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CMH/JJXC/DMBG 5 January 2012

DATED

2012

[HEDOSOPHIA INVESTMENTS] LIMITED

AND

THE SUBSCRIBERS

AND

[HEDOSOPHIA HOLDING] LIMITED

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SUBSCRIPTION AGREEMENT

---

Slaughter and May

[REDACTED]  
[REDACTED]  
[REDACTED])

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THIS AGREEMENT is made on January 2012

BETWEEN

- (1) **[HEDOSOPHIA INVESTMENTS] LIMITED** a company incorporated in Guernsey under registered number [•] whose registered office is at [address] (the "**Company**");
- (2) **I.W.OSBORNE (HK) LIMITED** of [REDACTED] with registration number 1581594;
- (3) [Jacob Burda's investment vehicle;]
- (4) [Kuok family investment vehicle;]
- (5) [Investment vehicle on behalf of US investor;]
- (6) [Canadian Foundation for Mr Li],

those entities contained within paragraphs (2) to (6) above each being a "**Subscriber**" and together being the "**Subscribers**"; and

- (7) **[HEDOSOPHIA HOLDING] LIMITED** a company incorporated in Guernsey under registered number [•] whose registered office is at [address] ("**HHL**" and together with the Subscribers, "**Shareholders**")

***[Note: we require, for each Subscriber, the names (including registered office, registered number and jurisdiction of incorporation) for the investment vehicles who will hold the PPS]***

**WHEREAS:**

- (A) The Company is intending to invest in a limited number of privately held consumer internet companies with a view to realising these investments in due course and distributing the proceeds to shareholders on the terms of this agreement and the Articles.
- (B) Each of the Subscribers wishes to subscribe for, and the Company wishes to allot to each of the Subscribers, redeemable participating preference shares of no par value in the capital of the Company (the "**PPS**") in the proportions set out in Schedule 1 and on the terms contained in this agreement.
- (C) HHL is the holder of all the ordinary shares of no par value in the capital of the Company.
- (D) This agreement sets out the terms on which the Subscribers will subscribe for the PPS and certain terms regarding the conduct of the Company.

IT IS AGREED as follows:

**1. INTERPRETATION**

1.1 In this agreement:

<b>“Administrator”</b>	means the administrator of the Company from time to time appointed by the Board, initially [The Trust Corporation of the Channel Islands Limited];
<b>“Articles”</b>	means the memorandum and articles of association of the Company, as amended from time to time;
<b>“Board”</b>	means the board of directors of the Company [which shall comprise [two directors nominated by HHL] [Ian Osborne, Jacob Burda]] and a professional director resident in Guernsey from time to time appointed by the Administrator, initially [●];
<b>“Business Day”</b>	a day which is not a Saturday, Sunday or public holiday in Guernsey;
<b>“Expenses”</b>	means administration, regulatory, legal, accountancy and other professional fees and expenses and any duties and taxes in connection with the running of the Company and administering the Investments, excluding any out of pocket expenses of the directors of the Company incurred in the performance of their duties as such;
<b>“HHL”</b>	means Ian Osborne and Jacob Burda, or either of them as the context requires;
<b>“Investments”</b>	has the meaning given in clause 2.1;
<b>[“Permitted Expenses”</b>	means reasonable expenses to the extent incurred specifically in connection with realising any of the Investments;]
<b>“PPS”</b>	has the meaning given in Recital (B);
<b>“Subscription Date”</b>	means [the date of this agreement] [[●] January 2012] or such other date as the Company and the Subscribers agree;
<b>“Subscription Price”</b>	has the meaning given in clause 8.2.; and
<b>“Working Hours”</b>	means 9.30 ■■■. to 5.30 ■■■. on a Business Day.

- 1.2 In construing this agreement, unless otherwise specified:
- (A) references to clauses are to clauses of this agreement;
  - (B) a reference to any other document referred to in this agreement is a reference to that other document as amended, varied, novated or supplemented (other than in breach of the provisions of this agreement) at any time;
  - (C) headings and titles are for convenience only and do not affect the interpretation of this agreement; and
  - (D) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

## 2. INVESTMENTS

- 2.1 Subject to clause 2.2, the Company and the Shareholders agree that the Company will seek to invest its capital in unlisted consumer internet companies ("**Investments**") as determined by the Board.
- 2.2 The Company and the Shareholders agree that the Company may not invest its capital in any gambling or alcohol related Investments without the unanimous written approval of the Subscribers.
- 2.3 Subject to clause 3, the Company and the Shareholders agree that the capital of the Company will only be deployed in making the Investments.

## 3. EXPENSES

- 3.1 It is agreed that the Company will meet its Expenses from funds set aside from the capital of the Company.
- 3.2 The total amount of Expenses, including Permitted Expenses, is to be capped at [US\$[●]] (the "**capped amount**") and the Company will set aside funds equal to the capped amount from the initial PPS subscription proceeds forming the capital of the Company to meet these Expenses. [Subject to clause 3.3, any additional Expenses incurred by the Company over the capped amount will be payable by or on behalf of HHL.]
- 3.3 [Except for any Permitted Expenses,] the Company will not deploy its capital above the capped amount in meeting its Expenses without the unanimous consent of the Subscribers.

#### **4. DISTRIBUTION OF PROCEEDS**

Any proceeds (net of Expenses) realised from the Investments will be distributed to the Shareholders according to the Articles [, subject to clause 3]. No such proceeds (net of Expenses) will be reinvested in further Investments.

#### **5. RETURN OF UNUSED CAPITAL**

In the event that, 12 months from and including the Subscription Date the capital of the Company has not been fully invested (subject to any reservation for Expenses made pursuant to clause 3.2), then the amount of capital not so deployed (less any amount (up to the capped amount) retained to meet Expenses) shall be distributed, as soon as reasonably practicable, to the Subscribers pro-rata to their respective PPS holdings as set out in Schedule 1.

#### **6. RESTRICTIONS ON FUTURE INVESTMENTS**

- 6.1 Subject to clauses 6.2 and 6.3, HHL agrees to procure that each of the HHL Directors agrees that he shall not, and shall procure that any entities with which he is connected shall not, make any Investments of any kind except through the Investments made by the Company.
- 6.2 Following a period of 6 months from and including the date that the capital of the Company has been fully invested (subject to any reservation for Expenses made pursuant to clause 3.2), each HHL Director, and any entities with which he is connected, will be permitted to make Investments without restriction.
- 6.3 Notwithstanding clauses 6.1 and 6.2, the Shareholders agree that Ian Osborne, or any entity with which he is connected, may receive share-based remuneration in the capital of any company (or a company in the same group of such company) to which he currently or subsequently provides advisory or consultancy services, as may be the case from time to time.

#### **7. WINDING UP**

The Company intends to return all capital contributions and distribute any profits realised from the sale of Investments within 5 years of the Subscription Date. In the event that this is not possible or practicable the Board will conduct a good faith consultation with the PPS holders to determine what course of action would be appropriate, including whether it would be appropriate to wind the Company up.

#### **8. SUBSCRIPTION**

- 8.1 Each of the Subscribers agrees that, on the Subscription Date, it shall subscribe for, and the Company will issue and allot to it, such number of the PPS as is set out next to its respective name in the table in Schedule 1 free from all liens, charges, security interests, encumbrances and adverse claims, and in consideration of such issue and allotment it shall pay to the Company in immediately available cleared funds the subscription price applicable to such PPS. The Company will promptly thereafter

register each such Subscriber as a member and will cause to be delivered to the Subscriber share certificates in respect of its respective PPS.

- 8.2 The subscription price for each of the PPS will be an amount equal to US\$[•] (the “**Subscription Price**”).

## 9. REPRESENTATIONS AND WARRANTIES

- 9.1 The Company represents and warrants to each of the Subscribers that it has full power, authority and capacity to allot and issue the PPS under the Articles pursuant to this agreement, and the directors of the Company have full power and authority to effect such allotment.
- 9.2 Each Subscriber represents and warrants to the Company that it has full power, authority and capacity to subscribe for the PPS under the Articles pursuant to this agreement.
- 9.3 The execution and performance by each party of this agreement and any other agreement, certificate or document executed by each party in connection with this agreement, and the Subscriptions (and the consummation of such subscriptions) contemplated by this agreement and any related agreements will not, to the knowledge of each party (having made reasonable enquiries in relation to the same): (i) violate or conflict with any laws, rules or regulations of any government authority having jurisdiction; or (ii) result in the breach of, or constitute a default (with or without notice or lapse of time, or both) under, any provision of any debt instrument, indenture, mortgage agreement or other instrument or arrangement to which each party is a party or any judgment, order or decree by which that party is bound.
- 9.4 Each of the warranties shall be construed as a separate and independent warranty and each party shall have a separate claim and right of action in respect of any breach of a warranty given to that party. The warranties shall continue in full force and effect after the Subscription Date.

## 10. ARTICLES

- 10.1 Each Subscriber undertakes to accept the PPS subject to the Articles and to comply with the Articles in all respects.
- 10.2 If there is a conflict between the provisions contained within this agreement and the Articles, the provisions of this agreement shall prevail. **[To be confirmed with Guernsey counsel]**

## 11. RIGHT OF FIRST REFUSAL

- 11.1 In the event that the Company decides to offer an additional PPS subscription [with the Subscribers' consent], the Subscribers will each have a right of first refusal in proportion to their existing PPS shareholdings to subscribe for additional PPS. [In the event that one or more Subscribers do not wish to subscribe for additional PPS, then the

remaining Subscribers may subscribe for the unsubscribed PPS in the proportions [they so agree] [determined by the Board].]

- 11.2 Subject to clause 11.1, the parties agree to extend the benefit and burden of this agreement to any person, excluding the Subscribers, who validly subscribes for PPS or such other class of share being issued by the Company in accordance with the terms of this agreement and the articles, and validly executes deed of adherence substantially in the form attached in Schedule 2, but without prejudice to the continuation *inter se* of the rights and obligations of the original parties to this agreement and any other persons who have entered into such investor deed of adherence, as applicable.

## 12. FURTHER ASSURANCE

Each of the parties shall do or procure the doing of all such acts and/or execute or procure the execution of such documents as may be necessary in order to give effect to the provisions of this agreement.

## 13. ENTIRE AGREEMENT

- 13.1 The subscription agreement constitutes the whole and only agreement between the parties relating to the subscription for, and the allotment through the Company to each of the Subscribers, of PPS.
- 13.2 Except in the case of fraud, no party shall have any right of action against any other party to this agreement arising out of or in connection with any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject matter of this subscription agreement made or given by any person at any time prior to the date of this agreement.
- 13.3 This agreement may only be varied in writing signed by the parties.

## 14. NOTICES

- 14.1 Except where expressly stated otherwise, a notice under this Deed shall only be effective if it is in writing. Faxes and e-mail are permitted.
- 14.2 Notices under this Deed shall be sent to a party at its address or number and for the attention of the individual set out below:

<u>Party and title of individual</u>	<u>Address</u>	<u>Facsimile no.</u>	<u>E-mail address</u>
[Hedosophia Investments] Limited	[•]	[•]	[•]
I.W.Osborne (HK)	██████████ ██████████	[•]	[•]

Limited	[REDACTED]	[REDACTED]	[REDACTED]
[Jacob Burda's investment vehicle]	[•]	[•]	[•]
[Kuok family investment vehicle]	[•]	[•]	[•]
[US investor investment vehicle]	[•]	[•]	[•]
[Canadian Foundation for Mr Li]	[•]	[•]	[•]
[Hedosophia Holding] Limited	[•]	[•]	[•]

Provided that a party may change its notice details on giving notice to the other party of the change in accordance with this Clause.

14.3 Any notice given under this Deed shall, in the absence of earlier receipt, be deemed to have been duly given as follows:

- (A) if delivered personally, on delivery;
- (B) if sent by post, five Business Days after the date of posting;
- (C) if sent by e-mail, when despatched; and
- (D) if sent by facsimile, on the Business Day following the day on which it was sent.

14.4 Any notice given under this agreement outside Working Hours in the place to which it is addressed shall be deemed not to have been given until the start of the next period of Working Hours in such place.

## 15. RIGHT OF SUBSCRIPTION

In the event that an additional company is established by HHL or the HHL Directors to make Investments, the Subscribers shall have the right to subscribe for the initial offering of the relevant investor shares in that company in an amount at least equal to their existing PPS shareholdings. Subscribers must determine whether they agree to participate in any such offering within [10] Business Days of receiving written notice of the opportunity to do so.

**16. TRANSFER OF SUBSCRIBER SHARES**

Each Subscriber undertakes not to transfer its PPS to any person (legal or natural) save to an entity which is either controlled by the same person(s) as that Subscriber or [is managed by the same person and] has the same beneficiaries as that Subscriber.

**17. REPORTING OBLIGATIONS**

The Company will provide: (i) annual reports for Subscribers providing details of the Investments made and the financial position of the Company; and (ii) quarterly letters to the Subscribers which will include key information in respect of the Investments made.

**18. COSTS AND EXPENSES**

Each of the parties to this agreement will bear its own costs and expenses incurred in relation to the preparation of this agreement and the subscription of the PPS.

**19. GOVERNING LAW AND JURISDICTION**

19.1 This agreement is governed by and will be construed in accordance with the law of [Guernsey].

**19.2 Jurisdiction**

The courts of [Guernsey] are to have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement.

**19.3 Waiver of objections**

Each party waives (and agrees not to raise) any objection, on the ground of forum non conveniens or on any other ground, to the taking of proceedings in the courts of [Guernsey]. Each party also agrees that a judgment against it in proceedings brought in [Guernsey] shall be conclusive and binding upon it and may be enforced in any other jurisdiction.

**19.4 Agent for Service**

Each Subscriber irrevocably appoints [NAME] of [ADDRESS] and [FAX NUMBER] as its agent to receive on its behalf in Guernsey service of any proceedings under clause 19. Such service shall be deemed completed on delivery to such agent (whether or not it is forwarded to and received by the applicable Subscriber) and shall be valid until such time as the Company has received prior written notice from the applicable Subscriber that such agent has ceased to act as agent. If for any reason such agent ceases to be able to act as agent or no longer has an address in Guernsey, each Subscriber shall forthwith appoint a substitute acceptable to the Company and deliver to the Company the new agent's name, address and fax number within Guernsey.

***[Note: the agent for service provision in 19.4 is to be amended if Subscribers will have separate agents for service.]***

**20. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, or by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original on this Agreement, but all the counterparts alone constitute one and the same instrument.

IN WITNESS whereof this agreement has been entered into the day and year first above written.

**EXECUTED** )  
 as an agreement ) .....  
 by [HEDOSOPHIA INVESTMENTS] ) Director  
**LIMITED** )  
 acting by:- ) .....  
 Director/Secretary

**SIGNED** by I.W.OSBORNE )  
**(HK) LIMITED** ) .....  
 witnessed by: )

*Signature* .....

*Name* .....

*Address* .....

.....

.....

*Occupation* .....

**SIGNED** by [Jacob Burda's )  
 investment vehicle] ) .....  
 witnessed by: )

*Signature* .....

*Name* .....

*Address* .....  
.....  
.....

*Occupation* .....

**SIGNED** by [Kuok family )  
investment vehicle] ) .....  
witnessed by: )

*Signature* .....

*Name* .....

*Address* .....  
.....  
.....

*Occupation* .....

**SIGNED** by [Investment vehicle on )  
behalf of US Investor] ) .....  
witnessed by: )

*Signature* .....

*Name* .....

*Address* .....  
.....  
.....

Occupation .....

**SIGNED** by [Canadian Foundation for )  
Mr Li] ) .....  
witnessed by: )

Signature .....

Name .....

Address .....

.....

.....

Occupation .....

**EXECUTED** )  
as an agreement ) .....  
by [**HEDOSOPHIA** ) Director  
**HOLDING] LIMITED** )  
acting by:- ) .....  
Director/Secretary

### Schedule 1

<b>Subscriber</b>	<b>Number of PPS being subscribed</b>	<b>Percentage PPS holding</b>
I.W.Osborne (HK) Limited	[•]	[•] per cent.
[Jacob Burda's investment vehicle]	[•]	[•] per cent.
[Kuok family investment vehicle]	[•]	[•] per cent.
[Investment vehicle on behalf of US Investor]	[•]	[•] per cent.
[Canadian Foundation for Mr Li]	[•]	[•] per cent.

**Schedule 2**  
**(Form of Investor Deed of Adherence)**

**THIS DEED** is made on *[date]*

**BETWEEN:**

- (1) **[HEDOSOPHIA INVESTMENTS] LIMITED** a company incorporated in Guernsey under registered number *[•]* whose registered office is at *[address]* (the "**Company**"); and
- (2) *[Name of person adhering]*, *[of [address]]* [a company incorporated *[in / under the laws of] [jurisdiction]* under registered number *[number]* whose *[registered / principal]* office is at *[address]*] (the "**Alternative Subscriber**").

**WHEREAS:**

- (A) The Alternative Subscriber shall subscribe for a number of ordinary shares of the Company.
- (B) This Deed is entered into in compliance with the terms of an agreement dated *[•]* 2012 made between (1) *[HEDOSOPHIA INVESTMENTS] Limited*, (2) I.W.Osborne (HK) Limited, (3) *[Jacob Burda's investment vehicle]*, (4) *[Kuok family investment vehicle]*, (5) *[Investment vehicle on behalf of US investor]*, (6) *[Canadian Foundation for Mr Li]*, and (7) *[HEDOSOPHIA HOLDING] Limited*, as such agreement shall have been or may be amended, supplemented or novated from time to time (the "**Subscription Agreement**").

**THIS DEED WITNESSES** as follows:

1. The Alternative Subscriber agrees to subscribe for, and the Company agrees to issue and allot, *[number]* of redeemable participating preference shares ("**PPS**") at US\$*[•]* per PPS or such other class of share of the Company being issued.
2. The Alternative Subscriber will pay for all of its costs and expenses in signing up to this Deed of Adherence.
3. The Alternative Subscriber undertakes to adhere to and be bound by the provisions of the Subscription Agreement.
4. The address, facsimile number and e-mail address of the Alternative Subscriber for the purposes of clause 14 of the Subscription Agreement are as follows:

<u>Party and title of</u>	<u>Address</u>	<u>Facsimile no.</u>	<u>E-mail address</u>
<u>individual</u>			
<i>[•]</i>	<i>[Its registered office from time to time]</i>	<i>[•]</i>	<i>[•]</i>

5. This Deed shall be governed by and construed in accordance with *[Guernsey law]*.

6. The courts of [Guernsey] are to have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed. Any proceeding, suit or action arising out of or in connection with this agreement ("**Proceedings**") may therefore be brought in the [Guernsey] courts. Nothing contained in this clause shall limit the right of any person having the benefit of this Deed to take Proceedings against the Alternative Subscriber in any other court or in the courts of more than one jurisdiction at the same time.

IN WITNESS of which this Deed has been executed and delivered by the parties on the date which first appears above.

Executed and Delivered as a Deed by )  
[HEDOSOPHIA INVESTMENTS] LIMITED )  
in the presence of: )

Per: \_\_\_\_\_  
Title: Director  
Name:

\_\_\_\_\_  
Witness's Signature

(Name) .....

(Address) .....

(Occupation) .....

(Note: The above details are to be completed  
in the witness's own handwriting.)

Executed as a deed )  
by [name of company] acting )  
by [a director and its secretary/ )  
two directors] )

.....  
Director  
.....  
Director/Secretary