**SHAREHOLDERS' AGREEMENT**

**Explanatory Note**

A shareholders' agreement sets out the key terms and conditions regulating the affairs of the company and the rights and obligations of the investors and founders as shareholders of the company.

This model shareholders' agreement assumes:

 a Singapore incorporated private company, its founders and investors are entering into this shareholders' agreement;

 investors hold Series A preference shares of the company, the founders hold ordinary shares in the company and there are no other shareholders in the company;

 to the extent the founders are also employees of the company or provide consultancy/advisory services to the company, separate employment / services agreement will be entered into between the company and the founders in relation to the same;

 the constitution of the company will be amended to, amongst other things, reflect the rights and terms of the Series-A preference shares; and

 the parties will sign electronically / digitally (through docu-sign, email exchange and other secure digital signature platforms), as per the market practice for early-stage Singapore-based investments. If the parties include powers of attorney (as per the explanatory notes in the document), then the agreement should be executed with "wet-ink" signatures and the required formalities for its execution as a deed will need to be complied with.

Further explanatory notes are included in this model shareholders' agreement.

|  |
| --- |
| DATED **[●]** |
| **THE INVESTORS****and****THE FOUNDERS****and****[THE EXISTING SHAREHOLDERS]****[and]****THE COMPANY** |
| **SHAREHOLDERS' AGREEMENT****relating to [●]**  |
|  |

TABLE OF CONTENTS

Contents Page

1. Effective Date 1

2. Board of Directors 2

3. Shares and Shareholders 4

4. Undertakings 5

5. Share Option Plan 6

6. Reserved Matters 6

7. Exit 7

8. Pre-Emption Rights over New Allotments or Issuances of New Securities 7

9. Transfers of Shares 9

10. Deed of Ratification and Accession for Issuances and Transfers 9

11. Restriction on Founder Transfers 9

12. Permitted Transfers 10

13. Right of First Refusal 10

14. Tag-Along Right 13

15. Drag-Along Right 15

16. Compulsory Transfers 18

17. Valuation of Shares 20

18. Restrictive Covenants 21

19. Limitation on Liability 23

20. Prevalence of Agreement 23

21. Termination 23

22. Variation 24

23. Confidentiality 24

24. Announcements 26

25. Assignment 26

26. No Partnership 26

27. Indulgence, Waiver, etc. 26

28. Costs 26

29. Whole Agreement 26

30. Notices 27

31. General 28

32. Interpretation 29

Schedule 1 Particulars of the Investors and the Founders 39

Schedule 2 Fully-diluted Capitalisation immediately following Completion 40

Schedule 3 Series A Share Terms 41

Schedule 4 Reserved Matters 48

Schedule 5 Undertakings 51

Schedule 6 Deed of Ratification and Accession 53

**This Agreement** is made on **[•]** **among:**

**(1)** The persons whose names and addresses are set out in Part 1 of Schedule 1 (together the "**Investors**" and each an "**Investor**");

**(2)** The persons whose names and addresses are set out in Part 2 of Schedule 1 (together the "**Founders**" and each a "**Founder**");

**(3) [The persons whose names and addresses are set out in part 3 of Schedule 1 (together the "Existing Shareholders"); and]**[[1]](#footnote-2)

**(4)** **[●]** (Company Registration Number: **[•]**), a company incorporated under the laws of Singapore) whose registered office is at **[●]** (the "**Company**").

**Whereas:**

**(A)** The Company is a private company limited by shares.

**(B)** The Company, the Investors and the Founders have entered into the Subscription Agreement in relation to the subscription by the Investors, and the issue by the Company, of **[●]** Series A Shares.

**(C)** Immediately following Completion, the shareholding structure of the Company will be as set out in Schedule 2.

**(D)** The Parties have agreed to regulate the affairs of the Company and the respective rights and obligations of the Investors, the Founders **[and the Existing Shareholders]** as Shareholders on the terms and subject to the conditions of this Agreement.

**It is agreed** as follows:

1. Effective Date
	1. This Agreement shall be effective among the Investors, the Founders, **[the Existing Shareholders]** and the Company on and from Completion (the "**Effective Date**").
	2. **[With effect from the Effective Date, all previous shareholders' agreements or founders' agreements among the Investors, the Founders, [the Existing Shareholders] and/or the Company in respect of the affairs of the Company and the respective rights and obligations of the shareholders of the Company shall be deemed terminated and superseded by this Agreement.]**
2. Board of Directors
	1. **Number**: The Board shall consist of **[a maximum of] [•]** members.
	2. **Composition**: The members of the Board shall consist of:
		1. theFounder Directors; and
		2. the Investor Directors,

### as appointed pursuant to Clause 2.3.

* 1. **Right of Appointment and Removal[[2]](#footnote-3)**
		1. Each Founder shall have the right:[[3]](#footnote-4)

(i) to appoint and maintain in office **[•]** person**[s]** (each, a "**Founder Director**") as he may from time to time nominate as a Director of the Company; and

(ii) to remove any Director so appointed and, upon such Director's removal, whether by such Founder or by such Director's resignation, to appoint another Director in his place.

* + 1. For so long as an Investor holds not less than **[•]** per cent. of the Shares (excluding Treasury Shares) (on an as-converted basis), such Investor shall have the right:

(i) to appoint and maintain in office **[•]** person**[s]** (each, an "**Investor** **Director**") as it may from time to time nominate as a Director of the Company;

(ii) **[to appoint a representative to attend as an observer at all meetings of the Board who will be entitled to speak at any such meetings but will not be entitled to vote]; [and]**

(iii) to remove any Director **[or observer]** so appointed and, upon such Director's **[or observer's]** removal, whether by such Investor or by such Director's **[or observer's]** resignation, to appoint another Director **[or observer** **(as the case may be)]** in his place.

* + 1. Appointment and removal of aDirector **[or an observer]** in accordance with Clause 2.3 shall be by written notice from the appointing Founder or Investor (as the case may be) to the Company which shall take effect on delivery at the Company's registered office or at any meeting of the Board.
	1. **Meetings of the Board[[4]](#footnote-5)**
		1. Board meetings will be held **[monthly] / [quarterly]** / **[at least [•]** **times in each calendar year]**.
		2. The quorum at a meeting of the Board necessary for the transaction of any business of the Company shall be any **[●]** Directors**[, including at least [●] Investor Director[s]]**. In the event that a meeting of the Board duly convened cannot be held for lack of quorum, the meeting shall be adjourned to the same time and day of the following week and at the same place and at least **[three]** days' notice shall be given to the Board in relation to such adjourned meeting. The quorum at an adjourned meeting of the Board shall be any **[●]** Directors. The foregoing provisions of this Clause 2.4.2 shall always remain subject to the provisions of Clause 6.1.2.
		3. The Company shall send to each Investor Director **[and each observer appointed by the Investors]** (in electronic form if so required):

(i) reasonable advance notice of each meeting of the Board (being not fewer than **[five]** Business Days), such notice to be accompanied by a written agenda specifying the business to be discussed at such meeting together with all relevant papers; and

(ii) as soon as practicable after each meeting of the Board a copy of the minutes.

* + 1. Save with Investor Director Consent, no business that is not specified in the agenda referred to in Clause 2.4.3 shall be transacted at any meeting of the Board.
		2. The Company shall reimburse **[each Investor Director and each observer appointed by the Investors]** with reasonable costs and out-of-pocket expenses incurred by them in respect of attending meetings of the Company or carrying out authorised business on behalf of the Company.[[5]](#footnote-6)
	1. Each Investor who has appointed an Investor Director **[and/or an observer]** pursuant to Clause 2.3.2, shall procure that such Investor Director **[and/or observer]** shall comply with Clause 23 save that such Investor Director **[and/or observer]** shall have the right to, from time to time, make full disclosure to its appointing Investor of any information relating to the Company.
	2. The Parties agree that the Investor Directors shall be under no obligation to disclose any information or opportunities to the Company except to the extent that the information or opportunity was passed to him expressly in his capacity as a Director of the Company.
	3. The Chairman of the Board shall be appointed by **[●]**. The Chairman of the Board **[shall / shall not]** be entitled to a casting vote at any meeting of the Board.
	4. **[Group Companies**
		1. **The directors of the boards of all other Group Companies shall be appointed and removed based on the composition of the Board as described in Clauses 2.1 to 2.3.**
		2. **The provisions regulating the meetings of the boards of such other Group Companies shall be the same as for Board meetings unless the Board (or the board of such other Group Companies) determines otherwise.]**
1. Shares and Shareholders
	1. **Series A Shares**

The Series A Shares shall have the rights set out in the Constitution, including the terms and conditions set out in Schedule 3.

* 1. **Meetings of Shareholders**
		1. A meeting of the Shareholders will be held at least once a calendar year.
		2. The quorum at a meeting of the Shareholders necessary for the transaction of any business of the Company shall be **[Shareholders holding at least [●] per cent. of the Shares (excluding any Treasury Shares) (on an as-converted basis)]**[[6]](#footnote-7). In the event that a meeting of Shareholders duly convened cannot be held for lack of quorum, the meeting shall be adjourned to the same time and day of the following week and at the same place and at least **[seven]** days' notice shall be given to the Shareholders in relation to such adjourned meeting. The quorum at an adjourned meeting of the Shareholders shall be **[Shareholders holding at least [●] per cent. of the Shares (excluding any Treasury Shares) (on an as-converted basis)]**. The foregoing provisions of this Clause 3.2.2 shall always remain subject to the provisions of Clause 6.1.1.
		3. The Company shall send to the Shareholders (in electronic form if so required):
			1. reasonable advance notice of each meeting of the Shareholders (being not fewer than **[ten]** Business Days), such notice to be accompanied by a written agenda specifying the business to be discussed at such meeting together with all relevant papers; and
			2. as soon as practicable after each meeting of the Shareholders a copy of the minutes.
		4. Save with **[Series A Majority Consent]**, no business that is not specified in the agenda referred to in Clause 3.2.3 shall be transacted at any meeting of the Shareholders.
1. Undertakings
	1. **Conduct of Business**: The Founders shall promote the best interests of the Group and ensure that the Business is conducted in accordance with the Business Plan and with good business practice.
	2. **Other Undertakings**: The Founders and the Company **[severally and not jointly]** undertake to the Investors to procure, so far as it is within their respective power to do so, that the Founders and the Group Companies will comply with the requirements set out in Schedule 5.
	3. **Information Rights[[7]](#footnote-8)**
		1. The Company shall prepare management accounts (in such form as the Series A Majority shall reasonably require from time to time) for each calendar month and shall deliver such monthly management accounts to the **[Significant Shareholders]** **[Investors]** within **[20]** days after the end of each month. The first monthly management accounts, in relation to the calendar month during which Completion takes place, shall be delivered within **[20]** days after the end of such calendar month.
		2. The Company shall prepare management accounts (in such form as the Series A Majority shall reasonably require from time to time) for each fiscal quarter and shall deliver such quarterly management accounts to the **[Significant Shareholders]** **[Investors]** within **[30]** days after the end of each fiscal quarter.
		3. The Company shall prepare an annual budget and forecast for each financial year (in such form as the Series A Majority shall reasonably require from time to time) that shall be approved by the Board (and including Investor Director Consent) and delivered to the **[Significant Shareholders]** **[Investors]** at least **[30]** days prior to the beginning of each financial year of the Company (the "**Annual** **Budget**").
		4. The audited financial statements of the Company **[and audited consolidated financial statements of the Group Companies]** for each financial year shall be delivered to the Investors within **[90]** days after the end of the relevant financial year.
		5. The Company shall prepare a schedule of the Company’s issued share capital broken down by shareholder and including the percentage of the Shares held by each holder (excluding Treasury Shares) (on a fully-diluted and as-converted basis) and shall deliver such share capital schedule to the Investors within **[30]** days after the end of each **[fiscal quarter]** of the Company.
		6. The **[Significant Shareholders]** **[Investors]** may, from time to time and acting reasonably, request additional information regarding the Company, its businesses or operations and the Company shall provide the **[Significant Shareholders]** **[Investors]** with such otherreasonable information within **[10]** days of an Investor requesting such information in writing**[, provided that the Company shall not be required to provide such information if necessary to protect legal professional privilege or if it is a highly confidential trade secret]**.
		7. Each Founder and the Company shall promptly provide the **[Significant Shareholders]** **[Investors]** with written notice containing full details of any offer or proposed offer it or they may receive from time to time (whether in writing or orally) from any person desiring or offering to acquire any Shares or assets of the Company.
		8. The Company shall permit each **[Significant Shareholders]** **[Investor]**,upon prior appointment and during office hours, to visit and inspect and examine the Company's properties, books and records, and to discuss the affairs of the Company with its management**[, provided that the Company shall not be required to provide such information if necessary to protect legal professional privilege or if it is a highly confidential trade secret.]**.
2. [Share Option Plan[[8]](#footnote-9)
	1. The Shareholders agree that up to **[[•] Ordinary Shares] [equal to [●] per cent. of the Shares in issue immediately following Completion] [(excluding Treasury Shares) (on a fully-diluted and as converted basis)]]** shall be reserved for issuance to employees of the Company in accordance with the terms and conditions of a Share Option Plan, which shall be adopted by the Company within **[●]** Business Days of **[the Effective Date]**.
	2. The Share Option Plan to be adopted shall be in a form reasonably acceptable to the Series A Majority.**]**
3. Reserved Matters
	1. The Company shall procure, as far as it lawfully can, that no action is taken or resolution passed by any Group Company in respect of:
		1. those matters set out in Part 1 of Schedule 4, save with Series A Majority Consent; and
		2. those matters set out in Part 2 of Schedule 4, save with the prior written approval of a simple majority of the Board (and including Investor Director Consent).
4. Exit [[9]](#footnote-10)
	1. It is the Parties' intention to effect a **[Sale or Qualifying IPO]** as soon as practicable and in any event within **[five]** years of **[the Effective Date]**. Subject to any restrictions to which the Parties are subject, they will keep each other informed of any developments which may lead to any **[Sale or Qualifying IPO]**.
	2. Each Party acknowledges and agrees that upon a **[Sale or Qualifying IPO]** the Investors shall not be obliged to give any representations, warranties or indemnities in connection with any Group Company or its businesses (except a warranty as to title to the shares held by an Investor and as to its capacity to sell those shares).[[10]](#footnote-11)
	3. If a **[Sale or Qualifying IPO]** is not achieved within **[five]** years of **[the Effective Date]** then the Company shall if required by the Series A Majority at the Company's expense appoint a professional adviser (with Investor Director Consent) to advise on exit opportunities and strategies and copies of such reports shall be made available to the Investors (at the Company's cost).
	4. Each Party agrees that, on a Qualifying IPO, the Shareholders shall to the extent required by the applicable rules of the relevant exchange, retain such number of their shares in the Company held at the time of the Qualifying IPO for such period after the Qualifying IPO as is required by the applicable rules of the relevant exchange or as reasonably required by the underwriters in accordance with standard market practice.
5. Pre-Emption Rights over New Allotments or Issuances of New Securities
	1. If the Company proposes to allot or issue any New Securities, those New Securities shall not be allotted or issued to any person unless the Company has in the first instance offered such number of New Securities to **[the Significant Shareholders] / [all shareholders][[11]](#footnote-12)** (the "**Subscribers**") on the same terms and at the same price as those New Securities are being offered to other persons on a *pari passu* and *pro rata* basis **[based on the proportion (fractional entitlements being rounded to the nearest whole number) which their respective existing holding of Shares (on an as-converted basis) bears to the total number of Shares (on a fully-diluted and as-converted basis)] [to the number of Shares (on a fully-diluted and as-converted basis) held by the Subscribers (as nearly as may be without involving fractions)]**. The offer shall be in writing, be open for acceptance from the date of the offer to the date **[20]**Business Days after the date of the offer (inclusive) (the "**Subscription Period**") and give details of the number and subscription price of the New Securities to which such Subscriber is entitled.
	2. If, at the end of the Subscription Period, the number of New Securities applied for by the Subscribers is:[[12]](#footnote-13)
		1. equal to the number of New Securities, the relevant New Securities shall be allotted to the Subscribers who have applied for New Securities on a *pro rata* basis to the number of Shares (on an as-converted basis) held by such Subscribers; or
		2. less than the number of New Securities offered to the Subscribers, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Board may determine at the same price and on the same terms as the offer to the Subscribers.
	3. Subject to the requirements of Clauses 8.1 and 8.2 and the provisions of Section 161 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.[[13]](#footnote-14)
	4. Notwithstanding any other provision of this Clause 8, the provisions of Clauses 8.1 to 8.3 shall not apply to:
		1. options to subscribe for Ordinary Shares under the duly approved and established Share Option Plan(s) and Ordinary Shares issued upon the exercise of such options;
		2. Ordinary Shares in the capital of the Company issued upon the exercise or conversion of outstanding Series A Shares;
		3. New Securities issued in connection with a share split or an issue of dividends which is approved by a Series A Majority Consent;
		4. New Securities issued or granted in order for the Company to comply with its obligations under the Constitution;
		5. New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by the Series A Majority;
		6. New Securities which the Series A Majority has agreed in writing should be issued without complying with this Clause 8[[14]](#footnote-15); and
		7. New Securities issued as a result of a bonus issue of shares which has been approved in writing by the Series A Majority.
6. Transfers of Shares
	1. In Clauses 9 to16, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
	2. No Share may be transferred by a Non-Preference Shareholder unless the transfer is made in accordance with the provisions of this Agreement.
7. Deed of Ratification and Accession for Issuances and Transfers
	1. Without prejudice to Clause 9.1 and notwithstanding any provision of this Agreement to the contrary, none of the Parties shall effect any transfer, mortgage, charge or other disposal of any interest in Shares, nor shall the Company issue any Shares or sell or transfer any Treasury Shares, to any person who is not a party to this Agreement without first obtaining from the transferee or subscriber a Deed of Ratification and Accession **[save in respect of the grant or exercise of an option pursuant to the Share Option Plan]** **[unless otherwise approved by the Board (including Investor Director Consent)]**.
	2. The Deed of Ratification and Accession shall be in favour of the Company and all other Parties and shall be delivered to the Company at its registered office and to all other Parties. Subject to Clause 10.1, no share transfer or issue of shares shall be registered by the Company unless such Deed of Ratification and Accession has been so delivered.
8. Restriction on Founder Transfers[[15]](#footnote-16)
	1. **[Subject to Clause 12,]** each Founder severally undertakes to the Company and the Investors that they shall not, and shall not agree to, transfer, mortgage, charge or otherwise dispose (including by way of trust) of the whole or any part of their interest in, or grant any option or other rights over, their Shares to any person within **[•]** months from the date of Completion except:
		1. with Series A Majority Consent; or
		2. where required so to do pursuant to the Constitution or this Agreement.[[16]](#footnote-17)
9. Permitted Transfers
	1. To the extent applicable, the restrictions on transfer of Shares contained in Clauses 11, 13 and 14 shall not apply in the case of a transfer of all or any of the Shares owned by:
		1. any Founder who is an individual to any Immediate Family Member[[17]](#footnote-18) or Investment Holding Company; or
		2. any Founder which is a corporation to any of its affiliates,

### in each case, for tax and estate planning purposes only (each such transferee, a "**Permitted Transferee**").[[18]](#footnote-19)

* 1. Following a transfer of Shares to a Permitted Transferee, the original transferring Shareholder (but not a subsequent transferor in a series of transfers to Permitted Transferees) shall remain party to this Agreement and shall be jointly and severally liable with the transferee under this Agreement as a Shareholder in respect of the transferred Shares.
	2. If however at any time after a transfer of Shares is effected by a Shareholder to its Permitted Transferee, such transferee ceases to be a Permitted Transferee of the transferring Shareholder, it shall be the duty of the transferring Shareholder and such transferee to notify the Board in writing that such event has occurred and both the transferring Shareholder and such transferee shall jointly and severally undertake to procure and ensure that all (and not some only) of the Shares held by such transferee are immediately transferred to the transferring Shareholder or another Permitted Transferee of the transferring Shareholder.
	3. Shares transferred to a Permitted Transferee as permitted by Clause 12.1 may be transferred by such transferee to the transferring Shareholder or another Permitted Transferee of the transferring Shareholder without restrictions.
1. Right of First Refusal
	1. Save where the provisions of Clauses 12, 14 and 15 apply and subject to Clause 11.1, any transfer of Shares by a Non-Preference Shareholder shall be subject to the right of first refusal contained in this Clause 13.[[19]](#footnote-20)
	2. A Non-Preference Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in this Agreement, before transferring or agreeing to transfer any Shares, give notice in writing (a "**Transfer Notice**") to the Company specifying:
		1. the number of Shares which it wishes to transfer (the "**Sale Shares**");
		2. the name of the proposed transferee to whom it wishes to sell the Sale Shares;
		3. the price at which the Sale Shares are to be transferred (the "**Transfer Price**");
		4. the other terms and conditions of such sale (if any); and
		5. that the Transfer Notice is conditional on all of the Sale Shares being sold to Shareholders.
	3. Except with Investor Director Consent or as otherwise specified in this Agreement, no Transfer Notice once given or deemed to have been given under this Agreement may be withdrawn.
	4. A Transfer Notice constitutes the Company as the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
	5. As soon as practicable following the receipt (or deemed receipt) by the Company of a Transfer Notice, the Board shall offer the Sale Shares for sale to the Significant Shareholders[[20]](#footnote-21) in the manner set out in Clause 13.6. Each offer must be in writing and give details of the Transfer Notice, including the number and Transfer Price of the Sale Shares offered.
	6. **Offer and Application**
		1. The Board shall offer the Sale Shares to all Significant Shareholder (other than the Seller, if a Significant Shareholder) (the "**Continuing Shareholders**"), inviting them to apply in writing within the period from the date of the offer to the date **[10]** Business Days after the offer (inclusive) (the "**First Offer Period**") for the purchase of all or part of their *pro rata* share of the Sale Shares, based on the proportion (fractional entitlements being rounded to the nearest whole number) which their respective existing holding of Shares (on an as-converted basis) bears to the total number of Shares held by the Significant Shareholders (on an as-converted basis).
		2. If, at the end of the First Offer Period, some but not all of the Continuing Shareholders have applied for all or part of their *pro rata* share of the Sale Shares, the Board shall invite the Continuing Shareholders who have applied to buy their full *pro rata* share, to apply in writing within the period from the date of such invite to the date **[10]** Business Days after the invite (inclusive) (the "**Second** **Offer Period**") for the maximum number of the balance Sale Shares not applied for that they wish to buy.
		3. If all of the Sale Shares have been applied for at the end of the First Offer Period or the Second Offer Period (as the case may be), the Board shall within **[two]** Business Days after the end of the First Offer Period or the Second Offer Period (as the case may be) allocate the Sale Shares to the applicants in accordance with their applications, and in the case of any competition for the balance Sale Shares (where the number of balance Sale Shares applied for exceeds the number available), the Board shall allocate the balance Sale Shares to each relevant Continuing Shareholder who has applied for balance Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which its existing holding of the relevant class(es) of Shares (on an as-converted basis) bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who have applied for balance Sale Shares (on an as-converted basis), which procedure shall be repeated until all balance Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of balance Sale Shares which it has stated it is willing to buy.
		4. If no Sale Shares have been applied for at the end of the First Offer Period or if the total number of Sale Shares applied for at the end of the Second Offer Period is not all of the Sale Shares (as the case may be), the Board shall within **[two]** Business Days after the end of the First Offer Period or the Second Offer Period (as the case may be) notify the Seller and the Continuing Shareholders stating that the condition in Clause 13.2.5 has not been met and that the relevant Transfer Notice has lapsed with immediate effect. During the period of **[eight weeks]** following such notice, the Seller shall, subject to compliance with the other provisions of this Agreement, be at liberty to sell all (and not some only) of the Sale Shares to the third party transferee stated in the Transfer Notice and at any price (not being less than the Transfer Price) and on terms not more favourable to the third party transferee than the terms set out in the Transfer Notice, except that the Seller may provide representations, warranties, covenants and indemnities customary for such transfer to the third party transferee.
	7. **Completion of Transfer**
		1. Upon completion of the allocation under Clause 13.6.3, the Board shall within **[two]** Business Days of the completion of such allocation give written notice of the allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than **[five]** Business Days nor more than **[10]**Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.
		2. Upon service of an Allocation Notice, the Seller irrevocably undertakes to, against payment of the Transfer Price, take such actions and complete, execute and deliver all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants, by the delivery of duly executed transfer forms in accordance with the requirements specified in it together with the relative share certificates in respect of such Sale Shares to the Applicants.[[21]](#footnote-22)
		3. If the Seller fails to comply with the provisions of Clause 13.7.2, the Company's receipt of the Transfer Price shall be a good discharge to the Applicants. Upon receipt of the Transfer Price, the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until completion of the steps in Clause 13.7.2.
		4. Following completion of the steps in Clause 13.7.2 and 13.7.3, the Company shall (subject to the transfer being duly stamped) enter the Applicants in the electronic register of members as the holders of the Sale Shares purchased by them and shall release the Transfer Price to the Seller.
2. Tag-Along Right
	1. Save where the provisions of Clauses 12 and 15 apply, and subject to Clause 11.1, no transfer of any of the Shares held by any Non-Preference Shareholder may be made or validly registered unless the relevant Non-Preference Shareholder (and any Permitted Transferee of that Non-Preference Shareholder)(each, a "**Selling Shareholder**") shall have observed the following procedures of this Clause 14 **[, unless the Series A Majority has determined that this Clause 14 shall not apply to such transfer]**.
	2. After the Selling Shareholderhas gone through the right of first refusal process set out in Clause 13 (if applicable), the Selling Shareholdershall give to each Series A Shareholdernot less than **[20]** Business Days' notice in advance of the proposed sale (a "**Tag-Along Notice**"), which notice shall specify:
		1. the identity of the proposed purchaser (the "**Buyer**");
		2. the price per share which the Buyer is proposing to pay;
		3. the manner in which the consideration is to be paid;
		4. the number of Shares which the Selling Shareholder proposes to sell; and
		5. the address where the notice of the number of Shares which a Series A Shareholder wishes to sell should be sent.
	3. Each Series A Shareholder shall be entitled within **[seven]** Business Days after receipt of the Tag-Along Notice, to notify the Selling Shareholder that it wishes to sell a certain number of Shares held by it at the proposed sale price, by sending a notice which shall specify the number of Shares which such Series A Shareholder (a "**Tagging Shareholder**") wishes to sell. The maximum number of Shares which a Tagging Shareholder can sell under this procedure shall be:

## Formula:XY ×Z

where:

|  |  |
| --- | --- |
| X = | is the number of **[Shares][Series A Shares]** held by that Tagging Shareholder (excluding Treasury Shares) (on an as-converted basis); |
| Y = | is the total number of **[Shares][Series A Shares][held by the Tagging Shareholders]** (excluding Treasury Shares) (on an as-converted basis); and |
| Z = | is the number of Shares (excluding Treasury Shares) (on an as-converted basis) the Selling Shareholderproposes to sell. [[22]](#footnote-23) |

Any Series A Shareholder who does not send such a notice within such **[seven]** Business Day period shall be deemed to have specified that it does not wish to sell any Shares.

* 1. Following the expiry of **[seven]** Business Days from the date the Series A Shareholders receive the Tag-Along Notice, the Selling Shareholdershall be entitled to sell to the Buyer, on the terms notified to the Series A Shareholders:
		1. where the Buyer agrees to buy the Shares proposed to be sold by the Selling Shareholder and the Shares which the Tagging Shareholders have notified they wish to sell, a number of Shares not exceeding the number specified in the Tag-Along Notice; or
		2. where the Buyer does not agree to buy more than the number of Shares proposed to be sold by the Selling Shareholder, a number of Shares not exceeding the number specified in the Tag-Along Notice less any Shares which the Tagging Shareholders have indicated they wish to sell, in either case, provided that at the same time the Buyer (or another person) shall purchase from the Tagging Shareholders the number of Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Shareholderfrom the Buyer.
	2. Subject to Clause 14.8, the aggregate consideration payable to the Selling Shareholder and the Tagging Shareholders shall be the price per share which the Buyer is proposing to pay multiplied by the number of Shares to be sold to the Buyer, and shall be allocated based on the number of Shares sold to the Buyer by the Selling Shareholder and each Tagging Shareholder as calculated in Clause 14.4, provided that if a Tagging Shareholder wishes to sell Series A Shares, the price payable to the Tagging Shareholders shall be appropriately adjusted based on the conversion ratio of the Series A Shares into Ordinary Shares.
	3. No sale by the Selling Shareholdershall be made pursuant to any Tag-Along Notice more than **[60]** Business Days after service of that Tag-Along Notice.
	4. In respect of a transaction that is the subject of a Tag-Along Notice, a Tagging Shareholder shall only be obliged to undertake to transfer to the Buyer legal and beneficial title to its Shares free from any Encumbrance on receipt of the aggregate consideration payable by the Buyer to the Tagging Shareholder for such Shares, and shall not be obliged to give warranties or indemnities except a warranty as to authority and capacity to transfer legal and beneficial title to the Shares held by it to the Buyer free from any Encumbrance.
	5. In respect of a transaction or series of transactions that is subject to this Clause 14 where the Selling Shareholders along with Tagging Shareholders are proposing to sell to a third party Buyer and following which the third party Buyer shall hold more than 50 per cent. of the voting power of the Company (on a fully-diluted and as-converted basis), then the aggregate consideration payable to the Selling Shareholder and the Tagging Shareholders shall be allocated based on the liquidation preference provisions set out in paragraph 2 of Schedule 3, provided that:[[23]](#footnote-24)
		1. the liquidation preference provisions shall only apply to Shareholders that participate in the relevant transaction as a Selling Shareholder or Tagging Shareholder; and
		2. if a Tagging Shareholder wishes to sell Series A Shares, the price payable to the Tagging Shareholders shall be appropriately adjusted based on the conversion ratio of the Series A Shares into Ordinary Shares.
	6. Any transfer of Shares made in accordance with this Clause 14 shall not be subject to Clause 13.
1. Drag-Along Right
	1. In the event of an offer from a *bona fide* Proposed Purchaser for all the Shares, where **[Shareholders holding at least [75] per cent. of the Shares (excluding any Treasury Shares) (on an as-converted basis) (who shall include the Series A Majority)]** (the "**Majority Shareholders**") agree to such offer and wish to transfer all their interest in Shares (the "**Sellers' Shares**") to the Proposed Purchaser, the Majority Shareholders shall have the right (the "**Drag-Along Right**") to compel each other Shareholder (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 15.[[24]](#footnote-25)
	2. The Majority Shareholders may exercise the Drag-Along Right by giving a written notice to that effect (a "**Drag-Along Notice**") to the Company, which shall forthwith send a copy of the Drag-Along Notice 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:
		1. the Called Shareholders are required to transfer all their Shares (the "**Called** **Shares**") under this Clause;
		2. the person to whom they are to be transferred;
		3. the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Clause and allocated in accordance with the liquidation preference provisions set out in paragraph 2 of Schedule 3);
		4. the proposed date of transfer; and
		5. the form of any sale agreement or form of acceptance or any other document of similar effect that the Majority Shareholders and the Called Shareholders are required to sign in connection with such sale (the "**Sale** **Agreement**"),

(and, in the case of Clause 15.2.3 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.

* 1. Drag-Along Notices shall be irrevocable but shall lapse if for any reason there is not a sale of the Sellers' Shares by the Majority Shareholders to the Drag Purchaser within **[60]** Business Days after the date of service of the Drag-Along Notice. The Majority Shareholders shall be entitled to serve further Drag-Along Notices following the lapse of any particular Drag-Along Notice.
	2. The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Drag Purchaser were allocated to Called Shareholders and Majority Shareholders in accordance with the liquidation preference provisions set out in paragraph 2 of Schedule 3 (the "**Drag Consideration**").
	3. 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 legal and beneficial title to its Shares free from any Encumbrance (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) on receipt of the Drag Consideration when due, and shall not be obliged to give warranties or indemnities except a warranty as to authority and capacity to enter into the Drag Documents and its entitlement to transfer legal and beneficial title to the Shares held by it free from any Encumbrance.[[25]](#footnote-26)
	4. Each Called Shareholder irrevocably undertakes to, against payment, allotment or transfer of the relevant Drag Consideration to the Company, take such actions and complete, execute and deliver all documents necessary to give effect to the transfer of the relevant Called Shares to the Drag Purchaser and shall, within **[three]** Business Days of the Company sending a copy of 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**"), deliver to the Company:[[26]](#footnote-27)
		1. duly executed share transfer form(s) for its Shares in favour of the Drag Purchaser;
		2. the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board); and
		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**").

* 1. Subject to provision of all the Drag Documents in Clause 15.6, 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.
	2. 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 15 in respect of their Shares.
	3. If a Called Shareholder fails to deliver the Drag Documents for its Called Shares to the Company by the Drag Completion Date, the Company's receipt of the Drag Consideration shall be a good discharge to the defaulting Called Shareholder. Upon receipt of the Drag Consideration, the Company shall (if applicable) pay the Drag Consideration into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Drag Consideration on trust for the defaulting Called Shareholder until it has delivered to the Company its share certificate(s) in respect of the relevant Called Shares (or a duly executed indemnity for lost certificate in a form acceptable to the Board).
	4. Following completion of the steps in Clause 15, the Company shall (subject to the transfer being duly stamped) enter the Drag Purchaser in the electronic register of members as the holders of the Called Shares purchased by them.
	5. Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag-Along Notice has been duly served shall not be subject to Clauses 13 and 14.
	6. **[Asset Sale: [In the event that an Asset Sale is approved by the Board and the [Shareholders holding at least [75] per cent. of the Shares (excluding any Treasury Shares) (on an as-converted basis) (who shall include the Series A Majority)], such consenting Shareholders shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the liquidation preference provisions set out in paragraph 2 of Schedule 3.]**
1. Compulsory Transfers
	1. A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Board.
	2. If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Board may require the legal personal representatives of that deceased Shareholder either:
		1. to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
		2. to show to the satisfaction of the Board that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

## If either requirement in this Clause 16.2 is not fulfilled to the satisfaction of the Board, a Transfer Notice shall be deemed to have been given in respect of each such Share, save to the extent that the Board may otherwise determine.

* 1. **[Unless otherwise determined by the Board, if a Shareholder which is a company either suffers or resolves for the appointment of a liquidator, judicial manager, receiver or receiver and manager over it or any material part of its assets (other than as part of a *bona fide* restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and its Permitted Transferees.][[27]](#footnote-28)**
	2. **[If there is a change in control of any Shareholder (or its Permitted Transferee) which is a company (a "Change of Control Event"), such Shareholder (or its Permitted Transferee) shall be bound at any time, if and when required in writing by the Board to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its or their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the original transferring Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice. This Clause 16.4 shall not apply to a Shareholder that is an Investor.][[28]](#footnote-29)**
	3. In any case where the Board requires a Transfer Notice to be given in respect of any Shares pursuant to this Clause 16, if a Transfer Notice is not duly given within a period of 10 Business Days of a demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.
	4. If a Transfer Notice is required to be given by the Board or is deemed to have been given, in either case pursuant to this Clause 16, the Transfer Notice, unless otherwise specified in this Agreement, will be treated as having specified:
		1. the Transfer Price for the Sale Shares, which will be as agreed between the Board (with Investor Director Consent, but with any Director who is a Seller, appointed to the Board by the Seller or connected with the Seller not voting) and the Seller or, failing agreement within five Business Days after the date on which the Transfer Notice has been given or deemed to have been given, will be:
			1. **[where a Change of Control Event has occurred in respect of a company whose only assets are the Sale Shares, and the Board is able to determine the purchase price of the Sale Shares based on the purchase price offered in connection with the Change of Control Event on a look-through basis, such purchase price of the Sale Shares as determined by the Board; or**
			2. **in all other cases,]** the Fair Value of the Sale Shares; and
		2. the number of Shares that the Seller is required to transfer,

and no proposed third party transferee is required to be identified on the Transfer Notice.

* 1. **[In the event that a Good Leaver holds Shares or unexercised share options as of the date of the Good Leaver’s cessation of employment with the particular Group Company, the Good Leaver shall be entitled to retain 100% of their Shares, but shall forfeit those share options which are unexercised as of the date of the Good Leaver’s cessation of employment with the particular Group Company, unless otherwise agreed by the Board (provided that if such Good Leaver in question is a Director, then such Director shall abstain from voting/participating in such Board meetings).**
	2. **In the event that a Bad Leaver holds Shares, the Company shall, at its sole discretion, have the right to purchase 100% of the Shares of such Bad Leaver at a sum equal to [fifty percent (50%)] of the Fair Value of those Shares, and all unexercised share options belonging to a Bad Leaver shall be forfeited with immediate effect as of the date of the Bad Leaver’s cessation of employment with the particular Group Company.**
	3. **In the event that the Company chooses not to, or is unable to, exercise its right under Clause 16.8, the Shares shall be offered to the [Significant Shareholders][all Shareholders] in accordance with the procedures set out in Clause 13.][[29]](#footnote-30)**
1. Valuation of Shares[[30]](#footnote-31)
	1. If no Transfer Price can be agreed between the Seller and the Board in accordance with Clause 16.6 then on the date of failing to agree the Transfer Price, the Board shall appoint an expert valuer in accordance with Clause 17.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares.
	2. The Expert Valuer will be either:
		1. the auditors of the Company from time to time; or
		2. an independent firm of chartered accountants practising in Singapore, or a chartered valuer and appraiser certified by the Institute of Valuers and Appraisers of Singapore, which is agreed between the Board and the Seller (where the Fair Value is to be determined pursuant to Clause 16.6).
	3. The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
		1. valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
		2. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
		3. that the Sale Shares are capable of being transferred without restriction;
		4. valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares; and
		5. any other factors which the Expert Valuer reasonably believes should be taken into account.
	4. If any difficulty arises in applying any of these assumptions or bases, then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion deem fit.
	5. The Expert Valuer shall be requested to determine the Fair Value within **[20]** Business Days of their appointment and to notify the Board of their determination.
	6. The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the Parties (in the absence of fraud or manifest error).
	7. The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
	8. The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller (where the Fair Value is to be determined pursuant to Clause 16.6).
	9. The fees of the Expert Valuer shall be paid by the Company unless where the Fair Value is to be determined pursuant to Clause 16.6, the Fair Value certified by the Expert Valuer is less than the price (if any) offered by the Board to the Seller for the Sale Shares before the Expert Valuer was instructed, in which case the Seller shall bear the cost.
2. Restrictive Covenants[[31]](#footnote-32)
	1. **Restrictive Covenants**
		1. Each Founder hereby severally undertakes and covenants with the Investors and the Company that he shall not, in any Relevant Capacity, directly or indirectly, during the Relevant Period, carry on, be engaged in or be economically interested in any business in any of the Relevant Territories, which is of the same or similar type to the Business or which is in competition with the Business.
		2. Each Founder hereby severally undertakes and covenants with the Investors and the Company that he shall not, in any Relevant Capacity, directly or indirectly, during the Relevant Period:
			1. solicit with a view to the employment or engagement of, or employ or engage, any Relevant Personnel, whether as employee or consultant; or
			2. otherwise induce or persuade, or seek to induce or persuade, any Relevant Personnel to leave or terminate his/its employment, service or engagement with any Group Company.
	2. **Reasonableness**

## Each restriction set out in this Clause 18 is separate and distinct and is to be construed separately from the other restrictions. Each Founder hereby acknowledges and agrees that he considers such restrictions to be reasonable both individually and in the aggregate and that the duration, extent and application of each such restriction are no greater than are reasonable and necessary for the protection of the interest of the other Shareholders and the Group or the goodwill of the businesses of the Group Companies and that the consideration paid by the Investors for the Shares subscribed by each Investor pursuant to the Subscription Agreement takes into account and adequately compensates him for any restriction or restraint imposed thereby. 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 reduced in application, each Founder and the other Parties agree that such restriction shall apply with such deletion or modification as may be necessary to make it valid and enforceable.

* 1. **Exclusions**

### Nothing contained in this Clause precludes or restricts a Founder from:[[32]](#footnote-33)

* + 1. holding or having an interest in the shares or other securities of a company traded on a recognised securities exchange so long as such shares or other securities is not more than **[three]** per cent. of the issued share capital of the company or the relevant class of securities; or
		2. holding or having an interest in any securities of any company, or carrying out or doing any acts, activities or undertakings, if Series A Majority Consent has been obtained. For the avoidance of doubt, such Series A Majority Consent may be subject to conditions or, upon election by the Series A Majority, withdrawn at any time.
	1. **Definitions**

## For the purpose of this Clause 18:

* + 1. "**Relevant Capacity**" means for his own account or for that of any person, firm or company (other than any Group Company) and whether through the medium of any company controlled by him or as principal, partner, director, employee, consultant or agent;
		2. "**Relevant Period**" means, in relation to each Founder, **[the period during which such Founder [(and/or his Permitted Transferee)] is and remains a Shareholder]** **[and for a period of [●] after such Founder [(and/or his Permitted Transferee)] ceases to be a Shareholder][[33]](#footnote-34)**;
		3. "**Relevant Personnel**" means, in relation to each Founder, any person who is or was during the **[one year period prior to the end of the Relevant Period]**, employed at a managerial or senior level, or engaged as a consultant, by any Group Company, and with whom such Founder shall have had dealings during such **[one year period prior to the end of the Relevant Period]**; and
		4. "**Relevant Territories**" means **[●]**.
1. Limitation on Liability

Save as otherwise expressly provided, the liability of the Founders shall be **[on a joint and several basis / on a several and not joint basis]**.[[34]](#footnote-35)

1. Prevalence of Agreement

## In the event of any inconsistency or conflict between the provisions of this Agreement and the provisions of the Constitution, the provisions of this Agreement shall as between the Shareholders prevail and the Shareholders shall, so far as they are able, cause such necessary alterations to be made to the Constitution as are required to remove such conflict.

1. Termination
	1. Subject to the other provisions of this Agreement, this Agreement shall continue in full force and effect without limit in point of time, provided that it shall automatically terminate on the earlier of:
		1. the date on which the Parties agree in writing to terminate this Agreement;
		2. the date of completion of a Qualified IPO; and
		3. with respect to any particular Shareholder who is party to this Agreement, the date that Shareholder ceases to hold any Shares.
	2. The termination of this Agreement from any cause shall not release any Party from any rights, obligations and liabilities (including any rights, obligations and liabilities in respect of antecedent breaches of this Agreement) which at the time of termination has already accrued, or which thereafter may accrue (including any liquidation preference rights attaching to any Series A Shares, as applicable). The termination of this Agreement, howsoever caused, and the ceasing by any Party to hold any Shares shall not affect any of its provisions which are expressed to continue in force after termination, which shall continue to have full force and effect, or any provision of this Agreement which is expressly or by implication provided to come into effect on or to continue in effect after such termination or cessation.
2. Variation

## **[No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the Parties.]**

## **[OR]**

## **[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 and [the holders of at least [•] per cent. of the Ordinary Shares (excluding Treasury Shares)) and the holders of at least [•] per cent. of the preference shares in the capital of the Company],[[35]](#footnote-36) in which event such change shall be binding against all of the Parties 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.]**

1. Confidentiality
	1. **Confidentiality Obligations**: All communications between the Company and the Shareholders or any of them and all information and other material supplied to or received by any of them from any one or more of the others which is either marked "confidential" or is by its nature intended to be exclusively for the knowledge of the recipient alone, or to be used by the recipient only for the benefit of the Group, any information concerning the business transactions or financial arrangements of the Group or of the Shareholders or any of them, or of any person with whom any of them is in a confidential relationship with regard to the matter in question coming to the knowledge of the recipient shall be kept confidential by the recipient and shall be used by the recipient solely and exclusively for the benefit of the Group unless:
		1. the disclosure or use is required by law, any governmental or regulatory body or any recognised securities exchange on which the shares of any Shareholder are listed;
		2. the disclosure or use is required for the purpose of any judicial proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement;
		3. the disclosure is made to the bankers, professional advisers, consultants, related corporations or affiliates of any Party (collectively, the "**Representatives**") for the purpose of this Agreement or for a purpose connected or related to the operation of this Agreement;
		4. the disclosure is made by an Investor to any affiliate, partner, member, investor or shareholder in compliance with its investor reporting obligations or in line with its internal compliance polices;
		5. the disclosure is made to any lender to a Group Company and/or to any shareholder of the Company;
		6. the information is or becomes publicly available (other than by breach of this Agreement);
		7. the Party whose information is to be disclosed or used has given prior written approval to the disclosure or use; or
		8. the information is independently developed by the recipient or is lawfully in its possession prior to the disclosure to it of the information,

### provided that prior to disclosure or use of any information pursuant to Clause 23.1.1, the Party concerned shall, to the extent permitted by law, promptly notify the other Party or Parties (as the case may be) of such requirement; and (ii) in relation to a disclosure in Clauses 23.1(c), 23.1(d) and 23.1(e), the recipient is subject to an obligation to keep the disclosure confidential on the same basis as is required by the disclosing Party.

* 1. **Permitted Disclosure to Potential Purchasers**: Clause 23.1 shall not prohibit disclosure of any information by a Shareholder for the purpose of effecting a sale of Shares by such Shareholder, if such disclosure is made to a third party which had entered into *bona fide* discussions with such Shareholder to purchase such Shares (the "**Potential Purchaser**"), or to the professional advisers or financiers of the Potential Purchaser, and if the Potential Purchaser and such professional advisers or financiers (as the case may be) agree to keep such information confidential on terms which are reasonable for the protection of the interests of the Group by the execution of confidentiality agreements in favour of the Company.
	2. **Obligations to Continue**: The obligations contained in this Clause 23 shall endure, even after the termination of this Agreement, without limit in point of time except and until any confidential information enters the public domain as set out above.
1. Announcements
	1. None of the Parties shall issue any press release or make any public announcement or disclosure regarding the existence or subject matter of this Agreement, or any other agreement referred to in, or executed in connection with, this Agreement, without the prior agreement of the other Parties, save as required:
		1. by law, any governmental or regulatory body or any recognised securities exchange on which the shares of any Shareholder are listed; or
		2. for the purpose of any judicial proceedings arising out of this Agreement, or any other agreement referred to in, or executed in connection with, this Agreement,

## provided that prior to the issue or making of such press release, announcement or disclosure, the Party concerned shall, to the extent permitted by law, promptly notify the other Parties of such requirement.

1. Assignment
	1. Subject to Clause 25.2, all rights and obligations hereunder, are personal to the Parties and a Party may not assign or transfer all or part of its rights or obligations, under this Agreement without the prior written consent of the other Parties.
	2. 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 from the Investor in accordance with the Constitution and this Agreement and has executed a Deed of Ratification and Accession.
2. No Partnership

## The relationship between the Shareholders shall not constitute a partnership.

1. Indulgence, Waiver, etc.

## No failure on the part of any Party to exercise and no delay on the part of any Party in exercising any right hereunder will operate as a release or waiver thereof, nor will any single or partial exercise of any right under this Agreement preclude any other or further exercise of it.

1. Costs

## **[Without prejudice to any cost arrangements in the Subscription Agreement,]** the Parties to this Agreement shall bear their own costs and disbursements incurred in the negotiation leading up to and in the preparation of this Agreement and of matters incidental to this Agreement.

1. Whole Agreement

## This Agreement contains the whole agreement between the Parties relating to the subject matter of this Agreement at the date of this Agreement to the exclusion of any terms implied by law which may be excluded by contract and supersedes any previous written or oral agreement between the Parties in relation to the matters dealt with in this Agreement.[[36]](#footnote-37)

1. Notices
	1. Any notice, communication and/or information to be given in connection with this Agreement (each, a "**Notice**"):
		1. must be in writing in English;
		2. must be addressed to the Party to whom it is to be given ("**Addressee**") at the address or e-mail address set out below or to any other address or e-mail address as notified by the Addressee for the purposes of this Clause:

(i) if to the Company:

## Address: **[●]**

## Attention: **[●]**

## Title: **[●]**

## E-mail address: **[●]**

(ii) if to any Investor, at the address or e-mail address set out against its name in Part 1 of Schedule 1;

(iii) if to any Founder, at the address or e-mail address set out against his name in Part 2 of Schedule 1; or

(iv) if to any Existing Shareholders, at the address or e-mail address set out against his name in Part 3 of Schedule 1;

* + 1. must be either:

(i) delivered by hand or sent by pre-paid registered post (by registered airmail in the case of international service) to the Addressee; or

(ii) sent by e-mail to the Addressee's e-mail address; and

* + 1. is deemed to be received by the Addressee in accordance with Clause 30.2.
	1. A Notice sent according to Clause 30.1 shall be deemed to have been received:
		1. if delivered by hand, at the time of delivery;
		2. if sent by pre-paid registered post, on the **[second]** Business Day after the date of posting (or if sent by registered airmail, on the **[sixth]** Business Day after the date of posting); or
		3. if sent by e-mail, when the sender receives an automated message confirming delivery,

except that if a Notice is received on a day which is not a Business Day or is after 5.30 p.m. (Addressee's time) on a Business Day, it shall be deemed to have been received at 9:30 a.m. (Addressee's time) on the following Business Day.

1. General
	1. **Rights of Third Parties**: A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001.
	2. **Remedies**: No remedy conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy which is otherwise available at law, in equity, by statute or otherwise, and each and every other remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law, in equity, by statute or otherwise. The election of any one or more of such remedies by any of the Parties shall not constitute a waiver by such Party of the right to pursue any other available remedies.
	3. **Severance**:If any provision of this Agreement or part thereof is rendered void, illegal or unenforceable by any legislation to which it is subject, it shall be rendered void, illegal or unenforceable to that extent and it shall in no way affect or prejudice the enforceability of the remainder of such provision or the other provisions of this Agreement.
	4. **Counterparts**:This Agreement may be executed by the Parties hereto in separate counterparts, each and all of which when so executed and delivered to the Parties by facsimile, or by electronic mail in "portable document format" (.pdf) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall be deemed an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a number of copies hereof each signed by less than all, but together signed by all of the Parties hereto. Any Party may enter into this Agreement by signing any such counterpart transmitted electronically, or by facsimile, or other electronic signatures (such as DocuSign or AdobeSign), by any of the Parties to any other Party and each receiving Party may rely on the receipt of such document so executed and delivered as if the original had been received. The Parties agree that signatures executed by way of electronic means (such as DocuSign or AdobeSign) shall be recognised and construed as secure electronic signatures to the fullest extent under applicable law, and that the Parties accordingly shall deem such signatures to be original signatures for all purposes.
	5. **Governing Law**: This Agreement shall be governed by, and construed in accordance with, the laws of Singapore.
	6. **Dispute Resolution**
		1. In the event of any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (the "**Dispute**").

## **[OPTION 1: COURT]**

## **[the Parties irrevocably agree that the courts of Singapore are to have exclusive jurisdiction to settle any such Dispute.][[37]](#footnote-38)**

## **[OPTION 2: ARBITRATION]**

**[the Dispute shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre[[38]](#footnote-39) in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Clause. This arbitration agreement shall be governed by Singapore law. The seat of the arbitration shall be Singapore. The Tribunal shall consist of one arbitrator. The language of the arbitration shall be English. The award shall be final and binding on the Parties. Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the relevant Party or its assets.]**

The Parties hereto also agree that prior to the commencement of **[arbitration]/[litigation]** proceedings, a Party hereto (the "**Requesting Party**") may provide (but is not obliged to provide) written notice to the other Party hereto (the "**Receiving Party**") requesting to refer the Dispute to mediation in Singapore at the Singapore Mediation Centre ("**SMC**")(the "**Mediation Proposal**") in accordance with SMC’s Mediation Procedure for the time being in force.[[39]](#footnote-40) If the Receiving Party agrees to the Mediation Proposal, it shall provide its written confirmation to the Requesting Party (the "**Confirmation**") within 14 days of receipt of the Mediation Proposal. The Mediation Proposal and the Confirmation shall together constitute the Parties’ agreement to mediate at SMC(the "**Agreement to Mediate**"). For the avoidance of doubt, if no Confirmation is provided to the Requesting Party within 14 days of the Receiving Party’s receipt of the Mediation Proposal, the Receiving Party shall be deemed to have rejected the Mediation Proposal. Mediation shall be commenced by the submission by either of the Parties of the Request for Mediation to SMC. Unless otherwise agreed by the Parties hereto, the mediation shall be conducted by one mediator appointed by SMC, the mediation will take place in Singapore in the English language, and the Parties hereto shall be bound by any settlement agreement reached. If neither Party submits a Request for Mediation to SMCwithin 14 days of the Receiving Party’s receipt of the Confirmation or if the Parties hereto are unable to resolve the Dispute through mediation within **[30 days]** of the submission of the Request for Mediation to SMC, the Parties’ Agreement to Mediate will lapse unless otherwise agreed.

* 1. **[Process Agent: [•] irrevocably appoints [•] (the "Process Agent") with its address at [•] as its agent to receive, for it and on its behalf, service of process in Singapore in any legal action or proceedings arising out of or in connection with this Agreement. Items served at this address must be marked for the personal attention of [•]. Such service shall be deemed completed on delivery to the Process Agent (whether or not it is forwarded to and received by [•]). If for any reason the Process Agent ceases to be able to act as such or no longer has an address in Singapore, [•] irrevocably agrees to appoint a substitute Process Agent acceptable to [•], and to deliver to [•] a copy of the new Process Agent's written acceptance of that appointment, within thirty days.][[40]](#footnote-41)**
1. Interpretation

## In this Agreement, unless the context otherwise requires:

* 1. **Definitions**

"**Act**" means the Companies Act 1967;

"**Additional Shares**" shall have the meaning ascribed to it in paragraph 4.6(c)(i) of Schedule 3;

"**Addressee**" shall have the meaning ascribed to it in Clause 30.1.2;

"**Agreement to Mediate**" shall have the meaning ascribed to it in Clause 31.6.1;

"**Allocation Notice**" shall have the meaning ascribed to it in Clause 13.7.1;

"**Annual** **Budget**" shall have the meaning ascribed to it in Clause 4.3.3;

"**Anti-Corruption Laws**" means [all laws relating to anti-bribery and anti-corruption which are from time to time applicable to the Company or any Group Company (or any part of their business), including but not limited to: (a) the United States Foreign Corrupt Practices Act of 1977, as amended; (b) the U.K. Bribery Act 2010; (c) the Singapore Prevention of Corruption Act 1960; (d) the anti-bribery legislation promulgated by the European Union and implemented by its member states; (e) legislation adopted in furtherance of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; and (f) any other similar legislation, in each case as applicable to any Group Company from time to time];

"**Applicant**" shall have the meaning ascribed to it in Clause 13.7.1;

"**Asset Sale**" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of Intellectual Property not entered into in the ordinary course of business);

"**Auditors**" shall have the meaning ascribed to it in paragraph 4.6(c)(iii)(B) of Schedule 3;

**["Bad Leaver" means any Founder who ceases to be a full-time employee of any Group Company and is not a Good Leaver, including as a result of:**

**(i) the Founder tendering their resignation with the Group Company or terminating their employment for convenience in accordance with the terms of the Founder's employment agreement with the Group Company;**

**(ii) their employment being reasonably terminated by the Board or a Group Company as a result of a breach by such leaver of any of their Employment Agreements or any other obligations to a Group Company which, if capable of remedy, has not been remedied within [20] Business Days after the Founder has been notified by the relevant Group Company to do so;**

**(iii) such Founder having committed any act of material dishonesty, fraud, gross misconduct, gross negligence, or serious or persistent breach or non-observance of the material terms of his/her employment agreement based on the Board’s discretion; and/or**

**(iv) such Founder being charged with any criminal offence for which such Founder has been sentenced to a term of imprisonment for a period of [6] months or more;][[41]](#footnote-42)**

"**Board**" means the board of directors for the time being of the Company;

"**Business**" means **[●]**, as more fully described in the Business Plan;

"**Business Day**" means a day on which banks are open for business in Singapore (excluding Saturdays, Sundays or public holidays);

"**Business Plan**" means the business plan for the Group Companies;[[42]](#footnote-43)

"**Buyer**" shall have the meaning ascribed to it in Clause 14.2.1;

"**Called Shareholders**" shall have the meaning ascribed to it in Clause 15.1;

"**Called Shares**" shall have the meaning ascribed to it in Clause 15.2.1;

**["Change of Control Event" shall have the meaning ascribed to it in Clause 16.4;]**

"**Completion**" means the completion of the subscription by the Investors for, and the allotment and issue by the Company of, the Series A Shares in accordance with the terms and conditions of the Subscription Agreement;

"**Confirmation**" shall have the meaning ascribed to it in Clause 31.6.1;

"**Constitution**" means the constitution for the time being of the Company;

"**Contingency Proceeds**" shall have the meaning ascribed to it in paragraph 2.4 of Schedule 3;

"**Continuing Shareholder**" shall have the meaning ascribed to it in Clause 13.6.1;

"**Conversion Date**" shall have the meaning ascribed to it in paragraph 4.4(a) of Schedule 3;

"**Conversion Notice**" shall have the meaning ascribed to it in paragraph 4.4(b) of Schedule 3;

"**Conversion Price**" shall have the meaning ascribed to it in paragraph 4.3 of Schedule 3;

"**Deed of Ratification and Accession**" means a deed of ratification and accession substantially in the form set out in Schedule 6;

"**Director**" means a director for the time being of the Company;

"**Dispute**" shall have the meaning ascribed to it in Clause 31.6.1;

"**Drag Completion Date**" shall have the meaning ascribed to it in Clause 15.6;

"**Drag Consideration**" shall have the meaning ascribed to it in Clause 15.4;

"**Drag Documents**" shall have the meaning ascribed to it in Clause 15.6;

"**Drag Purchaser**" shall have the meaning ascribed to it in Clause 15.1;

"**Drag-Along Notice**" shall have the meaning ascribed to it in Clause 15.2;

"**Drag-Along Right**" shall have the meaning ascribed to it in Clause 15.1;

"**Effective Date**" shall have the meaning ascribed to it in Clause 1;

"**Employment Agreements**" means the employment agreements entered into between the Company and each Founder;

"**Encumbrance**" means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"**Expert Valuer**" shall have the meaning ascribed to it in Clause 17.1;

"**Fair Value**" shall have the meaning ascribed to it in Clause 17.3;

"**First** **Offer Period**" shall have the meaning ascribed to it in Clause 13.6.1;

"**Founder Director**" shall have the meaning ascribed to it in Clause 2.3.1(i);

**["Good Leaver" means any Founder who ceases to be a full-time employee of any Group Company as a result of:**

**(i) a majority decision of the Board (which shall include the affirmative vote of each Investor Directors, as the case may be) to designate the Founder as a "Good Leaver" and terminate the employment of the Founder (for convenience or without cause) in accordance with the terms of such Founder's employment agreement, provided further that if such Founder in question is a Director, then such Founder Director shall abstain from voting/participating in such Board meetings;**

**(b) the death or serious disability of the Founder][[43]](#footnote-44)**

"**Group**" means the Group Companies, taken as a whole;

"**Group Companies**" means the Company and each and any of the Subsidiaries from time to time and "**Group Company**" means any one of them;

"**Immediate** **Family Member**" means, in relation to a person who is a natural person, such person's spouse, child or stepchild;

"**Initial Subscription Price Per Share**" means **[•]**;

"**Intellectual Property**" means all intellectual property rights, whether registered or not, including pending applications for registration of such rights and the right to apply for registration or extension of such rights including patents, petty patents, utility models, design patents, designs, copyright (including moral rights and neighbouring rights), database rights, rights in integrated circuits and other sui generis rights, trade marks, trading names, company names, service marks, logos, the get‑up of products and packaging, geographical indications and appellations and other signs used in trade, internet domain names, social media user names, rights in know‑how and any rights of the same or similar effect or nature as any of the foregoing anywhere in the world;

"**Investment Holding Company**"means a company in which a Shareholder holds the entire issued share capital and over which that Shareholder exercises control;

"**Investor Director**" shall have the meaning ascribed to it in Clause 2.3.2(i);

"**Investor Director Consent**" means the prior written consent of **[all OR at least [*insert number*] of][[44]](#footnote-45)** the Investor Directors;

"**Liquidity Event**" shall mean:[[45]](#footnote-46)

(i) a liquidation, dissolution or winding up of the Company **[and the Subsidiary]**;

(ii) a consolidation, merger, scheme of arrangement or amalgamation of the Company **[and the Subsidiary]** with or into any other corporation or corporations or non-corporate business entity or any other corporate reorganisation, in which the shareholders of the Company **[and the Subsidiary]** immediately prior to such consolidation, merger or reorganisation, own less than a majority of the surviving or acquiring entity's voting power immediately after such consolidation, merger or reorganisation; or

(iii) a sale, lease or disposition of all or substantially all of the assets of the Company **[and the Subsidiary]** (including the sale, transfer, exclusive license or other disposition in a single transaction or a series of related transactions of all or substantially all of the assets or Intellectual Property of any Group Company (other than to a wholly-owned subsidiary of that Group Company);

"**Majority Shareholders**" shall have the meaning ascribed to it in Clause 15.1;

"**Mediation Proposal**" shall have the meaning ascribed to it in Clause 31.6.1;

"**New Ordinary Shares**" shall have the meaning ascribed to it in paragraph 4.4(d) of Schedule 3;

"**New Securities**" means any shares in the capital of the Company or other securities convertible into, or carrying the right to subscribe for, shares in the capital of the Company, excluding for the avoidance of doubt any Treasury Shares held by the Company;

"**Non-Contingency Proceeds**" shall have the meaning ascribed to it in paragraph 2.4 of Schedule 3;

"**Non-Preference Shareholder**" means **[any Shareholder excluding a Series A Shareholder][[46]](#footnote-47)**;

"**Notice**" shall have the meaning ascribed to it in Clause 30.1;

"**Ordinary Shares**" means ordinary shares in the capital of the Company;

"**Parties**" means the Company and the Shareholders, and "**Party**" means any of them;

"**Permitted Transfer**" means a transfer of Shares in accordance with Clause 12;

"**Permitted Transferees**" shall have the meaning ascribed to it in Clause 12.1;

"**Potential Purchaser**" shall have the meaning ascribed to it in Clause 23.3;

"**Proceeds**" shall have the meaning ascribed to it in paragraph 2.1 of Schedule 3;

**["Process Agent" shall have the meaning ascribed to it in Clause 31.7;]**

"**Proposed Purchaser**" means a proposed purchaser who at the relevant time has made an offer on arm's length terms for Shares;

"**Qualifying IPO**" means the closing of a firmly underwritten public offering of shares of the Company **[at a per share public offering price (prior to underwriting commission and expense) with a pre-money valuation of not less than S$[●]]**, for the purpose of and in connection with the admission of the Company to the Official List of the Singapore Exchange Securities Trading Limited or any other recognised securities exchange agreed by the Series A Majority and the listing of the shares of the Company on such securities exchange, resulting in net proceeds to the Company of not less than S$**[●]** being raised;

"**Receiving Party**" shall have the meaning ascribed to it in Clause 31.6.1;

"**Representatives**" shall have the meaning ascribed to it in Clause 23.1.3;

"**Requesting Party**" shall have the meaning ascribed to it in Clause 31.6.1;

"**Sale**" means a Share Sale or an Asset Sale;

"**Sale Agreement**" shall have the meaning ascribed to it in Clause 15.2.5;

"**Sale Shares**" shall have the meaning ascribed to it in Clause 13.2.1;

"**Second** **Offer Period**" the meaning given in Clause 13.6.2;

"**Seller**" shall have the meaning ascribed to it in Clause 13.2;

"**Sellers' Shares**" shall have the meaning ascribed to it in Clause 15.1;

"**Selling Shareholder**" shall have the meaning ascribed to it in Clause 14.1;

"**Series A Majority**" means **[holder(s) of [more than 50] [at least [75]] per cent. of outstanding Series A Shares from time to time][[47]](#footnote-48)**;

"**Series A Majority Consent**" means the prior written consent of the Series A Majority;

"**Series A Preference Amount**" shall have the meaning ascribed to it in paragraph 2.1 of Schedule 3;

"**Series A Shareholder**" means any person holding Series A Shares who is a party to this Agreement or who shall have executed a Deed of Ratification and Accession pursuant to Clause 10 and is registered as a member in the Company's electronic register of members;

"**Series A Shares**" means series A preference shares in the capital of the Company from time to time having the rights set out in the Constitution, including the terms and conditions set out in Schedule 3;

"**Share Option Plan**" means the share option plan **[duly established by the Company where [*describe terms of the plan*]]** **/** **[to be established by the Company pursuant to Clause 5]**;

"**Share Sale**" means the sale of (or the grant of a right to acquire or to dispose of) any of the Shares (in one transaction or as a series of transactions) which will result in the purchaser of those Shares (or grantee of that right) and its affiliates or persons acting in concert with it together acquiring an interest in Shares giving to the holder(s) control of the Company, except where following completion of the sale the Shareholders and the proportion of Shares held by each of them are the same as the Shareholders and their shareholdings in the Company immediately prior to the sale;

"**Shareholder**" means any shareholder of the Company from time to time who is a party to this Agreement (but excludes the Company holding Shares as Treasury Shares from time to time);

"**Shares**" means issued shares in the capital of the Company, including the Ordinary Shares and the Series A Shares;

"**Significant Shareholder**" means a Shareholder holding more than **[•]** per cent. of the Shares (excluding Treasury Shares) (on an as-converted basis);[[48]](#footnote-49)

"**Singapore Dollar(s)**" and the sign "**S$**" mean the lawful currency of Singapore;

"**SMC**" shall have the meaning ascribed to it in Clause 31.6.1;

"**Subscribers**" shall have the meaning ascribed to it in Clause 8.1;

"**Subscription Agreement**" means the share subscription agreement dated **[the even date]** made among the Company, the Investors and the Founders in relation to the subscription by the Investors, and the issue by the Company, of **[●]** Series A Shares;[[49]](#footnote-50)

"**Subscription Period**" shall have the meaning ascribed to it in Clause 8.1.1;

"**Subsidiary**" means any subsidiary for the time being of the Company;

"**Tag-Along Notice**" shall have the meaning ascribed to it in Clause 14.2;

"**Tagging Shareholder**" shall have the meaning ascribed to it in Clause 14.3;

"**Transfer Notice**" shall have the meaning ascribed to it in Clause 13.2;

"**Transfer Price**" shall have the meaning ascribed to it in Clause 13.2.3; and

"**Treasury Shares**" means shares in the capital of the Company held by the Company as treasury shares.

* 1. **Affiliate**: The word "**affiliate**" means, with respect to any specified person, any other person who, directly or indirectly, controls, is controlled by, or is under common control with such person, including without limitation any general partner, managing member, officer, director or trustee of such person, or any venture capital fund or investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment adviser of, or shares the same management company or investment adviser with, such person.
	2. **Control**: The word "**control**" (including its correlative meanings, "**controlled by**", "**controls**" and "**under common control with**") shall mean, with respect to a corporation, the right to exercise, directly or indirectly, more than 50 per cent. of the voting rights attributable to the shares of the controlled corporation and, with respect to any person other than a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person.
	3. **Clauses, Schedules, etc**.: References to this Agreement include any Recitals and Schedules to it and references to Clauses and Schedules are to the clauses of, and schedules to, this Agreement. References to paragraphs and Parts are to paragraphs and parts of the Schedules. The Schedules form part of this Agreement and have the same force and effect as if expressly set out in the body of this Agreement.
	4. **References to Subsidiaries and Related Corporations**: The words "**subsidiary**" and "**related corporation**" shall have the same meanings in this Agreement as their respective definitions in the Act.
	5. **Headings**: The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.
	6. **Including**: Unless a contrary indication appears, a reference in this Agreement to "**including**" shall not be construed restrictively but shall mean "**including without prejudice to the generality of the foregoing**" and "**including, but without limitation**".

**31.8.** **Interpretation Act:** The Interpretation Act 1965, shall apply to this Agreement in the same way as it applies to an enactment.

* 1. **Subsidiary Legislation**: References to a statute or statutory provision include any subsidiary or subordinate legislation made from time to time under that statute or statutory provision.
	2. **Modification etc. of Statutes**: References to a statute or statutory provision include that statute or statutory provision as from time to time modified, re-enacted or consolidated (whether before or after the date hereof), so far as such modification, re-enactment or consolidation applies or is capable of applying to any transaction entered into in accordance with this Agreement and (so far as liability thereunder may exist or can arise) shall also include any past statute or statutory provision (as from time to time modified, re-enacted or consolidated) which such statute or provision has directly or indirectly replaced.
	3. **Others**
		1. References to "**this Agreement**" includes all amendments, additions, and variations thereto agreed between **[the Parties]/[the relevant Parties in accordance with Clause 22]**.
		2. References to "**day**", "**month**" or "**year**" is a reference to a day, month or year respectively in the Gregorian calendar.
		3. References to an Investor Director shall include any alternate appointed to act in his place from time to time.
		4. References to a person include any company, limited liability partnership, partnership, business trust or unincorporated association (whether or not having separate legal personality).
		5. References to those of the Parties that are individuals include their respective legal personal representatives.
		6. References to "**writing**" or "**written**" includes any non-transitory form of visible reproduction of words.
		7. Reference to "**issued Shares**" of any class or Shares of any class "**in issue**" shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise.
		8. Reference to the "**holders**" of a class of Shares shall exclude the Company holding Shares of that class as Treasury Shares from time to time, unless stated otherwise.
		9. References to one gender include all genders and references to the singular include the plural and vice versa.
		10. References to a person connected with or to another person shall be interpreted within the meaning of "**connected person**" as defined in Section 2 of the Securities and Futures Act 2001.
		11. The expression "**electronic register of members**" refers to the electronic register of members of the Company kept and maintained by the Registrar pursuant to Section 196A of the Act.
		12. References to "**fully-diluted and as converted**" means on the basis of the total number of outstanding Ordinary Shares assuming all convertible securities (including preference shares) are converted or exchanged and all rights, options or warrants to subscribe for or acquire shares are exercised and including all Ordinary Shares reserved or authorised for future issuance or grant under any equity incentive, share option or similar plan of the Company.
		13. Any thing or obligation to be done under this Agreement which is required or falls to be done on a stipulated day, shall be done on the next succeeding Business Day, if the day upon which that thing or obligation is required or falls to be done falls on a day which is not a Business Day.
1. Particulars of the Investors, the Founders [and the Existing Shareholders]

Part 1

The Investors

| **Name** | **Address and Notice Details** |
| --- | --- |
| **[●]** | Address: **[●]**E-mail address: **[●]** |
| **[●]** | Address: **[●]**E-mail address: **[●]** |

Part 2

The Founders

| **Name** | **Address and Notice Details** |
| --- | --- |
| **[●]** | Address: **[●]**E-mail address: **[●]** |
| **[●]** | Address: **[●]**E-mail address: **[●]** |

**[Part 3**

**The Existing Shareholders]**

| **Name** | **Address and Notice Details** |
| --- | --- |
| **[●]** | Address: **[●]**E-mail address: **[●]** |
| **[●]** | Address: **[●]**E-mail address: **[●]** |

1. Fully-diluted Capitalisation immediately following Completion

[*insert capitalisation table*]

1. Series A Share Terms[[50]](#footnote-51)

**Terms and Conditions of the Series A Shares**

The Series A Shares shall have the following rights and be subject to the following conditions.

1. **Dividends**
	1. **[Each holder of the Series A Shares shall be entitled to receive dividends and distributions payable on the Ordinary Shares as and when declared by the Board on an as-converted basis.]** / **[Each holder of the Series A Shares shall be entitled to receive a [cumulative] / [non-cumulative][[51]](#footnote-52) fixed preferential dividend payable in cash equal to [•]% of the Initial Subscription Price Per Share (as appropriately adjusted for any subdivisions, consolidations, share dividends or similar recapitalisations) per annum for each Series A Share held by such holder.]**
	2. The right of the holders of the Series A Shares to receive such dividends shall rank **[on a *pari passu* basis with] / [senior and prior to and in preference to]** the dividend rights of the holders of Ordinary Shares and any other class of shares in the Company.
	3. No dividends or distributions (in whatever form) shall be declared or paid to the holders of the Ordinary Shares unless the holders of the Series A Shares **[first] /** **[simultaneously]** receive in full a *pro rata* share of such dividends on an as-converted basis.
2. **Liquidation Preference**
	1. Upon the occurrence of any Liquidity Event:
		1. firstly, out of the assets and funds of the Company available for distribution (the "**Proceeds**"), the Company shall pay to the holders of Series A Shares, on a *pari passu* basis, prior to and in preference of any payments to the holders of Ordinary Shares, an amount per Series A Share held by each such holder (the "**Series A Preference Amount**") equal to the aggregate of**: [(i)] [100]%** of the Initial Subscription Price Per Share (as appropriately adjusted for any subdivisions, consolidations, share dividends or similar recapitalisations) in respect of each Series A Share; and (ii) any accrued and unpaid dividends in respect of each Series A Share; and
		2. secondly, if there are any Proceeds legally available for distribution after the payments referred to in paragraph 2.1(a) above, all holders of **[Series A Shares and]** Ordinary Shares shall be entitled to participate *pro rata* in the residual assets and funds of the Company **[on an as-converted basis][[52]](#footnote-53).**

provided that, if the available Proceeds are insufficient to make the payments in paragraph 2.1(a) in full, the Proceeds shall be shared among the holders of Series A Shares *pro rata* on an as-converted basis.

* 1. In respect of a Liquidity Event arising pursuant to paragraphs (ii) and (iii) of such definition:
		1. the consideration (whether in the form of cash, securities of the buyer of the assets or Shares or securities of the surviving entity) from such Liquidity Event shall be distributed to the holders of the Series A Shares and Ordinary Shares in accordance with paragraph 2.1 above; and
		2. the Company shall not effect any such transaction unless paragraph 2.2(a) above has been complied with.
	2. The Company shall give each holder of the Series A Shares written notice of any impending Liquidity Event describing the material terms and conditions of such Liquidity Event as soon as practicable and in no event later than 10 Business Days prior to the occurrence of such Liquidity Event. The Company shall thereafter give such holders prompt notice of any material changes. The Liquidity Event shall not take place sooner than 10 Business Days after the Company has given the first notice or sooner than 10 Business Days after the Company has given notice of any material changes provided for herein. In the event that the requirements of this paragraph 2.3 are not complied with in respect of a Liquidity Event arising pursuant to paragraphs (ii) or (iii) of such definition, the Company shall cause the closing of such Liquidity Event to be postponed until such time as the requirements of this paragraph 2.3 have been complied with.
	3. The Shareholders' entitlement to the Proceeds shall not be abrogated or diminished if any part of the Proceeds is subject to escrow, holdbacks, earn-outs or other forms of contingency payments upon the occurrence of a Liquidity Event (other than an event referred to in paragraph (i) of such definition). In such an event, if any portion of the Proceeds is payable only upon satisfaction of contingencies (the "**Contingency Proceeds**"), the definitive agreements in relation to such Liquidity Event shall provide that (a) the portion of such consideration that is not Contingency Proceeds (the "**Non-Contingency Proceeds**") shall be allocated among the relevant Shareholders in accordance with the distribution for the Contingency Proceeds and paragraph 2.1(a) as if the Non-Contingency Proceeds were the only proceeds legally available for distribution in connection with the Liquidity Event; and (b) any Contingency Proceeds which becomes payable to the relevant Shareholders upon the satisfaction of such contingencies shall be distributed among the relevant Shareholders in accordance with paragraph 2.1(a) after taking into account the payment of the Non-Contingency Proceeds as part of the same transaction.
1. **Votes**
	1. The holders of Series A Shares are entitled to receive notice of, and to attend and speak at, general meetings of the Company, and to receive a copy of any written resolution circulated to eligible members on the circulation date in accordance with the Act.
	2. The holders of Series A Shares may vote at general meetings or formally agree to written resolutions of the Company in the same manner as holders of Ordinary Shares on an as-converted basis and not as a separate class, unless otherwise specified in the Constitution or required by law.
	3. Each Series A Share is entitled to such number of votes as would be represented by the number of Ordinary Shares into which it is convertible (as of the record date for determining the shareholders entitled to vote) on all matters on which the Ordinary Shares are authorised to vote and shall vote together with the Ordinary Shares as a single class, except as provided by law or by the provisions of the Constitution.
2. **Conversion**
	1. Optional Conversion

At any time and from time to time, any holder of Series A Shares shall have the right, at its option, to convert all or part of its Series A Shares into Ordinary Shares.

* 1. Automatic Conversion

All the Series A Shares shall be converted into Ordinary Shares:

(a) immediately prior to the consummation of a Qualifying IPO; or

(b) either with the prior written consent of a Series A Majority or with the sanction of a special resolution passed at a separate class meeting of the holders of the Series A Shares.

* 1. Conversion Rate

(a) Each Series A Share subject to conversion shall be converted into such number of fully paid Ordinary Shares as is determined by dividing the Initial Subscription Price Per Share (as appropriately adjusted for any subdivisions, consolidations, share dividends or similar recapitalisations) by the then applicable conversion price per Series A Share ("**Conversion Price**") and, for the avoidance of doubt, except as required under applicable laws, no additional consideration shall be payable upon such conversion.

(b)The initial Conversion Price shall be equal to the Initial Subscription Price Per Share and shall thereafter be subject to adjustment from time to time in accordance with this paragraph 4.

* 1. Conversion Procedure

(a)In this paragraph 4, a "**Conversion Date**" is (i) in the event that paragraph 4.1 is applicable, the date on which the holder of Series A Shares requires its Series A Shares to be converted as specified in the Conversion Notice (as defined below) (or if the holder of Series A Shares requires its Series A Shares to be converted on a day which is not a Business Day, the next Business Day); and (ii) in the event that paragraph 4.2 is applicable, the day on which the Qualifying IPO is consummated.

(b)In the event that paragraph 4.1 applies, a holder of Series A Shares may convert all or part of its Series A Shares into Ordinary Shares by delivering a notice of conversion ("**Conversion Notice**") to the Company specifying the number of Series A Shares to be converted and the Conversion Date being a date at least five Business Days after the date of the Conversion Notice, together with the relevant share certificate for the relevant Series A Shares (or agreement for indemnification satisfactory to the Board in the case of a lost certificate). A Conversion Notice once given may not be withdrawn without the Company's written consent. The Company shall on the Conversion Date effect the conversion of the relevant Series A Shares for the number of Ordinary Shares to which the holder is entitled upon conversion and shall enter the holder in the electronic register of members as the holder of such number of Ordinary Shares, and as soon as practicable thereafter deliver to the holder a share certificate for such number of Ordinary Shares, pay in cash such amount in lieu of any fraction of an Ordinary Share otherwise issuable upon such conversion (as provided in paragraph 4.5) and pay all declared but unpaid dividends on Series A Shares converted.

(c)The conversion of Series A Shares pursuant to paragraph 4.2 shall be automatic and the holders of Series A Shares shall be deemed to have served a Conversion Notice on the Company.

(d) The Ordinary Shares to which a holder of Series A Shares is entitled upon conversion (the "**New Ordinary Shares**"):

(i) shall be credited as fully paid, free from all Encumbrances;

(ii) shall rank *pari passu* in all respects and form one class with the Ordinary Shares then in issue; and

(iii) entitle the holder of such New Ordinary Shares to be paid a *pro rata* share of all dividends and other distributions declared, made or paid on Ordinary Shares after the Conversion Date.

* 1. No Fractional Shares

Upon each conversion, no fractions of New Ordinary Shares shall result from such conversion. If more than one certificate representing Series A Shares are surrendered for conversion at one time by the same holder, for the purposes of determining the number of New Ordinary Shares that will be converted from such number of Series A Shares and whether any (and if so, what) fraction of a New Ordinary Share arises, the number of New Ordinary Shares arising from such conversion (including, for this purpose, fractions) shall first be aggregated. In lieu of any fraction of a New Ordinary Share arising after such aggregation, the Company shall pay to the relevant holder of Series A Shares, in cash, an amount equal to such fraction of the Conversion Price per issued New Ordinary Share.

* 1. Adjustments to Conversion Price

(a) Consolidation or Subdivision of Ordinary Shares: If any of the following events occur:

(i) there is a consolidation or sub-division of Ordinary Shares; or

(ii)the share capital of the Company is reclassified or altered in any other way whatsoever not otherwise dealt with in this paragraph 4.6,

the then applicable Conversion Price shall be adjusted so that the holders of Series A Shares shall be entitled to receive on conversion such number of New Ordinary Shares as it would have been entitled to receive had the Series A Shares been converted immediately prior to such event.

(b) Scrip Dividends: If the Company makes a dividend or other distribution to the holders of Ordinary Shares payable in additional Ordinary Shares, the Conversion Price shall be adjusted by multiplying the then applicable Conversion Price by the following fraction:

**A/(A+B)**

where:

**A**  is the total number of Ordinary Shares outstanding immediately before the issue of additional Ordinary Shares; and

**B** is the number of additional Ordinary Shares issuable in payment of such dividend or distribution.

(c) Issue of Shares or Share Equivalents below the Conversion Price[[53]](#footnote-54)

(i) If the Company issues further shares or options or other securities convertible into or exchangeable or exercisable for shares (or securities) in the capital of the Company but excluding the shares or options or other securities set out in paragraph 4.6(c)(ii) (the "**Additional Shares**") for a consideration or deemed or effective consideration or a price which equates to a price per Ordinary Share less than the then applicable Conversion Price, in such circumstances the then applicable Conversion Price shall be adjusted as follows:

**CP2 = CP1 \* [ (A + B) / (A + C)]**

where:

**CP2**  is the revised Conversion Price after adjustment;

**CP1**  is the applicable Conversion Price immediately prior to the adjustment;

**A**  is the total number of Ordinary Shares outstanding immediately before the new issue (which shall be deemed to include all Ordinary Shares issuable upon the exercise of, conversion of or exchange for all outstanding securities convertible into or exchangeable or exercisable for Ordinary Shares);

**B**  is the aggregate amount of consideration to be paid to the Company in respect of the Additional Shares divided by CP1; and

**C**  is the number of Additional Shares issued (on a fully-diluted and as converted basis).

(ii) The adjustment under this paragraph 4.6(c) shall not be applicable to the issue of:

(A) any Ordinary Shares (or options or other securities convertible into or exchangeable or exercisable for Ordinary Shares) to employees, officers or directors of the Company pursuant to a Share Option Plan;

(B) any Ordinary Shares upon the conversion of the Series A Shares;

(C) Ordinary Shares or convertible securities convertible into or exchangeable for Ordinary Shares upon the exercise of options, or the issue of Ordinary Shares upon the conversion or exchange of convertible securities;

(D) any shares on or pursuant to a Qualifying IPO;

(E) any Ordinary Shares pursuant to a dividend or distribution on the outstanding Ordinary Shares as provided for in paragraph 4.6(b); or

(F) either with the consent in writing of the Series A Majority or with the sanction of a special resolution passed at a separate class meeting of the holders of the Series A Shares.

(iii) For the purpose of this paragraph 4.6(c), the consideration received by the Company for the issue of Additional Shares shall be computed as follows:

(A) insofar as it consists of cash, the aggregate amount of the cash received by the Company; and

(B) insofar as it consists of property other than cash, the fair market value thereof at the time of such issue, as determined in good faith by the Board, provided that if the majority of the holders of Series A Shares disagree with such valuation, the fair market value shall be determined by the Company's auditors for the time being (the "**Auditors**") (acting as experts and not as arbitrators)[[54]](#footnote-55) whose decision shall be final and binding on all concerned save in the case of manifest error.

* 1. Certificate as to Adjustments

Upon the occurrence of any of the foregoing events which would require any adjustment to the Conversion Price, the Company shall within a reasonable period (not exceeding 10 Business Days) following such event deliver to each holder of Series A Shares a certificate, signed by the President or Chief Executive Officer of the Company, setting out in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the adjusted Conversion Price following such adjustment. If any dispute arises concerning an adjustment of the Conversion Price, the Board shall refer the matter to the Auditors (acting as experts and not as arbitrators) whose decision shall be final and binding on all concerned save in the case of manifest error.

* 1. Merger, Consolidation or Reorganisation

If at any time and from time to time there is any merger, consolidation or amalgamation of the Company with or into another entity (other than a merger, consolidation or amalgamation which constitutes a Liquidity Event) then in each such case, as a part of such merger, consolidation, amalgamation, each holder of Series A Shares shall have the right to convert the Series A Shares to receive the same (or as equivalent as practicable) class and number of shares or other securities or property to which it would have been entitled to receive on such merger, consolidation, amalgamation had it converted its Series A Shares into Ordinary Shares immediately prior to the effective date of such merger, consolidation or amalgamation.

1. **Variation of Rights**

The class rights attaching to the Series A Shares may be varied or abrogated either with the consent in writing of the Series A Majority or with the sanction of a special resolution passed at a separate class meeting of the holders of the Series A Shares. Without prejudice to the foregoing, the creation, allotment or issue of further Series A Shares otherwise than in accordance with any agreement of the **[Series A Majority]** shall constitute a variation of the rights attaching to the Series A Shares.

1. Reserved Matters

Part 1

Shareholder Reserved Matters

**[*Note: this is an example schedule only*.]**

1. Any initial public offering of any Group Company or any public offer of shares in any Group Company, save for a Qualifying IPO.

2. (i) Any merger, acquisition, consolidation, reorganisation or spin-off of any Group Company.

(ii) Any sale or disposal, directly or indirectly, of the whole or a substantial part of the undertaking or assets of any Group Company (where such sale or disposal may include, without limitation, any grant by any Group Company of an exclusive licence of Intellectual Property to a third party).

3. Any change in the maximum and minimum number of directors of any Group Company.

4. Any transaction by any Group Company with any of its related corporations, any shareholder or director of any Group Company, or any company or business in which the shareholders or directors of any Group Company or any one of them has a financial interest (except for any transaction with a wholly-owned company).

5. Any amendment to the constitution of any Group Company.

6. Any declaration or payment of any dividends or other distribution of profits of the Company (whether in cash or *in specie*).

7. Any reduction, consolidation, subdivision or reclassification or other alteration of any Group Company's capital structure.

8. The variation of any rights attaching to any shares in the capital of any Group Company or making of any call upon monies unpaid in respect of any issued shares.

9. The liquidation, dissolution or winding up of any Group Company, and any other Liquidity Event to which any Group Company is a party.

10. Save for the issuance of shares or the grant of options in connection with or pursuant to any duly approved and established share option plan(s) of any Group Company:

(i) any increase in the share capital of any Group Company;

(ii) the issue of any new class of shares in the capital of any Group Company; or

(iii) any issue or grant of any option over the unissued share capital of any Group Company or any issue of any security convertible into any equity securities of any Group Company.

11. Any sale, issuance, sponsorship, creation or distribution of any digital tokens, cryptocurrency or other blockchain-based assets ("**Tokens**"), including through a pre-sale, initial coin offering, token distribution event or crowdfunding, or through the issuance of any instrument convertible into or exchangeable for Tokens.

12. **[•]**.

**Part 2**

**Board Reserved Matters**

**[*Note: this is an example schedule only.*]**

1. The appointment, terms of appointment (and amendment to such terms) or dismissal, of any Chief Executive Officer, Managing Director, Executive Director, General Manager, Chief Financial Officer, or other similar senior executive or officer of any Group Company.

2. Any purchase, acquisition, sale, transfer or disposal of any **[material]** undertaking, any **[material]** assets or any shares or other security interests by any Group Company, other than in the ordinary course of business.

3. The creation of any mortgage, charge or other encumbrance over any Group Company's assets.

4. Any change in the nature and/or scope of the business for the time being of any Group Company **[not being ancillary or incidental to, or an extension of the scope of operation of, the business of any Group Company]**.

5. The approval of, or any amendment to, the Business Plan.

6. The approval of, or any amendment to, the Annual Budget.

7. The establishment, terms (and amendment to such terms) or termination of any employee share option scheme or phantom employee share option scheme of any Group Company**[, other than the establishment of the Share Option Plan]**.

8. Any exercise of any Group Company's powers to provide guarantees or indemnities in respect of the obligations of a third party.

9**.** Any exercise of any Group Company's borrowing powers, other than borrowings approved in the Annual Budget**[, which exceeds S$[●] in any 12-month period]**.

10**.** The incurring by any Group Company of any capital expenditure, other than capital expenditure approved in the Annual Budget**[, which exceeds S$[●] in any 12-month period]**.

11**.** **[•]**.

1. Undertakings

**[*Note: this is an example schedule only.***

***Undertakings will need to be tailored for each transaction***

***and the nature of the Group's business*]**

1. All new business opportunities relevant to the Company shall only be taken up through the Company or a wholly-owned subsidiary.

2. The Company shall **[procure and]** maintain in full force and effect **[[key person insurance on the life of [●] (for the exclusive benefit of the Company)] [and] [directors' and officers' liability insurance]] [on terms disclosed to the Investors prior to the date of this Agreement / on terms reasonably satisfactory to the Series A Majority]** and shall not take or effect any steps so as to render such policies void or voidable or otherwise unenforceable.

3. The Company shall take out and maintain insurances satisfactory to the Series A Majority and shall on request supply the **[Significant Shareholders]** **[Investors**] with a list of such insurances.

4. The Company shall take all such reasonable action as may be required, including any action reasonably required of it by the Series A Majority, to protect its rights in any Intellectual Property owned by any Group Company or exclusively used in any Group Company's business and/or other property and assets.

5. New employees engaged by any Group Company shall not bring with them and employ Intellectual Property belonging to their former employers or other third parties.

6. The Company and each Founder shall comply with the terms of this Agreement, the Constitution and the Employment Agreements.

7. The Company shall, and shall procure that all other Group Companies shall, comply with all applicable laws and regulations **[including without limitation all applicable export regulations]** and maintain all required licences and consents and shall immediately notify the **[Significant Shareholders] [Investors]** if any Group Company loses any such licence or consent.

8. The Founders and (to the extent relevant) the Company shall procure the passing of all resolutions at board meetings and at shareholders' meetings of each Group Company and take all steps necessary to ensure performance of the terms of this Agreement.

9. Neither the Company nor the Founders shall engage in any activity, practice or conduct in connection with the Business which would breach or contravene any Anti-Corruption Laws.

10. **[The Company] [Each Group Company]** maintains in relation to the Business and regularly keeps under review on an ongoing basis adequate written anti corruption procedures and internal accounting controls which are designed to ensure compliance by **[it] [the relevant Group Company]** and its respective directors, officers and employees with all Anti-Corruption Laws.

11. The Founders shall devote all of their time, energy and efforts exclusively to the activities of the Group and the promotion of the Business.

1. Deed of Ratification and Accession

**THIS DEED** is made on [ ]

**BY** [ ]

**INTRODUCTION**

(A) By a [transfer]/[subscription for shares] dated [of even date herewith] [[  ] (the "**Transferor**") transferred to [ ] (the "**Transferee**")]/[[ ] (the "**Subscriber**") subscribed for] Series A/Ordinary Shares in the capital of [ ] (the "**Company**") (together the ["**Transferred Shares**"**/**"**Subscribed Shares**"]).

(B) This deed is entered into in compliance with the terms of Clause [ ] 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 "**Shareholders' Agreement**").

**AGREED TERMS**

1. Words and expressions used in this deed shall have the same meaning as is given to them in the Shareholders' Agreement unless the context otherwise expressly requires.

2. The [Transferee]/[Subscriber] hereby agrees to assume the benefit of the rights [of the Transferor]/[a Shareholder] under the Shareholders' Agreement in respect of the [Transferred]/[Subscribed] Shares and hereby agrees to assume and assumes the burden of [the Transferor's]/[a Shareholder's] obligations under the Shareholders' 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 Shareholders' Agreement in all respects as if the [Transferee]/[Subscriber] were a party to the Shareholders' Agreement as one of the [Investors and/or Founders] 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 Shareholders' Agreement[;]

[in both cases], to be performed or on or after [the date hereof].

4. This deed is made for the benefit of:

(a) the parties to the Shareholders' Agreement; and

(b) any other person or persons who may after the date of the Shareholders' Agreement (and whether or not prior to or after the date hereof) assume any rights or obligations under the Shareholders' Agreement and be permitted to do so by the terms thereof,

and this deed shall be irrevocable without the consent of the Company acting on their behalf, in each case only for so long as they or their Permitted Transferees hold any Shares in the capital of the Company.

5. [For the avoidance of doubt, nothing in this deed shall release the Transferor from any liability in respect of any obligations under the Shareholders' Agreement due to be performed prior to [the date of this deed].]

6. None of the Investors or the Founders:

(a) makes any representation or warranty or assumes any responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of any of the Shareholders' Agreement (or any agreement entered into pursuant thereto);

(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 Shareholders' Agreement or any other document or for the performance and observance by the Company or any other party to the Shareholders' 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.

7. This deed shall be governed by and construed in accordance with the laws of Singapore.

This deed of ratification and accession has been executed and delivered as a deed on the date shown on the first page.

**Executed and delivered as a deed[[55]](#footnote-56)** by **[*insert name of director*]**

on behalf of **[*insert name of* [*Transferee/Subscriber*]]**

………………………..

Director

Name:

in the presence of:

...............................

Witness

Name:

Address:

**In witness whereof** this Agreement has been entered into on the date stated at the beginning.[[56]](#footnote-57)

**The Company**

Signed by **[*insert name of director*]**

on behalf of **[*insert name of the Company*]**

………………………..

Director

Name:

**[Investor 1]**

Signed by **[*insert name of director*]**

on behalf of **[*insert name of Investor 1*]**

………………………..

Director

Name:

**[Investor 2]**

Signed by **[*insert name of director*]**

on behalf of **[*insert name of Investor 2*]**

………………………..

Director

Name:

**[Founder 1]**

Signed by **[*insert name of Founder 1*]**:

………………………..

**[*insert name of Founder 1*]**

**[Founder 2]**

Signed by **[*insert name of Founder 2*]**:

………………………..

**[*insert name of Founder 2*]**

**[Existing Shareholder 1]**

Signed by **[*insert name of director*]**

on behalf of **[*insert name of Existing Shareholder 1*]**

………………………..

Director

Name:

**[Existing Shareholder 2]**

Signed by **[*insert name of director*]**

on behalf of **[*insert name of Existing Shareholder 2*]**

………………………..

Director

Name:

1. Drafting Note: If there are any existing minority shareholders in the Company other than the Founders, the Investors and/or the Founders may require such minority shareholders to be a party to this Agreement as well. [↑](#footnote-ref-2)
2. Drafting Note: The Founder and the Investors should ensure that the persons to be nominated as Directors of the Company meet the requisite requirements to be directors of a Singapore Company under Singapore law, including having at least one director that is ordinarily resident in Singapore. A director must be: (i) a natural person; (ii) ordinarily resident in Singapore; (iii) of sound mind; and (iv) at least 18 years old. A person will be disqualified from being a director if (i) they are undischarged bankrupt; (ii) convicted in Singapore or elsewhere of any offence involving fraud or dishonesty punishable with imprisonment for 3 months or more; (iii) an unfit director of another company; (iv) a director of a company which was wound up on grounds of national security; (v) a person convicted in Singapore of any offence in connection with the formation or management of a corporation; (vi) a person who has been adjudged guilty of 3 or more offences in relation to the requirements of the Companies Act (Singapore) within a period of 5 years. [↑](#footnote-ref-3)
3. Drafting Note: To consider if the Founders' right to appoint a Director should be tied to the ongoing employment with and/or a minimum shareholding in the Company. [↑](#footnote-ref-4)
4. Drafting Note: Where required, tax advice to be sought on composition of Board and location of meetings as this would have implications on the tax residency of the Company. [↑](#footnote-ref-5)
5. Drafting Note: This may be a discussion point for the Company and the Investors. [↑](#footnote-ref-6)
6. Drafting Note: It is common to require that the quorum consists of the Series A Majority. [↑](#footnote-ref-7)
7. Drafting Note: Parties to consider whether information or access right should be provided or granted to Significant Investors only, as opposed to all Investors. [↑](#footnote-ref-8)
8. Drafting Note: This Clause assumes that the Company will be adopting an employee share option plan within a specified period from Completion. It may not be appropriate for this Clause to be included if, for example, the Company already has an employee share option plan in place prior to Completion, in which case the Investors should consider the terms of that plan to ensure that it is acceptable. It should also be noted that an employee share option plan is optional, and that this Clause can be deleted altogether if the Company does not require it. [↑](#footnote-ref-9)
9. Drafting Note: One of the main objectives of the Investors will be to eventually exit their investment in the Company. This Clause is an acknowledgement by the Parties of such an objective. [↑](#footnote-ref-10)
10. Drafting Note: Although this Clause is not uncommon in the Singapore market, it is normally subject to heavy negotiation at the time of the exit by the Investors, especially in the context of a non-IPO exit. The effect of this Clause will need to be examined and discussed between the Parties at the relevant time of exit. [↑](#footnote-ref-11)
11. Drafting Note: It is common for the pre-emption right to be extended to a smaller sub-set of Shareholders that have a meaningful/significant stake. [↑](#footnote-ref-12)
12. Drafting Note: Parties to consider whether excess New Securities should be allocated to Subscribers or whether the Company/Board should be given flexibility to allocate the excess New Securities to new investors. [↑](#footnote-ref-13)
13. Drafting Note: It is possible to include "pay or play" provisions whereby an Investor who fails to subscribe for New Securities is diluted, and has his Series A shares converted into Ordinary Shares. This is, however, fairly uncommon and could risk being deemed a "penalty" under Singapore law which could result in such a clause being unenforceable. [↑](#footnote-ref-14)
14. Drafting Note: Parties may wish to consider including a further proviso that no person approving the waiver can subscribe for the New Securities. [↑](#footnote-ref-15)
15. Drafting Note: It is common for Founders to be locked up at the Series A funding stage. The length of time for the lock-up will be negotiated on a case by case basis and will depend on the deal/context. It is sometimes possible for Founders to negotiate a small liquidity basket in later funding rounds, but this also tends to be negotiated on a case by case basis depending on the deal/context. [↑](#footnote-ref-16)
16. Drafting Note: If a Founder were to hold Shares via an investment holding company, the Parties should consider restricting e.g. transfers of shares in, or changes in the share capital of, such investment holding company, so as to avoid any indirect transfer of interests in the Company. [↑](#footnote-ref-17)
17. Drafting Note: Parties to consider the particular deal/context (and the details of how the Founder and family members intend to hold their investment in the Company). The outright ability to transfer to Immediate Family Members is favourable for a Founder. An alternative approach would be to allow transfers to family trusts. [↑](#footnote-ref-18)
18. Drafting Note: It is not uncommon to subject Founders to stricter controls on transfers, for example, only being permitted to transfer with the approval of the Board or the Investor Directors. Parties to also consider whether cap/thresholds on the ability of the Founders to transfer their Shares to Permitted Transferees are required. [↑](#footnote-ref-19)
19. Drafting Note: The ROFR has been limited to Non-Preference Shareholder as Investors will typically require free transferability of their shares. However, consider whether some restrictions should be imposed on Investors, e.g. prohibition from transferring to specified parties/competitors. The parties could consider limiting the free transferability of shares if there is a large number of preference shareholders – however this will depend on the deal/context. The concept of Significant Shareholders could be used in this particular circumstance. [↑](#footnote-ref-20)
20. Drafting Note: The position on which Shareholders are offered a ROFR over the Sale Shares is often highly negotiated. This draft envisages that the ROFR will be offered to a few select investors ("**Significant Shareholders**"), to avoid unduly complicating subsequent financing rounds. Other alternatives include (a) offering the Sale Shares to all Series A Investors; (b) first offering the Sale Shares to shareholders holding the same class of shares before offering any remaining Sale Shares to other shareholders, or (c) first offering the Sale Shares to the company before offering any remaining Sale Shares to the Investors. Please note that a Singapore company must comply with certain procedures and restrictions in effecting a share buyback and legal advice should be consulted if a company wishes to explore a share buyback. [↑](#footnote-ref-21)
21. Drafting Note: This Agreement has been drafted on the basis that the Seller will give an irrevocable undertaking to do all necessary things and execute all documents to give effect to the transfer. An alternative approach will be to provide that the Seller will grant the Company power of attorney to finalise and do all such things to give effect to the transfer. [↑](#footnote-ref-22)
22. Drafting Note: This is a sample formula, which may be amended as appropriate. Parties to also consider if the Series A Shareholders should be entitled to sell all of their Shares to the Buyer if the proposed sale by the Selling Shareholder results in a change of control of the Company. [↑](#footnote-ref-23)
23. Drafting Note: This Agreement does not include change of control as a liquidation event, as it is not always appropriate to have partial sales or a change of control event triggering the liquidation preferences (especially in relation to non-participating preference shareholders). There is logic to applying the liquidation preference provisions to change of control transactions where the parties have the option to participate (such as the Tag) and also where the shareholders are appropriately dragged. [↑](#footnote-ref-24)
24. Drafting Note: Parties to consider whether they want the drag-along right to be subject to additional conditions so as to ensure, e.g. that the drag-along right is only exercisable in certain scenarios contemplated by the Parties (e.g. at a certain exit valuation). [↑](#footnote-ref-25)
25. Drafting Note: Some investors may require additional carve-outs to be included in this clause to exclude specific undertakings or obligations (e.g. non-competition obligations) that they may be requested or required to agree to in the Sale Agreement. [↑](#footnote-ref-26)
26. Drafting note: This Agreement has been drafted on the basis that the Called Shareholders will give an irrevocable undertaking to do all necessary things and execute all documents to give effect to the transfer of the Called Shares to the Drag Purchaser. An alternative approach will be to provide that the Called Shareholders will grant the Company power of attorney to finalise and do all such things to give effect to such transfer. [↑](#footnote-ref-27)
27. Drafting Note: Parties to consider whether to delete this provision. [↑](#footnote-ref-28)
28. Drafting Note: Parties to consider whether to delete this provision. There are several possible formulations: (i) remain silent and not include a change of control clause; (ii) blanket restriction on indirect transfers that would result in a change of control of the shareholder and a carve-out for investors to allow their free transferability, subject to any lock-up agreed; (iii) full lock-up for founders, but permit changes of control and transferability for investors. [↑](#footnote-ref-29)
29. Drafting Note: Good Leaver / Bad Leaver conditions are normally heavily negotiated between the parties. The drafting of the provisions above should be tailored to the deal/context and work in connection with any ESOP / Offer Letter / Founders Agreement to be used in connection with the overall documentation suite. [↑](#footnote-ref-30)
30. Drafting Note: Parties to consider whether they prefer an alternative valuation method. [↑](#footnote-ref-31)
31. Drafting Note: This is a sample clause setting out a restrictive covenant. Legal advice should always be sought in relation to such clauses as generally, restrictive covenants are *prima facie* not enforceable unless certain conditions are satisfied, e.g. that the restrictive covenant protects a legitimate interest of the relevant party and it is reasonable. [↑](#footnote-ref-32)
32. Drafting Note: Bespoke exclusions to the non-compete may be negotiated between the Parties, depending on whether the Founders are currently involved in any other businesses undertakings which should be taken into account. [↑](#footnote-ref-33)
33. Drafting Note: Parties may consider including separate restrictive covenants which are connected to the Founder's continued employment with a Group Company in the Founder's employment agreement. [↑](#footnote-ref-34)
34. Drafting Note: Please refer to the Lexicon for an explanation on the different liability bases. If the circumstances require the Founders to give undertakings and provide confirmations as a group, then liability should be joint. [↑](#footnote-ref-35)
35. Drafting Note: The second option attempts to cater for more flexibility in the obtaining of agreement to certain variations. If this option is chosen, Parties will need to take into account factors such as the respective shareholding proportion of the Shareholders, in agreeing on the threshold (or any alternative manner of calculating the relevant threshold). [↑](#footnote-ref-36)
36. Drafting Note: Clause 29 should take into account all other documents which shall be entered into at the same time as the Transaction Documents (for example, the environmental, social and/or governance (ESG) letter agreement). [↑](#footnote-ref-37)
37. Drafting Note: Parties may also wish to consider the Singapore International Commercial Court as a dispute forum - its model clauses / website may be accessed at: <https://www.sicc.gov.sg/>. [↑](#footnote-ref-38)
38. Drafting Note: The Singapore International Arbitration Centre's website may be accessed at: <http://www.siac.org.sg/>. [↑](#footnote-ref-39)
39. Drafting Note: The Singapore Mediation Centre's website may be accessed at: <http://www.mediation.com.sg/>. The Singapore International Mediation Centre is another designated mediation service provider in Singapore, and its website may be accessed at: <http://simc.com.sg/>. [↑](#footnote-ref-40)
40. Drafting Note: To be included where the chosen dispute resolution mechanism is court proceedings and a Party is not domiciled in Singapore. [↑](#footnote-ref-41)
41. Drafting Note: The terms of Good Leaver and Bad Leaver are normally heavily negotiated between the parties. [↑](#footnote-ref-42)
42. Drafting Note: Parties may prefer to append the Business Plan to this Agreement. [↑](#footnote-ref-43)
43. Drafting Note: The terms of Good Leaver and Bad Leaver and reverse vesting conditions are normally heavily negotiated between the parties. The reverse vesting conditions could also apply to other "key employees" other than Founders. [↑](#footnote-ref-44)
44. Drafting Note: Alternatively, the required threshold could be the Investor Director(s) appointed by one or more specific Investor(s). [↑](#footnote-ref-45)
45. Drafting Note: Parties to consider the structure of the Group and whether it is appropriate to refer to Company only or whether the Subsidiary is the operating company and therefore reference to such Subsidiary is required. [↑](#footnote-ref-46)
46. Drafting Note: Consider whether the scope of this definition should specifically include any shareholders, e.g. the Founders. [↑](#footnote-ref-47)
47. Drafting note: The threshold for Series A Majority will be subject to negotiations and will vary depending on the deal/context. Parties to could consider adopting a more flexible approach (in view of future investors / investment rounds) by referring to Preference Shareholders instead of Series A Shareholders. This would require changes to the formulation of the document as drafted, but would future-proof the investment structure. [↑](#footnote-ref-48)
48. Drafting Note: This definition may be adjusted depending on the circumstances and the proposed cap table. The definition is meant to define a smaller sub-set of investors that have a meaningful stake (1-3% threshold is fairly common in other jurisdictions). [↑](#footnote-ref-49)
49. Drafting Note: This definition may be amended (and references to it adjusted) in the event that there are multiple Subscription Agreements. [↑](#footnote-ref-50)
50. Drafting Note: The preference share rights, terms and conditions would need to be set out in the Constitution of the Company in order to have legal effect. [↑](#footnote-ref-51)
51. Drafting Note: Please refer to the Lexicon for an explanation on the differences between cumulative and non-cumulative dividends. [↑](#footnote-ref-52)
52. Drafting Note: Please refer to the Lexicon for an explanation on the differences between participating and non-participating liquidation preferences. [↑](#footnote-ref-53)
53. Drafting Note: This agreement includes broad-based weighted average ratchet mechanism. There are two other main types of ratchets that may be considered: narrow-based weighted average ratchet and full ratchet, both of which are more advantageous to the investors. Please refer to the Lexicon for an explanation on the different formulations. Parties to discuss their preference for which mechanism is appropriate for the transaction. [↑](#footnote-ref-54)
54. Drafting Note: An alternative would be for Parties to mutually agree on and engage a nationally recognised appraisal firm to determine the fair market value, similar to the concepts in Clause 17. [↑](#footnote-ref-55)
55. Drafting Note: The manner of execution by the Transferee/Subscriber to be modified as necessary to ensure that the required formalities for its execution of this deed of ratification and accession are complied with. In particular, under Singapore law, this deed of ratification may be executed using an electronic signature. [↑](#footnote-ref-56)
56. Drafting Note: Each Party should obtain legal advice, as appropriate, to ensure that its manner of execution of this Agreement is in compliance with law and its constitutional documents (if any) and is binding on it. Please note that this Agreement should not be signed electronically unless it is amended to include any powers of attorney which would necessitate this Agreement being signed as a deed (and powers of attorney are not permitted to be signed electronically under the Singapore Electronic Transactions Act 2010). [↑](#footnote-ref-57)