

# Investment Terms and Conditions

## 1. Definitions

### 1.1. Defined words and phrases

In these Investment Terms, unless a contrary intention is expressly stated, the following definitions shall apply:

<b>2006 Act</b>	means the Companies Act 2006;
<b>Accounts</b>	means the annual statutory accounts (if any have been filed at Companies House for England & Wales) for the Company's last complete financial year prior to the Completion Date, including all documents required by law to be attached to them;
<b>Acting in Concert</b>	means has the meaning set out in the UK City Code on Takeovers and Mergers (as amended from time to time);
<b>Angel Investor</b>	means any investor in the Company that has invested in the Company pursuant to an angel fundraising round;
<b>Angels Den Crowdfunding Website</b>	means the website at <a href="http://www.angelsden.com">www.angelsden.com</a> ;
<b>Adequate Procedures</b>	adequate procedures, as referred to in section 7(2) of the Bribery Act 2010 and any guidance issued by the UK Secretary of State under section 9 of the Bribery Act 2010;
<b>Approved Offer</b>	means an irrevocable offer in writing to acquire all of the shares in the capital of the Company on the same terms and conditions (including time of payment and form of consideration);
<b>Articles</b>	means the articles of association of the Company, as may be amended from time to time;
<b>Associated Person</b>	means in relation to a company, a person (including an employee, agent or subsidiary) who performs services for or on that company's behalf;
<b>Board</b>	means the board of Directors of the Company from time to time;
<b>Business</b>	means the business carried on by the Company as described in the Company Profile and such other business as the Shareholders may agree from time to time in accordance with these Investment Terms;
<b>Business Day</b>	means a day (other than a Saturday or Sunday) on which clearing banks are open for business in the City of London;
<b>Business Plan</b>	means the business plan of the Company attached to the Disclosure and Variation Letter in the agreed form;
<b>Called Shareholders</b>	has the meaning set out in Clause 14 (Drag-along rights);
<b>Called Shares</b>	has the meaning set out in Clause 14 (Drag-along rights);
<b>Cessation Date</b>	means the date on which a Leaver ceases to be an Employee;



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<b>Cleared Committed Funds</b>	has the meaning given to that term in Clause 2.5(a);
<b>Company</b>	means the company referred to as such on the Company Profile;
<b>Company Profile</b>	means the profile of the company and the relevant investment opportunity provided to prospective investors on the Angels Den Crowdfunding Website;
<b>Completion</b>	means completion of the subscription for Investor Shares in accordance with these Investment Terms;
<b>Completion Date</b>	means the date on which Completion occurs, as described in Clause 2;
<b>Confidential Information</b>	means any corporate, commercial or technical information in whatever form including, without limitation, business, statistical, research, financial, marketing and personnel information relating to any Group Company or the Relevant Business which is not in the public domain;
<b>Controlling Interest</b>	means an interest (within the meaning of Schedule 1 of the 2006 Act) in shares conferring in aggregate 50% or more of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue;
<b>Crowdfunding Committed Sum</b>	has the meaning given to that term in Clause 2.1;
<b>Crowdfunding Loan</b>	a loan made to the Company pursuant to the terms of a signed loan agreement in respect of the loan opportunity set out in the Company Profile on the Angels Den Crowdfunding Website;
<b>Crowdfunding Loan Commitment</b>	loan funds available to the Company subject only to Completion pursuant to the terms of a signed loan agreement in respect of the loan opportunity set out in the Company Profile on the Angels Den Crowdfunding Website;
<b>Crowdfunding Pitch Period</b>	the period during which the Company Profile is open for investment by prospective investors on the Angels Den Crowdfunding Website;
<b>Deal</b>	has the meaning set out in Clause 9 (Lock in Period);
<b>Directors</b>	means the directors of the Company from time to time (individually, a “Director”);
<b>Disclosure and Variation Letter</b>	means the letter dated as at the Completion Date from the Warrantors to the Investors disclosing matters that are exceptions to (a) the Warranties and/or (b) these Investment Terms, together with any attached disclosure documents;
<b>Donation</b>	a donation committed by a prospective donor on the Angels Den Crowdfunding Website in respect of the investment opportunity set out in the Company Profile;
<b>EIS</b>	means the Enterprise Investment Scheme as approved by HMRC from time to time;
<b>Employee</b>	means a person who at the Completion Date or subsequently is employed by, or is a consultant to, the Company;
<b>Encumbrance</b>	means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including a title transfer or retention arrangement) having similar effect;

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<b>Existing Shareholders</b>	means the shareholders of the Company immediately prior to Completion;
<b>Exit Event</b>	means either: <ul style="list-style-type: none"><li>a. the sale of a Controlling Interest to any person (a share sale); or</li><li>b. the sale of all, or a significant majority, of the assets of the Group to any person (an asset sale); or</li><li>c. an IPO.</li></ul>
<b>Exit Notice</b>	has the meaning set out in Clause 14 (Drag-along rights);
<b>Exit Option</b>	has the meaning set out in Clause 14 (Drag-along rights);
<b>Family Trust</b>	means a trust under which: <ul style="list-style-type: none"><li>a. no immediate beneficial interest in the shares held by it or income from such shares is for the time being or may in the future be vested in any person other than:<ul style="list-style-type: none"><li>(i) the settler or a Privileged Relation of such settler; or</li><li>(ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in the shares or the income from them when the trust is created but may become so interested if there are no other beneficiaries from time to time except another charity or charities); and</li></ul></li><li>b. no power or control over the voting powers conferred by the shares held by it is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the settler or a Privileged Relation of such settler;</li></ul>
<b>Group</b>	means the Company and its Subsidiaries from time to time and “Group Company” means any of them;
<b>HMRC</b>	means Her Majesty’s Revenue & Customs;
<b>Indebtedness</b>	means any borrowings or indebtedness in the nature of borrowings (including all interest accrued but unpaid thereon and accrued but unpaid penalties and charges in respect thereof) which have not been paid or repaid, including (without limitation) any bank overdrafts, liabilities under acceptances (otherwise than in respect of normal trade bills) and acceptance credits, obligations under any lease or hire purchase or other deferred purchase contract treated for accounting purposes as a finance or capital lease (but excluding, for the avoidance of doubt, agreements in the nature of operating leases) any factoring arrangement, unpaid dividends, bond, note, debenture, loan stock or similar instrument, standby or documentary letter of credit, counter-indemnity, guarantee (in each case, or similar instruments) and any receivable sales, financing or discounting arrangement or acceptance credit facility;
<b>Investment Sums</b>	the total cash investment sums raised by the Company in respect of the Investor Shares;
<b>Investment Terms</b>	means these investment terms and conditions;
<b>Investor Majority</b>	means the holders of more than 50% of the total number of Ordinary Shares held by all of the Investors and their Permitted Transferees from time to time;
<b>Investor</b>	means, subject to Completion, (i) any person who agrees to these Investment Terms through the Angels Den Crowdfunding Website in respect of the investment opportunity set out in the Company Profile and (ii) any Angel Investor who has agreed to these Investment Terms;
<b>Investor Majority Consent</b>	the written consent of an Investor Majority;

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<b>Investor Shares</b>	means the Ordinary Shares to be subscribed for by the Investors under these Investment Terms;
<b>IPO</b>	means the admission to trading of the shares of a Group Company on (i) the London Stock Exchange plc's market for listed securities, or (ii) on the AIM market of the London Stock Exchange plc and the IPO shall be treated as occurring on the day on which trading in the securities of that Group Company begin;
<b>Intellectual Property Rights</b>	means patents, trade marks, service marks, trade names, domain names, designs, semiconductor topography rights, database rights, copyrights (in each case in any part of the world, whether or not registered or registrable and if registered or registrable and for their full period of registration with all extensions and renewals, and including all applications for registration or otherwise), know how, inventions, formulae, confidential or secret processes and information, rights in computer software and any licences and permissions in connection with any of the above rights or information;
<b>Issue Price</b>	means the price per Ordinary Share specified in the Company Profile;
<b>ITA</b>	means the Income Taxes Act 2007;
<b>Leaver</b>	means a Manager or an Employee of the Company who ceases to be so for whatever reason (including death or a Subsidiary ceasing to be a member of the Group) and does not continue to be a Manager or an Employee of any Group Company by reason of his status in relation to any Group Company;
<b>Majority Sellers</b>	has the meaning set out in Clause 14 (Drag-along rights);
<b>Majority Sellers' Shares</b>	has the meaning set out in Clause 14 (Drag-along rights);
<b>Manager</b>	means the persons identified as such on the Company Profile;
<b>Manager's Shares</b>	means in relation to a Manager, all shares in the capital of the Company held by him or any of his Permitted Transferees;
<b>Market Value</b>	means the market value of the Ordinary Shares concerned on the following assumptions and bases: <ol style="list-style-type: none"><li>to disregard the rights and restrictions attached to the shares in respect of income, capital and transfer;</li><li>to assume that the sale is on an arms' length basis between a willing vendor and a willing purchaser;</li><li>to disregard whether or not the shares represent a minority or majority interest;</li><li>to take no account of whether the shares do or do not carry control of the Company; and</li><li>if the Company is then carrying on business as a going concern, to assume that it will continue to do so in the same manner as immediately prior to the date of the Transfer Notice or deemed Transfer Notice giving rise to the valuation;</li></ol>
<b>Non-Crowdfunding Committed Sum</b>	has the meaning given to that term in Clause 2.1;
<b>Ordinary Shares</b>	means ordinary shares in the capital of the Company, as defined in the Articles;
<b>Other Shareholders</b>	means those persons identified as such in the Company Profile;
<b>Past Agreements</b>	has the meaning set out in Clause 18;

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<b>Permitted Transferees</b>	any person to whom any Ordinary Shares are transferred pursuant to Clause 10 (Permitted Transfers);
<b>Pre-Emption Period Pitch Close Date</b>	has the meaning set out in Clause 15; the date specified in the Company Profile as the closing date for offers of investment, Donations or Crowdfunding Loan Commitments, or the date on which the Company decides to close the offer, whichever is earlier;
<b>Privileged Relation</b>	means in relation to a member, the spouse, civil partner or widow, widower or surviving civil partner of the member and the member's children and grandchildren;
<b>Relevant Business</b>	means the business of the Company as carried on by the Company at Completion and any other business carried on (or proposed in the annual business plan to be carried on) by the Company from time to time prior to the Relevant Date;
<b>Relevant Date</b>	means the date on which a Manager ceases to be a shareholder or Director or Employee of any Group Company and does not continue as either a shareholder, Director or Employee of any Group Company;
<b>Relevant Fraction</b>	has the meaning set out in Clause 12.2;
<b>Restricted Business</b>	means any activity or business that is competitive with: a. the Relevant Business in the Territory; b. any other trade or other commercial activity which is carried on by any Group Company in the Territory or which any Group Company shall have determined to carry on in the Territory with a view to profit in the immediate or foreseeable future, or c. any other trade or other commercial activity with which the Manager has been concerned or involved to any material extent during the 12 months preceding the Relevant Date (or in relation to which the Manager at the Relevant Date possesses Confidential Information);
<b>Restricted Period</b>	means the period commencing on the Completion Date and ending one year after the Relevant Date;
<b>Sale</b>	means either: a. the sale of the whole or substantially the whole of the business and assets of the Group; or b. the sale of all of the issued share capital of the Company; or c. the transfer of a Controlling Interest;
<b>shareholder</b>	a holder of shares in the Company;
<b>Shareholder Majority Consent</b>	means the holders of more than 50% of the total number of issued ordinary Shares in the Company from time to time;
<b>Subscription Minimum Target</b>	means the "minimum viable" target subscription amount set out in the Company Profile;
<b>Subscription Maximum Target</b>	means the maximum "stretch" target subscription amount set out in the Company Profile;
<b>Subsidiaries</b>	means the Company's subsidiaries (as defined in Section 1159 of the 2006 Act) and subsidiary undertakings (as defined in Section 1162 of the 2006 Act);
<b>Territory</b>	means the United Kingdom and such other countries in which the Group operates to a material extent at any time in the 12 months before the Relevant Date;



<b>Third Party Purchaser</b>	has the meaning set out in Clause 14 (Drag-along rights);
<b>Total Committed Sum</b>	has the meaning given to that term in Clause 2.5;
<b>Transfer Notice</b>	a notice made (or deemed to be made) by the proposing transferor in writing to the Company offering a specified number of his Ordinary Shares for sale to all of the other shareholders of the Company on a pro-rata basis (according to the number of Ordinary Shares held by each shareholder);
<b>Vesting Commencement Date</b>	means in respect of each of the Managers, the Completion Date;
<b>Warranties</b>	means the statements set out in Clause 5.2 of these Investment Terms and “Warranty” means any of them;
<b>Warrantors</b>	means the Managers and the Company; and
<b>Wholly-owned Group</b>	means a body corporate and any holding company of which it is a wholly-owned subsidiary and any other wholly-owned subsidiaries of that holding company (including any wholly-owned subsidiary of the body corporate) with all such terms construed in accordance with the 2006 Act.

## 1.2. Interpretation

In these Investment Terms:

- a. words in the singular include the plural and vice versa and words in one gender include any other gender;
- b. a reference to a statute or statutory provision includes:
  - i. any subordinate legislation (as defined in section 21(1) of the Interpretation Act 1978) made under it;
  - ii. any repealed statute or statutory provision which it re-enacts (with or without modification); and
  - iii. any statute or statutory provision or subordinate legislation which modifies, consolidates, re-enacts or supersedes it, provided such subordinate legislation, re-enactment, statute or statutory provision came into force before the Completion Date whether such subordinate legislation, re-enactment, statute or statutory provision comes into force before or after the Completion Date, except to the extent that such subordinate legislation, re-enactment, statute or statutory provision comes into force after the Completion Date and would impose any new or extended obligation, liability or restriction on or otherwise adversely affect the rights of any party;
- c. a reference to:
  - i. any “party” means any of the Company, the Investors, the Managers or the Other Shareholders, (and “parties” means all of them) and includes its successors in title and permitted assigns;
  - ii. a “person” includes any individual, firm, corporation, body corporate, association or partnership, trust, unincorporated organisation, employee representative body, government or state or agency or department thereof, executors administrators or successors in title (whether or not having a separate legal personality);
  - iii. clauses is to clauses in these Investment Terms and references to sub-clauses and paragraphs are references to sub-clauses and paragraphs of the clause in which they appear;
  - iv. any provision of these Investment Terms is to that provision as amended in accordance with the terms of these Investment Terms;
  - v. any document being “in the agreed form” means in a form which has been agreed by the parties on or before the date of these Investment Terms and for identification purposes signed by them or on their behalf by their solicitors;
- d. references to “writing” or “written” include any other non-transitory form of visible reproduction of words (including electronic mail and communications via the secure company area on the Angels Den Crowdfunding website);
- e. save as expressly defined or otherwise set out in sub-clauses 1.1 or 1.2 or in any other provision of these Investment Terms, words and expressions used in these Investment Terms which are defined in the 2006 Act shall have the meaning attributed to them in the 2006 Act;
- f. the headings are for convenience only and shall not affect the interpretation of these Investment Terms;
- g. general words shall not be given a restrictive meaning:
  - i. if they are introduced by the word “other” or “including” or similar words by reason of the fact that they are preceded by words indicating a particular class of act, matter or thing;
  - ii. by reason of the fact that they are followed by particular examples intended to be embraced by those general words;
- h. a person shall be deemed to be connected with another if that person is connected with another within the meaning of



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- i. Section 1122 Corporation Tax Act 2010 or as the case may be, Section 993, ITA; and where any Warranty refers to the “knowledge, information and belief” or “awareness” of a Warrantor (or similar qualifications), it shall be deemed to include an additional statement that it has been made after all reasonable enquiry by each Warrantor:
    - i. of every other Warrantor; and
    - ii. of any other persons within the Group responsible for the matter the subject of the relevant Warranty, to establish the truth and accuracy of the Warranties; and
  - j. the sign “£” means pounds sterling in the lawful currency of the United Kingdom.

## 2. Completion matters

### 2.1. Subject to satisfaction of the conditions precedent in Clause 2.5, Completion will occur on the date and time that is 14 days from the earlier of the following:

- a. the date and time on which:
  - i. the aggregate subscription sums in respect of the Ordinary Shares requested by prospective investors on the Angels Den Crowdfunding Website in respect of the investment opportunity set out in the Company Profile; and
  - ii. any Donations; and
  - iii. Crowdfunding Loan Commitments (collectively the “Crowdfunding Committed Sum”), together with
  - iv. any other sums raised through Angels Den fundraising activities in the Crowdfunding Pitch Period (the “Non-Crowdfunding Committed Sum”),
  - v. equals the Subscription Maximum Target.
- b. the Pitch Close Date provided that the Crowdfunding Committed Sum together with the Non-Crowdfunding Committed Sum is greater than or equal to the Subscription Minimum Target.

### 2.2. The parties irrevocably agree that, subject to Clause 2.6, these Investment Terms shall only become legally binding upon each party at, and not before, Completion. In the event that Completion does not occur, no party shall be bound by these Investment Terms.

### 2.3. At Completion:

- a. the Company shall and the Managers shall take all steps as may be necessary or requisite to:
  - i. authorise the issue and allotment of the Investor Shares free of all pre-emption rights;
  - ii. allot the Investor Shares credited as fully paid, enter the name of the Investors in the register of members of the Company as the holders of the Investor Shares and issue and deliver to the Investors share certificates in respect of the Investor Shares;
  - iii. deliver duly executed copies of the Disclosure and Variation Letter (if applicable); and
- b. each Investor shall subscribe for the number of Ordinary Shares requested and paid for by that Investor on the Angels Den Crowdfunding Website, at the Issue Price.

### 2.4. Each Manager and each Other Shareholder irrevocably waives all and any pre-emption rights under the Articles or otherwise on the issue of the Investor Shares.

### 2.5. Completion is conditional upon:

- a. at least 80% of the funds in respect of the Crowdfunding Committed Sum being cleared in the Company’s bank account (the “Cleared Committed Sum”) by 5pm on the day immediately preceding Completion; and
- b. prior receipt by the Company of the funds in respect of any Non-Crowdfunding Committed Sum (together with the Cleared Committed Sum, the “Total Committed Sum”); and
- c. no more than 50% of the Total Committed Sum being in respect of Crowdfunding Loan Commitments or any other form of loan or debt instrument.

### 2.6. Any prospective investor whose funds are not cleared in the Company’s bank account by 5pm on the day immediately preceding Completion shall not be allotted any Investor Shares and, at Completion, shall not become a party to these Investment Terms.

## 3. Investment by the Investors

### 3.1. The Company and the Managers jointly and severally undertake to the Investors that they shall not use any Investment Sums to repay any existing debt of the Company (including any accrued but unpaid salaries) which



is not specified in the Disclosure and Variation Letter, other than any Crowdfunding Loans.

3.2. The Investment Sums shall only be used by the Company for the general day to day operations of the Company.

## 4. Waiver of claims

In consideration of the Investors agreeing to these Investment Terms, each Manager irrevocably waives any claims (arising or allegedly arising from any cause) against any Group Company, its agents or employees, which are outstanding on Completion other than claims for arrears of salary and other emoluments and for the reimbursement of expenses reasonably and properly incurred.

## 5. Warranties

5.1. In consideration of the Investors agreeing to these Investment Terms, each Warrantor jointly and severally:

- a. warrants to the Investors that at the Completion Date and save as fairly disclosed in the Disclosure and Variation Letter, each of the Warranties set out in Clause 5.2 is true and accurate and not misleading; and
- b. acknowledges that the Investors have agreed to these Investment Terms on the basis of, and in full reliance upon, the Warranties.

5.2. Save where the context otherwise requires, where any Warranty refers to the “Company”, it shall also relate to each Group Company (if any) as if the Warranty had been repeated with “the Company” replaced by a reference to each Group Company.

- a. Business Plan  
The Business Plan is fair, has been diligently prepared and holds honestly held views.
- b. Company Profile  
The factual information contained in the Company Profile is true, accurate and not misleading.
- c. Accounts  
The Accounts (if any have been filed at Companies House for England & Wales) have been prepared in accordance with accounting standards, policies, principles and practices generally accepted in the United Kingdom and give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the period to which they relate.
- d. Contracts  
The Company:
  - i. is not a party to any agreement or arrangement otherwise than on arm’s-length (normal unrelated parties commercial) terms;
  - ii. is not in material default of any agreement or arrangement to which it is a party; and
  - iii. is not a party to any contract, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of an unusual, onerous or long-term nature or which involves or could involve a material obligation or liability.
- e. Ownership of assets
  - i. All assets (other than Intellectual Property Rights) used by the Company or which have otherwise been represented as being its property or used or held for the purposes of its business are at the date of Completion its absolute property and none of such assets or any part of the undertaking of the Company is the subject of any Encumbrance.
  - ii. So far as the Company is aware, the Intellectual Property Rights are:
    - (A) owned by, and validly granted to, the Company alone, and free from all licences, Encumbrances, restrictions on use or obligations of disclosure; and
    - (B) not and will not be, the subject of a claim from any person as to title, validity, enforceability, entitlement or otherwise.
  - iii. So far as the Company is aware, there is, and has been, no infringement of any of the Intellectual Property Rights and, so far as the Company is aware, the Company has not received notice that it has infringed the intellectual property of a third party.
- f. Litigation
  - i. Neither the Company nor any person for whose acts or omissions it may be vicariously liable, is engaged in or subject to any:
    - (A) litigation, administrative, mediation or arbitration proceedings (except for debt collection in the ordinary and usual course of business); or
    - (B) so far as the Company is aware, the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body.
  - ii. No such proceedings, investigation or inquiry as are mentioned in Warranty 5.2(f)(i)(A) have been threatened or, so far as the Company is aware, are pending by or against the Company.





iii. There are no existing or, so far as the Company is aware, pending judgments or rulings against the Company. The Company has not given any undertakings arising from legal proceedings to a court, governmental agency or regulator or third party which could affect its business.

g. Solvency

i. The Company is not insolvent or unable to pay its day to day debts or any other insolvency legislation applicable to the Company, nor have any steps been taken in any applicable jurisdiction to initiate any process by or under which:

- (A) the ability of the creditors of the Company to take any action to enforce their debts is suspended, restricted or prevented; or
- (B) some or all of the creditors of the Company accept, by agreement or in pursuance of a court order, an amount less than the respective sums owing to them in satisfaction of those sums with a view to preventing the dissolution of the Company; or
- (C) a person is appointed to manage the affairs, business and assets of the Company on behalf of its creditors; or
- (D) the holder of a charge over all or any of the Company's assets is appointed to control the business and/or all or any assets of the Company.

ii. No process has been initiated which could lead to the Company being dissolved and its assets being distributed among its creditors, shareholders or other contributors.

h. Debt

All outstanding debts of the Company as at Completion, including any accrued but unpaid salaries of any person, have been disclosed to the Investors, other than any Crowdfunding Loans.

i. Non disclosure

The Warrantors have not withheld any information from the Investors which would influence a reasonable investor's decision to invest in the Company, and the Warrantors know of nothing which materially adversely affects the financial or trading position or prospects of the Group.

**5.3. Each of the Warrantors irrevocably waives any right which they may have against any officer or employee of any Group Company in relation to any information on which or on whom they may have relied before agreeing to any term of these Investment Terms or authorising any statement in the Disclosure and Variation Letter.**

**5.4. Save for claims in respect of any breach of the Warranties arising (or any delay in the discovery of which arises) as a result of fraud or wilful concealment on the part of any Warrantor:**

a. no Warrantor shall be liable in respect of any claim for breach of any of the Warranties:

- i. unless the amount recoverable from the Warrantors in respect of such claim shall exceed the sum of 5% of the Investment Sums; and
- ii. unless he shall have been given written notice of the claim (giving details of the matter in respect of which such claim is made) on or before the date that is 12 months from the Completion Date; and
- iii. to the extent that any amount has been recovered by the Company (less any expenses properly incurred in recovering it) under any insurance policy for the time being in force in respect of the same subject matter giving rise to the breach of the Warranties;

b. the maximum liability of each Warrantor for all claims for breach of any Warranties is limited as follows:

Warrantor	Limit (£)
The Company	50% of the Investment Sums
Each Manager	1 x annual gross salary

**5.5. Each Investor agrees that it will make no claim under the Warranties save with prior Investor Majority Consent.**

## 6. Continuing obligations

**6.1. Each Manager and the Company separately undertakes to exercise all rights and powers he or it may have whether as a Director or shareholder or otherwise so as to procure (insofar as he or it are able to do so to procure) that the Company shall:**

- a. as soon as practicable implement the proposals or recommendations contained in the Business Plan;
- b. carry on and conduct its business and affairs in a proper and efficient manner and for its own benefit;
- c. procure that the expansion, development or evolution of its business is effected only through the Company or a wholly-owned subsidiary of the Company or joint ventures;
- d. transact all its business on arm's-length (normal unrelated parties commercial) terms;
- e. procure that a meeting of the Board is held at least once every month;
- f. observe and comply in all material respects with all legislation from time to time in force and applicable to the Company or its business;



- g. maintain proper, usual and up-to-date accounting and financial records in relation to its business and affairs;
- h. provide to the Investors:
  - i. within four months of the end of the financial year to which they relate annual accounts of the Company prepared in accordance with generally accepted accounting principles in the United Kingdom; and
  - ii. every quarter a report from the Managers on the performance of the Company as well as quarterly management accounts.

## 7. Restrictions

**7.1. Each Manager and the Company separately undertakes to exercise all rights and powers he or it may have whether as a Director or shareholder or otherwise so as to procure (insofar as he or it are able so to procure) that without prior Investor Majority Consent (not to be unreasonably withheld or delayed) no Group Company shall:**

- a. create or allot or issue any further shares or grant or agree to grant to any person any share option or right to subscribe for convert into or otherwise to require the issue or allotment of any shares or the creation or allotment or issue or shares;
- b. make any alteration to its articles of association or modify vary alter or abrogate any of the rights privileges or restrictions attaching to any of the classes of its share capital;
- c. sell transfer lease licence or otherwise dispose of the whole or any material part of its business undertaking or assets whether by a single transaction or series of transactions related or not;
- d. make or permit any material alteration (including cessation) to the general nature of the Business carried on by it from time to time and/or make any material deviation from the Business Plan;
- e. other than in the ordinary course of business, create issue or enter into or allow to subsist or arise any mortgage or charge or other encumbrance whatsoever over any of its assets or undertaking or give any other form of security to any person firm or company;
- f. other than in the ordinary course of business, incur any Indebtedness for borrowed money;
- g. acquire whether by formation or otherwise share or loan capital of another company wherever incorporated (including for the avoidance of doubt by way of formation of a wholly owned subsidiary), nor permit the disposal or dilution of its interest directly or indirectly in any subsidiary or subsidiary undertaking;
- h. pass any resolution or seek any order or take any steps with a view to the liquidation, winding up or striking off dissolution or administration or receivership of the Company;
- i. approve or adopt its annual accounts or any subsequent modification thereto; or
- j. make any distribution by way of dividend or otherwise out of the profits or reserves of the Company; or
- k. alter the remuneration of any of the Directors.

## 8. Restrictive Covenants

### 8.1. Non-competition covenants

Each Manager covenants with the Investors and the Existing Shareholders that save with prior Investor Majority Consent he will not:

- a. during the Restricted Period directly or indirectly, engage or invest in, own, manage, operate, finance, control or participate in the ownership, management, operation, financing, or control of or be employed by, associated with or in any manner connected with a Restricted Business;
- b. for a period of 12 months after the Relevant Date directly or indirectly approach, solicit or deal with, in competition with any Group Company, any:
  - i. customer, client, supplier, agent or distributor of any Group Company with whom he had personal contact in the 12 months preceding the Relevant Date on behalf of any Group Company;
  - ii. potential customer of any Group Company to whom he had made a presentation or pitch or any person with whom he had regular, substantial or a series of business dealings on behalf of any Group Company (whether or not a customer, client, supplier, agent or distributor of any Group Company) within the 3 months preceding the Relevant Date;
  - iii. person with whom any Group Company had an agreement or arrangement under which either (A) the products and/or services of that person were recommended or referred to on any Group Company's website; or (B) visitors to any Group Company's website were able to "click through" to that person's website and/or visitors to that person's website were able to "click through" to any Group Company's website and with whom (in either case) he had personal contact or dealings at any time during the 12 months preceding the Relevant Date;



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- c. for a period of 12 months after the Relevant Date directly or indirectly, for the purpose of competing with the Relevant Business:
    - i. induce or procure or attempt to induce or procure any person who is on the Relevant Date or was during the period of 12 months preceding the Relevant Date, a key Employee or consultant of or under contract of services to any Group Company to leave his/her employment or service with any Group Company (whether or not that person would commit any breach of his or her employment or appointment by reason of leaving the service of any Group Company);
    - ii. accept into employment or otherwise engage or use the services of any person who is on the Relevant Date, or during the period of 12 months preceding the Relevant Date, an Employee or consultant of or under contract of services to any Group Company;
  - d. for a period of 12 months after the Relevant Date provide technical, commercial or professional advice to any business or concern engaged in a Restricted Business; and
  - e. for a period of 12 months after the Relevant Date interfere or seek to interfere with the continuance of supplies to any Group Company (or the terms relating to supplies) of any components, materials, goods or services.

## 8.2. Further covenants

Each of the Managers further covenants with the Investors and the Existing Shareholders that he shall not at any time after the Completion Date:

- a. without limit in point of time, make use of for his own benefit or disclose to any person, any Confidential Information which he possesses; and
- b. until he ceases to be an Employee and Director in any Group Company invest (without prior Investor Majority Consent) in any other company or partnership except for investments not exceeding 1% of any class of security traded on any stock exchange.

## 8.3. Inventions

Any discovery, invention, secret process or improvement in procedure made or discovered by any Manager while in the service of any Group Company or while a shareholder in the Company in connection with or in any way affecting or relating to the Relevant Business or capable of being used or adapted for use in or in connection with the Relevant Business shall as soon as reasonably practicable be disclosed to the Company and shall belong to and be the absolute property of the Group Company which the Company nominates for the purpose.

## 8.4. Further assurance

Each of the Managers (whether before or after his ceasing to be a shareholder in the Company or his ceasing to be an Employee or engaged as a consultant of any Group Company) shall at the expense of the Company or its nominee apply or join in applying for letters patent or other similar protection in the United Kingdom, the Republic of Ireland or any other part of the world for any such discovery, invention, process or improvement as referred to in Clause 8.3 and shall execute all instruments and do all things necessary for vesting those letters patent or other similar protection when obtained and all right and title to and interest in them in the Company (or its nominee) absolutely and as sole beneficial owner.

## 8.5. General provisions

Each of the provisions of this Clause:

- a. is considered by the parties to be reasonable in all the circumstances. However, the parties recognise that such provisions may fail for technical reasons and accordingly it is agreed and declared that any provision which either by itself or taken with others is adjudged to be invalid as exceeding what is reasonable in all the circumstances for the protection of the interests of the Investors but which would be valid if any part or parts of the wording were deleted shall apply with those deletion(s) as may be necessary to make it valid and effective; and
- b. is a separate provision and will be enforceable by each Investor independently of their right to enforce any one or more of the other provisions contained in these Investment Terms.

**8.6. For the avoidance of any doubt, the parties agree that damages at law will not be the only remedy available for the breach or threatened breach by the Managers of any provision of Clause 8, and, without prejudice to the right of any party to pursue other remedies available to it, the parties specifically agree that in the event of such breach or threatened breach any party may obtain injunctive relief restraining the Managers from such breach.**



## 9. Lock In Period

9.1. Subject to Clause 9.2, during the period from the Completion Date until one year thereafter, the Managers and their Permitted Transferees irrevocably agree and undertake to the Investors and the Existing Shareholders that they shall not Deal with any of the Ordinary Shares save with prior Investor Majority Consent (not to be unreasonably withheld or delayed).

9.2. Nothing in this Clause 9 shall restrict the Managers from transferring the Ordinary Shares pursuant to Clause 10 (Permitted Transfers), Clause 11 (Mandatory Transfers), Clause 12 (Leaver provisions), Clause 13 (Tag-along rights) or Clause 14 (Drag-along rights).

9.3. For the purpose of this Clause 9:

“Deal” means, in respect of any Ordinary Share, to directly or indirectly;

- a. sell, or agree or offer to sell, that Ordinary Share or any legal, beneficial or economic interest in that Ordinary Share;
- b. create, or agree or offer to create, any Encumbrance in that Ordinary Share or any legal, beneficial or economic interest in that Ordinary Share; or
- c. do, or omit to do, any act which would have the effect of transferring effective ownership or control of that Ordinary Share or any legal, beneficial or economic interest in that Ordinary Share.

## 10. Permitted transfers

### 10.1. Transfers to Privileged Relations and Family Trusts

- a. Any member may at any time transfer the shares in the capital of the Company held by him to a Privileged Relation (who may transfer such shares without restriction to the original member or to another Privileged Relation of the original member but any other transfer by the Privileged Relation shall be subject to the same restrictions as though they were transfers by the original member himself) or the trustees of his Family Trust.
- b. The trustees of a Family Trust may transfer shares held by them in their capacity as trustees:
  - i. on a change of trustees, to the new trustees of that Family Trust;
  - ii. to a person who has an immediate beneficial interest under the Family Trust; or
  - iii. to another Family Trust which has the same member as settlor.

### 10.2. Transfers by corporate shareholders

A corporate member may at any time transfer shares to another member of its Wholly-owned Group.

### 10.3. Transfers with consent

A transfer of shares may be made to any person with prior Investor Majority Consent and the consent of the holders of 75% or more of the issued Ordinary Shares from time to time.

## 11. Mandatory transfers

### 11.1. Transfer if trust ceases to be a Family Trust

If any trust whose trustees hold shares in the capital of the Company ceases to be a Family Trust, then the trustees shall without delay notify the Company that such event has occurred and if the trustees have not, within 14 days of receiving a request from the Directors to do so, transferred the shares back to the settlor of that Family Trust, they shall be deemed to have served the Company with a Transfer Notice in respect of all such shares on the date on which the trust ceased to be a Family Trust and such shares may not otherwise be transferred.

### 11.2. Transfer if shares cease to be held by a Privileged Relation

If a Privileged Relation holding shares transferred to him under Clause 10.1 ceases to be a Privileged Relation of the original member who held them (including by reason of death), the Privileged Relation then holding the shares shall without delay notify the Company that this event has occurred and shall be deemed to have served



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the Company with a Transfer Notice in respect of all such shares as at the date on which he ceased to be a Privileged Relation and such shares may not otherwise be transferred.

### **11.3. Transfer if a corporate member ceases to be a member of the same Wholly-owned Group**

If a corporate member holding shares transferred to it under Clause 10.2 ceases to be a member of the same Wholly-owned Group as the original corporate member who held them, the corporate member then holding those shares shall without delay notify the Company that this event has occurred and shall be deemed to have served the Company with a Transfer Notice in respect of all such shares as at the date on which it ceased to be a member of the relevant Wholly-owned Group and such shares may not otherwise be transferred.

### **11.4. Transfer on bankruptcy of member**

A person entitled to a share or shares in consequences of the bankruptcy of a member:

- a. shall be deemed to give a Transfer Notice in respect of such share(s), and if such person fails to give a Transfer notice, he shall be deemed to have served the Company with a Transfer Notice in respect of all such share(s) on the date of death or bankruptcy (as appropriate); and
- b. shall be bound by any notice given to the member by the Company in respect of the shares.

## **12. Leaver provisions**

### **12.1. If a Manager becomes a Leaver:**

- a. he shall be deemed to have served a Transfer Notice on the Cessation Date in respect of the Relevant Fraction of the Manager's Shares; and
- b. no Manager's Shares shall be transferred to any person until the Manager can no longer be bound to transfer them under this Clause 12.1.

### **12.2. For the purposes of Clause 12.1, the "Relevant Fraction" means:**

- a. for a Manager, if he becomes a Leaver before the first anniversary of his Vesting Commencement Date: 75% of the total number of the Manager's Shares;
- b. for a Manager, if he becomes a Leaver after the first anniversary, but before the second anniversary of his Vesting Commencement Date: 50% of the total number of the Manager's Shares;
- c. for a Manager, if he becomes a Leaver after the second anniversary, but before the third anniversary of his Vesting Commencement Date: 25% of the total number of the Manager's Shares; and
- d. for the avoidance of doubt, this Clause 12.2 shall cease to apply to any shares held by any of the Manager's Shares either if he becomes a Leaver after the third anniversary of his Vesting Commencement Date or in the event of an Exit Event (for the avoidance of doubt, in either case all of the Manager's Shares shall not be subject to any leaver provisions).

### **12.3. The price for the Manager's Shares shall be the following price determined by the Board:**

- a. if the Manager ceases to be an Employee as a result of his death, long term critical illness, permanent disablement, retirement at normal retirement age (being 65) or unfair dismissal (other than for reasons of procedural irregularity) or for any other reason with Investor Majority Consent (such consent not to be unreasonably withheld), the price payable for the Manager's Shares shall be the higher of Market Value and the price paid by the Manager (whether by purchase or subscription (including any premium paid on any such subscription)); and
- b. if the Manager ceases to be an Employee for any other reason (including any resignation of the Manager), the price payable for the Manager's Shares shall be the lower of the price paid by the Manager (whether by purchase or subscription (including any premium paid on any such subscription)) and Market Value.

**12.4. If any Manager (or any of his Permitted Transferees) after becoming bound to transfer any or all of his or their Ordinary Shares fails to do so, the Company may receive the sale price and the Board may appoint a person (acting as agent and attorney for the transferor(s)) to execute instruments of transfer of the Ordinary Shares in favour of the other shareholders to whom the allocation has been made by the Board and shall (subject only to stamping of the transfers, if required) cause the names of those other shareholders to be entered in the register of members of the Company as the holders of the Ordinary Shares and shall hold the sale price on trust for the proposing transferor. The receipt of the Company shall be a good discharge to those buying shareholders**



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and, after their names have been entered in the register of members of the Company under this provision, the validity of the transactions shall not be questioned by any person.

### 13. Tag along rights

13.1. Except as permitted by Clause 10 or required by Clauses 11 or 12, no sale or transfer of any interest in any Ordinary Shares may be made or validly registered if, as a result of such sale or transfer and registration, a Controlling Interest in the Company would be obtained by a person or persons Acting in Concert unless such persons are bona fide arms' length purchasers and have made an Approved Offer.

13.2. Any transfer of shares pursuant to an Approved Offer shall not be subject to any restrictions on transfer contained in these Investment Terms or the Articles.

### 14. Drag-along rights

14.1. If the holders of over 50% of the Ordinary Shares in issue for the time being (the "Majority Sellers") wish to transfer all their interest in Ordinary Shares (the "Majority Sellers' Shares") to a bona fide purchaser or purchasers Acting in Concert (the "Third Party Purchaser") who has made an Approved Offer, the Majority Sellers shall have the option (the "Exit Option") to require:

- a. all the other members; and
- b. any holders of any options or other rights to acquire or convert an interest into shares (which is fully and unconditionally exercisable) to exercise them,

(together the "Called Shareholders") to sell and transfer all their shares, including those allotted pursuant to such exercise

or conversion (the "Called Shares") to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance

with the provisions of Clauses 14.2 to 14.8 below.

14.2. The Majority Sellers may exercise the Exit Option by giving a written notice to that effect (an "Exit Notice") at any time before the transfer of the Majority Sellers' Shares to the Third Party Purchaser. An Exit Notice shall specify that the Called Shareholders are required to transfer all their Called Shares pursuant to this Clause, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Clause) and the proposed date of transfer which shall be at least 5 Business Days after the date on which the Exit Notice is served.

14.3. Exit Notices shall be irrevocable but shall lapse if for any reason there is not a sale of the Majority Sellers' Shares by the Majority Sellers to the Third Party Purchaser within 30 working days after the date of service of the Exit Notice. The Majority Sellers shall be entitled to serve further Exit Notices following the lapse of any particular Exit Notice.

14.4. The Called Shares shall be acquired on the same terms and conditions (including time of payment and form of consideration) for which the Majority Sellers shall have agreed to sell.

14.5. Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Majority Sellers' Shares unless all of the Called Shareholders and the Majority Sellers agree otherwise.

14.6. The restrictions in Clause 11 shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which an Exit Notice has been duly served in accordance with this Clause 14.

14.7. If any Called Shareholder fails to complete the sale of his Called Shares in accordance with this Clause 14, he shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Sellers to be his agent and attorney to execute all necessary transfer(s), power(s) of attorney relating to the rights attached to his Called Shares and indemnities for missing share certificate(s) on his behalf and, against receipt by the Company of the purchase monies or any other consideration payable for the Called Shares (held on trust for the relevant Called Shareholder), to deliver such transfer(s), power(s) and indemnities to the Third Party Pur-



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chaser (or as he may direct). The Directors shall (subject only to stamping of the transfers, if required) immediately register the Third Party Purchaser (or as he may direct) as the holder of the relevant Called Shares. After the Third Party Purchaser (or his nominee) has been registered as the holder of the relevant Called Shares, the validity of such proceedings shall not be questioned by any person. It shall be no impediment to registration of shares under this Clause 14.7, that no share certificate has been produced.

14.8. Upon any person, following the issue of an Exit Notice which has not lapsed, exercising a pre-existing option to acquire shares, whether or not such person is registered as a member of the Company, an Exit Notice shall be deemed to have been served upon such person on the same terms as the previous Exit Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this Clause 14.8 shall apply equally to such person save that completion of the sale of such shares shall take place immediately upon the Exit Notice being deemed served on such person where completion of the transfer of the Called Shares has already taken place.

## 15. Pre-emption on new share issues, share transfers and deed of adherence

### *Pre-emption on new share issues*

15.1. Except where Shareholder Majority Consent has been given (where pre-emption shall not apply) any issue of new shares in the Company shall first be offered to all existing shareholders on a pro-rata basis (according to the number of shares held by each of the existing shareholders) by serving on each shareholder a pre-emption notice (which may be served by electronic mail). Any such offer shall remain open for at least 14 days from the date of service of any pre-emption notice on the existing shareholders (the "Pre-Emption Period"). To the extent that any shareholder does not wish to subscribe for his pro-rata amount, then the remaining new shares shall be issued to any other shareholders wishing to subscribe for additional shares again on a pro-rata basis. To the extent that any remaining shares are not taken up by existing shareholders, then the Board (in its sole discretion) shall be free to issue all or some of these shares to any other person at any time during the period of one month after the end of the Pre-Emption Period, provided that the subscription price for the new shares shall not be less than the price offered to the existing shareholders.

### *Pre-emption on transfer of shares*

15.2. Subject to Clauses 13 and 14, except as permitted by Clause 10 or where Shareholder Majority Consent has been given (where pre-emption shall not apply) any transfer of shares in the Company shall first be offered to all existing shareholders on a pro-rata basis (according to the number of shares held by each of the existing shareholders). Any such offer shall remain open for the Pre-Emption Period. To the extent that any shareholder does not wish to subscribe for his pro-rata amount, then the remaining shares shall be transferred to any other shareholders wishing to subscribe for additional shares again on a pro-rata basis. To the extent that any remaining shares are not taken up by existing shareholders, then the transferor shall be free to transfer all or some of these shares to any other person at any time during the period of one month after the end of the Pre-Emption Period, provided that the subscription price for the shares shall not be less than the price offered to the existing shareholders.

### *Deed of Adherence*

15.3. It shall be a condition of any sale or transfer or other disposal of any share in the Company (or any interest in it) and of any issue of shares in the Company to any person who is not a party to these Investment Terms or who has not already entered into a deed of adherence to these Investment Terms that prior to it being effected, such person shall have entered into a deed of adherence to these Investment Terms in a form approved by the Board.

15.4. The parties expressly agree that the provisions of this Clause 15 shall prevail over any provisions in respect of pre-emption contained in the Articles and the parties expressly waive any other rights to pre-emption whether under statute, the Articles or otherwise. In the event of any conflict between the pre-emption provisions in this Clause 15 and the pre-emption provisions contained in the Articles, the parties agree that they will sign any resolution required by the Board acting in its sole discretion to amend the Articles so as to make its provisions consistent with the provisions of this Clause 15.





## 16. Termination of existing shareholders agreements

The parties agree that all and any of the existing documents regulating their relationship as holders of shares in the capital of the Company) (“Past Agreements”) shall terminate with effect from the Completion Date. Accordingly from the Completion Date the relationship between the parties shall be governed by these Investment Terms and no party to any Past Agreements shall have any rights against any other party under it (including any rights in respect of antecedent breaches of any Past Agreement), which rights each party irrevocably waives.

## 17. EIS

**17.1. Where the Company Profile mentions EIS or SEIS, the Managers covenant to the Investors that they shall:**

- a. use all reasonable endeavours to ensure that EIS certificates are obtained on behalf of and issued to the Investors within 6 months of the date of these Investment Terms and shall seek to conduct its affairs in a manner which will not prejudice EIS status; and
- b. at all times only carry on an ‘eligible business’ or a ‘qualifying trade’ for the purposes of EIS for a minimum of three years from the last date of subscription by the Investors pursuant to this Agreement; and

**17.2. as soon as possible following Completion, make all necessary applications to HMRC for the grant of EIS relief to the Investors and thereafter confirm the same to the Investors.**

## 18. Anti-Corruption

**18.1. Each party undertakes to the other party that:**

- a. it will not, and will procure that the Company will not, in the course of the operation of the Business, engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010;
- b. it has and will maintain in place, and will procure that the Company has and will maintain in place, Adequate Procedures designed to prevent any Associated Person from undertaking any conduct that would give rise to an offence under section 7 of the Bribery Act 2010; and
- c. from time to time, at the reasonable request of the other party, it will confirm in writing that it has complied with its undertakings under clause 18.1(a) and clause 18.1(b) and will provide any information reasonably requested by the other party in support of such compliance.

## 19. General provisions

**19.1. Entire Agreement**

These Investment Terms and all of the documents in the agreed form (including for the avoidance of doubt, the Disclosure and Variation Letter) set out the entire agreement and understanding between the parties and supersede all prior agreements, understandings or arrangements (oral or written) in respect of the subject matter of these Investment Terms. The Investors acknowledge that they have agreed to these Investment Terms in reliance only on the representations, warranties and promises specifically contained or incorporated in these Investment Terms and, save as expressly set out in these Investment Terms, the Warrantors and the Managers shall have no liability in respect of any other representation, warranty or promise made prior to the Completion Date unless it was made fraudulently.

**19.2. Variation**

No purported variation of these Investment Terms shall be effective unless it is in writing and signed by or on behalf of each of the Company and a Shareholder Majority. Notwithstanding the foregoing, any variation which increases or imposes an obligation or liability on any party or removes any party’s rights shall not bind that party unless they have also agreed in writing to such variation.

**19.3. Further assurance**





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After Completion, the Managers and the Company shall execute such documents and take such steps as the Investors may reasonably require to fulfil the provisions of these Investment Terms and to give the Investors the full benefit of these Investment Terms.

#### **19.4. Waivers**

No single or partial exercise, or failure or delay in exercising any right, power or remedy by the Investors shall constitute a waiver of, or impair or preclude any further exercise of, that or any right, power or remedy arising under these Investment Terms or otherwise.

#### **19.5. Assignment**

These Investment Terms shall be binding upon and shall enure for the benefit of the Investors and their successors and any assigns to whom they transfer any shares in the Company. Any such assignee shall be deemed an Investor for the purposes of these Investment Terms.

#### **19.6. Confidentiality**

- a. Save as provided in this Clause 19.6(b), the terms of these Investment Terms shall be confidential to the parties.
- b. The Company and each of the Managers agrees that:
  - i. an Investor may disclose information about the Group to any lender to the Group and/or shareholder in the Group;
  - ii. an Investor may disclose any information about the Group as required by law and/or any regulatory authority to which it is subject; and
  - iii. no party to these Investment Terms may issue a press release about an Investor's investment in the Company unless its wording is agreed between the Company and that Investor.

#### **19.7. Contracts (Rights of Third Parties) Act 1999**

No term of these Investment Terms shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it save as expressly set out in these Investment Terms.

#### **19.8. Severance**

If any provision of these Investment Terms is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable or indications to that effect are received by either of the parties from any competent authority, the provision shall, to the extent required, be severed from these Investment Terms and rendered ineffective as far as possible without modifying the remaining provisions of the Investment Terms, and shall not in any way affect any other circumstances of or the validity or enforcement of these Investment Terms.

#### **19.9. Conflict with Articles**

In the event of any conflict between the provisions of these Investment Terms and the Articles (or the articles of association of any Group Company) the provisions of these Investment Terms shall prevail. In the event of any conflict between the provisions of these Investment Terms and the provisions contained in the Articles (or the articles of association of any Group Company), the parties agree that they will sign any resolution required by the Board acting in its sole discretion to amend the Articles (or the articles of association of any Group Company) so as to make its provisions consistent with the provisions of these Investment Terms.

#### **19.10. Disclosure and Variation Letter**

These Investment Terms shall be subject to the provisions of the Disclosure and Variation Letter and in the event of any conflict between the provisions of these Investment Terms and the provisions of the Disclosure and Variation Letter, the provisions of the Disclosure and Variation Letter shall prevail.



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## 20. Notices

20.1. Subject to Clause 20.3, below, any notice to a party under these Investment Terms shall be in writing signed by or on behalf of the party giving it and shall be served on a party if given personally, left at or sent by prepaid first class post or prepaid recorded delivery or special delivery to the address of that party as notified to the other parties from time to time.

20.2. A notice shall be deemed to have been served at the time of delivery if delivered personally, 48 hours after posting in the case of an address in the United Kingdom and 96 hours after posting for an overseas address provided that where the deemed time of service is after 6 p.m. on a Business Day or on a day which is not a Business Day, the notice shall be served at 9 a.m. on the next Business Day. The deemed service provisions of this sub-Clause shall not apply to notices served by post if there is a national or local disruption of postal services which affects the giving of the notice.

20.3. Where any provision of these Investment Terms provides that a notice may be served by electronic mail, such notice shall be served on a party if sent to an electronic mail address notified by that party to the other parties from time to time or via the secure investor area of the Angels Den Crowdfunding website, and shall be deemed to have been served on the date and time of transmission.

## 21. Governing law and jurisdiction

21.1. These Investment Terms and any dispute, claim or obligation (whether contractual or non-contractual) arising out of or in connection with it, its subject matter or formation shall be governed by English law.

21.2. The parties irrevocably agree that the English courts shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) arising out of or in connection with these Investment Terms, its subject matter or formation.

## 22. Counterparts

These Investment Terms may be executed in any number of counterparts and by the parties on separate counterparts, each of which shall be an original of these Investment Terms and all counterparts shall together constitute one and the same instrument.

## 23. Parties and Signatures

23.1. The following shall be parties to these Investment Terms at Completion:

- a. the Company;
- b. the Managers;
- c. the Existing Shareholders; and
- d. any Investors who have provided an electronic signature to these Investment Terms on the Angels Den Crowdfunding Website.

23.2. The parties agree that the use of electronic signatures in respect of these Investment Terms will be legally binding and that these Investment Terms shall comprise a valid, effective and legally binding agreement between all parties hereto with effect from Completion.