



CLASS A SHAREHOLDERS
(“Shareholders A”)

CLASS B SHAREHOLDERS
(“Shareholders B”)

PLAYCENTRE LIMITED
(“the Company”)

SHAREHOLDERS AGREEMENT

RIGHTEOUS LAW
AUCKLAND

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SHAREHOLDERS AGREEMENT

THIS AGREEMENT is made the ____ day of ____ 20____

PARTIES

CLASS A SHAREHOLDERS
("Shareholders A")

CLASS B SHAREHOLDERS
("Shareholders B")

PLAY CENTRE LIMITED
("the Company")

BACKGROUND

- A. Shareholders A means YUHANG CHEN and NA WANG; Shareholders B means each and all shareholders holding Class B shares.
- B. The Company issued 1,000,000 Class A shares (\$1,000,000.00): YUHANG CHEN owns 800,000 Class A shares; NA WANG owns 200,000 Class A shares;
- C. The Company intends to issue Class B shares between a minimum of 500,000 (\$500,000.00) and a maximum 960,000(\$960,000.00) shares;
- D. "Shareholders" means Shareholders A and Class Shareholders B;
- C. This Agreement is entered into to record arrangements between the Shareholders and the Company about their ownership in, and governance and management of, the Company.
- D. In this Agreement certain words commence in upper case (by way of example "Company" or "Shareholders"). This signifies that these words have, for the purposes of this Agreement, a precise definition. These definitions are found in subclause 8.8. This is to ensure certainty of meaning wherever they appear.
- E. This Agreement is entered into based upon the following assumptions (which each Party confirms):
 - a. the Shares comprise all of the share capital in the Company; and
 - b. the Shares are properly issued and fully paid up; and
 - c. none of their Shares are subject to any security interest, trust or adverse claim to ownership.

AGREEMENT

PART 1. THIS AGREEMENT

1.1 *Structure:* This Agreement is arranged in parts, each of which deal with distinct aspects of the Shareholders' relationships with each other and with the Company. At the back there are Schedules and Exhibits. The First Schedule details any Special Conditions (which prevail over the general conditions in this Agreement). The

First Schedule also details other particulars specific to the Company. The Exhibits contain sample documents to be used in connection with this Agreement (Accession Deed) and also sample wording for specific clauses (for employee shares, non-voting shares, tag-along rights and drag-along rights that the Parties may wish to apply in addition to the standard wording). The Schedules are all operative parts of this Agreement. At the start of each part of this Agreement there is an explanation of its purpose and each subpart has a heading. Neither the explanations nor the headings are however operative parts of this Agreement. They are for guidance only and if this Agreement requires interpretation they shall not be taken into account.

1.2 *Other Documents*: This document is read in conjunction with other related documents including:

- (a) the Constitution.
- (b) a Deed of Accession (refer subclause 4.5);
- (c) any variation of this Agreement or other collateral arrangements agreed by the Parties and recorded in writing.

It is intended that this Agreement should be read together with these other documents ("Collateral Documents"). If there is any conflict between the wording of this Agreement and the wording of any Collateral Document then they shall be interpreted in the following order of priority: This Agreement shall be read subject to any variation which is binding on all the parties to it, but this Agreement shall otherwise prevail. Any other Collateral Document shall be preferred to the Constitution. If the Constitution is inconsistent with this Agreement or any other Collateral Document the Shareholders will amend this Constitution to resolve the conflict.

1.3 *Commencement*: This Agreement commences on the date it is signed by all of the **Shareholders A**.

1.4 *Term and Termination*:

- (a) This Agreement may be terminated by a Shareholder A if:
 - (i) an Event of Default occurs (but only by a Shareholder not in default and then only if the Rights of Purchase in subclause 5.10 are not exercised in respect of all of the shares of the Defaulting Shareholders), or if
 - (ii) the Company is wound up or struck off, or if
 - (iii) all Shareholders A agree in writing that it should terminate.
- (b) If this Agreement terminates then:
 - (i) except as provided in subclause below all rights of the Parties recorded in this Agreement will no longer apply. Dealings between all shareholders in relation to the Company will instead be governed by the Constitution (if any), by any other relevant document or contract which remains intact between them dealing with the Company, by the Companies Act and by any other relevant laws; and
 - (ii) any pre-existing right or remedy of all shareholders as at the date of termination will however remain unaffected. Also the obligations in subclauses 5.3, 5.4 and 5.11 remain.

1.5 *Review*:

- (a) Shareholders A will meet every three (3) years from the Commencement Date to formally review this Agreement and the operation and direction of the Company. This will include a review of the Business Plan.
- (b) Following that review there may be changes to this Agreement and/or the Business Plan, but if the Shareholders A cannot agree on any changes to them then this Agreement and/or the Business Plan (as the case may be) will remain unchanged. Any changes will be of no effect until recorded in writing and signed by all of the Shareholders A.

1.6 *Implied Conditions or Warranties*: Except to the extent that such matters are dealt with in any Collateral Documents this Agreement contains all agreements, conditions, warranties or representations agreed between the Shareholders about the Company and its operation. No other agreements, conditions or warranties are implied. If any Shareholder wishes to rely on an agreement condition warranty or representation that is not otherwise part of this Agreement then it must be recorded in Schedule 2.

PART 2. THE COMPANY

The purpose of this part is to describe the purpose and objectives of the Company.

2.1 *Purpose of Company*: The purpose for which the Company is established and will continue to operate is recorded in Schedule 1 ("the Business").

2.2 *Objectives of Company*: The objectives of the Company, operating from the Commencement Date, are recorded in Schedule 1.

2.3 *Business Plan*: It is intended that the Company will have a Business Plan. This will be a detailed record of the purpose and objectives of the Company including agreed strategy and goals to achieve the objectives, as

well as operational limitations and boundaries agreed to by the Shareholders A. The Shareholders A will ensure that any director appointed by them follows the Business Plan. If a Business Plan has not been agreed by the Shareholders A by the Commencement Date then the Shareholders A will seek to agree a Business Plan as soon as reasonably practicable after the Commencement Date. The Business Plan will be reviewed as and when this Agreement is reviewed, and no changes may be made to the Business Plan without the agreement of all Shareholders A.

PART 3. COMPANY STRUCTURE

The purpose of this part is to describe the shareholding structure and intention of the Parties about profit distribution.

- 3.1 *Shareholdings*: The Company issues 1,000,000 Class A Shares and a minimum of 500,000 (\$500,000.00) and a maximum 960,000(\$960,000.00) Class B Shares. Special rights attaching to shares (if any) are described in the Special Conditions – Schedule 1.
- 3.2 *New Share Issues*: Any New Shares issued in the Company will be issued in accordance with the Companies Act and the Constitution.
- 3.3 *New Shares paid up*: Unless otherwise agreed all new shares will be fully paid up when they are issued.

PART 4. DEALINGS WITH SHARES

The purpose of this part is to regulate the alienation of Shareholders' interests in the Company.

- 4.1 *Security over Shares*: No Shareholder may grant a security over or pledge their shares without the consent of all the Shareholders. A condition of consent may be a requirement that the securityholder signs a Deed agreeing to abide by the terms of this Agreement.
- 4.2 *Share Transfers*: If a Shareholder wishes to transfer their shares they must (but subject to subclause 4.3) follow the process set out in the Constitution, if any (clauses 7 and 8 of the ADLSI Constitution if it is adopted).
- 4.3 *Special Provisions on Transfer*: "Tag Along" and/or "Drag Along" clauses apply (refer Schedule 1) for all shareholders of different classes
- 4.4 *Entities as Shareholders*: If a Shareholder is an Entity a share transfer is deemed to occur if there is a change to the ownership or control of the Entity whereby the person or persons who previously held the Controlling Interest in the Entity cease to do so.
- 4.5 *Deed of Accession*: When there is proposed to be a transfer of Class A and Class B shares or an issue of New Class A Shares with an effect that there is a new Shareholder of the said class, the said new Shareholder must enter into a Deed of Accession in the form attached as Exhibit A, by which it agrees to be bound by the terms of this Agreement, upon registration of such transfer or issue of such New Shares.

PART 5. THE SHAREHOLDERS

The purpose of this part is to describe and regulate the relationships between the Shareholders.

General

- 5.1 *Mutual Endeavour/Good Faith*: The Shareholders are in business together as coowners of the Company with an intention of making a profit and increasing the value of their investment. They agree that at all times they will act in good faith towards one another in a mutual endeavour to achieve these objectives.
- 5.2 *Shareholder Dispute (for Class A shareholders only)*: If there is any dispute between the Shareholders about any matter in connection with their ownership in or operation of the Company then the Shareholders will firstly endeavour to resolve the dispute by agreement. If the dispute is unable to be resolved by agreement within a reasonable period (taking into account the urgency of the matters to be resolved but in any event not being more than 14 days) then the dispute may be resolved by the Dispute Resolution process specified in Schedule 1.
- 5.3 *Confidential Information*: The Shareholders will keep confidential all Confidential Information belonging to the Company or to each other and will not use this information for any purpose other than that for which it was disclosed to them. They will return this information (without keeping copies) upon demand by the Company (or its owner if not the Company) and will not disclose it to any third party without written authorisation from the Company (or its owner as the case may be).
- 5.4 *Intellectual Property*: If a Shareholder owns any Intellectual Property Rights that are contributed to the Company or used in the Business then that Shareholder retains ownership of them. Any Intellectual Property Rights which are developed by the Company in the course of operating the Business belong to the Company.

The Shareholders and the Company will do all things reasonably required of them to preserve or protect the Intellectual Property Rights of a Party.

- 5.5 *No other relationship implied:* The Shareholders are, through their shareholding, coowners of the Company. They are not, and are not deemed to be, partners, agents or in any other relationship with each other or with the Company.
- 5.6 *Further Assurances:* The Shareholders will do all things and sign all documents reasonably required to give effect to this Agreement.

Shareholders A:

- 5.7 *Rights:* Shareholder A has voting rights and distribution rights. Shareholder A has no right to sell his or her entitled shares unless such offer of sale is first made to the company and/or other existing shareholders A of the company at the time of sale.
- 5.8 *Unanimous Resolutions:* There are certain matters which are of fundamental importance to the Shareholders A and which will require a unanimous vote of Shareholders A to be approved. They are set out in Schedule 1.
- 5.9 *Shareholder A Default:* If a Shareholder A defaults in performance of their agreements and obligations then any other Shareholder A or Shareholders A may serve a notice ("Default Notice") on the Defaulting Shareholder A. A copy of the Default Notice must at such time also be served on all other Parties. If the default is capable of remedy (which shall be determined by the server of the notice) then the Default Notice will specify the time within which (not being less than 5 days) the default must be remedied. If the default is not remedied within the specified timeframe or if the default is incapable of remedy, or if an Event of Default occurs then, but subject however to the conditions in subclause 5.5, each non-defaulting Shareholder A ("Remaining Shareholder/s") has an option to acquire the Defaulting Shareholder A's shares ("Option Shares").
- 5.10 *Rights of Purchase:* If the option described in subclause 5.3 is able to be exercised then it will be exercised in the following manner:
- (a) if it is exercised by more than one Shareholder A then unless all of the Parties otherwise agree they may exercise it firstly in proportion to their existing shareholdings. However if not all Remaining Shareholders A exercise their rights of purchase then any other/s of them may do so in respect of those shares not so taken up, and if more than one of them in proportion to their existing shareholdings.
 - (b) this right of purchase is however only capable of exercise if all of the shares of the Defaulting Shareholder A are acquired under it;
 - (c) exercise is by a notice to the Company within 10 days of expiry of an unremedied Default Notice or within 10 days of service of a Default Notice which is incapable of remedy, or upon the occurrence of an Event of Default, as the case may be (time being of the essence);
 - (d) if the option is exercised then the price to be paid is the "Fair Value" determined by the Constitution and it will be paid in cash in full to the Defaulting Shareholder A within twenty (20) days after exercise of the option. Payment will be in exchange for a transfer of the Option Shares. If the Defaulting Shareholder A does not accept payment for the Option Shares or does not transfer them to the Remaining Shareholders A then payment will be made to the Company to be held in trust for Defaulting Shareholder A and the Remaining Shareholder A may require the directors to record the transfer/s of shares in the Company's share register.
- 5.11 *Not to compete with the Company:* The Shareholders A will not whilst they own Shares in it compete with the Company and will ensure that the Directors appointed by them do not do so. Additionally they will not, for the period of time after they cease to own Shares in the Company and within the geographical area specified in Schedule 1 be directly or indirectly interested as owner, consultant, contractor, advisor or financier in any business enterprise that competes with the Business. Nor will they during this period solicit or attempt to solicit away from the Company any of its employees, contractors, consultants or advisers; nor solicit or attempt to solicit away from the Company the business of any customer of the Company.

Shareholders B:

- 5.12 *Rights:* Shareholder B does not have voting rights and only the distribution rights. Class B shares can be sold on an open market and can be sold to third parties with prior written consent of the Company.
- 5.13 *Disclosure:* Shareholder B may request the annual financial reports of the preceding financial year within three (3) months after the said financial reports are finalised and approved by the Company and monthly financial updates can be provided to Class B shareholders upon written request to the Company if deemed appropriate by the company.

PART 6. DIRECTORS

The purpose of this part is to provide for the appointment and removal of Directors and prescribe their role.

- 6.1 *Current Directors:* As at the date of this Agreement the Directors are those persons named in Schedule 1.
- 6.2 *Appointment and Removal of Directors:* Directors may be appointed or removed either:
- (a) if so provided in Schedule 1, by a particular Shareholder A or Shareholders A; or
 - (b) otherwise by ordinary resolution of the Shareholders A.
- 6.3 *Directors Role:* The role of a director is to manage the day to day affairs of the Company. If so provided in Schedule 1 the directors' authority to carry out certain actions may be restricted. (In the case of any such action the directors will first be required to obtain the approval of all Shareholders A entitled to vote.) The Directors may with the approval of all Shareholders A delegate their tasks to management, provided that all Shareholders A agree to this delegation.
- 6.4 *Good Faith/Best Interests:* Directors are at all times obliged to act in good faith and in the best interests of the Company. They may not prefer the interests of any Shareholder A which has appointed them to the interests of the Company.
- 6.5 *Director Contracts:* The Company may enter into contracts with directors to record their role, their duties, adherence to the Business Plan, an obligation to support the Shareholders appointing them towards meeting the expectations of this Agreement, obligations of confidentiality and protecting Intellectual Property Rights, restrictions on competition, their remuneration and other related matters.
- 6.6 *Directors Votes:* Unless provided otherwise in Schedule 1 directors will in directors' meetings or resolutions each have one vote. Proceedings of directors will be in accordance with the Constitution and the Companies Act.

PART 7. FUNDING THE COMPANY

The purpose of this part is to define and regulate the way debt capital is introduced to the Company and to minimise Shareholder exposure to capital risk.

- 7.1 *Source of Capital:* The company may, from time to time, obtain funding from external sources.
- 7.2 *Shareholder Funding:* Shareholders may fund the Company either by way of loans to the Company (this is only permitted for Shareholders A) or through Shareholder's current account (this is permitted for Shareholder A and Shareholder B). It is intended that Shareholders will fund the Company generally in proportion to their shareholdings however, the shareholders are not obliged to provide further fundings to the company.
- 7.3 *Interest:* If Shareholders fund the Company interest will be paid on amounts outstanding at the rate specified in Schedule 1.
- 7.4 *Security by Shareholders / External Funding: (This clause applies only to Shareholder A)* If the Shareholders are required to provide security (over their property) or to guarantee obligations of the Company then it is intended that they will do so in proportion to their shareholdings. The Company will indemnify any Shareholder that provides a security or guarantee against any liability cost or loss that arises consequent upon their doing so. Additionally to the extent that any Shareholder has provided a security or guarantee, or suffers any liability cost or loss from having done so, in either case to a greater extent as between the Shareholders than their intended proportionate share then, to the extent of the excess liability cost or loss, the other Shareholders will indemnify that Shareholder. As between them they will indemnify in proportion to their shareholdings.
- 7.5 *Security for Shareholders: (This clause only applies to Shareholder A)* To secure Shareholders rights to be repaid their funding, or to be indemnified, the Company will give them each a General Security over its assets (and also security over any land if agreed). Such security or securities will rank behind those of any external lender required to fund the Company's cashflow and operations but equally with those of other Shareholders securities.

PART 8. GENERAL

The purpose of this part is to deal with various more general concerns, including definitions and interpretation.

- 8.1 *Notices:* Notices required to be served under this Agreement are required to be served in writing at the address specified in Schedule 1.
- 8.2 *Delay:* No delay by a Shareholder in exercising a right under this Agreement will affect the Shareholder's right to do so unless there is a time within which it is required to be exercised.
- 8.3 *Waiver:* No waiver by a Shareholder in exercising such a right will affect the Shareholder's ability to exercise it on another occasion.

- 8.4 *Unenforceability*: If any provision in this Agreement is or is deemed to be unlawful or unenforceable then it will not affect the other provisions, but will be deemed modified or severed to the extent required to give meaning to this Agreement in accordance with its intention.
- 8.5 *Counterparts* : This Agreement may be signed and delivered in any number of counterparts (including by way of electronic transmission), all of which when taken together shall constitute one and the same instrument and shall bear the date stipulated on the agreement regardless of the actual date of execution. All Class B shareholders may consent to be bound by this Agreement by execution by electronic means not by a physical signature.
- 8.6 *Governing Law*: This Agreement is governed by and will be interpreted according to New Zealand law.
- 8.7 *Trustee Limitation*: Where a Party enters into this Agreement in a trustee capacity then except as expressly agreed otherwise their liability at any time under it (but only in the absence of dishonesty or wilful breach of trust) is limited to an amount equal to the value of trust assets then under their control.
- 8.8 *Definitions and Interpretation*: In this Agreement defined terms (which commence in upper case) have the following meanings:
- (a) "ADLS Constitution" means the Auckland District Law Society's standard form constitution, in the form applying at the relevant time;
 - (b) "Business" means the business or businesses operated by the Company (refer to Part 2);
 - (c) "Business Plan" means the written plan recording the agreements of Shareholders for the purposes described in subclause 2.3;
 - (d) "Collateral Documents" means the documents described in subclause 1.2;
 - (e) "Companies Act" means the Companies Act 1993 and its amendments;
 - (f) "Commencement Date" means the date when this Agreement is signed by all Parties;
 - (g) "Confidential Information" means information which is confidential in nature (and not in the public domain) and includes any trade secrets, financial, customer or trading information or data "knowhow" about the Business, its products, services or operation and all information of a like nature relating to the Business. This term does not include information which is in the public domain;
 - (h) "Constitution" means the constitution of the Company as adopted or varied from time to time;
 - (i) "Controlling Interest" means (in the case of a company) the right to control the composition of a majority of its directors, (in the case of a limited partnership) means the right to appoint and remove the general partner and (in the case of a trust) the right to appoint and remove a majority of the trustees;
 - (j) "Default Notice" means a notice served under subclause 5.5;
 - (k) "Defaulting Shareholder" means a Shareholder to whom a Default Notice has been served;
 - (l) "Directors" means all directors of the Company (refer subclause 6.1 and Schedule 1);
 - (m) "Entity" means a company, a limited partnership or a trust;
 - (n) "Event of Default" means where:
 - (i) a Default Notice is not remedied within the timeframe required, or is served in a situation where it is incapable of remedy;
 - (ii) a Shareholder is wound up, bankrupt or struck off the register of companies or if an individual dies or becomes permanently disabled;
 - (o) "General Security" means a general security over the assets of the Company given under a General Security Agreement in the Auckland District Law Society's standard form.
 - (p) "Intellectual Property Rights" means all proprietary rights in intellectual property (whether legally recognised or not) including patents, trademarks or service marks, designs, copyright, Confidential Information and other similar rights of a special or unique nature.
 - (q) "New Shares" means any additional shares issued by the Company (refer subclause 3.2);
 - (r) "Option Shares" means the shares in the Company which are able to be acquired under subclause 5.9;
 - (s) "Parties" means the Shareholders and the Company and includes any new Shareholders who enter into a Deed of Accession under subclause 4.5;
 - (t) "Remaining Shareholder/s" means the Shareholder or Shareholders who are not a Defaulting Shareholder;
 - (u) "Shares" means all shares issued by the Company and includes also all New Shares;
 - (v) "Shareholders" means Shareholders A and Class Shareholders B;
 - (v) "Class A Shareholders" means YUHANG CHEN and NA WANG;
 - (w) "Class B Shareholders" means holder/s of Class B shares as defined in the Constitution;
- And:
- (w) headings are for information only and do not form part of this Agreement;

- (x) a reference to any gender includes all genders; and
- (y) a reference to the singular refers also to the plural.

SCHEDULE 1

1 **Special Conditions:**

- 1.1 Shareholder A has voting rights and distribution rights.
- 1.2 Shareholder B has distribution rights only.

2 **Purpose of the Company:**

- 2.1 Fulfill the diversification demand of youngsters and their families for leisure, play, entertainment, catering and enlightenment on technology through the construction and operation of VR game experience arcade and any other related business.

3 **Objectives of the Company**

- 3.1 To become a well-known technology and entertainment centre in New Zealand providing the optimal one-step solution for youngsters and their families to have fun.

4 **Tag Along/Drag Along rights:**

- | | |
|-------------------|-----|
| Tag Along Rights | YES |
| Drag Along Rights | YES |

(Clause wordings are in Exhibit B. If no deletion is made or if both are deleted then these rights will not apply)

5 **Matters which require unanimous Shareholders A approval:**

- 5.1 those matters which under this Agreement restrict directors' authority;
- 5.2 any alteration to the Company's constitution or the terms upon which shares are issued;
- 5.3 any issue of new shares or other rights in the Company;
- 5.4 approving a "Major Transaction" as defined in the Companies Act;
- 5.5 a decision to appoint a liquidator;
- 5.6 any change to the Business Plan.

6 **Dispute Resolution Procedure:**

Expert Determination: If a Party has an unresolved dispute about any aspect of this Agreement or the governance or operation of the Company then they may refer the dispute to an expert for determination. This will be an expert agreed by the Parties, but if they cannot agree then an expert nominated by:

- 6.1 in the case of a dispute concerning any accounting or valuation matter the current chief executive officer of the New Zealand Institute of Chartered Accountants;
- 6.2 in the case of a dispute concerning any other matter the current chief executive officer of the Auckland District Law Society Incorporated.

The expert will then determine the manner in which the dispute will be heard, a timetable to resolve it, and the expert may award costs to a Party. The decision of an expert will be final and binding. The expert is not an arbitrator and the Arbitration Act 1996 will not apply.

8 **The Directors:** YUHANG CHEN

9 **Method of Appointment and Removal of Directors:** Where the Company has two Shareholders A each Shareholder A holding half or more of the shares has the right to appoint and remove one Director by written notice to the Company, and where the Company has three Shareholders A each Shareholder A holding one third or more of the shares holds these rights.

10 **Restrictions on Director's Authority:**

- 10.1 contracts of a total value in excess of \$10,000.00;
- 10.2 any deviation from the Business Plan;
- 10.3 appointment or removal of employees at management level;
- 10.4 a change in banking arrangements or commitment to external borrowing;
- 10.5 any decision to distribute funds to Shareholders;
- 10.6 the approval of any share transfer that admits new shareholders to the Company;
- 10.7 any other matter described above as requiring unanimous shareholders' approval.

11 **Directors Votes** Each Director has One vote.

12 **Shareholder Loan Interest Rate:** Official Cash Rate of New Zealand (OCR) plus a margin of 3%.

13 **Addresses for Notices:**

The Shareholders A:

YUHANG CHEN

Address:

Email:

NA WANG

Address:

Email:

SIGNATURES

SIGNED by)
YUHANG CHEN)
in the presence of:)

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED BY)
NA WANG)
in the presence of:)

Witness signature

Witness name

Witness occupation

Witness town of residence

SIGNED BY)
in the presence of:)

Witness signature

Witness name

Witness occupation

Witness town of residence

SIGNED BY)
THE COMPANY BY)
ITS DIRECTOR: YUHANG CHEN)

Director

Exhibit A

ACCESSION DEED

PARTIES

[Full legal name of new shareholder] (the **New Shareholder**)

PLAY CENTRE LIMITED (the **Company**)

YUHANG CHEN AND NA WANG and all Existing Class B Shareholders at the time (the **Continuing Shareholders**)

BACKGROUND

- A. By shareholders' agreement dated _____ (the **Shareholders' Agreement**) the parties to the Shareholders' Agreement agreed to certain matters relating to their relationship as shareholders and to the operation of the Company.
- B. The New Shareholder proposes to acquire _____ shares in the Company (the **Shares**).
- C. The Shareholders' Agreement requires the New Shareholder to execute this deed as a condition of the acquisition of the Shares.

DEED

1. Conditional upon the acquisition of the Shares by the New Shareholder, the New Shareholder covenants with each of the Continuing Shareholders to observe, perform and be bound by the Shareholders' Agreement with effect from the date on which the New Shareholder acquires the Shares.
2. The notice details of the New Shareholder are:
Address: _____
Email: _____
Telephone Number: _____
Attention: _____
3. This deed will be read with and will form part of the Shareholders' Agreement.
4. The New Shareholder represents and warrants to each of the Continuing Shareholders that it:
 - a. is validly existing under the law of its country of incorporation;
 - b. has the power to enter into and perform and comply with all of its obligations under this deed and the Shareholders' Agreement;
 - c. has taken all necessary corporate action to authorise the entry into this deed and to exercise its rights and perform its obligations under the Shareholders' Agreement; and
 - d. has obtained all consents, approvals, licences, authorisations and registrations with any governmental or statutory agency necessary to enter into this deed.
5. The parties to this deed agree to sign all further documents and do all things reasonably necessary to give effect to this deed.
6. This deed is governed by and will be construed in accordance with the laws of New Zealand.
7. This deed may be executed in any number of counterparts each of which will be deemed an original and which together constitute the same instrument.

SIGNED this _____ day of _____ 20____

SIGNED BY)
PLAY CENTRE LIMITED) _____
in the presence of:) Director

Witness signature

Witness name

Witness occupation

Witness town of residence

SIGNED BY)
[INSERT NEW SHAREHOLDER NAME]) _____
in the presence of:)

Witness signature

Witness name

Witness occupation

Witness town of residence

SIGNED BY)
YUHANG CHEN) _____
in the presence of:)

Witness signature

Witness name

Witness occupation

Witness town of residence

SIGNED BY)
YUHANG CHEN)
in the presence of:)

Witness signature

Witness name

Witness occupation

Witness town of residence

SIGNED BY)
)
in the presence of:)

Witness signature

Witness name

Witness occupation

Witness town of residence

Exhibit B

1. Employee Shares

- 1.1 *Application:* These provisions apply to any shares which are issued to employees of the Company ("Employee Shareholders") and are designated Employee Shares.
- 1.2 *Employee Shareholders:* Unless otherwise agreed in writing by all the Parties, each Employee Shareholder may only continue to hold Employee Shares if that Employee Shareholder remains an employee of the Company.
- 1.3 *Ceasing to qualify as an Employee Shareholder:* If any Employee Shareholder ceases to be an employee of the Company, for any reason whatsoever, then the Employee Shareholder is no longer qualified to hold their Employee Shares and, immediately upon the cessation of their employment, the Employee Shareholder shall be deemed to have served a transfer notice in accordance with subclause 8.1 of the ADLS Constitution in relation to all of their Employee Shares.

2. Non-voting Shares

- 2.1 *Application:* These provisions apply to any shares which are designated "Non-Voting Shares".
- 2.2 *Non-Voting Shares:* Such Shares will confer no right to vote at a meeting of the Company, nor to enter into any resolution of the Company, nor to appoint or remove a Director, nor to exercise any right, remedy, or be entitled or required to give any consent or approval under this Agreement, but will otherwise confer the following rights:
- (a) the right to participate in any distributions authorised by the Directors; and
 - (b) the right to share in the distribution of any surplus assets of the Company in liquidation; and
 - (c) except to the extent otherwise specified, all other rights attributed to ordinary Shares.

3. Tag Along Rights:

- 3.1 The purpose of this provision is to protect Shareholders against being left in the Company after a coShareholder sells out.
- (a) If a Shareholder ("Selling Shareholder") holding half or more of all shares in the Company wishes to sell all of their Shares and the other Shareholder or Shareholders ("Tag Along Shareholders") do not exercise their rights of preemption in the Constitution (to buy the Shares themselves) then each of the Tag Along Shareholders have the right to give a notice to the Selling Shareholder ("Tag Along Notice") requiring the Selling Shareholder to include them in the sale. A Tag Along Notice must be given not later than ten (10) days after service of the transfer notice to the Tag Along Shareholders, time being of the essence.
 - (b) If the Selling Shareholder does not receive any Tag Along Notices within this period (and if no rights of preemption are exercised) then, but subject to any rights of the directors to refuse to register a share transfer, the Selling Shareholders sale may proceed without the Tag Along Shareholders.
 - (c) If, and to the extent that, the Selling Shareholder receives a Tag Along Notice or Tag Along Notices their sale may not proceed except if, and to the extent that, the Tag Along Shareholder/s are also able to sell their Shares to the same purchaser at a price and upon terms and conditions no less advantageous to the Tag Along Shareholder/s than the Selling Shareholders' price and terms and conditions.

4. Drag Along Rights:

- 4.1 The purpose of this provision is to enable a majority Shareholder which wishes to sell all of its Shares to require the other Shareholders to sell out as well so that the buyer can acquire the whole Company.
- (a) Where a Shareholder or Shareholders ("Selling Shareholders") holding half or more of all shares in the Company wish to sell all of their Shares to a third party purchaser and other Shareholders ("Drag Along Shareholders") do not exercise their rights of preemption in the Constitution to purchase those Shares, then the Selling Shareholders may serve a notice ("Drag Along Notice") to the Drag Along Shareholders requiring them to be part of the sale.
 - (b) Upon receipt of a Drag Along Notice the Drag Along Shareholders are obliged to join with the Selling Shareholders and sell their Shares to the purchaser, but only at a price and upon terms and conditions no less advantageous to them than for the Selling Shareholders.