

Dated

ADVANCE SUBSCRIPTION AGREEMENT

[COMPANY

The Invest

[COMPANY



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ADVANCE SUBSCRIPTION AGREEMENT

DATED

Between:

- 1. [[FULL COMPANY NAME], a company incorporated in England and Wales with company number [NUMBER] and whose registered office is at [REGISTERED OFFICE ADDRESS]] OR [[NAME] of [ADDRESS]] and whose email address for the purpose of this Agreement is [INVESTOR]
- 2. [FULL COMPANY NAME], a company incorporated in England and Wales with company number [NUMBER] and whose registered office is at [REGISTERED OFFICE ADDRESS]] and whose email address for the purpose of this Agreement is [INVESTOR] (the **Company**)

INTRODUCTION

The Investor has entered into this Agreement with the Company on the terms of this Agreement.

AGREED TERMS

1 Interpretation

1.1 In this Agreement, the following definitions shall have effect:

Article

Business Day means any day other than a Saturday, Sunday or public holiday in the relevant clearing banks are open for business.

Company

Control

(a) means the ability to exercise or control the exercise of 50% or more of the voting rights of the Company;

(b) means the ability to exercise or control the exercise of 50% or more of the voting rights of the Company through the holding of shares in the Company or the ability to appoint or remove a director of the Company.

and Company

FPO memo means the Financial Prospectus Order Form issued by the Financial Conduct Authority in Order 2005.

Fully-diluted means the number of shares in the Company as if all shares issued by the Company were issued shares and all options, warrants, convertible securities and other securities convertible into shares were exercised or converted in full by their terms and all such securities were converted into shares, excluding the shares issued pursuant to this Agreement and any other Subscription Shares which will be allotted pursuant to other advance subscription agreements entered into by the Company with other investors.

Insolvency Event means, in relation to the Company, either the entry into liquidation whether voluntarily (except for reconstruction or amalgamation of a solvent company) or compulsorily, the passing of a resolution for a creditors winding up, the making of a proposal to creditors, a company voluntary arrangement or a composition in satisfaction of its debts or a scheme of arrangement of its affairs, the appointment of a provisional liquidator, a receiver



or an administrator, or the inability to pay its debts (within the meaning of section 123 Insolvency Act 1986).

Longstop Date means [DATE].

Parties means the parties to this Agreement and references to a **Party** shall be construed accordingly.

Qualified Financing Round means the completion after the date of this Agreement of an equity financing transaction of more than £[AMOUNT] compared with other financing rounds of the Company

Qualified Financing Round means the completion after the date of this Agreement of an equity financing transaction of more than £[AMOUNT] compared with other financing rounds of the Company

Sale means a transaction (within the meaning of the Companies Act 2006) for the sale of shares in the Company or the acquisition of shares in the Company by a person connected with the Company in Concert with the Company or its authorised purchaser,

Specific Details means the details of the account (including the account number and the account name) and the account details of the account (including the account number and the account name).

Subscriber

Subscriber

Subscriber

(a)

(b)

1.2 In this /

(a)

(b)

(c) reference to a Clause is a reference to the relevant Clause of this Agreement;

(d) Clause headings do not affect the interpretation of this Agreement;

(e) reference to:

(i) a person includes a natural person, corporate or unincorporated body



(whether or not having separate legal personality); and

(ii) a company includes any company, corporation, partnership, limited partnership, limited liability partnership or other body corporate, wherever and however incorporated or established;

(f) **include, including and in particular** are to be construed as illustrative and not so as to limit the sense of any word, definition, phrase or term preceding them;

(g) [redacted] to limit the [redacted] able; and

(h) [redacted] d.

1.3 Clauses requires [redacted] otherwise

2 Advance

2.1 The Inv the Sub [redacted] amount equal to

2.2 The Inv Days for Account [redacted] in 5 Business Days Specified

2.3 The Inv Compar (other t Agreem [redacted] on to the circumstances of this

3 Conversion

3.1 The Sub Subscrip the first [redacted] shares at the (Shares) on

(a)

(b)

(c)

(d)

3.2 On com [redacted]

(a)



[redacted] d and in

[redacted] company as the

(iii) execute and deliver to the Investor a share certificate in respect of the Subscription Shares; and

(b) the Investor shall execute and deliver to the Company all relevant documents necessary or related to the conversion and/or the event which resulted in the conversion including:

- (i) in the case of a Qualified Financing Round, all relevant documents in the same or substantially the same form (except as to the Subscription Price and other changes specified by the Company, acting reasonably) as the documents to be entered into by the investors in the Qualified Financing Round;
- (ii) in the case of a Share Sale, all relevant documents in the same or substantially the same form (except as specified by the Company, acting

3.3 This Agreement Clause 3

4 Company

4.1 The Company

(a)

(b)

(c)

(d)

5 Investor

5.1 The Investor

(a)

jurisdiction;

- (b) if the Investor falls within the categories of "certified high net worth individual", "certified sophisticated investor" or "self-certified sophisticated investor", that it has the necessary signed statements and/or certificates as required under the FPO; and
- (c) that the Investor has the capacity and authority to enter into and perform its obligations under the Agreement and no other consents, authorisations or approvals

of any kind are required in connection with the execution or performance of this Agreement by the Investor.

6 Entire Agreement

The Agreement constitutes the entire agreement between the Parties about the subject matter of this Agreement and supersedes any previous agreement, draft agreement, arrangement or understanding (whether in writing or not) between the Parties relating to its subject matter.

7 Assign

This Agreement is a contract for the sale of securities, and the Investor, as a party to this Agreement, is not a party to this Agreement.

8 Costs

Each Party shall bear its own costs and expenses in connection with the negotiation and performance of this Agreement.

9 Notices

9.1 A notice

(a) shall be given to the relevant Party at the address stated in this Agreement or at such other address as the relevant Party may in writing advise the other Party in this Agreement.

(b) shall be given to the relevant Party by email to the email address stated in this Agreement or at such other email address as the relevant Party may in writing advise the other Party in this Agreement, which it is sent)

9.2 A notice

(a) shall be given to the relevant Party by email to the email address stated in this Agreement or at such other email address as the relevant Party may in writing advise the other Party in this Agreement, the date of

(b) shall be given to the relevant Party by email to the email address stated in this Agreement or at such other email address as the relevant Party may in writing advise the other Party in this Agreement, 9.2 is not
(c) shall be given to the relevant Party by email to the email address stated in this Agreement or at such other email address as the relevant Party may in writing advise the other Party in this Agreement, y that is not a
(d) shall be given to the relevant Party by email to the email address stated in this Agreement or at such other email address as the relevant Party may in writing advise the other Party in this Agreement, be given when
provide within business hours on a business day (as determined by the relevant Party) or, if not possible, at the first business day next starts in the place of deemed receipt.

9.3 To prove service, it is sufficient to prove:

- (a) in the case of delivery personally or by courier, that the notice was received at the address of the relevant Party stated above;
- (b) in the case of delivery by email, that the notice was sent by email to the email address of the relevant Party stated above; or

(c) in the case of delivery by post, that the envelope containing the notice was properly addressed to the relevant Party and posted.

9.4 This Clause 9 does not apply to the service of any proceedings or other documents in any legal action.

10 Third party rights

This Agreement is for the benefit of the Parties and is not intended to benefit or be enforce (Parties) Act 1999).

11 Counterparty

This Agreement shall be executed by the Parties, when each Party has executed it.

12 Governing Law

12.1 This Agreement shall be governed by the law of England and Wales (non-contractual) governed by

12.2 The Parties agree to submit to the jurisdiction of the courts of England and Wales in connection with this Agreement.

This Agreement shall be governed by the law of England and Wales.



[IF THE INVESTOR IS AN INDIVIDUAL:

Signed by _____)
[*Investor Name*] _____)

[IF THE INVESTOR IS A COMPANY:

Signed by
duly authorised
[*Investor Company Name*]

Signed by
duly authorised
[*Name of Company*]

