{*Schedules and Signature Pages Follow*}

**IN WITNESS WHEREOF**, each of the aforenamed Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

|  |  |
| --- | --- |
| **Name** | **Signature** |
| **For \_\_\_\_\_\_\_\_\_\_\_\_\_ PRIVATE LIMITED****Represented by**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**,****Director** |  |
| **Founder 1:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |
| **Founder 2:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |

**Signature Page to the Securities Subscription and Shareholders Agreement dated [●] 2019 executed amongst the Company, the Founders, KAS and the Other Shareholders thereof.**

|  |
| --- |
| **For KAS** |
| **Kickstartup Advisory Services LLP** | **Signature** |
| **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_****Name:** [●]**Designation:****Place:****Date:** |  |

**Signature Page to the Securities Subscription and Shareholders Agreement dated [●] 2019executed amongst the Company, the Founders, KAS and the Other Shareholders thereof.**

|  |
| --- |
| **For Other Shareholder(s)** |
| NIL | **Signature** |
| **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_****Name:** [●]**Designation:****Place:****Date:** |  |

SCHEDULE 1

**PART A**

**DETAILS OF FOUNDERS**

|  |
| --- |
| 1. **NAME**:
 |
| Address | **:** |  |
| PAN Card Number | **:** |  |
| Email Address | **:** |  |
| 1. **NAME**:
 |
| Address | **:** |  |
| PAN Card Number | **:** |  |
| Email Address | **:** |  |

**PART B**

**DETAILS OF THE OTHER SHAREHOLDERS**

|  |  |  |
| --- | --- | --- |
| **Serial No.** | **Name** | **Address and Contact details** |
|  |  |  |
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SCHEDULE 2

**PART A**

**SHAREHOLDING PATTERN OF THE COMPANY PRIOR TO CLOSING (ON A FULLY DILUTED BASIS)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **S.No** | **Name of Shareholder** | **Number of Equity Shares Held** | **Total Number of Shares Held** | **Shareholding %** |
| 1. |  |  |  |  |
| 2. |  |  |  |  |
|  | **Total** |  |  |  |

**PART B**

**SHAREHOLDING PATTERN OF THE COMPANY POST-CLOSING (ON A FULLY DILUTED BASIS)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S.No** | **Name of Shareholder** | **Number of Equity Shares Held** | **Number of RPS Held** | **Total Number of Shares Held** | **Shareholding %** |
| 1. |  |  |  |  |  |
| 2. |  |  |  |  |  |
| 3. | KAS |  |  |  |  |
|  | **Total** |  |  |  | **100%** |

SCHEDULE 3

**PART A - DEFINITIONS**

Unless otherwise defined in this Agreement, the following terms when capitalized shall have the meaning set out as follows. Any term not defined in this Agreement, shall have a meaning as is commonly understood in India and within the spirit of this Agreement:

1. **“Act”** means the (Indian) Companies Act, 2013 and the (Indian) Companies Act, 1956 (to the extent such enactment is in force and applicable to the context in which such term is used herein), including any amendments, statutory modifications and re-enactments thereto and any rules, regulations, notifications and clarifications made there under;
2. **“Affiliate”** in relation to a Person,
	* + 1. being a corporate entity, shall mean any entity or Person, which controls at least 20% (Twenty Percent) of the total share capital or of the business decisions under any arrangement or agreement;
			2. being an individual, shall mean any entity or Person, which is Controlled by such Person or a Relative of such Person (the term **“Relative”** would have the meaning as ascribed to it under the Act);
			3. in any other case shall mean a Person Controlled by a Party / Parties to this Agreement.
3. **“Articles”** means the articles of association of the Company and as amended from time to time;
4. **“Board”** means the Board of Directors of the Company as constituted from time to time;
5. **“Business Day”** means a day, not being a Saturday or a Sunday or a public holiday, on which banks are open for business in Mumbai, India in the context of a payment being made to or from a scheduled commercial bank in a place other than Mumbai, India;
6. “Cause” means with respect to Founders, that:

(i) Such Founder has acted in substantive breach of his duty of care or fiduciary duty to the Company; which has a material adverse effect on the Business of the Company;

(ii) Such Founder has committed an act of fraud, wilful misconduct, dishonesty, gross negligence or abuse of authority including but not limited to leaking Confidential Information of the Company, colluding with the competitors of the Company or intentionally and materially harming the interests of the Company or has attempted to do any of the above.

1. **“Closing”** shall mean the receipt of the respective portion of the Subscription Money by the Company into the designated bank account of the Company and the issue of the Subscription Shares of the Company to KAS and completion of each of the actions set out in Clause 3.2 above;
2. **“Closing Date”** shall mean the date of receipt of the last portion of the Subscription Money by the Company from KAS and completion of allotment of the respective number of Redeemable Preference Shares;
3. “**Confidential Information**” means all oral, written and/or tangible information relating to the business, products, affairs, Intellectual Property Rights, performance and finances of the Company, which for the time being is confidential, proprietary to it and/or not generally available to the public or treated by it as such and including, but not limited to, information relating in whole or in part to trade secrets, present and future products, services, business plans and strategies, marketing ideas and concepts, especially with respect to unannounced products and services, present and future product plans, pricing, volume estimates, financial data, product enhancement information, business plans, marketing plans, sales strategies, customer information (including customers’ applications and environments), market testing information, development plans, specifications, customer requirements, designs, plans or other technical and business information;
4. **“Control”** shall mean with respect to any Person the possession directly or indirectly, or the power to direct or cause the direction of the management and policies of such Person, whether through the legal or beneficial ownership of more than 50% (Fifty Percent) of the voting Securities of that Person, by agreement or otherwise, or the power to elect or remove all or a majority of the directors, partners or other individuals exercising similar authority with respect to such Person without the requirement of consent or concurrence of any other Person(the expressions “**common Control**”, “**Controlling**” and “**Controlled**” shall have the corresponding meanings);
5. **“Director”** means a Director on the Board of the Company, from time to time;
6. **“Encumbrance”** or **“Encumber”** shall mean any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other Persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same;
7. **“Equity Shares”** means equity shares in the issued, subscribed and paid up share capital of the Company each having face value of INR 10/- (Rupees Ten only);
8. **“Fully Diluted Basis”** means that the calculation is to be made assuming that all outstanding convertible securities (whether or not by their terms then currently convertible, exercisable or exchangeable), stock options, warrants, including but not limited to any outstanding commitments to issue shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged;
9. **“Intellectual Property**” includes ideas, concepts, creations, discoveries, inventions, improvements, know how, trade or business secrets; trademarks, service marks, designs, utility models, tools, devices, models, methods, procedures, processes, systems, principles, algorithms, works of authorship, flowcharts, drawings, books, papers, models, sketches, formulas, teaching techniques, electronic codes, proprietary techniques, research projects, and other confidential and proprietary information, computer programming code, databases, software programs, data, documents, instruction manuals, records, memoranda, notes, user guides; in either printed or machine-readable form, whether or not copyrightable or patentable, or any written or verbal instructions or comments;
10. “**Intellectual Property Rights**” include (i) all rights, title, and interest under any statute or under common law including patent rights; copyrights including moral rights; and any similar rights in respect of Intellectual Property, anywhere in the world; (ii) any licenses, permissions and grants in connection therewith; (iii) applications for any of the foregoing and the right to apply for them in any part of the world; (iv) right to obtain and hold appropriate registrations in Intellectual Property and, (v) all extensions and renewals thereof (vi) causes of action in the past, present or future, related thereto including the rights to damages and profits, due or accrued, arising out of past, present or future infringements or violations thereof and the right to sue for and recover the same;
11. **“Liquidation Event”** shall mean any voluntary or involuntary liquidation, dissolution or winding up of the Company, a merger, acquisition, change of Control, consolidation, or other transaction or series of transactions in which the shareholders prior to such transaction will not: (a) retain a majority of the voting power of the surviving entity, or (b) control the board of directors of the surviving entity, or a sale, lease, license or other transfer of all or substantially all the Company’s assets;
12. **“Material Adverse Effect”** means(a) event, occurrence, fact, condition, change, development or effect that is, or may reasonably be, materially adverse to the business, operations, financial condition, properties (including intangible properties), assets (including intangible assets) or liabilities of the Company, or (b) impairment of the ability of the Company and/or the Founders to perform their respective obligations hereunder;
13. **“Next Financing Round”** shall mean the successful completion of any investment in Securities, or any other form of investment, (other than any form of debt), raised by the Company from any Third Parties of value not less than the Subscription Money, which shall take place immediately after Closing of the Transactions contemplated herein under the Agreement;
14. **“Person”** means and includes an individual, proprietorship, partnership, corporation, company, unincorporated organization or association, trust or other entity, whether incorporated or not;
15. **“Subscription Shares”** means **“Redeemable Preference Shares**” or “**RPS**” means all non-cumulative redeemable preference shares in the issued, subscribed and paid up share capital of the Company each having face value of INR 1000/- (Rupees One Thousand only) when issued, and subject to such terms and conditions, as captured in is Agreement;
16. **“Securities”** shall mean with respect to the Company, the Company’s Equity Shares or Redeemable Preference Shares, or any options, warrants, loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable as Equity Shares;
17. **“Shareholders”** mean the duly registered holders of the Shares from time to time of the Company;
18. **“Shares”** mean shares of all classes of shares that are or that may form a part of the share capital of the Company from time to time;
19. **“Subscription Money”** shall have the meaning as ascribed to such term in Recital C above;
20. **“Third Party”** means any individual, person or legal entity that is not defined herein or ascribed any special meaning in this Agreement;
21. **“Transaction Documents”** shall mean this Agreement and all other deeds and documents as may be executed or required to give effect to the transactions contemplated by the foregoing;
22. **“Transfer”** (including the terms “**Transferred by**”, “**Transferring**” and “**Transferability**”) means and includes:-
	* + 1. any transfer or other disposition of the Securities or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment;
			2. any sale, assignment, pledge, hypothecation, creation of security interest in, lien, exchange, gift, donation, redemption, conversion or transfer in any other way, whether or not voluntarily of such Securities or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such Securities or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value;
			3. the granting of any Encumbrance in, or extending or attaching to, such Securities or any interest therein.
23. “**Vesting Period**” shall mean a period of 4 (Four) years from the Execution Date and as detailed in **Schedule 11**.

**PART B - INTERPRETATIONS**

Unless the context of this Agreement otherwise requires:

* + 1. the phrases “ordinary course of business” and “ordinary course of business consistent with past practice” refer to the business and practice of the Company;
		2. whenever this Agreement refers to a number of days, such number shall refer to calendar days unless otherwise specified;
		3. all accounting terms used herein and not expressly defined herein shall have the meanings given to them under the Indian generally accepted accounting principles;
		4. references to Recitals, Clauses, Sub-clauses, Sections, sub-sections, Schedules, Annexures and Appendices shall be deemed to be a reference to the recitals, clauses, sub-clauses, Sections, sub-sections, schedules and appendices of this Agreement.
		5. any reference to any statute or statutory provision shall include:
			1. all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);
			2. such statute or provision as may be amended, modified, re-enacted or consolidated.
		6. any reference to an agreement, instrument or other document (including a reference to this Agreement) herein shall be to such agreement, instrument or other document as amended, supplemented or novated pursuant to the terms thereof;

SCHEDULE 4

**COMPANY’S BANK ACCOUNT**

|  |  |
| --- | --- |
| **Bank Name:** |  |
| **Account Name:** |  |
| **Bank Branch:** |  |
| **Bank Address:** |  |
| **Bank Account Number:** |  |
| **Bank Account Type:** |  |
| **RTGS/NEFT IFSC Code:** |  |

SCHEDULE 10

**GUARANTEE DEED**

**This DEED OF GUARANTEE** (the “**Deed**”) is executed on the day the [●] day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**BY**

[Name of Founder] (insert details of the Founder), (hereinafter called “the **Guarantor**” which expression shall, unless repugnant to the meaning or context there be deemed to include his/her successors, executors and permitted assigns)

**IN FAVOR OF**

**KICKSTARTUP ADVISORY SERVICES LLP**, a limited liability partnership, having its registered office a 3, 1st floor, 2nd Street, Subbarao Avenue, College Road, Chennai – 600006, represented by Mr. Hari Krishnan, the Designated Partner, (hereinafter referred to as “**KAS**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include KAS, its legal representatives, administrators, successors-in-interest and permitted assigns)

**WHEREAS:**

1. On or about \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Private Limited (the “**Company**”), **KAS**, (the “**Founders**”) and (the “**Other Shareholders**”) entered into a Securities Subscription and Shareholders’ agreement dated [●] (the “**Agreement**”), wherein at the assurance of the Guarantor, KAS has agreed to, out of its surplus funds, subscribe to the Subscription Shares (*as defined in the Agreement*) against the payment the Subscription Money (*as defined in the Agreement*) on the terms and conditions contained in the Agreement.
2. The Agreement forms a part of this Deed and is attached hereto as Exhibit A.
3. One of the conditions of the Agreement is that the Guarantor shall execute, in favour of KAS, an unconditional and irrevocable continuing guarantee being these presents, which shall be terminated upon repayment of the amount as per clause 8 of the Agreement.

**IT IS THUS AGREED AS FOLLOWS:**

1. For good and valuable consideration being KAS subscribing to the Subscription Shares of the Company under the terms of the Agreement against the payment of the Subscription Money (the receipt and sufficiency of which are acknowledged), the Guarantor irrevocably and unconditionally:
	1. guarantees to KAS, performance by the Company of all the Company’s obligations under the Agreement and in the event of the Company failing to perform any of its obligations under the Agreement, the Guarantor only after the agreed timelines as per the agreement have lapsed shall pay to KAS an amount equal to the Subscription Money and in addition thereto shall also pay all the amounts as detailed in Clause 8 of the Agreement payable by the Company to KAS under the Agreement (the “**Guarantee Amount**”).
2. The Guarantor hereby agrees that this guarantee shall extend to the ultimate balance of sums payable by the Company under the Agreement.
3. The Guarantor further agree and undertake to pay to KAS all legal costs occasioned to it by reason of omission, default in repayment by the Company and in case of legal costs, also the costs of enforcement or attempted enforcement of any security in favor of KAS against the Guarantee Amount to an extent of 5% of the amount to be paid under Clause 8.
4. The Courts at Chennai shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed).

IN WITNESS WHEREOF this Deed of Guarantee has been executed as a deed on the date first above written.

**SIGNED, SEALED AND DELIVERED** by **[Guarantor]**

in the presence of:

Name: [ \_\_\_\_\_\_\_\_\_\_ ]

**SCHEDULE 11**

**VESTING SCHEDULE OF PROMOTER SHARES**

|  |  |
| --- | --- |
| **Timelines** | **Percentage of Promoter Shares Vested** |
| On the completion of 1 year from the Execution Date |  |
| Completion of 2 years from the Execution Date |  |
| Completion of 3 years from the Execution Date |  |
| Completion of 4 years from the Execution Date |  |