performed or on or after [the date hereof]
4. This Agreement is made for the benefit of:
 - (a) the parties to the Investment Agreement; and
 - (b) any other person or persons who may after the date of the Investment Agreement (and whether or not prior to or after the date hereof) assume any rights or obligations under the Investment Agreement and be permitted to do so by the terms thereof;and this Agreement shall be irrevocable without the consent of the Company acting on their behalf in each case only for so long as they hold any Ordinary Shares in the capital of the Company.
5. None of the Shareholders:
 - (a) makes any representation or warranty or assumes any responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of any of the Investment Agreement (or any agreement entered into pursuant thereto); or

- (b) makes any representation or warranty or assumes any responsibility with respect to the content of any information regarding the Company or any member of the group or otherwise relates to the [acquisition]/[subscription] of shares in the Company; or
- (c) assumes any responsibility for the financial condition of the Company [or any Subsidiary] or any other party to the Investment Agreement or any other document or for the performance and observance by the Company or any other party to the Investment Agreement or any other document (save as expressly provided therein);

and any and all conditions and warranties, whether express or implied by law or otherwise, are excluded.

6. This Agreement shall be governed by and construed in accordance with the laws of England and Wales.

In witness whereof this Agreement is signed on the date and year first above written.


Executed by.....)
[TRANSFEROR/SUBSCRIBER])
)
Director/Duly Authorised Signatory

Executed by)
for and on behalf of)
[COMPANY])
) Director/Duly Authorised Signatory

THIS AGREEMENT has been executed on the date shown on the first page.

Executed for and on behalf of
CAURA LTD
acting by a director:

)
)
)


.....
Director

Executed by
SAI LAKSHMI

)
)


.....

Executed by
[INVESTOR]

)
)
)

[SSA SIGNATURE PAGE]