

ADVANCE SUBSCRIPTION AGREEMENT

Dated July 14, 2023

Parties

- _____ (the **Subscriber**); and
- Trusty Digital Ltd a company incorporated in England and Wales with registered number 14672896 whose registered office is at 71-75 Shelton Street, Covent Garden, London, WC2H 9JQ, England (the **Company**).

The Subscriber has agreed to make advance subscription funds available to the Company for the purposes and on the terms set out in this agreement.

Agreement

Meanings

- In this Agreement, the following definitions are used:

Advance Subscription Funds	has the meaning given in clause 2 (Advance Subscription);
Business Day	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
Articles	means the articles of association of the Company as of the date of this agreement;
Business Sale	means a sale or transfer of all or substantially all of the business or assets directly or indirectly owned by the Company by way of a sale or transfer of assets and liabilities;
Conversion Price	means: where conversion takes place pursuant to clause 6(a) (Conversion), a price per Conversion Share equal to the lower of (i) a discount of twenty per cent (20%) of the Subscription Price or (ii) a price per share based on a pre-money valuation of £1,000,000, rounded down to the nearest whole share; where conversion takes place pursuant to clause 6(b) or 6(d) (Conversion), a price per Conversion Share equal to the lower (i) of the Last Round Price (if any) or (ii) a price per share based on a pre-money valuation of £3,000,000.00, rounded down to the nearest whole share; and where conversion takes place pursuant to clause 6(c) (Conversion), a price per Conversion Share based on a pre-money valuation of £5,000,000.00 rounded down to the nearest whole share;
Conversion Shares	means either:

	<p>in the case of Shares issued pursuant to clause 6(a) (Conversion), the Next Round Shares; or</p> <p>in the case of Shares issued pursuant to clause 6(b), (c) or (d) (Conversion), ordinary shares;</p>
EIS	means the Enterprise Investment Scheme as set out in Part 5 of the Income Tax Act 2007 starting at section 156;
Electronic Form	has the meaning given in section 1168 of the Companies Act 2006;
Exit	<p>means either:</p> <p>a Business Sale;</p> <p>a Share Sale;</p> <p>a combination of a Business Sale and a Share Sale; or</p> <p>a listing;</p>
Financing Round	a subscription for equity in the Company by one or more persons raising an aggregate of at least £5 000,000 (excluding any subscriptions on conversion of this agreement or any other rights or securities convertible into Shares in the Company), which amount can be raised in one or in a series of fundraisings on or before the Longstop Date;
Holder	in relation to Shares, means the person whose name is entered in the register of members as the holder of the Shares;
Insolvency	<p>means a situation in which:</p> <p>an order is made for the Company's compulsory liquidation; or</p> <p>the Company is placed into voluntary liquidation (otherwise than for the purpose of reconstruction or amalgamation); or</p> <p>the Company has an administrator or receiver appointed over the whole or any part of its assets or undertaking;</p>
Last Round Price	means the highest price per Share issued in the most recent round of funding since the date of this agreement (if any);
Listing	a public offering and sale of equity securities of the Company (or a Subsidiary or holding company of the Company);
Longstop Date	18 months from the date of this agreement;
Next Round Shares	means, in respect of a Financing Round, the highest class of Share issued in such Financing Round;
Paid	means paid or credited as paid;
SEIS	means the Seed Enterprise Investment Scheme as set out in Part 5A of the Income Tax Act 2007;
Shareholder	means a person who is the Holder of a Share;
Shares	means shares in the Company by classes;

Share Sale	means the sale of (or the grant of a right to acquire or to dispose of) any of the Shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those Shares (or grantee of that right) and persons acting in concert with them together acquiring a controlling interest (within the meaning of section 1124 of Corporation Tax Act 2010) in the Company, except where following completion of the sale the Shareholders and the proportion of Shares held by each of them are the same as the Shareholders and their shareholdings in the Company immediately prior to the sale;
Subscription Price	means, in respect of a Financing Round, the lowest price Paid per Next Round Share issued pursuant to such Financing Round (including for the avoidance of doubt any Shares issued on conversion of any notes or other securities convertible into Shares);
Subsidiary	has the meaning given in section 1159 of the Companies Act 2006; and
Writing	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.

Advance subscription

2. Subject to the terms of this agreement, the Subscriber agrees, on the date of this agreement, to make available to the Company funds in an aggregate amount of \$2000.00 (**Advance Subscription Funds**), and the Subscriber acknowledges that the Advance Subscription Funds cannot be refunded under any circumstances.
3. The Company will apply the Advance Subscription Funds towards its general working capital purposes so as to grow and develop its business, for the raising of additional financing, and for such other purposes as the Company's board may determine from time to time.
4. The Advance Subscription Funds shall be Paid to the Company to the following bank account or cash to the director of Company:

Here are the USD account details for TRUSTY DIGITAL LTD.

Account holder: TRUSTY DIGITAL LTD

Routing number: 026073008

SWIFT/BIC: CMFGUS33

Account number: 8312900124

Wise's address: 30 W. 26th Street, Sixth Floor, New York NY 10010, United States

5. The Company will procure all consents, waivers and Shareholder resolutions necessary (pursuant to the Articles) so as to enable the issue of Shares in the capital of the Company to proceed free of pre-emption rights or other restriction.

Conversion

6. The Advance Subscription Funds shall automatically convert into Conversion Shares at the relevant Conversion Price, and the Company shall issue and allot to the Subscriber (or as the Subscriber shall direct) the number of Fully Paid Conversion Shares to which it is entitled:
 - a. in the event of a Financing Round, immediately prior to the unconditional completion of such Financing Round; or

- b. in the event of an Exit, immediately prior to the unconditional completion of such Exit; or
- c. on the Longstop Date (if no Financing Round or Exit has unconditionally completed on or prior to the Longstop Date); or
- d. in the event of an Insolvency occurring before any of the events set out in sub-clauses (a) to (c) above, immediately prior to the occurrence of such Insolvency event,

and (in each case) Conversion Shares so allotted and issued shall be in full satisfaction and discharge of all obligations of the Company under this agreement to the Subscriber and this agreement shall terminate automatically and immediately on completion of such conversion.

SEIS/EIS

7. If applicable, the Company shall monitor its SEIS/EIS status, use reasonable endeavours to ensure (so far as it is able) that any related tax reliefs continue to be available to the Subscriber, and diligently fulfil all administrative requirements related to the Company's and the Subscriber's SEIS/EIS qualifying investment.

Representations and warranties

8. The Company represents and warrants to the Subscriber that:
- a. the Company is a company duly formed, validly existing and in good standing under the laws of England and Wales, with full corporate power and authority to enter into and perform its obligations under this agreement;
 - b. the Company has full power and authority to enter into and perform its obligations under this agreement;
 - c. no consents or approvals of any governmental authority are required in connection with the execution or performance of this agreement by the Company; and
 - d. entering into and the performance of this agreement does not violate the provisions of the Articles, or any applicable law.

Status of subscriber

9. In entering into this agreement to acquire the Conversion Shares on the terms of this letter, the Subscriber undertakes that:
- a. they are a non-resident in the United Kingdom;
 - b. they fall into one or more of the following categories of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "**Order**"):
 - i. a "certified high net worth individual" within the meaning of Article 48(2) of the Order, and accordingly they have signed a certificate in the form set out in Part I of Schedule 5 of the Order within a period of 12 months prior to the date of this letter; or
 - ii. a "self-certified sophisticated investor" in Article 50(A)(1) of the Order, and accordingly they have signed a certificate in the form set out in Part II of Schedule 5 of the Order within a period of 12 months prior to the date of this letter, or
 - iii. they are a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated;
 - iv. they have received sufficient information from the Company with respect to all matters they consider material to their investment decision, they have had the opportunity to ask questions of the management of the Company in relation to their investment decision and all such questions have been answered to their satisfaction; and
 - v. they have sufficient knowledge and expertise in business, tax and financial matters to be able to evaluate the risk and merits of an investment in the Company, or they have sought such advice as they consider necessary from a professional adviser with such knowledge and expertise.

Communications

10. Unless otherwise expressly stated herein, all communications under this agreement will be in Writing and may be made by letter or email.

11. Any communication by letter to be made or delivered by one party to the other(s) will be made or delivered to that other party at the address shown next to its name on the first page of this agreement or to such other address as may from time to time be notified by one party to the other(s) in accordance with this clause and any communication by email to be made by one party to the other(s) will be made to that other party at the email address as may from time to time be notified by one party to the other(s) in accordance with this clause.

12. Any communication made or delivered under this agreement will be deemed made or delivered:

- a. when received, in the case of an email;
- b. when left at the relevant address, in the case of a personally delivered letter; or
- c. two Business Days after dispatch, in the case of a letter sent by prepaid first-class post in an envelope addressed to the relevant address.

General

13. For the avoidance of doubt, no interest is payable on the Advance Subscription Funds in any circumstance. No amount of the Advance Subscription Funds is repayable by the Company in any circumstance but such amount may be converted into Shares in the Company as set out in the section entitled 'Conversion' above.

14. Each party shall be responsible for its own costs in connection with the negotiation, preparation, execution and performance of this agreement and any documents (including documents sent or supplied in Electronic Form) referred to in it.

15. If any court or competent authority finds that any provision of this agreement (or part of any provision) is void, invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of this agreement (and, as the case may be, the remainder of the relevant provision) shall not be affected.

16. If any void, invalid, unenforceable or illegal provision of this agreement would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum deletion necessary to make it legal, valid and enforceable.

17. This agreement shall automatically terminate in accordance with the section entitled 'Conversion' above and is not capable of variation, cancellation or assignment under any circumstances.

18. This agreement may be executed in counterpart, and this has the same effect as if the signatures on the counterparts were on a single copy of this agreement. The exchange of a fully executed version of this agreement (in counterparts or otherwise) by electronic transmission in PDF format shall be sufficient to bind the parties to the terms and conditions of this agreement and no exchange of originals is necessary.

Governing law

19. This agreement and any dispute or claim arising out of or in connection with it or its subject matter form formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales. The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any claim, dispute or issue (including non-contractual claims) which may arise out of or in connection with this agreement.

This agreement has been entered into on the date stated at the beginning of it.

_____ for and on behalf of Subscriber

Date of signature

Andrei Perjan for and on behalf of Trusty Digital Ltd

Date of signature