

DATED _____ **2022**

THE SHAREHOLDERS (1)

and

THE GOOD BOX CO LABS LTD (2)

SHAREHOLDERS' AGREEMENT

IN RESPECT OF THE GOOD BOX CO LABS LTD

WALKER MORRIS LLP

33 Wellington Street

LEEDS

LS1 4DL

Tel: +44 (0)113 283 2500

Ref: NGI02351.1

CONTENTS

SECTION	HEADING	PAGE
1	INTERPRETATION	1
2	CONDUCT OF THE COMPANY'S AFFAIRS	4
3	THE BOARD	4
4	ISSUE OF FURTHER SHARES	4
5	DISPOSAL OR CHARGING OF THE SHARES	4
6	EXERCISE OF VOTING RIGHTS	5
7	NO PARTNERSHIP OR AGENCY	5
8	CUMULATIVE REMEDIES	5
9	TERMINATION	5
10	NEW SHAREHOLDERS	6
11	THIRD PARTY RIGHTS	6
12	WAIVER AND VARIATION	7
13	FURTHER ASSURANCES	7
14	SEVERABILITY	7
15	COSTS	7
16	ASSIGNMENT	8
17	ENTIRE AGREEMENT	8
18	CONFLICTS BETWEEN AGREEMENTS	8
19	COUNTERPARTS	8
20	NOTICES	9
21	GOVERNING LAW	9
	SCHEDULE 1 – THE SHAREHOLDERS	11
	SCHEDULE 2 – FORM OF DEED OF ADHERENCE	12

THIS AGREEMENT is made on [●] **2022**

BETWEEN:

- (1) The persons whose names and addresses are set out in Schedule 1 (the **Shareholders** and each a **Shareholder**); and
- (2) **THE GOOD BOX CO LABS LIMITED** (company number: 10272838) whose registered office is at Unit 21 Greenway Business Centre, Harlow, England, CM19 5QE (the **Company**).

BACKGROUND:

- (A) The Company was incorporated under the Companies Act 2006 on 12 July 2016.
- (B) The parties have agreed to enter into this agreement to regulate the management and control of the Company and set out the rights and obligations of each of the Shareholders.

IT IS AGREED AS FOLLOWS:

1 INTERPRETATION

1.1 In this agreement and the schedules the following words have the following meanings:

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

Adequate Procedures means adequate procedures, as referred to in section 7(2) of the Bribery Act 2010 and any guidance issued by the Secretary of State under section 9 of the Bribery Act 2010;

Articles means the articles of association of the Company as adopted by the Company at the applicable time.

Associated Person means in relation to a company, a person (including an employee, agent or subsidiary) who performs services for or on behalf of that company;

Auditors means the auditors of the Company for the time being;

Board means the board of Directors for the time being of the Company, including any committee appointed by the board of Directors;

Business Day means any day (other than Saturday or Sunday) on which clearing banks are open for a full range of banking transactions in the City of London;

Corporate Shareholder means any Shareholder that is not a natural person;

Deed of Adherence means a deed substantially in the form set out in schedule 2;

Directors means the directors of the Company for the time being and Director shall be construed accordingly;

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);

FCA means the Financial Conduct Authority;

holding company shall have the meaning ascribed to such expression by section 1159 of the Act;

Intellectual Property means all design rights, trademarks and service marks (in each case whether registered or not), patents, inventions (whether patentable or not), registered designs, copyrights (including in computer software), contractual waivers of moral rights, rights in databases and collections of data, utility models and all similar property rights whether or not registered or registrable, designs, drawings, performances, computer programs, rights in confidential information, know-how and trade secrets (and any documents containing such confidential information, know-how or trade secrets), business or brand names, rights in domain names, metatags, goodwill or the style or presentation of goods or services and all similar property rights whether or not registered or registrable, in every case in any part of the world including applications for protection, renewal or extension of any such rights;

New Shareholder has the meaning given in clause 11;

Ordinary Shares means the ordinary shares of £0.005 each in the capital of the Company from time to time;

Regulated Activities means any activities, acts or other things undertaken by the Company or any of its Directors which requires approval from the FCA including, for the avoidance of doubt, any variation to the Board;

Shares means shares in the capital of the Company, from time to time;

subsidiary shall have the meaning ascribed to such expression by section 1159 of the Act;

Territory means the United Kingdom.

- 1.2 References in this agreement to statutory provisions shall be construed as references to those provisions as respectively replaced, amended or re-enacted (whether before or after the date of this agreement) from time to time so far as that modification or re-enactment applies or is capable of applying to any transactions entered into prior to the date of this agreement and (as far as liability may exist or can arise under any statutory provisions so modified or re-enacted) shall also include any past statutory provisions or regulations (as from time to time modified or re-enacted) which those provisions or regulations have directly or indirectly replaced.
- 1.3 Unless the context otherwise requires words importing the singular only shall include the plural and *vice versa*.
- 1.4 Words importing the masculine gender only shall include the feminine and words importing natural persons shall also include corporations.
- 1.5 References to “**writing**” or “**written**” includes any non-transitory form of visible reproduction of words (including, for the avoidance of doubt, email).
- 1.6 References to clauses and schedules are references to clauses of and schedules to this agreement. Any headings or sub-headings are inserted for convenience only and shall not affect the construction of this agreement or the schedules.
- 1.7 Any question as to whether a person is connected with another shall be determined in accordance with section 1122 of the Corporation Tax Act 2010 which shall apply in relation to this agreement as it applies in relation to that Act.
- 1.8 Any phrase introduced by the terms “**including**”, “**include**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.9 Unless otherwise provided in this agreement all, covenants, undertakings, warranties and other obligations given or entered into by more than one party in this agreement are given or entered into severally.
- 1.10 The expression “**subsidiary undertaking**” shall be construed in accordance with

section 1162 of the Act.

2 CONDUCT OF THE COMPANY'S AFFAIRS

The Shareholders shall exercise all voting rights and other powers of control available to them in relation to the Company so as to procure (insofar as they are able by the exercise of those rights and powers) that at all times during the term of this agreement the Company shall comply with the provisions of the Articles.

3 THE BOARD

3.1 Meetings of the Board will be held at intervals of not more than once every 13 weeks and at least four Board meetings will be held in each calendar year.

3.2 Appointments and removals of Directors shall be made in accordance with the Articles.

4 ISSUE OF FURTHER SHARES

4.1 Subject to applicable law and the provisions of the Articles, any issuance of further shares in the Company shall be determined by the Board at its sole discretion.

4.2 Each Shareholder undertakes:

4.2.1 to vote in favour of any issuance of shares approved by the Board pursuant to clause 4.1 at any time (i.e. notwithstanding the Company's financial position at such time), including, but not limited to, if required to do so pursuant to section 551 of the Act; and

4.2.2 not to do any act or thing which may prevent or hinder in any way any issuance of shares approved by the Board pursuant to clause 4.1.

5 DISPOSAL OR CHARGING OF THE SHARES

5.1 None of the Shareholders shall, except with the prior written consent of a Shareholder Majority Consent create or permit to subsist any Encumbrance or dispose of any interest in all or any of the Shares held by them (otherwise than by a transfer of those Shares in accordance with the provisions of the Articles) and any person in whose favour any Encumbrance is created or permitted to subsist or any option or rights are granted or any interest is disposed of shall be subject to and bound by the same limitations and provisions as embodied in this agreement.

5.2 No transfer of the beneficial interest in any Share shall be made if the Articles or this

agreement would not permit a transfer of the legal ownership of such Share.

6 EXERCISE OF VOTING RIGHTS

Each Shareholder undertakes with each of the others as follows:

- 6.1 to exercise all voting rights and powers of control available to him in relation to the Company so as to give full effect to the terms and conditions of this agreement including, where appropriate, the carrying into effect of its terms as if they were embodied in the Company's memorandum of association and the Articles;
- 6.2 to not vote or otherwise act in respect of any Regulated Activities, until such time that their shareholding in the Company has been approved, where applicable, by the FCA, the approval of which they shall seek with best endeavours; and
- 6.3 generally to use their best endeavours to promote the business and the interests of the Company.

7 NO PARTNERSHIP OR AGENCY

None of the provisions of this agreement shall be deemed to constitute a partnership between the Shareholders and none of them shall have any authority to bind the others in any way, or authorise any party to make or enter into any commitments for or on behalf of any other party.

8 CUMULATIVE REMEDIES

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

9 TERMINATION

- 9.1 This agreement shall terminate immediately upon the occurrence of any of the following events:
 - 9.1.1 in respect of all parties upon:
 - (a) the passing of a resolution for the winding up of the Company; or
 - 9.1.2 in respect of a Shareholder, upon the Shareholder ceasing to be the legal or beneficial owner of any Shares, provided that:

- (a) such transfer shall have been in accordance with the Articles;
- (b) the transferee of such shares shall have entered into a Deed of Adherence.

9.2 Termination of this agreement shall be without prejudice to the rights of any Shareholder accrued prior to such termination, or under any provision which is expressly stated not to be affected by such termination including in respect of any prior breach of this agreement.

9.3 On a winding-up, the Shareholders shall endeavour to agree a suitable basis for dealing with the interests and assets of the Company and shall endeavour to ensure that:

9.3.1 all existing contracts of the Company are performed so far as resources permit;

9.3.2 no new contractual obligations are entered into by the Company; and

9.3.3 the Company is wound up as soon as practicable.

10 NEW SHAREHOLDERS

10.1 Except with the consent of all the Shareholders and the Board, no shares or equity securities (as defined in section 560 of the Act) shall be allotted or transferred to any person who is not already a party to this agreement (a **New Shareholder**), unless at the time of or prior to such allotment or transfer the New Shareholder (or, if he is a nominee of another person, that other person) enters into a Deed of Adherence.

10.2 Any Deed of Adherence executed pursuant to clause 11.1 shall be in favour of the Company, the Shareholders and any other parties to this agreement at the relevant time and shall be delivered to the Company at its registered office.

10.3 Subject to clause 11.1, no transfer or issue of shares or equity securities (as defined in section 560 of the Act) shall be registered unless a Deed of Adherence has been delivered pursuant to clause 11.2.

11 THIRD PARTY RIGHTS

A person who is not a party to this agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement but this does not affect any right or remedy of a third party which exists or is available apart from that act.

12 WAIVER AND VARIATION

- 12.1 No failure or delay in exercising or enforcing any right or remedy under this agreement shall constitute a waiver of that right or remedy and no single or partial exercise or enforcement of any right or remedy under this agreement shall preclude or restrict the further exercise or enforcement of any such right or remedy.
- 12.2 There shall be no waiver of any term, provision or condition of this agreement unless such waiver is evidenced in writing and signed by the waiving party.
- 12.3 A waiver of a breach of any of the terms of this agreement or of a default under this agreement does not constitute a waiver of any other breach or default and shall not affect the other terms of this agreement. A waiver or a breach of any of the terms of this agreement or of a default under this agreement will not prevent a party from subsequently requiring compliance with the waived obligation.
- 12.4 The rights and remedies provided in this agreement are cumulative and not exclusive of any rights and remedies provided by law.
- 12.5 No variation or cancellation of this agreement shall be effective unless made in writing and signed by all the parties.

13 FURTHER ASSURANCES

At all times after the date of this agreement the parties shall at their own expense execute all such documents and do such acts and things as may be reasonably required for the purpose of giving full force and effect to this agreement.

14 SEVERABILITY

If any of the provisions of this agreement is found by a court or other competent authority to be void or unenforceable, that provision shall be deemed to be deleted from this agreement and the remaining provisions of this agreement shall continue in full force and effect. Notwithstanding the foregoing, the Shareholders shall, immediately following the decision as to the validity or enforceability of a provision, negotiate in good faith in order to agree the terms of a mutually satisfactory provision to be substituted for the provision so found to be void or unenforceable.

15 COSTS

Each of the parties shall bear his own legal, accountancy and other costs, charges and expenses in connection with the negotiation, preparation, execution and implementation by him of this

agreement and any other agreement incidental or referred to in this agreement.

16 ASSIGNMENT

Save as otherwise expressly provided under this agreement or under the Articles, all rights in this agreement are personal to the parties and may not be assigned at law or in equity without the prior written consent of all of the other parties.

17 ENTIRE AGREEMENT

This agreement and the documents referred to in it, constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this agreement. Each of the parties acknowledges and agrees that, in entering into this agreement, and the documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation (whether innocently or negligently made), warranty or understanding of any person (whether a party or not) other than as expressly set out in this agreement as a warranty and waives any right it may have to claim damages or to rescind this agreement by reason of any statement, representation, warranty and/or undertaking not set out in this agreement as a warranty.

18 CONFLICTS BETWEEN AGREEMENTS

18.1 Subject to applicable law, to the extent that any of the provisions of this agreement conflict with any of the provisions of the Articles, the provisions of this agreement shall prevail and the Shareholders shall procure that the Articles are amended so as to resolve such conflict.

18.2 To the extent that any of the provisions of this agreement are additional to the provisions contained in the Articles, the Shareholders agree to do all such things and take all such actions to procure that the provisions of this agreement are put into effect.

19 COUNTERPARTS

19.1 This agreement may be executed in any number of counterparts which together shall constitute one agreement. Any party may enter into this agreement by executing a counterpart and this agreement shall not take effect until it has been executed by all parties.

19.2 Delivery of:

19.2.1 an executed signature page of a counterpart by facsimile transmission or in

Adobe Portable Document Format (PDF) sent by electronic mail; or

19.2.2 a copy of this agreement executed by DocuSign, Adobe Acrobat Sign or other similar electronic document signing platform,

shall take effect as delivery of an executed counterpart of this agreement.

20 NOTICES

20.1 Any notice given under this agreement shall be sent by email to the email address shown opposite each party's name in column 3 of the tables included at Schedule 1 (or such other email address as each party may notify to the others in accordance with clause 21.4).

20.2 Any notice referred to in clause 21.1 shall be deemed to have been given one hour after the time of email despatch provided it is sent before 4.00 pm local time (at the place of receipt) on any Business Day and in any other case at 10.00 am local time (at the place of receipt) on the next following Business Day after the date of despatch.

20.3 In proving the sending or delivery of a notice it shall be enough to prove that a valid email was properly sent to the relevant email address as prescribed by clause 21.1, by way of delivery receipt.

20.4 A party may notify each other party of a change to his name email address or relevant contact for the purposes of this clause 21. Such notice shall be effective on the fifth Business Day after the date on which such notice is deemed to have been sent or delivered to all of the Shareholders and the Company in accordance with this clause 21 or such later date as may be specified in the notice.

20.5 For the purposes of this clause 21 **notice** shall include any request, demand, instruction, information, communication or other document.

20.6 This clause 21 does not apply to the service of any proceedings or other documents in any legal action or proceedings.

21 GOVERNING LAW

21.1 This agreement (and any dispute, controversy, proceedings or claim or whatever nature arising out of or in any way relating to this agreement or its formation) shall be governed by and construed in accordance with English law.

21.2 The parties unconditionally and irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any disputes or claims arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS of which the parties to this agreement have executed it as a **DEED** and delivered it on the date first written in this agreement.

SCHEDULE 1 – THE SHAREHOLDERS

Name of Shareholder	Number of Shares	Email Address
[•]	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]

SCHEDULE 2 – FORM OF DEED OF ADHERENCE

THIS DEED is made on [●] 20[●]

BETWEEN:

- (1) [●] of [●] (the **New Shareholder**);
- (2) **THE SHAREHOLDERS** (as defined in the Agreement (as defined below)); and
- (3) **THE GOOD BOX LABS CO. LIMITED** (company number: 10272838) whose registered office is at Unit 21 Greenway Business Centre, Harlow, England, CM19 5QE (the **Company**).

INTRODUCTION

- (A) By a transfer or subscription for shares dated [●] the **New Shareholder** became the beneficiary of [●] Ordinary Shares together **The Relevant Shares**. In case of a transfer, the party from whom The Relevant Shares are transferred shall be referred to as the **Transferor**.
- (B) This deed is entered into in compliance with the terms of clause 10.2 of an agreement dated [●] made between (1) the Shareholders (as defined in the Agreement); and (2) the Company and others (all such terms as are therein defined) (which agreement is herein referred to as the **Agreement**).

AGREED TERMS

- 1 Words and expressions used in this deed shall have the same meaning as is given to them in the Agreement unless the context otherwise expressly requires.
- 2 The New Shareholder hereby agrees to assume the benefit and obligations of the rights under the Agreement in respect of The Relevant Shares. and, in case of a transfer, hereby agrees to assume and assumes the burden of the Transferor's obligations under the Agreement to be performed after the date hereof in respect of The Relevant Shares.
- 3 The New Shareholder hereby agrees to be bound by the Agreement in all respects as if the New Shareholder were a party to the Agreement as one of the Shareholders and to perform, in case of a transfer, all the obligations of the Transferor in that capacity thereunder; and all the obligations expressed to be imposed on such a party to the Agreement; to be performed or on or after the date hereof.

- 4 This deed is made for the benefit of:
- 4.1 the parties to the Agreement; and
- 4.2 any other person or persons who may after the date of the Agreement (and whether or not prior to or after the date hereof) assume any rights or obligations under the 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 hold any Shares in the capital of the Company.
- 5 For the avoidance of doubt, in case of a share transfer, nothing in this deed shall release the Transferor from any liability in respect of any obligations under the Agreement due to be performed prior to the date of this deed.
- 6 None of the Shareholders:
- 6.1 makes any representation or warranty or assumes any responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of any of the Agreement (or any agreement entered into pursuant thereto);
- 6.2 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 obtaining of shares in the Company; or
- 6.3 assumes any responsibility for the financial condition of the Company or any other party to the Agreement or any other document or for the performance and observance by the Company or any other party to the 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.
- 7 This deed shall be governed by and construed in accordance with the laws of England and Wales.
- 8 The parties unconditionally and irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any disputes or claims arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS of which this deed has been executed and delivered on the date specified above.

SIGNED (but not delivered until the date written at the start of this deed) **AS A DEED** by

the NEW SHAREHOLDER

New Shareholder' name:

New Shareholder' representative and function (in case of a Corporate Shareholder)

.....

New Shareholder' signature:

in the presence of:

Witness' name (BLOCK CAPITALS):

Witness' signature:

Witness' address:

Witness' occupation:

THE GOOD BOX CO LABS LTD

Director's name (BLOCK CAPITALS):

New Shareholder' signature:

in the presence of:

Witness' name (BLOCK CAPITALS):

Witness' signature:

Witness' address:

Witness' occupation: