**«[#setting»SHAREHOLDERS AGREEMENT**

This Shareholders Agreement (this “**Agreement**”) is made and entered into as of [ ] by and among:«[#assign»«[#list»«[#if»«[#assign»«[/#if]»«[/#list]»

1. «${agreement.p1FinancingBody[», an exempted company with limited liability organized and existing under the laws of the «${agreement.p1FinancingBody[» (the “**Company**”);«[#if»
2. «${agreement.p1HongKongCompany[», a company organized and existing under the laws of Hong Kong (the “**HK Co.**”);«[/#if]»«[#if»
3. «${agreement.p1WfoeAndDomesticCompany[» («${agreement[»), a wholly foreign-owned enterprise organized and existing under the laws of the People’s Republic of China (the “**PRC**”) (the “**WFOE**”);«[/#if]»«[#if»
4. «${agreement.p1ContractorDomesticList[0][» («${agreement.p1ContractorDomesticList[0][»), a limited liability company organized and existing under the laws of PRC (the “**PRC Affiliate**”);«[#elseif»
5. «[#list»«${dome[» («${dome[»), a limited liability company organized and existing under the laws of PRC (the “**«${dome[»**”«[#if»); «[#else]», «[/#if]»«[/#list]»together with «[#list»«[#if»«${dome[»«[/#if]»«[#if», «[#elseif» and «[/#if]»«[/#list]», the “**PRC Affiliates**”);«[/#if]»«[#if»
6. «[#if»Each of the entity or entities as set forth in Schedule 1-1 attached hereto (the “**BVI Companies**” and each, a “**BVI Company**”)«[#else]»«[#list»«[#if»«${bvi[»«[/#if]»«[/#list]», a company organized and existing under the laws of the British Virgin Islands (the “**BVI Company**”)«[/#if]»;«[/#if]»
7. «[#if»Each of the persons as set forth in «[#if»Schedule 1-2«[#else]»Schedule 1«[/#if]» attached hereto (the “**Founders**” and each, a “**Founder**”)«[#else]»The person as set forth in «[#if»Schedule 1-2«[#else]»Schedule 1«[/#if]» attached hereto (the “**Founder**”)«[/#if]»; and
8. «[#if»Each of the entity or entities as set forth in Schedule 2 attached hereto (collectively, the “**Investors**”, and each, an “**Investor**”)«[#else]»The entity as set forth in Schedule 2 attached hereto (the “**Investor**”)«[/#if]».

The Company, «[#if»the HK Co.«[#else]»the HK Co. (as defined in the Purchase Agreement)«[/#if]», «[#if»the WFOE«[#else]»the WFOE (as defined in the Purchase Agreement) «[/#if]»and the PRC Affiliate«[#if»s«[/#if]» are referred to collectively herein as the “**Group Companies**”, and each, a “**Group Company**”. The WFOE, and the PRC Affiliate«[#if»s«[/#if]» are referred to collectively herein as the “**PRC Companies**”, and each a “**PRC Company**”.

RECITALS

1. The Group Companies«[#if», «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]»«[/#if]», the Founder«[#if»s«[/#if]» and the Investor«[#if»s«[/#if]» have entered into a Series A Preferred Shares Purchase Agreement dated [ ] (the “**Purchase Agreement**”), under which the Company shall issue and allot certain number of Series A Preferred Shares (as defined in the Restated Articles) to the Investor«[#if»s«[/#if]».
2. In connection with the consummation of the transactions contemplated by the Purchase Agreement, the parties hereto desire to enter into this Agreement and the Ancillary Agreements (as defined in the Purchase Agreement) for the governance, management and operations of the Group Companies and for the rights and obligations between and among the Investor«[#if»s«[/#if]» and the Company.
3. The Purchase Agreement provides that the execution and delivery of this Agreement by the parties shall be a condition precedent to the consummation of the transactions contemplated under the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual promises hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. «[#if»INFORMATION RIGHTS; «[/#if]»BOARD REPRESENTATION.«[#if»
   1. Information and Inspection Rights.
      1. Information Rights. Each of the Group Companies covenants and agrees that, commencing on the date of this Agreement, for so long as any Preferred Shares (as defined in the Restated Articles) are outstanding, the Group Companies shall deliver to each holder of the Preferred Shares:«[#list»«[#if»«[#if»
         1. audited annual consolidated financial statements, within «${agreement[» after the end of each fiscal year, prepared in conformance with the «${agreement[» (“**«${agreement[»**”) and audited by the accounting firms acceptable to the Investor«[#if»s«[/#if]», with comparison with actual result against annual capital expenditure and operations budget«[#else]»«${info.contentStr}»«[/#if]»«[#if»;«[#else]».«[/#if]»«[#elseif»«[#if»
         2. unaudited quarterly consolidated financial statements, within «${agreement[» after the end of each quarter, prepared in conformance with the «${agreement[», with comparison with actual result against annual capital expenditure and operations budget, if requested by the Investor«[#if»s«[/#if]» within seven (7) days before the end of such quarter«[#else]»«${info.contentStr}»«[/#if]»«[#if»;«[#else]».«[/#if]»«[#elseif»«[#if»
         3. unaudited monthly consolidated financial statements, within «${agreement[» after the end of each month, prepared in conformance with the «${agreement[», with comparison with actual result against annual capital expenditure and operations budget, if requested by the Investor«[#if»s«[/#if]» within seven (7) days before the end of such month«[#else]»«${info.contentStr}»«[/#if]»«[#if»;«[#else]».«[/#if]»«[#elseif»«[#if»
         4. an annual capital expenditure and operations budget of the Group Companies for the following fiscal year, as approved by the Board, within «${agreement[» after the end of each fiscal year«[#else]»«${info.contentStr}»«[/#if]»«[#if»;«[#else]».«[/#if]»«[#elseif»«[#if»
         5. copies of all Company documents or other Company information sent to any shareholder«[#else]»«${info.contentStr}»«[/#if]»«[#if»;«[#else]».«[/#if]»«[#elseif»«[#if»
         6. upon the written request by any holder of Preferred Shares, such other information as such holder of Preferred Shares shall reasonably request from time to time (the above rights, collectively, the “**Information Rights**”)«[#else]»«${info.contentStr}»«[/#if]»«[#if»;«[#else]».«[/#if]»«[#else]»
         7. «${info.contentStr}»«[#if»;«[#else]».«[/#if]»«[/#if]»«[/#list]»

All financial statements to be provided to such holder of Preferred Shares pursuant to this Section 1.1(a) shall include an income statement, a balance sheet and a cash flow statement for the relevant period as well as for the fiscal year to-date and shall be prepared in conformance with the «${agreement[», with comparison with actual result against annual capital expenditure and operations budget.

* + 1. Inspection Rights. Each of the Group Companies further covenants and agrees that, commencing on the date of this Agreement, for so long as any Preferred Shares are outstanding, each holder of Preferred Shares shall have (i) the right to inspect facilities, records and books of the Group Companies at any time during regular working hours upon reasonable prior notice to the Group Companies, (ii) the right to discuss the business, operations and conditions of the Group Companies with their respective directors, officers, employees, accountants, legal counsel and investment bankers, and (iii) the right to be informed by the Company immediately upon the occurrence of any material change of the business plan or any change of senior management (the “**Inspection Rights**”).
    2. Termination of Rights. The Information Rights and Inspection Rights shall terminate upon consummation of a firm commitment underwritten public offering of the ordinary shares of the Company (“**Ordinary Shares**”) in the United States, that has been registered under the United States Securities Act of 1933, as amended from time to time, including any successor statutes (the “**Securities Act**”), with the net proceeds to the Company of no less than US$[«[#if»«${agreement.p2QualifiedIpo.params0?number?string(»«[/#if]»] and the implied market capitalization of the Company prior to such public offering shall be no less than US$[«[#if»«${agreement.p2QualifiedIpo.params1?number?string(»«[/#if]»], or in a similar public offering of the Ordinary Shares of the Company in Hong Kong or another jurisdiction which results in the Ordinary Shares trading publicly on a recognized international securities exchange; provided that such offering in terms of price, net proceeds, implied market capitalization and regulatory approval is reasonably equivalent to the aforementioned public offering in the United States and is subject to the prior written approval of Preferred Majority (as defined below in Section 10) (a “**Qualified IPO**”).«[/#if]»
  1. Board of Directors. The Amended and Restated Memorandum and Articles of Association of the Company (the “**Restated Articles**”) shall provide that the board of the directors of the Company (the “**Board**” or the “**Board of Directors**”) shall consist of [«${agreement.p1Aod.newBoard.totalNumber}»] members, which number of members shall not be changed except pursuant to an amendment to the Restated Articles. Effective from the date hereof,«[#if»
     + 1. «[#if»«${agreement.p1Aod.newBoard.investorAODList[0][» (so long as it continues to hold shares in the Company) shall be entitled to appoint and remove [«${agreement.p1Aod.newBoard.investorAODList[0][»] director (the “**Investor Director**”);«[#else]»«[#list»«${aod[» (so long as it continues to hold shares in the Company) shall be entitled to appoint and remove [«${aod[»] director (the “**Investor Director «${aod\_index+1}»**”«[#if»); «[#else]», «[/#if]»«[/#list]»together with the «[#list»«[#if»Investor Director «${aod\_index+1}»«[/#if]»«[#if», «[#elseif» and «[/#if]»«[/#list]», the “**Investor Directors**”, and each an “**Investor Director**”);«[/#if]»«[/#if]»
       2. «[#if»«[#if»BVI Companies«[#else]»BVI Company«[/#if]»«[#else]»Founder«[#if»s«[/#if]»«[/#if]» (so long as any of them continues to hold shares in the Company) shall be entitled to appoint and remove [«[#assign»«[#list»«[#if»«[#assign»«[/#if]»«[/#list]»«${bviAod}»] directors (the “**Ordinary Directors**”).

A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than [«${agreement.p1Aod.rulesOfBoardMeeting[»] directors«[#if», which shall include the Investor Director«[#if»s«[/#if]»«[/#if]». The Company shall reimburse the directors for all reasonable out-of-pocket expenses incurred in connection with attending any meetings of the Board and any committee thereof.«[#if»«[#if»

Each Director of the Company shall have one (1) vote for each of the matters submitted to the Board of Directors, except «[#list»«${aod.directorName}» shall have [«${aod.voteNum}»] votes«[#if», «[#elseif» and «[/#if]»«[/#list]» for each of the matters submitted to the Board of Directors as long as he/she is the Founder and the Director of the Company.«[/#if]»«[/#if]»«[#if»

«[#list»[«${aod}»] shall be entitled to appoint and remove one (1) observer (the “**Observer**”)«[#if», «[#elseif» and «[#else]». «[/#if]»«[/#list]»The Observer shall be entitled to attend all meetings of the Board, all meetings of any committee of the Board, and/or the board, any committee or similar governing body of any Group Company in a non-voting capacity. In the event that an Observer cannot or elect not to attend any of the foregoing meetings, such Observer may by a written instrument appoint an alternate who need not be an Observer to attend such meeting(s).«[/#if]»

* 1. The HK Co., the WFOE and the PRC Affiliate«[#if»s«[/#if]». Each of the HK Co., the WFOE and the PRC Affiliate«[#if»s«[/#if]» shall have the same number of directors as the Company, and the Investor«[#if»s«[/#if]» shall be entitled to appoint and remove the same number of directors to each of the HK Co., the WFOE and the PRC Affiliate«[#if»s«[/#if]» as they are entitled to appoint and remove to the Company.

1. REGISTRATION RIGHTS.

The Parties hereby acknowledge and agree to the terms set forth in Exhibit A attached hereto, making provision for certain registration rights, and such terms in Exhibit A hereto form an integral part of this Agreement and are binding on the Parties as if such terms were set forth in the body of this Agreement.

1. RIGHT OF PARTICIPATION.
2. General. Without the prior written approval of the Preferred Majority, the Company shall not issue any New Securities (as defined in Section 3.3). Any holder of Preferred Shares, and its assignees, to whom the rights under this Section 3 have been duly assigned in accordance with Section 8 (hereinafter referred to as a “**Participation Rights Holder**”) shall have the right of first refusal to purchase such Participation Rights Holder’s Pro Rata Share (as defined below), of all (or any part) of any New Securities (as defined in Section 3.2) that the Company may from time to time issue after the date of this Agreement (the “**Right of Participation**”).
3. Pro Rata Share. A Participation Rights Holder’s “**Pro Rata Share**” for purposes of the Right of Participation is equal to the product obtained by multiplying (x) the aggregate number of the New Securities to be issued by the Company by (y) a fraction, the numerator of which is the number of Ordinary Shares (calculated on a fully-diluted and as-converted basis) held by such Participation Rights Holder and the denominator of which is «${agreement.p2Pr.PRProportion}» (calculated on a fully-diluted and as-converted basis) then outstanding immediately prior to the issuance of New Securities giving rise to the Right of Participation. For the purpose of this Agreement, “**fully-diluted**” means, with respect to the capitalization of the Company, all warrants, options and convertible securities of the Company are taken into account and assumed to be exercised.
4. New Securities. “**New Securities**” shall mean any Preferred Shares, Ordinary Shares or other voting shares of the Company and rights, options or warrants to purchase such Preferred Shares, Ordinary Shares and securities of any type whatsoever that are, or may become, convertible or exchangeable into such Preferred Shares, Ordinary Shares or other voting shares, provided, however, that the term “New Securities” shall not include:
5. any Ordinary Shares (and/or options or warrants therefor) issued to employees, officers, directors, contractors, advisors or consultants of the Company pursuant to the Company’s employee share option plans approved by the Board«[#if» (including the approval of the Investor Director«[#if»s«[/#if]»)«[/#if]»;
6. any Preferred Shares issued under the Purchase Agreement, as such agreement may be amended and any Ordinary Shares issued pursuant to the conversion thereof;
7. any securities issued in connection with any share split, share dividend or other similar event in which all Participation Rights Holders are entitled to participate on a pro rata basis;
8. any securities issued upon the exercise, conversion or exchange of any outstanding security if such outstanding security constituted a New Security;
9. any securities issued pursuant to the acquisition of another corporation or entity by the Company by consolidation, merger, purchase of assets, or other reorganization approved by the Board«[#if» (including the approval of the Investor Director«[#if»s«[/#if]»)«[/#if]» in which the Company acquires, in a single transaction or series of related transactions, all or substantially all assets of such other corporation or entity, or fifty percent (50%) or more of the equity ownership or voting power of such other corporation or entity; or
10. any securities issued pursuant to a Qualified IPO.
11. Procedures.
12. First Participation Notice. In the event that the Company proposes to undertake an issuance of New Securities (in a single transaction or a series of related transactions), it shall give to each Participation Rights Holder written notice of its intention to issue New Securities (the “**First Participation Notice**”), describing the amount and type of New Securities, the price and the general terms upon which the Company proposes to issue such New Securities, at least thirty (30) Business Days before the issuance day. Each Participation Rights Holder shall have fifteen (15) Business Days from the date of receipt of any such First Participation Notice (the “**First Participation Period**”) to agree in writing to purchase such Participation Rights Holder’s Pro Rata Share of such New Securities for the price and upon the terms and conditions specified in the First Participation Notice by giving written notice to the Company and stating therein the quantity of New Securities to be purchased (not to exceed such Participation Rights Holder’s Pro Rata Share). If any Participation Rights Holder fails to so agree in writing within First Participation Period to purchase such Participation Rights Holder’s full Pro Rata Share of an offering of New Securities, then such Participation Rights Holder shall forfeit the right hereunder to purchase that part of its Pro Rata Share of such New Securities that it did not agree to purchase.
13. Second Participation Notice; Oversubscription. If any Participating Rights Holder fails or declines to exercise its Right of Participation in accordance with subsection (a) above, the Company shall promptly give notice (the “**Second Participation Notice**”, collectively with the First Participation Notice, the “**Participation Notice**”) to other Participating Rights Holders who exercised their Right of Participation (the “**Right Participants**”) in accordance with subsection (a) above. Each Right Participant, other than a Participating Rights Holder who fails or declines to exercise its Right of Participation in accordance with subsection (a) above, shall have five (5) Business Days from the date of the Second Participation Notice (the “**Second Participation Period**”) to notify the Company of its desire to purchase more than its Pro Rata Share of the New Securities, stating the number of the additional New Securities it proposes to buy (the “**Additional Number**”). Such notice may be made by telephone if confirmed in writing within in two (2) Business Days. If, as a result thereof, such oversubscription exceeds the total number of the remaining New Securities available for purchase, each oversubscribing Right Participant will be cut back by the Company with respect to its oversubscription to that number of remaining New Securities equal to the lesser of (x) the Additional Number and (y) the product obtained by multiplying (i) the number of the remaining New Securities available for subscription by (ii) a fraction, the numerator of which is the number of Ordinary Shares (calculated on a fully-diluted and as-converted basis) held by such oversubscribing Right Participant and the denominator of which is the total number of Ordinary Shares (calculated on a fully-diluted and as-converted basis) held by all the oversubscribing Right Participants.
14. Each Right Participant shall be obligated to buy such number of New Securities as determined by the Company pursuant to this Section 3.4 and the Company shall so notify the Right Participants within fifteen (15) Business Days following the date of the Second Participation Notice. The transaction in connection with the New Securities purchased by the Participation Right Holders pursuant to this Section 3 shall be consummated within forty five (45) days following the receipt of the Second Participation Notice from the Right Participants in respect of the desire to purchase such New Securities.
15. Failure to Exercise. Upon the expiration of the Second Participation Period, or in the event no Participation Rights Holder exercises the Right of Participation within fifteen (15) days following the issuance of the First Participation Notice, the Company shall have one hundred and twenty (120) days thereafter to sell the New Securities described in the First Participation Notice (with respect to which the Right of Participation hereunder were not exercised) at the same or higher price and upon non‑price terms not materially more favorable to the purchasers thereof than specified in the First Participation Notice, provided that the prospective purchaser of such New Securities shall comply with this Agreement and Restated Articles, as maybe amended from time to time，to the fullest extent or otherwise approved by the Participation Rights Holder. In the event that the Company has not issued and sold such New Securities within such one hundred and twenty (120) day period, then the Company shall not thereafter issue or sell any New Securities without again first offering such New Securities to the Participation Rights Holders pursuant to this Section 3.
16. Termination. The Right of Participation for each Participation Rights Holder shall terminate upon a Qualified IPO.
17. TRANSFER RESTRICTIONS.«[#if»(None)«[#else]»
18. Certain Definitions. For purposes of this Section 4, “**Preferred Shareholder**” means any holder of the Preferred Shares and its permitted assignees to whom its rights under this Section 4 have been duly assigned in accordance with this Agreement; and “**Ordinary Shareholder**” means any holder of Ordinary Shares of the Company.
19. Right of First Refusal. Subject to Section 4.5 of this Agreement, if any Ordinary Shareholder (the “**Selling Shareholder**”) proposes to sell or transfer any Ordinary Shares held by it, then such Selling Shareholder shall promptly give written notice (the “**Transfer Notice**”) to the Company and each Preferred Shareholder (the “**ROFR Holders**”) prior to such sale or transfer. The Transfer Notice shall describe in reasonable detail the proposed sale or transfer including, without limitation, the number of Ordinary Shares to be sold or transferred (the “**Offered Shares**”), the nature of such sale or transfer, the consideration to be paid, and the name and address of each prospective purchaser or transferee. The ROFR Holders shall have an option for a period of thirty (30) days from receipt of the Transfer Notice to elect to purchase the Offered Shares at the same price and subject to the same terms and conditions as described in the Transfer Notice. The ROFR Holders may exercise such purchase option and purchase all or any portion of the Offered Shares by notifying the Selling Shareholder in writing before expiration of such thirty (30) days period as to the number of shares that it wishes to purchase. Each ROFR Holder will have the right, exercisable upon written notice (the “**ROFR Holder’s First Refusal Notice**”) to the Selling Shareholder and the Company within thirty (30) days after receipt of the Transfer Notice (the “**ROFR Holder’s First Refusal Period**”) of its election to exercise its right of first refusal hereunder. The ROFR Holder’s First Refusal Notice shall set forth the number of Offered Shares that such ROFR Holder wishes to purchase, which amount shall not exceed the First Refusal Allotment (as defined below) of such ROFR Holder. Such right of first refusal shall be exercised as follows:
    * 1. First Refusal Allotment. Each ROFR Holder shall have the right to purchase that number of the Offered Shares (the “**First Refusal Allotment**”) equivalent to the product obtained by multiplying the aggregate number of the Offered Shares by a fraction, the numerator of which is the number of Ordinary Shares (on an as-converted basis) held by such ROFR Holder at the time of the transaction and the denominator of which is the total number of Ordinary Shares (on an as-converted basis) owned by all ROFR Holders at the time of the transaction who elect to participate in the right of first refusal purchase. A ROFR Holder shall not have a right to purchase any of the Offered Shares unless it exercises its right of first refusal within the ROFR Holder’s First Refusal Period to purchase up to all of its First Refusal Allotment of the Offered Shares. To the extent that any ROFR Holder does not exercise its right of first refusal to the full extent of its First Refusal Allotment, the Selling Shareholder and the exercising ROFR Holders shall, at the exercising ROFR Holders’ sole discretion, within five (5) days after the end of the ROFR Holder’s First Refusal Period, make such adjustment to the First Refusal Allotment of each exercising ROFR Holder so that any remaining Offered Shares may be allocated to those ROFR Holders exercising their rights of first refusal on a pro rata basis.
      2. Purchase Price and Payment. The purchase price for the Offered Shares to be purchased by the ROFR Holders exercising their right of first refusal will be the price set forth in the Transfer Notice, but will be payable as set forth below. If the purchase price in the Transfer Notice includes consideration other than cash, the cash equivalent value of the non‑cash consideration will be as previously determined by the Board in good faith, which determination will be binding upon the Company, the Selling Shareholder and the ROFR Holders, absent fraud or error. The transaction in connection with the Offered Shares purchased by the ROFR Holders shall be consummated within forty five (45) days following the date of the ROFR Holder’s First Refusal Notice by wire transfer or check as directed by the Selling Shareholder.
      3. Expiration Notice. Within ten (10) days after the expiration of the ROFR Holder’s First Refusal Period, the Company will give written notice (the “First Refusal Expiration Notice”) to the Selling Shareholder and the ROFR Holders specifying either (i) that all of the Offered Shares were subscribed by the ROFR Holders exercising their rights of first refusal, or (ii) that the ROFR Holders have not subscribed for all of the Offered Shares in which case the First Refusal Expiration Notice will specify the Co-Sale Pro Rata Portion (as defined below) of the remaining Offered Shares for the purpose of the co‑sale right of the holders of the Preferred Shares described in the Section 4.3 below.
      4. Rights of a Selling Shareholder. If any ROFR Holder exercises its right of first refusal to purchase the Offered Shares, then, upon the date the notice of such exercise is given by the ROFR Holder, the Selling Shareholder will have no further rights as a holder of such Offered Shares except the right to receive payment for such Offered Shares from such ROFR Holder in accordance with the terms of this Agreement, and the Selling Shareholder will forthwith cause all certificate(s) evidencing such Offered Shares to be surrendered to the Company for transfer to such ROFR Holder.
20. Co‑Sale Right. In the event that the ROFR Holders have not exercised their right of first refusal with respect to any or all of the Offered Shares (the “Co-Sale Holder”), then the remaining Offered Shares not subscribed for under the right of first refusal pursuant to Section 4.2 above shall be subject to co-sale rights under this Section 4.3 and each Co-Sale Holder shall have the right, exercisable upon written notice to the Selling Shareholder and the Company (the “Co-Sale Notice”) within thirty (30) days after receipt of First Refusal Expiration Notice (the “Co-Sale Right Period”), to participate in such sale of the Offered Shares on the same terms and conditions as set forth in the Transfer Notice. The Co-Sale Notice shall set forth the number of Ordinary Shares (on both an absolute and as-converted to Ordinary Shares basis) that such Co-Sale Holder wishes to include in such sale or transfer, which amount shall not exceed the Co-Sale Pro Rata Portion (as defined below) of such Co-Sale Holder. To the extent one or more of the Co-Sale Holders exercise such right of participation in accordance with the terms and conditions set forth below, the number of Ordinary Shares that such Selling Shareholder may sell in the transaction shall be correspondingly reduced. The co‑sale right of each Co-Sale Holder shall be subject to the following terms and conditions:
    * 1. Co-Sale Pro Rata Portion. Each Co-Sale Holder may sell all or any part of that number of Ordinary Shares held by it that is equal to the product obtained by multiplying (x) the aggregate number of the Offered Shares subject to the co-sale right hereunder by (y) a fraction, the numerator of which is the number of Ordinary Shares (on an as-converted basis) owned by such Co-Sale Holder at the time of the sale or transfer and the denominator of which is the combined number of Ordinary Shares (on an as-converted basis) at the time owned by all Co-Sale Holders who elect to exercise their co-sale rights (if any Co-Sale Holder does not elect to exercise the co-sale right to the full extent then its Ordinary Shares (on as-converted basis) for calculation in the denominator shall be proportionately reduced) and the Selling Shareholder (“**Co-Sale Pro Rata Portion**”).
      2. Transferred Shares. Each Co-Sale Holder shall effect its participation in the sale by promptly delivering to the Selling Shareholder for transfer to the prospective purchaser one or more certificates, properly endorsed for transfer, which represent:
         1. the number of Ordinary Shares which such Co-Sale Holder elects to sell;
         2. that number of Preferred Shares which is at such time convertible into the number of Ordinary Shares that such Co-Sale Holder elects to sell; provided in such case that, if the prospective purchaser objects to the delivery of Preferred Shares in lieu of Ordinary Shares, such Co-Sale Holder shall convert such Preferred Shares into Ordinary Shares and deliver Ordinary Shares as provided in Subsection 4.3(b)(i) above. The Company agrees to make any such conversion concurrent with the actual transfer of such shares to the purchaser; or
         3. a combination of the above.
      3. Payment to Preferred Shareholder. The share certificate or certificates that the Co-Sale Holder delivers to the Selling Shareholder pursuant to Section 4.3(b) shall be transferred to the prospective purchaser in consummation of the sale of the Offered Shares pursuant to the terms and conditions specified in the Transfer Notice, and the Selling Shareholder shall concurrently therewith remit to such Co-Sale Holder that portion of the sale proceeds to which such Co-Sale Holder is entitled by reason of its participation in such sale. To the extent that any prospective purchaser or purchasers prohibits such assignment or otherwise refuses to purchase any shares or other securities from a Co-Sale Holder exercising its co‑sale right hereunder, the Selling Shareholder shall not sell to such prospective purchaser or purchasers any Ordinary Shares unless and until, simultaneously with such sale, the Selling Shareholder shall purchase such shares or other securities from such Co-Sale Holder.
      4. Right to Transfer. To the extent the ROFR Holders do not elect to purchase, or the Co-Sale Holders do not to participate in the sale of, any or all of the Offered Shares subject to the Transfer Notice, the Selling Shareholder may, not later than ninety (90) days following delivery to the Company and each of the Preferred Shareholder of the Transfer Notice, conclude a transfer of the Offered Shares covered by the Transfer Notice and not elected to be purchased by the ROFR Holders, which in each case shall be on substantially the same terms and conditions as those described in the Transfer Notice. Any prospective purchaser of such shares shall comply with this Agreement and Restated Articles, as maybe amended from time to time, to the fullest extent. Any proposed transfer on terms and conditions which are materially different from those described in the Transfer Notice, as well as any subsequent proposed transfer of any Ordinary Shares by the Selling Shareholder, shall again be subject to the right of first refusal of the ROFR Holders and the co‑sale right of the Co-Sale Holders and shall require compliance by the Selling Shareholder with the procedures described in Sections 4.2, and 4.3 of this Agreement.
    1. Permitted Transfers. Notwithstanding anything to the contrary contained herein, the right of first refusal and co‑sale rights as set forth in the Section 4.2 and Section 4.3 above shall not apply to (a) any Transfer (as defined below) of Ordinary Shares to the Company pursuant to a repurchase right or right of first refusal held by the Company in the event of a termination of employment or consulting relationship; and (b) any Transfer to the parents, children or spouse, or to trusts for the benefit of such persons, of any holder of Ordinary Shares for bona fide estate planning purposes;«[#if» or (c) any Transfer of up to [ ]% of the Ordinary Shares in the Company immediately after the Closing held by any Ordinary Shareholder in the aggregate«[/#if]» (each transferee pursuant to the foregoing subsections «[#if»(a), (b) and (c)«[#else]»(a) and (b)«[/#if]», a “**Permitted Transferee**”); provided that adequate documentation therefor is provided to the Preferred Shareholder to their satisfaction and that any such Permitted Transferee agrees in writing to be bound by this Agreement in place of the relevant transferor; provided, further, that such transferor shall remain liable for any breach by such Permitted Transferee of any provision hereunder.
    2. Prohibited Transfers. Except for transfers by a holder of Ordinary Shares to its Permitted Transferees as provided in Section 4.4 above, none of the holders of Ordinary Shares or their Permitted Transferees shall, without the prior written consent of the Preferred Majority or their permitted assigns, sell, assign, transfer, pledge, hypothecate, mortgage, encumber or otherwise dispose through one or a series of transactions (the “**Transfer**”) any Company securities held by him to any person on or prior to a Qualified IPO. Any attempt by a party to transfer any Ordinary Shares in violation of this Section 4 shall be void and the Company hereby agrees it will not effect such a transfer nor will it treat any alleged transferee as the holder of such shares without the written consent of the Preferred Shareholder or its permitted assigns.
    3. Notwithstanding anything to the contrary, Section 4.2, 4.3 and 4.5 shall not apply to any proposed Transfer of Preferred Shares or Ordinary Shares issued or issuable upon conversion of Preferred Shares by the Preferred Shareholder, without prejudice to the rights of the Preferred Shareholder to purchase any Offered Shares to be transferred by any other shareholders pursuant to Section 4.2 and 4.3.«[#if»
    4. The shareholders specifically agree that the restrictions with regard to the Transfer of the Ordinary Shareholders’ shares in the Company as described under this Section 4 shall apply equally to Transfer of the shares of «[#if»each BVI Company«[#else]»the BVI Company«[/#if]», as if each of the provisions under this Section 4 has been repeated under this Section 4.7 with regard to Transfer of the shares of «[#if»each BVI Company«[#else]»the BVI Company«[/#if]» except that the reference to the shares in the Company has been revised to refer to the shares in «[#if»each BVI Company«[#else]»the BVI Company«[/#if]», as applicable, so that the result of such restrictions on the indirect Transfer of the shares in the Company by transferring the shares in «[#if»each BVI Company«[#else]»the BVI Company«[/#if]» is the same as if «[#if»such BVI Company«[#else]»the BVI Company«[/#if]» directly transfers the relevant shares in the Company.«[/#if]»
    5. Restriction on Indirect Transfers. Notwithstanding anything to the contrary contained herein, without the prior written approval of the Preferred Majority:«[#if»
       1. (i) the Founder«[#if»s«[/#if]» shall not, directly or indirectly, Transfer any equity interest held, directly or indirectly, by him in «[#if»the relevant BVI Company«[#else]»the BVI Company«[/#if]» to any person; and (ii) «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]» shall not, and the Founder«[#if»s«[/#if]» shall not cause «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]» to, issue to any person any equity securities of «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]» or any options or warrants for, or any other securities exchangeable for or convertible into, such equity securities of «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]».«[/#if]»
       2. the Founder«[#if»s«[/#if]»«[#if» and «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]»«[/#if]» shall not, or shall not cause or permit any other person to, directly or indirectly, Transfer any equity interest held or controlled by him«[#if» or «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]»«[/#if]» respectively in the Company to any person. Any Transfer in violation of this Section shall be void and the Company hereby agrees it will not effect such a Transfer nor will it treat any alleged transferee as the holder of such equity interest.
       3. Except in compliance with this Agreement, each Group Company shall not, and the Founder«[#if»s«[/#if]» shall not (i) Transfer any equity interest held, directly or indirectly, by it or him in the Group Companies to any person; and (ii) cause any Group Company to, issue to any person any equity securities of such Group Company, or any options or warrants for, or any other securities exchangeable for or convertible into, such equity securities of such Group Company.«[#if»
    6. Guarantees by the Founder«[#if»s«[/#if]». «[#if»The Founders hereby guarantee and warrant«[#else]»The Founder hereby guarantees and warrants«[/#if]» the performance and obligations of «[#if»the BVI Companies«[#else]»the BVI Company«[/#if]» under this Agreement.«[/#if]»
    7. Legend.
       1. Each certificate representing the Ordinary Shares shall be endorsed with the following legend:

“THE SALE, PLEDGE, HYPOTHECATION OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER SET FORTH IN A SHAREHOLDERS AGREEMENT, A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY.”

* + 1. Each party agrees that the Company may instruct its transfer agent to impose transfer restrictions on the shares represented by certificates bearing the legend referred to in Section «[#if»4.10(a)«[#else]»4.08(a)«[/#if]» above to enforce the provisions of this Agreement and the Company agrees to promptly do so. The legend shall be removed upon termination of the provisions of this Section 4.
  1. Term. The provisions under this Section 4 shall terminate upon a Qualified IPO.«[/#if]»

1. Drag-Along Right.«[#if»(None)«[#else]»«${(agreement.p1LawyerRepresentative.option!=»
   1. If at any time after the [«${agreement.p2DragAlongRight.clause0[»] anniversary of the Closing Date (as defined in the Purchase Agreement), the Preferred Majority and «[#if»«[#if»the holders of more than fifty percent (50%) of the then outstanding Ordinary Shares«[#else]»«${agreement[»«[/#if]» approve a proposed Acquisition (as defined below), and «[/#if]»the implied per share price in such Acquisition is no less than [«${agreement.p2DragAlongRight.clause1.params0}»] the Preferred Share Issue Price (as defined in Section 7.1), as adjusted for share dividends, splits, combinations, recapitalizations or similar events and are otherwise provided herein, then, in any such event, upon written notice from the Preferred Majority requesting them to do so, the holders of Ordinary Shares, directly or indirectly, shall (i) vote, or give their written consent with respect to, all the Ordinary Shares directly or indirectly held by them in favor of such proposed Acquisition and in opposition of any proposal that could reasonably be expected to delay or impair the consummation of any such proposed Acquisition; (ii) refrain from exercising any dissenters’ rights or rights of appraisal under applicable law at any time with respect to or in connection with such proposed Acquisition; and (iii) take all actions reasonably necessary to consummate the proposed Acquisition, including without limitation amending the then existing Memorandum and Articles of Association of the Company; provided, however, the holders of Ordinary Shares may elect not to vote or give their consent with respect to, all the Ordinary Shares directly or indirectly held by them in favor of such proposed Acquisition, but in any such event, the holders of Ordinary Shares shall be obliged to purchase all the Ordinary Shares (on an as-converted basis) held by the holders of Preferred Shares, under the same terms and conditions as offered by the prospective purchaser of the proposed Acquisition.

For purposes of this Section 5, an “**Acquisition**” shall mean (i) a sale, lease, transfer or other disposition of all or substantially all of the assets of the Company, (ii) a transfer or an exclusive licensing of all or substantially all of the intellectual property of the Company, (iii) a sale, transfer or other disposition of a majority of the issued and outstanding share capital of the Company or a majority of the voting power of the Company; or (iv) a merger, consolidation or other business combination of the Company with or into any other business entity in which the shareholders of the Company immediately after such merger, consolidation or business combination hold shares representing less than a majority of the voting power of the outstanding share capital of the surviving business entity.

* 1. The provisions under this Section 5 shall be terminated upon the occurrence of a Qualified IPO.«[/#if]»

1. REDEMPTION«[#if»(None)«[#else]»
   1. Redemption by the Company. Notwithstanding anything to the contrary herein, at any time after the earlier of «[#list»(«${agreement.romanNumber[red\_index]}») «${red.contentStr}»«[#if»; «[#elseif», or «[/#if]»«[/#list]» (the “**Redemption Start Date**”), subject to the applicable laws of the «${agreement.p1FinancingBody[» and, if so requested by any holder of the Preferred Shares (the “**Redeeming Investor**”), the «[#if»Company«[#else]»Company and the Founder«[#if»s«[/#if]»«[/#if]» shall redeem all or part of the outstanding Preferred Shares in cash out of funds legally available therefor (the “**Redemption**”). The price at which each Preferred Share shall be redeemed (the “**Redemption Price**”) shall be equal to the following formula:

«[#if»IP ╳ (1+[«${agreement.p2RedemptionRight[»]%) N + D, where

«[#elseif»IP ╳ (1+[«${agreement.p2RedemptionRight[»]% ╳ N) + D, where

«[#elseif»IP ╳ [«${agreement.p2RedemptionRight[»]% + D, where«[/#if]»

IP = Preferred Share Issue Price for the Preferred Share;«[#if»

N = a fraction the numerator of which is the number of calendar days between date the holders of the Preferred Shares acquired their Preferred Shares and the relevant Redemption Date on which such Preferred Share is redeemed and the denominator of which is 365;«[/#if]»

D = all declared but unpaid dividends on each Preferred Share up to the date of redemption, proportionally adjusted for share subdivisions, share dividends, reorganizations, reclassifications, consolidations or mergers.

If the Company does not have sufficient cash or funds legally available to redeem all of the Preferred Shares required to be redeemed, the remainder shall remain outstanding and entitled to all the rights, preferences and privileges provided in this Agreement and the Restated Articles, and the remainder shall be carried forward and redeemed as soon as the Company has legally available funds to do so.

* 1. Notice. A notice of redemption (a “Redemption Notice”) by any Redeeming Investor shall be given by hand or by mail to the Company at any time on or after the Redemption Start Date stating the date on which the Preferred Shares are to be redeemed (the “Redemption Date”), provided, however, that the Redemption Date shall be no earlier than the Redemption Start Date or the date 30 days after such notice of redemption is given. Notwithstanding anything to the contrary contained herein, no other securities of the Company shall be redeemed unless and until the Company shall have redeemed all of the Preferred Shares requested to be redeemed pursuant to this Section 6 and shall have paid all the Redemption Price for such Preferred Shares requested to be redeemed payable pursuant to this Section 6.
  2. Surrender of Certificates. Before any Redeeming Investor shall be entitled for redemption under the provisions of this Section 6, such Redeeming Investor shall surrender his or her certificate or certificates representing such Preferred Shares to be redeemed to the Company in the manner and at the place designated by the Company for that purpose, and the Redemption Price shall be payable on the Redemption Date to the order of the person whose name appears on such certificate or certificates as the owner of such shares and each such certificate shall be cancelled on the Redemption Date. In the event less than all the shares represented by any such certificate are redeemed, a new certificate shall be promptly issued representing the unredeemed shares. Unless there has been a default in payment of the applicable Redemption Price, upon cancellation of the certificate representing such Preferred Shares to be redeemed, all dividends on such Preferred Shares designated for redemption on the relevant Redemption Date shall cease to accrue and all rights of the holders thereof, except the right to receive the Redemption Price thereof (including all accrued and unpaid dividend up to the relevant redemption date), without interest, shall cease and terminate and such Preferred Shares shall cease to be issued shares of the Company. If the Company fails to redeem any Preferred Shares for which redemption is requested, then during the period from the Redemption Date through the date on which such Preferred Shares are actually redeemed and the Redemption Price is actually made, in full, such Preferred Shares shall continue to be outstanding and be entitled to all rights and preferences of Preferred Shares. After payment in full of the aggregate Redemption Price for all issued and outstanding Preferred Shares, all rights of the holders thereof as shareholders of the Company shall cease and terminate and such Preferred Shares shall be cancelled.
  3. Restriction on Distribution. If the Company fails (for whatever reason) to redeem any Preferred Shares on its due date for redemption then, as from such date until the date on which the same are redeemed the Company shall not declare or pay any dividend nor otherwise make any distribution of or otherwise decrease its profits available for distribution.
  4. To the extent permitted by law, the Company shall procure that the profits of each subsidiary and affiliate of the Company for the time being legally available for distribution shall be paid to it by way of dividend or otherwise if and to the extent that, but for such payment, the Company would not itself otherwise have sufficient profits available for distribution to make any redemption of Preferred Shares required to be made pursuant to this Section 6.
  5. The provisions under this Section 6 shall be terminated upon the occurrence of a Qualified IPO.«[/#if]»

1. LIQUIDATION.«[#if»(None)«[#else]»
   1. Liquidation Preference. In the event of any liquidation, dissolution or winding up of the Company, either voluntary or involuntary, the holders of the Preferred Shares shall be entitled to receive, prior to any distribution to the holders of the Ordinary Shares or any other class or series of shares then outstanding, an amount per Series A Preferred Share equal to (i) [«${agreement.p2Lp.clearingPric}»%] of the Preferred Share Issue Price, plus (ii) all accrued or declared but unpaid dividends thereon (collectively, the “**Preferred Share Preference Amount**”). After the full Preferred Share Preference Amount on all outstanding Preferred Shares has been paid, any remaining funds or assets of the Company legally available for distribution to shareholders shall be distributed on a pro rata, pari passu basis among the holders of the Preferred Shares (on an as-converted basis), together with the holders of the Ordinary Shares. If the Company has insufficient assets to permit payment of the Preferred Share Preference Amount in full to all holders of Preferred Shares, then the assets of the Company shall be distributed ratably to the holders of the Preferred Shares in proportion to the full Preferred Share Preference Amount each such holder of Preferred Shares would otherwise be entitled to receive under this Section 7.1. For the purpose of this Agreement, the “**Preferred Share Issue Price**” means the deemed per share issue price of each Series A Preferred Share, which is US$[«[#if»«#{agreement.offshoreTotalObj[»«[/#if]»], as adjusted for share dividends, splits, combinations, recapitalizations or similar events and are otherwise provided herein.
   2. Any sale of shares, merger, consolidation or other similar transaction involving the Company in which its shareholders do not retain a majority of the voting power in the surviving entity, or a sale of all or substantially all the Company’s assets (the “**Liquidation Event**”), shall be deemed a liquidation, dissolution or winding up of the Company, such that the provision of Section 7.1 shall apply as if all consideration received by the Company and its shareholders in connection with such event were being distributed in a liquidation of the Company. If the requirements of this Section 7 are not complied with, the Company shall forthwith either (i) cause such closing to be postponed until such time as the requirements of this Section 7 have been complied with, or (ii) cancel such transaction.
   3. Notwithstanding any other provision of this Section 7, the Company may at any time, out of funds legally available therefor and subject to compliance with the provisions of the applicable laws of the «${agreement.p1FinancingBody[», repurchase Ordinary Shares of the Company issued to or held by employees, officers or consultants of the Company or its subsidiaries upon termination of their employment or services, pursuant to any bona fide agreement providing for such right of repurchase, whether or not dividends on the Preferred Shares shall have been declared.
   4. In the event the Company proposes to distribute assets other than cash in connection with any liquidation, dissolution or winding up of the Company, the value of the assets to be distributed to the holders of Preferred Shares and Ordinary Shares shall be that as determined in good faith by the liquidator or, in the case of any proposed distribution in connection with a transaction which is a deemed liquidation hereunder, by the Board«[#if», which decision shall include the affirmative vote from the Investor Director«[#if»s«[/#if]»«[/#if]». Any securities not subject to investment letter or similar restrictions on free marketability shall be valued as follows:
      1. If traded on a securities exchange, the value shall be deemed to be the average of the security’s closing prices on such exchange over the thirty (30) day period ending one (1) day prior to the distribution;
      2. If actively traded over‑the‑counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the distribution; and
      3. If there is no active public market, the value shall be the fair market value thereof as determined in good faith by the liquidator or, in the case of any proposed distribution in connection with a transaction which is a deemed liquidation hereunder, by the Board.

The method of valuation of securities subject to restrictions on free marketability shall be adjusted to make an appropriate discount from the market value determined as above in clauses (i), (ii) or (iii) to reflect the fair market value thereof as determined in good faith by the liquidator or, in the case of any proposed distribution in connection with a transaction which is a deemed liquidation hereunder, by the Board. The Preferred Majority shall have the right to challenge any determination by the liquidator or the Board, as the case may be, of fair market value pursuant to this Section 7, in which case the determination of fair market value shall be made by an independent appraiser selected jointly by the liquidator or the Board, as the case may be, and the challenging parties, the cost of such appraisal to be borne equally by the Company and the challenging party.«[/#if]»

1. ASSIGNMENT AND AMENDMENT.
   1. Assignment and Amendment. Notwithstanding anything herein to the contrary:
      1. Information Rights; Registration Rights. The Information and Inspection Rights under Section 1.1 may be assigned to any holder of Preferred Shares; and the registration rights of the Holders under Section 2 may be assigned to any Holder or to any person acquiring Registrable Securities, provided, however, that in either case no party may be assigned any of the foregoing rights unless the Company is given written notice by the assigning party stating the name and address of the assignee and identifying the securities of the Company as to which the rights in question are being assigned; provided further, that any such assignee shall receive such assigned rights subject to all the terms and conditions of this Agreement, including without limitation the provisions of this Section 8.
      2. Right of Participation; Right of First Refusal; Co-Sale Right. The rights of the Preferred Shareholder under Sections 3 and 4 are fully assignable in connection with a transfer of shares of the Company by such Preferred Shareholder; provided, however, that no party may be assigned any of the foregoing rights unless the Company is given written notice by the Preferred Shareholder stating the name and address of the assignee and identifying the securities of the Company as to which the rights in question are being assigned; and provided further, that any such assignee shall receive such assigned rights subject to all the terms and conditions of this Agreement.
   2. Amendment of Rights. Any provision in this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only by the written consent of (i) as to the Company, only by the Company; (ii) as to the Investor«[#if»s«[/#if]», by the Preferred Majority and their permitted assigns; provided, however, that any holder of Preferred Shares may waive any of its rights hereunder without obtaining the consent of any other holders of Preferred Shares or their assigns; and (iii) as to the holders of Ordinary Shares, by persons or entities holding a majority of the Ordinary Shares and their assigns; provided, however, that any holder of Ordinary Shares may waive any of its rights hereunder without obtaining the consent of any other holders of Ordinary Shares or their assigns. Any amendment or waiver effected in accordance with this Section 8.2 shall be binding upon the Company, the Investor«[#if»s«[/#if]», the holders of Ordinary Shares and their respective assigns.
2. CONFIDENTIALITY AND NON‑DISCLOSURE.
   1. Disclosure of Terms. The terms and conditions of this Agreement and the Purchase Agreement, and all exhibits attached to such agreements (collectively, the “Financing Terms”), including their existence, shall be considered confidential information and shall not be disclosed by any party hereto to any third party except in accordance with the provisions set forth below; provided that such confidential information shall not include any information that is in the public domain other than caused by the breach of the confidentiality obligations hereunder.
   2. Press Releases, Etc. Any press release issued by the Company shall not disclose any of the Financing Terms and the final form of such press release shall be approved in advance in writing by the Investor«[#if»s«[/#if]». No other announcement regarding any of the Financing Terms in a press release, conference, advertisement, announcement, professional or trade publication, mass marketing materials or otherwise to the general public may be made without «[#if»the Investors’«[#else]»the Investor’s«[/#if]» prior written consent.
   3. Permitted Disclosures. Notwithstanding the foregoing, any party may disclose any of the Financing Terms to its current or bona fide prospective investor«[#if»s«[/#if]», employees, investment bankers, lenders, partners, accountants and attorneys, in each case only where such persons or entities have the need to know such information and are subject to appropriate nondisclosure obligations. Without limiting the generality of the foregoing, the Investor«[#if»s«[/#if]» shall be entitled to disclose the Financing Terms for the purposes of fund reporting or inter-fund reporting or to their fund manager, other funds managed by their fund manager and their respective auditors, counsel, directors, officers, employees, shareholders or investor«[#if»s«[/#if]».
   4. Legally Compelled Disclosure. In the event that any party is requested or becomes legally compelled (including without limitation, pursuant to securities laws and regulations) to disclose the existence of this Agreement and the Purchase Agreement, any of the exhibits attached to such agreements, or any of the Financing Terms hereof in contravention of the provisions of this Section 9, such party (the “Disclosing party”) shall provide the other parties (the “Non-­Disclosing Parties”) with prompt written notice of that fact and use all reasonable efforts to seek (with the cooperation and reasonable efforts of the other parties) a protective order, confidential treatment or other appropriate remedy. In such event, the Disclosing party shall furnish only that portion of the information which is legally required to be disclosed and shall exercise reasonable efforts to keep confidential such information to the extent reasonably requested by any Non‑Disclosing party.
   5. Other Information. The provisions of this Section 9 shall be in addition to, and not in substitution for, the provisions of any separate nondisclosure agreement executed by any of the parties with respect to the transactions contemplated hereby.
   6. Notices. All notices required under this section shall be made pursuant to Section 11.1 of this Agreement.
3. PROTECTIVE PROVISIONS.«[#if»(None)«[#else]»«[#if»

In addition to such other limitations as may be provided in the Restated Articles, for so long as any Preferred Shares are outstanding, the following acts of the Company shall require the prior written approval of the holders of more than «${agreement.p2Vomi[» [«${agreement.p2Vomi[»] of the then outstanding Preferred Shares (the “**Preferred Majority**”), or the written approval of more than «${agreement.p2Vomi[» («${agreement.p2Vomi[») of votes of the directors of the Board«[#if» (including the approval of the vote(s) of the Investor Director«[#if»s«[/#if]»)«[/#if]», as the case maybe. For the purpose of this Section 10, the term “Company” means, the Company itself as well as any and all the subsidiaries of the Company (including but not limited to the other Group Companies), to the extent and where applicable. Notwithstanding anything to the contrary contained herein, where any such action requires a special resolution of the shareholders in accordance with the «[#if»Companies Law (as amended) of the Cayman Islands«[#else]»BVI Business Companies Act (as amended)«[/#if]» and if the shareholders vote in favor of such act but the approval of the Preferred Majority has not yet been obtained, the holders of the Preferred Shares who vote against such act at a meeting of the shareholders in aggregate shall have the voting rights equal to the aggregate voting power of all the shareholders who voted in favor of such act plus one.«[#list»

* + 1. «${vom.contentStr}»«[#if»;«[#elseif», or«[#else]».«[/#if]»«[/#list]»«[#else]»
  1. Acts Requiring Majority Approval of Preferred Shares. In addition to such other limitations as may be provided in the Restated Articles, for so long as any Preferred Shares are outstanding, the following acts of the Company shall require the prior written approval of the holders of more than «${agreement.p2Vomi[» [«${agreement.p2Vomi[»] of the then outstanding Preferred Shares (the “Preferred Majority”). For the purpose of this Section 10, the term “Company” means, the Company itself as well as any and all the subsidiaries of the Company (including but not limited to the other Group Companies), to the extent and where applicable. Notwithstanding anything to the contrary contained herein, where any such action requires a special resolution of the shareholders in accordance with the «[#if»Companies Law (as amended) of the Cayman Islands«[#else]»BVI Business Companies Act (as amended)«[/#if]» and if the shareholders vote in favor of such act but the approval of the Preferred Majority has not yet been obtained, the holders of the Preferred Shares who vote against such act at a meeting of the shareholders in aggregate shall have the voting rights equal to the aggregate voting power of all the shareholders who voted in favor of such act plus one.«[#list»
     1. «${vom.contentStr}»«[#if»;«[#elseif», or«[#else]».«[/#if]»«[/#list]»
  2. Acts Requiring the Approval of Board of Directors. In addition to such other limitations as may be provided in the Restated Articles, any of the following acts of the Company shall require the affirmative votes of more «${agreement.p2Vomi[» («${agreement.p2Vomi[») of votes of the directors of the Board«[#if», including the affirmative vote(s) of the Investor Director«[#if»s«[/#if]»)«[/#if]»:«[#list»
     1. «${vom.contentStr}»«[#if»;«[#elseif», or«[#else]».«[/#if]»«[/#list]»«[/#if]»«[/#if]»

1. GENERAL PROVISIONS.
   1. Notices. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be conclusively deemed to have been duly given (a) when hand delivered to the other party, upon delivery; (b) when sent by facsimile at the number set forth in Exhibit B hereto, upon receipt of confirmation of error-free transmission; (c) seven (7) Business Days after deposit in the mail as air mail or certified mail, receipt requested, postage prepaid and addressed to the other party as set forth in Exhibit B; or (d) three (3) Business Days after deposit with an international overnight delivery service, postage prepaid, addressed to the parties as set forth in Exhibit B with next Business Day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider. Each person making a communication hereunder by facsimile shall promptly confirm by telephone to the person to whom such communication was addressed each communication made by it by facsimile pursuant hereto but the absence of such confirmation shall not affect the validity of any such communication. A party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Section 11.1 by giving the other party written notice of the new address in the manner set forth above.
   2. Entire Agreement. This Agreement and the Purchase Agreement, the Restricted Share Agreement, any Ancillary Agreements, together with all the exhibits hereto and thereto, constitute and contain the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes any and all prior negotiations, correspondence, agreements, understandings, duties or obligations between the parties respecting the subject matter hereof. Capitalized terms which are not defined hereinto shall have the same meaning as such in the Purchase Agreement.
   3. Governing Law. This Agreement shall be governed by and construed exclusively in accordance with the laws of the «${agreement.p1ApplicableRules[» without regard to principles of conflicts of law thereunder.
   4. Severability. If any provision of this Agreement is found to be invalid or unenforceable, then such provision shall be construed, to the extent feasible, so as to render the provision enforceable and to provide for the consummation of the transactions contemplated hereby on substantially the same terms as originally set forth herein, and if no feasible interpretation would save such provision, it shall be severed from the remainder of this Agreement, which shall remain in full force and effect unless the severed provision is essential to the rights or benefits intended by the parties. In such event, the parties shall use best efforts to negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly effects the parties’ intent in entering into this Agreement.
   5. Third Parties. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their permitted successors and assigns any rights or remedies under or by reason of this Agreement.
   6. Successors and Assigns. Subject to the provisions of Section 8.1, the provisions of this Agreement shall inure to the benefit of, and shall be binding upon, the successors and permitted assigns of the parties hereto.
   7. Interpretation; Captions. This Agreement shall be construed according to its fair language. The rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement. The captions to sections of this Agreement have been inserted for identification and reference purposes only and shall not be used to construe or interpret this Agreement. Unless otherwise expressly provided herein, all references to Sections and Exhibits herein are to Sections and Exhibits of this Agreement.
   8. Counterparts. This Agreement may be executed (including facsimile signature) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
   9. Adjustments for Share Splits, Etc. Wherever in this Agreement there is a reference to a specific number of shares of Preferred Shares or Ordinary Shares of the Company, then, upon the occurrence of any subdivision, combination or share dividend of the Preferred Shares or Ordinary Shares, the specific number of shares so referenced in this Agreement shall automatically be proportionally adjusted to reflect the effect on the outstanding shares of such class or series of shares by such subdivision, combination or share dividend.
   10. Aggregation of Shares. All Preferred Shares or Ordinary Shares held or acquired by affiliated entities or persons (as defined in Rule 144 under the Securities Act) shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.
   11. Shareholders Agreement to Control. If and to the extent that there are inconsistencies between the provisions of this Agreement and those of the Restated Articles, the terms of this Agreement shall prevail. The parties agree to take all actions necessary or advisable, as promptly as practicable after the discovery of such inconsistency, to amend the Restated Articles so as to eliminate such inconsistency.
   12. Dispute Resolution.
       1. Negotiation Between Parties. The parties agree to negotiate in good faith to resolve any dispute between them regarding this Agreement. If the negotiations do not resolve the dispute to the reasonable satisfaction of all parties within thirty (30) days, Section 11.12(b) shall apply.
       2. Arbitration. In the event the parties are unable to settle a dispute between them regarding this Agreement in accordance with subsection (a) above, such dispute shall he referred to and finally settled by arbitration at the [«${agreement.p1ApplicableRules[» (the “**«${agreement.p1ApplicableRules[»**”)] for arbitration in «${agreement.p1ApplicableRules[». The arbitration shall be conducted in accordance with the «${agreement.p1ApplicableRules[» in force at the time of the initiation of the arbitration, which rules are deemed to be incorporated by reference into this subsection (b).
   13. Further Actions. Each shareholder of the Company agrees that it shall use its best effort to enhance and increase the value and principal business of the Company.
   14. Effective Date. This Agreement should only take effect and become binding on and enforceable against the parties hereto subject to and upon the Closing of the Purchase Agreement.
   15. New Shareholders. Notwithstanding any other provision of this Agreement, any new shareholder of the Company who is not already a party to this Agreement shall, not later than the time it becomes a shareholder of the Company, agree in writing by signing a Deed of Adherence substantially in the form attached hereto as Exhibit C (a “Deed of Adherence”) that it adheres to, and be bound by, the terms of this Agreement as a party to this Agreement.

*--* ***REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK*** *--*

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.«[#assign»

**THE COMPANY:**

«${agreement.p1FinancingBody[»

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: [ ]

Title: Director«[#assign»

**«[#if»THE HK CO.:**

«${agreement.p1HongKongCompany[»

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: [ ]

Title: Director«[#assign»

**«[/#if]»«[#if»THE WFOE:**

«${agreement.p1WfoeAndDomesticCompany[»

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: [ ]

Title: Legal Representative«[#assign»

**«[/#if]»THE PRC AFFILIATE:«[#list»**

«${dome.domesticcompanyenfullname}»

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: [ ]

Title: Legal Representative«[#if»«[#if»

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

**THE PRC AFFILIATE:«[/#if]»«[/#if]»**

**«[/#list]»**

«[#assign»IN WITNESS WHEREOF, the have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

**«[#if»THE BVI COMPANY:**

«[#list»«[#if»«${bvi.BVICompanyName}»

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: [ ]

Title: Director

«[#assign»«[/#if]»«[#if»

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

**«[#if»THE BVI COMPANIE:**

**«[/#if]»«[/#if]»«[/#list]»«[/#if]»THE FOUNDER:«[#list»**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: «${founder.founderName}»«[#if»

IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

**THE FOUNDER:«[/#if]»«[/#list]»**

«[#list»IN WITNESS WHEREOF, the parties have caused their respective duly authorized representatives to execute this Agreement as of the date and year first above written.

**THE INVESTOR«[#if»S«[/#if]»:**

«${inve.investorName}»

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title: Authorized Signatory

**«[#if»**

**«[#else]»«[/#if]»«[/#list]»«[#if»SCHEDULE 1-1**

**«[#if»BVI Companies«[#else]»BVI Company«[/#if]»**

|  |  |
| --- | --- |
| **BVI Company** | **Shareholders** |
| «@before-row[#list agreement.p1BviCompanyList as bvi]»«[#if»«${bvi[»«[/#if]»«@after-row[/#list]» | «@before-row[#list bvi.founderList as founder]»«${founder[»«@after-row[/#list]» |

**SCHEDULE 1-2«[#else]»SCHEDULE 1«[/#if]»**

**Founder«[#if»s«[/#if]»**

|  |  |
| --- | --- |
| **Founder** | **ID/ Passport NO.** |
| «@before-row[#list agreement.p1FounderList as founder]»«${founder[»«@after-row[/#list]» | «${founder[» |

**SCHEDULE 2**

**Investor**

|  |  |
| --- | --- |
| **No.** | **Name** |
|  | «@before-row[#list agreement.p1InvestorList as inve]»«${inve[»«@after-row[/#list]» |

**EXHIBIT A**

**Registration Rights**

1. All the capitalized terms used but not defined in this Exhibit A shall have the meanings as set forth in the Agreement.
2. REGISTRATION RIGHTS.
   1. Applicability of Rights. The Holders (as defined below) shall be entitled to the following rights with respect to any proposed public offering of the Company’s Ordinary Shares in the United States and shall be entitled to reasonably equivalent or analogous rights with respect to any other offering of the Company’s securities in Hong Kong or any other jurisdiction in which the Company undertakes to publicly offer or list such securities for trading on a recognized securities exchange.
   2. Definitions. For purposes of this Section 2:
      1. Registration. The terms “**register**,” “**registered**,” and “**registration**” refer to a registration effected by filing a registration statement which is in a form which complies with, and is declared effective by the SEC (as defined below) in accordance with, the Securities Act.
      2. Registrable Securities. The term “**Registrable Securities**” means: (1) any Ordinary Shares of the Company issued or issuable pursuant to conversion of any shares of Preferred Shares issued (A) under the Purchase Agreement, or (B) pursuant to the Right of Participation (as defined in Section 3.1), (2) any Ordinary Shares issued (or issuable upon the conversion or exercise of any warrant, right or other security which is issued) as a dividend or other distribution with respect to, or in exchange for or in replacement of, any Preferred Shares described in clause (1) of this subsection (b), (3) any other Ordinary Shares of the Company owned or hereafter acquired by the holders of Preferred Shares. Notwithstanding the foregoing, “**Registrable Securities**” shall exclude any Registrable Securities sold by a person in a transaction in which rights under this Section 2 are not validly assigned in accordance with this Agreement, and any Registrable Securities which are sold in a registered public offering under the Securities Act or analogous statute of another jurisdiction, or sold pursuant to Rule 144 promulgated under the Securities Act or analogous rule of another jurisdiction.
      3. Registrable Securities Then Outstanding. The number of shares of “**Registrable Securities then Outstanding**” shall mean the number of Ordinary Shares of the Company that are Registrable Securities and are then issued and outstanding, issuable upon conversion of Preferred Shares then issued and outstanding, or issuable upon conversion or exercise of any warrant, right or other security then outstanding.
      4. Holder. For purposes of this Section 2, the term “**Holder**” means any person owning or having the rights to acquire Registrable Securities or any permitted assignee of record of such Registrable Securities to whom rights under this Section 2 have been duly assigned in accordance with this Agreement.
      5. Form F-3. The term “**Form F-3**” means such respective form under the Securities Act or any successor registration form under the Securities Act subsequently adopted by the SEC which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.
      6. SEC. The term “**SEC**” or “**Commission**” means the U.S. Securities and Exchange Commission.
      7. Registration Expenses. The term “**Registration Expenses”** shall mean all expenses incurred by the Company in complying with Sections 2.3, 2.4 and 2.5 hereof, including, without limitation, all registration and filing fees, printing expenses, fees, and disbursements of counsel for the Company, reasonable fees and disbursements of one counsel for all the Holders, “blue sky” fees and expenses and the expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Company which shall be paid in any event by the Company).
      8. Selling Expenses. The term “**Selling Expenses”** shall mean all underwriting discounts and selling commissions applicable to the sale of Registrable Securities pursuant to Sections 2.3, 2.4 and 2.5 hereof.
      9. Exchange Act. The term “**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended, and any successor statute.
   3. Demand Registration.
      1. Request by Holders. If the Company shall, at any time after the earlier of (i) the [ ] anniversary of the date of this Agreement or (ii) one (1) year following the taking effect of a registration statement for a Qualified IPO, receive a written request from the Holders of at least 25% of the Registrable Securities then outstanding that the Company file a registration statement under the Securities Act covering the registration of at least twenty percent (20%) (or any lesser percentage if the anticipated gross proceeds to the Company from such proposed offering would exceed US$5,000,000) of the Registrable Securities pursuant to this Section 2.3, then the Company shall, within ten (10) Business Days of the receipt of such written request, give written notice of such request (“**Request Notice**”) to all Holders, and use its best efforts to effect, as soon as practicable, the registration under the Securities Act of all Registrable Securities that the Holders request to be registered and included in such registration by written notice given by such Holders to the Company within twenty (20) days after receipt of the Request Notice, subject only to the limitations of this Section 2.3; provided that the Company shall not be obligated to effect any such registration if the Company has, within the six (6) month period preceding the date of such request, already effected a registration under the Securities Act pursuant to this Section 2.3 or Section 2.5 or in which the Holders had an opportunity to participate pursuant to the provisions of Section 2.4, other than a registration from which the Registrable Securities of the Holders have been excluded (with respect to all or any portion of the Registrable Securities the Holders requested be included in such registration) pursuant to the provisions of Section 2.4(a). The Company shall be obligated to effect no more than two (2) Registrations pursuant to this Section 2.3. For purposes of this Agreement, reference to registration of securities under the Securities Act and the Exchange Act shall be deemed to mean the equivalent registration in a jurisdiction other than the United States as designated by such Holders, it being understood and agreed that in each such case all references in this Agreement to the Securities Act, the Exchange Act and rules, forms of registration statements and registration of securities thereunder, U.S. law and the SEC, shall be deemed to refer, to the equivalent statutes, rules, forms of registration statements, registration of securities and laws of and equivalent government authority in the applicable non-U.S. jurisdiction. In addition, “Form F-3” shall be deemed to refer to Form S-3 or any comparable form under the U.S. securities laws in the condition that the Company is not at that time eligible to use Form F-3.

For the purpose of this Agreement, the “**Business Day**” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by applicable laws or executive order to be closed in (i) the «${agreement.p1FinancingBody[», with respect to any action to be undertaken or notice to be given in the «${agreement.p1FinancingBody[», or (ii) the United States, the PRC, Hong Kong or Duesseldorf, with respect to any action to be undertaken or notice to be given in such jurisdiction.

* + 1. Underwriting. If the Holders initiating the registration request under this Section 2.3 (the “**Initiating Holders**”) intend to distribute the Registrable Securities covered by their request by means of an underwriting, then they shall so advise the Company as a part of their request made pursuant to this Section 2.3 and the Company shall include such information in the Request Notice. In such event, the right of any Holder to include its Registrable Securities in such registration shall be conditioned upon such Holder’s participation in such underwriting and the inclusion of such Holder’s Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall enter into an underwriting agreement in customary form with the managing underwriter or underwriters selected for such underwriting by the Holders of a majority of the Registrable Securities being registered and reasonably acceptable to the Company. Notwithstanding any other provision of this Section 2.3, if the underwriter(s) advise(s) the Company in writing that marketing factors require a limitation of the number of securities to be underwritten, then the Company shall so advise all Holders of Registrable Securities which would otherwise be registered and underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be reduced as required by the underwriter(s) and allocated among the Holders of Registrable Securities on a pro rata basis according to the number of Registrable Securities then outstanding held by each Holder requesting registration (including the Initiating Holders); provided, however, that the number of shares of Registrable Securities to be included in such underwriting and registration shall not be reduced unless all other securities are first entirely excluded from the underwriting and registration including, without limitation, all shares that are not Registrable Securities and are held by any other person, including, without limitation, any person who is an employee, officer or director of the Company or any subsidiary of the Company; provided further, that at least twenty percent (20%) (or any lesser percentage if the anticipated gross proceeds to the Company from such proposed offering would exceed $5,000,000) of shares of Registrable Securities requested by the Holders to be included in such underwriting and registration shall be so included. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the underwriter(s), delivered at least ten (10) Business Days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration.
    2. Deferral. Notwithstanding the foregoing, if the Company shall furnish to Holders requesting registration pursuant to this Section 2.3, a certificate signed by the President or Chief Executive Officer of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such registration statement to be filed at such time, then the Company shall have the right to defer such filing for a period of not more than ninety (90) days after receipt of the request of the Initiating Holders; provided, however, that the Company may not utilize this right more than once in any twelve (12) month period; provided further, that the Company shall not register any other of its shares during such twelve (12) month period. A demand right shall not be deemed to have been exercised until such deferred registration shall have been effected.
  1. Piggyback Registrations.
     1. The Company shall notify all Holders of Registrable Securities in writing at least thirty (30) days prior to filing any registration statement under the Securities Act for purposes of effecting a public offering of securities of the Company (including, but not limited to, registration statements relating to secondary offerings of securities of the Company, but excluding registration statements relating to any employee benefit plan or a corporate reorganization), and shall afford each such Holder an opportunity to include in such registration statement all or any part of the Registrable Securities then held by such Holder. Each Holder desiring to include in any such registration statement all or any part of the Registrable Securities held by it shall within twenty (20) days after receipt of the above‑described notice from the Company, so notify the Company in writing, and in such notice shall inform the Company of the number of Registrable Securities such Holder wishes to include in such registration statement. If a Holder decides not to include all of its Registrable Securities in any registration statement thereafter filed by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of its securities, all upon the terms and conditions set forth herein. No Holder of Registrable Securities shall be granted piggyback registration rights superior to those of the Holders of the Preferred Shares without the consent in writing of Preferred Majority.
     2. Underwriting. If a registration statement under which the Company gives notice under this Section 2.4 is for an underwritten offering, then the Company shall so advise the Holders of Registrable Securities. In such event, the right of any such Holder’s Registrable Securities to be included in a registration pursuant to this Section 2.4 shall be conditioned upon such Holder’s participation in such underwriting and the inclusion of such Holder’s Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall enter into an underwriting agreement in customary form with the managing underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Agreement but subject to Section 2.13, if the managing underwriter(s) determine(s) in good faith that marketing factors require a limitation of the number of shares to be underwritten, then the managing underwriter(s) may exclude shares from the registration and the underwriting, and the number of shares that may be included in the registration and the underwriting shall be allocated, first, to the Company, second, to each of the Holders requesting inclusion of their Registrable Securities in such registration statement on a pro rata basis based on the total number of shares of Registrable Securities then held by each such Holder, and third, to holders of other securities of the Company; provided, however, that the right of the underwriter(s) to exclude shares (including Registrable Securities) from the registration and underwriting as described above shall be restricted so that (i) the number of Registrable Securities included in any such registration is not reduced below twenty-five percent (25%) of the aggregate number of shares of Registrable Securities for which inclusion has been requested; and (ii) all shares that are not Registrable Securities and are held by any other person, including, without limitation, any person who is an employee, officer or director of the Company (or any subsidiary of the Company) shall first be excluded from such registration and underwriting before any Registrable Securities are so excluded. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the underwriter(s), delivered at least ten (10) Business Days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration.
     3. Not Demand Registration. Registration pursuant to this Section 2.4 shall not be deemed to be a demand registration as described in Section 2.3 above. There shall be no limit on the number of times the Holders may request registration of Registrable Securities under this Section 2.4.
  2. Form F-3. In case the Company shall receive from any Holder a written request or requests that the Company effect a registration on Form F-3 and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, then the Company will:
     1. Notice. Promptly give written notice of the proposed registration and the Holder’s or Holders’ request therefor, and any related qualification or compliance, to all other Holders of Registrable Securities; and
     2. Registration. As soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holders or Holders’ Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within twenty (20) days after the Company provides the notice contemplated by Section 2.5(a); provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance pursuant to this Section 2.5:
        1. if Form F-3 is not available for such offering by the Holders;
        2. if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public of less than US$500,000;
        3. if the Company shall furnish to the Holders a certificate signed by the President or Chief Executive Officer of the Company stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such Form F-3 registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form F-3 registration statement no more than once during any twelve (12) month period for a period of not more than sixty (60) days after receipt of the request of the Holder or Holders under this Section 2.5; provided that the Company shall not register any of its other shares during such sixty (60) day period;
        4. if the Company has, within the twelve (12) month period preceding the date of such request, already effected two (2) registrations under the Securities Act other than a registration from which the Registrable Securities of Holders have been excluded (with respect to all or any portion of the Registrable Securities the Holders requested be included in such registration) pursuant to the provisions of Sections 2.3(b) and 2.4 (a); or
        5. in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

Subject to the foregoing, the Company shall file a Form F-3 registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders.

* + 1. Not Demand Registration. Form F-3 registrations shall not be deemed to be demand registrations as described in Section 2.3 above. Except as otherwise provided herein, there shall be no limit on the number of times the Holders may request registration of Registrable Securities under this Section 2.5.
  1. Expenses. All Registration Expenses incurred in connection with any registration pursuant to Sections 2.3, 2.4 or 2.5 (but excluding Selling Expenses, underwriting discounts and commissions, and fees for special counsel of the Holders participating in such registration) shall be borne by the Company; provided, however, the expenses in excess of $25,000 of any special audit required in connection with a Demand Registration shall be borne pro rata by the Holders participating in such registration. Each Holder participating in a registration pursuant to Sections 2.3, 2.4 or 2.5 shall bear such Holder’s proportionate share (based on the total number of shares sold in such registration other than for the account of the Company) of all Selling Expenses or other amounts payable to underwriter(s) or brokers, in connection with such offering by the Holders. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.3 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered, unless the Holders of a majority of the Registrable Securities then outstanding agree that such registration constitutes the use by the Holders of one (1) demand registration pursuant to Section 2.3; provided further, however, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company not known to the Holders at the time of their request for such registration and have withdrawn their request for registration with reasonable promptness after learning of such material adverse change, then the Holders shall not be required to pay any of such expenses and such registration shall not constitute the use of a demand registration pursuant to Section 2.3.
  2. Obligations of the Company. Whenever required to effect the registration of any Registrable Securities under this Agreement the Company shall, as expeditiously as reasonably possible:
     1. Registration Statement. Prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to ninety (90) days or, in the case of Registrable Securities registered under Form F-3 in accordance with Rule 415 under the Securities Act or a successor rule, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such ninety (90) day period shall be extended for a period of time equal to the period any Holder refrains from selling any securities included in such registration at the request of the underwriter(s), and (ii) in the case of any registration of Registrable Securities on Form F-3 which are intended to be offered on a continuous or delayed basis, such ninety (90) day period shall be extended, if necessary, to keep the registration statement effective until all such Registrable Securities are sold.
     2. Amendments and Supplements. Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.
     3. Prospectuses. Furnish to the Holders such number of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of the Registrable Securities owned by them that are included in such registration.
     4. Blue Sky. Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or “blue sky” laws of such jurisdictions as shall be reasonably requested by the Holders, provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.
     5. Underwriting. In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement in usual and customary form, with the managing underwriter(s) of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.
     6. Notification. Notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of (i) the issuance of any stop order by the SEC in respect of such registration statement, or (ii) the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.
     7. Opinion and Comfort Letter. Furnish, at the request of any Holder requesting registration of Registrable Securities, on the date that such Registrable Securities are delivered to the underwriter(s) for sale, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of the Holders requesting registration, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities and (ii) letters dated as of (x) the effective date of the registration statement covering such Registrable Securities and (y) the closing date of the offering, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering and reasonably satisfactory to a majority in interest of the Holders requesting registration, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities.
  3. Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to Sections 2.3, 2.4 or 2.5 that the selling Holders shall furnish to the Company such information regarding themselves, the Registrable Securities held by them and the intended method of disposition of such securities as shall be required to timely effect the Registration of their Registrable Securities.
  4. Indemnification. In the event any Registrable Securities are included in a registration statement under Sections 2.3, 2.4 or 2.5:
     1. By the Company. To the extent permitted by law, the Company will indemnify and hold harmless each Holder, its partners, officers, directors, legal counsel, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, the Exchange Act, or other United States federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a “**Violation**”):
        1. any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto;
        2. the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or
        3. any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any United States federal or state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any United States federal or state securities law in connection with the offering covered by such registration statement;

and the Company will reimburse each such Holder, its partner, officer, director, legal counsel, underwriter or controlling person for any legal or other expenses reasonably incurred by them, as such expenses are incurred, in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this subsection 2.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by such Holder, partner, officer, director, legal counsel, underwriter or controlling person of such Holder.

* + 1. By Selling Holders. To the extent permitted by law, each selling Holder will, if Registrable Securities held by Holder are included in the securities as to which such registration qualifications or compliance is being effected, indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter and any other Holder selling securities under such registration statement or any of such other Holder’s partners, directors, officers, legal counsel or any person who controls such Holder within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages or liabilities (joint or several) to which the Company or any such director, officer, legal counsel, controlling person, underwriter or other such Holder, partner or director, officer or controlling person of such other Holder may become subject under the Securities Act, the Exchange Act or other United States federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, controlling person, underwriter or other Holder, partner, officer, director or controlling person of such other Holder in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the indemnity agreement contained in this subsection 2.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided, further, that in no event shall any indemnity under this Section 2.9(b) exceed the net proceeds received by such Holder in the registered offering out of which the applicable Violation arises.
    2. Notice. Promptly after receipt by an indemnified party under this Section 2.9 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party shall have the right to retain its own counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential conflict of interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of liability to the indemnified party under this Section 2.9 to the extent the indemnifying party is prejudiced as a result thereof, but the omission to so deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.9.
    3. Contribution. In order to provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any indemnified party makes a claim for indemnification pursuant to this Section 2.9 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 2.9 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any indemnified party in circumstances for which indemnification is provided under this Section 2.9; then, and in each such case, the indemnified party and the indemnifying party will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject (after contribution from others) in such proportion so that a Holder (together with its related persons) is responsible for the portion represented by the percentage that the public offering price of its Registrable Securities offered by and sold under the registration statement bears to the public offering price of all securities offered by and sold under such registration statement, and the Company and other selling Holders are responsible for the remaining portion. The relative fault of the indemnifying party and of the indemnified party shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties’ relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case: (A) no Holder will be required to contribute any amount in excess of the net proceeds to such Holder from the sale of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement; and (B) no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation.
    4. Survival; Consents to Judgments and Settlements. The obligations of the Company and Holders under this Section 2.9 shall survive the completion of any offering of Registrable Securities in a registration statement, regardless of the expiration of any statutes of limitation or extensions of such statutes. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of each indemnified party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.
  1. No Registration Rights to Third Parties. Without the prior written consent of the holders of a majority of the Preferred Shares then outstanding, the Company covenants and agrees that it shall not grant, or cause or permit to be created, for the benefit of any person or entity any registration rights of any kind (whether similar to the demand, “piggyback” or Form F-3 registration rights described in this Section 2, or otherwise) relating to any securities of the Company which are senior to, or on a parity with, those granted to the Holders of Registrable Securities.
  2. Transfer of Rights. The registration rights may be transferred provided that the Company is given written notice thereof and provided that the transfer a) is in connection with a Transfer of all securities of the transferor, or b) is to constituent partners or shareholders who agree to act through a single representative.
  3. Rule 144 Reporting. With a view to making available to the Holders the benefits of certain rules and regulations of the SEC which may at any time permit the sale of the Registrable Securities to the public without registration or pursuant to a registration on Form F-3, after such time as a public market exists for the Ordinary Shares, the Company agrees to:
     1. Make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act, at all times after the effective date of the first registration under the Securities Act filed by the Company for an offering of its securities to the general public;
     2. File with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements); and
     3. So long as a Holder owns any Registrable Securities, to furnish to such Holder forthwith upon request (i) a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time after ninety (90) days after the effective date of the Company’s initial public offering), the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or its qualification as a registrant whose securities may be resold pursuant to Form F-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company, and (iii) such other reports and documents of the Company as a Holder may reasonably request in availing itself of any rule or regulation of the SEC that permits the selling of any such securities without registration or pursuant to Form F-3.
  4. Market Stand-Off. Each party agrees that, so long as it holds any voting securities of the Company, upon request by the Company or the underwriters managing the initial public offering of the Company’s securities, it will not sell or otherwise transfer or dispose of any securities of the Company (other than those permitted to be included in the registration and other transfers to affiliates permitted by law) without the prior written consent of the Company or such underwriters, as the case may be, for a period of time specified by the representative of the underwriters not to exceed 180 days from the effective date of the registration statement covering such initial public offering or the pricing date of such offering as may be requested by the underwriters. The Company shall use commercially reasonable efforts to take all steps to shorten such lock-up period. The foregoing provision of this Section 2.13 shall not apply to the sale of any securities of the Company to an underwriter pursuant to any underwriting agreement, and shall only be applicable to the Holders if all other shareholders of the Company enter into similar agreements, and if the Company or any underwriter releases any other shareholder from his, her or its sale restrictions so undertaken, then each Holder shall be notified prior to such release and shall itself be simultaneously released to the same proportional extent. The Company shall require all future acquirers of the Company’s securities to execute prior to a Qualified IPO a market stand-off agreement containing substantially similar provisions as those contained in this Section 2.13.

**EXHIBIT B**

**Notices**

If to the Seller Parties:

[ ]

Attn: [ ]

Tel: [ ]

If to [ ]

[ ]

Attn: [ ]

Tel: [ ]

**EXHIBIT C**

**Deed of Adherence**

**DEED OF ADHERENCE** made on the [ ] day of, [ ]

**BETWEEN:**

(1) «${agreement.p1FinancingBody[», a company incorporated in the «${agreement.p1FinancingBody[» (the "Company"); and

(2) [Name of New Shareholder] (the "**New Shareholder**").

**RECITALS:**

(A) On [ ] day of \_\_\_\_\_\_\_\_\_\_\_\_\_, the Company and its Shareholders entered into a Shareholders Agreement (the "Shareholders Agreement") to which a form of this Deed is attached as Exhibit C.

(B) The New Shareholder wishes to [be allotted/have transferred to him/her/it] [ ] shares (the "Shares") in the capital of the Company [from [ ] (the "Old Shareholder")] and in accordance with Section [ ] of the Shareholders Agreement has agreed to enter into this Deed.

(C) The Company enters this Deed on behalf of itself and as agent for all the existing Shareholders of the Company.

**NOW THIS DEED WITNESSES** as follows:

1. Interpretation. In this Deed, except as the context may otherwise require, all words and expressions defined in the Shareholders Agreement shall have the same meanings when used herein.

2. Covenant. The New Shareholder hereby covenants to the Company as trustee for all other persons who are at present or who may hereafter become bound by the Shareholders Agreement, and to the Company itself to adhere to and be bound by all the duties, burdens and obligations of a Shareholder holding the same class of shares as the Shares imposed pursuant to the provisions of the Shareholders Agreement and all documents expressed in writing to be supplemental or ancillary thereto as if the New Shareholder had been an original party to the Shareholders Agreement since the date thereof.

3. Enforceability. Each existing Shareholder and the Company shall be entitled to enforce the Shareholders Agreement against the New Shareholder, and the New Shareholder shall be entitled to all rights and benefits of the Old Shareholder (other than those that are non-assignable) under the Shareholders Agreement in each case as if the New Shareholder had been an original party to the Shareholders Agreement since the date thereof.

4. Governing Law. THIS DEED OF ADHERENCE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF [«${agreement.p1ApplicableRules[»], EXCEPT TO THE EXTENT THAT THE COMPANIES LAW OF «[#if»CAYMAN ISLANDS«[#else]»BRITISH VIRGIN ISLANDS«[/#if]» BY ITS TERMS IS APPLICABLE.

**IN WITNESS WHEREOF**, this Deed of Adherence has been executed as a deed on the date first above written.

«${agreement.p1FinancingBody[»

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title:

[NAME OF NEW SHAREHOLDER]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title: