

## **WHEREAS:**

- A. The Service Provider is inter alia engaged in the business of providing digital incubation services to technology start-ups aimed to help establish and grow their business.
- B. The Startup, being a technology Startup, is desirous of availing the Services (as defined hereinafter in Section 1.1 (x) of this Agreement) to help it develop a commercially viable business involving information technology development (“**Business**”) has applied to the Service Provider to provide the same.
- C. Having selected the Startup and Founders from a list of applicants interested in availing the Services, the Service Provider has agreed to provide the Services to the Startup and Founders and accordingly, the Parties have agreed to enter into this Agreement for recording the terms on which the said Services will be provided and availed, the consideration payable for the same and other terms and conditions incidental and ancillary to the said purpose.

**NOW THEREFORE**, for and in consideration of the foregoing, and the representations, warranties, and conditions set forth below, the Parties hereto, intending to be legally bound, hereby agree as follows:

## **1. DEFINITIONS AND INTERPRETATION**

### **1.1 Definition**

In this Agreement, including in the Recitals, and unless the context requires otherwise, the following words and expressions shall have the following meanings:

- (a) “**Agreement**” means this Agreement together with its Schedules, as the same may be amended, modified and/or supplemented from time to time in writing in accordance with the terms and conditions hereof;
- (b) “**Authorized Representative**” means any person duly authorized as such by each Party for any purpose in connection with this Agreement;
- (c) “**Batch Program**” shall mean the 6-month digital incubation program - “Silicon Valley Programme” proposed to be conducted by the Service Provider for student

startups selected from engineering students or freshly graduated students from across the country aimed at teaching students and startups enrolled in the program on how to build and grow a startup;

- (d) **“Batch Program Phase”** shall mean the 6-month period during which the Batch Program is conducted;
- (e) **“Batch Program Services”** shall mean the services to be provided to the Startup during the Batch Program Phase as set out in detail in Schedule A;
- (f) **“Business”** shall have the meaning ascribed to it in Recital B of this Agreement;
- (g) **“Company”** shall mean the company incorporated by the Startup pursuant to Section 4.1 of this Agreement. For the avoidance of doubt, all references to the “Startup” in this Agreement shall also mean and include a reference to the Company after the Company signs a deed of adherence in accordance with Section 4.2 below;
- (h) **“Cost to Company”** refers to the total expenses incurred/to be incurred by a company / Potential Employer on a given employee in a year;
- (i) **“Founders”** shall have the meaning as defined in the Description of Parties. For the avoidance of doubt, all references to a “Founder” or “Founders” in this Agreement shall mean and include a reference to the said individual (i) in his personal capacity, (ii) as a Partner of the Startup, and (iii) as a shareholder, promoter, director and/or employee of the Company after the Company has been incorporated and signs a deed of adherence in accordance with Section 4.2 below.
- (j) **“Fully Diluted Basis”** means the calculation of the value of the Startup on the assumption that all outstanding convertible securities, stock options and outstanding commitments by the Startup to issue equity shares at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged (or issued, as the case may be) and Fully Diluted shall be interpreted accordingly;
- (k) **“Graduation Support Services”** shall mean the support services, forming part of the Services that may be provided by the Service Provider on a best efforts basis to the Startup and the Founders as detailed in Schedule A;
- (l) **“Graduation Support Phase”** shall mean a period of 5 (five) years commencing from the date of completion of the 6-month Batch Program during which period the Graduation Support Services shall be provided.

- (m) **“Gross Contract Revenue”** means the total sale price and/or license fees and/or consideration paid and/or to be payable to the Startup by its Potential Customers;
- (n) **“Government”** shall include the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same and any local or other authority exercising powers conferred by Law;
- (o) **“Founding Team”** means the Founders and other promoters and employees of the Startup as set out in Schedule B hereto and shall include those who join the Startup after the execution of this Agreement and is/are identifiable as a key member / employee of the Startup in the Service Provider’s sole opinion;
- (p) **“Law”** includes all statutes, enactments, Acts of Legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Government, Statutory Authority, Tribunal, Board, Court or recognized Stock Exchange and if applicable, international treaties and regulations as amended from time to time;
- (q) **“Losses”** includes all losses, claims, costs, and damages (whether direct, indirect, general, special, absolute, accrued, conditional or otherwise and whether or not resulting from third party claims), including interests and penalties with respect thereto and out-of-pocket expenses, including reasonable attorneys' and accountants' fees and disbursements;
- (r) **“Monitoring Committee”** shall have the meaning ascribed to it in Section 5;
- (s) **“Potential Acquirer”** shall mean any person/entity introduced to the Startup by the Service Provider for a potential acquisition in terms of Section 3.1 (d) or Section 3.6 and shall also include Potential Customers, Potential Employer and Potential Investors.
- (t) **“Potential Customers”** are those customers introduced / referred by the Service Provider to the Startup who may be interested to buy and avail Startup’s products and services;
- (u) **“Potential Employer”** means an employer referred to in Section 3.5 to whom a Founder of the Startup is introduced by the Service Provider;
- (v) **“Potential Investors”** are those investors and/or financiers introduced / referred by the Service Providers to the Startup who may be interested to invest in the Startup and/or provide financial assistance to the Startup.;

- (w) **“Pre-money Valuation”** means the value of the Startup arrived at immediately prior to the infusion of any investment into the Startup by Potential Investors by calculating the same on a Fully Diluted Basis;
- (x) **“Services”** means the digital incubation services comprising the Batch Program Services and the Graduation Support Services being provided/to be provided by the Service Provider to the Startup and/or the Founders (or any of them) as set forth in Section 2 hereunder and more fully set out in Schedule A of this Agreement;
- (y) **“Shareholders Agreement”** shall refer to the shareholders agreement to be entered into by all the shareholders of the Startup with the Service Provider (or its nominees).

## 2 SCOPE OF SERVICES

2.1 For the due consideration payable by the Startup as set forth in Section 3 of this Agreement, the Service Provider shall provide the Batch Program Services and, on a best efforts basis, the Graduation Support Services as more fully set out in Schedule A of this Agreement (hereinafter collectively referred to as the **“Services”**) during the Batch Program Phase and Graduation Support Phase respectively aimed at (i) helping the Startup set up, grow and develop its Business and (ii) helping the Founders (in their individual capacity) get employment or get ‘acqui-hired’.