

Terms and Conditions

It is agreed as follows:

1 Definitions and interpretation

1.1 Definitions

In these Terms and Conditions, unless the context otherwise requires, the following definitions apply:

AED means UAE Dirhams, the lawful currency of the UAE;

Agreement means this agreement, comprised of the Details and these Terms and Conditions;

Business Day means a day other than a Saturday, Sunday or any public holiday declared by the UAE Ministry of Human Resources and Emiratisation for the private sector in Dubai;

Conversion Mechanism is the mechanism provided for in Schedule 2;

Co-working Space means the co-working space operated by Scality;

DAFZA means Dubai Airport Free Zone Authority, the authority responsible for administering the Free Zone;

DAFZ Network means contacts and connections of Scality, which could include, amongst others, other companies incorporated in the Free Zone or Dubai government departments;

Deferred Payment has the meaning set out in Clause 7.4;

Desk Fees means those fees set out in Schedule 1 and identified as Desk Fees;

Desk Services has the meaning set out in Clause 6;

Details means the summary sheet containing details of the Parties (amongst other things) and which, together with the Terms and Conditions, comprise the Agreement;

Dubai means the Emirate of Dubai, UAE;

Employee means each individual employed by the Company (including members of the management team, active founders and employees sponsored for UAE residence visa purposes on behalf of the Company);

Free Zone means the Dubai Airport Free Zone;

Initial Term has the meaning set out in Clause 2.1;

Licence means the operating licence issued by DAFZA to the Company to carry out the licenced activities;

On-boarding Fees means those fees set out in Schedule 1 and identified as On-boarding Fees;

On-boarding Services has the meaning set out in Clause 4;

Party means either Scality or the Company, and **Parties** shall mean both of them;

Participants means companies incorporated in the Free Zone, such as the Company, which are participating in the Programme;

Programme means the programme to assist and support the start-up community in the Free Zone that is operated by Scality, and which is comprised of:

- (a) On-boarding Services;
- (b) Support Services; and
- (c) Desk Services;

Programme Fees are comprised of:

- (a) On-boarding Fees;
- (b) Registration Fees;
- (c) Subscription Fees; and
- (d) Desk Fees (if any),

the details of which are set out in Schedule 1;

Programme Partners means third-party service providers who will offer Participants certain goods or services, often at preferential rates or on preferential terms (or both);

Registration Fees means those fees set out in Schedule 1 and identified as Registration Fees;

Subscription Fees means those fees set out in Schedule 1 and identified as Subscription Fees;

Support Services means access to:

- (a) the Co-working Space;
- (b) the Programme Partners; and
- (c) the DAFZ Network;

Term means the period commencing on the Programme Commencement Date and ending on the date on which this Agreement terminates in accordance with its terms;

Terms and Conditions means these terms and conditions, which comprise part of the Agreement; and

UAE means the United Arab Emirates.

1.2 Interpretation

Unless the context otherwise requires, references to:

- (a) **month, monthly, year** and **yearly** and any other references in time shall be construed by reference to the Gregorian calendar;

- (b) **writing** or **written** includes any mode of representing or reproducing words in a legible and non-transitory form including documents and information sent by email;
- (c) words in the singular include the plural and vice versa and words importing any gender include every gender;
- (d) any phrase introduced by the term **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding that term;
- (e) **persons** include individuals, firms, partnerships, limited liability partnerships, companies, bodies corporate, corporations, unincorporated associations, governments, authorities, agencies and trusts (in each case, wherever situated and whether or not having separate legal personality);
- (f) **Clauses** are to clauses of these Terms and Conditions;
- (g) the Clause headings are included for ease of reference only and shall not affect the interpretation of this Agreement; and
- (h) any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to what most nearly approximates in that jurisdiction to the English legal term.

2 Commencement

- 2.1 This Agreement shall commence on the Programme Commencement Date and shall continue, unless terminated earlier in accordance with Clause 10 until 23:59 in the UAE on the day immediately preceding the first anniversary of the Programme Commencement Date (**Initial Term**).
- 2.2 Following the Initial Term, this Agreement shall continue, unless terminated earlier in accordance with Clause 9, until either Party gives the other Party thirty (30) days' written notice to terminate, following which this Agreement shall terminate.

3 Programme

Scality shall make the Programme available to the Company during the Term by providing each of:

- 3.1 the On-boarding Services;
- 3.2 the Support Services; and
- 3.3 the Desk Services, if the Company has subscribed for Desk Services in accordance with the terms of this Agreement.

4 On-boarding Services

- 4.1 In providing the On-boarding Services, Scality will:
 - (a) liaise with the General Directorate of Residency and Foreigners Affairs for the issuance a UAE residence visa valid for a period of three (3)

years from the date of issue for each Employee employed on behalf of the Company during the Term;

- (b) liaise with the Federal Authority for Identity and Citizenship for the issuance of Emirates Identity cards for each Employee;
- (c) arrange for medicals and the issuance of medical fitness certificates upon passing of the medicals by each Employee; and
- (d) procure that DAFZA issues an employee identity card for each Employee.

4.2 In order to avail of the On-boarding Services, the Company must provide Scality with all necessary documents and information required to provide the On-boarding Services.

5 Support Services

5.1 In providing the Support Services, Scality will provide the Company with, or procure that the Company is provided with, access to:

- (a) the Co-working Space;
- (b) the Programme Partners; and
- (c) the DAFZ Network.

5.2 The Company must at all times comply with the terms and conditions for the use and enjoyment of the Co-working Space which are prescribed by Scality from time to time. In the event that the Company does not comply with the terms and conditions for the use and enjoyment of the Co-working Space, then all obligations of Scality under this Agreement to the extent that they relate to providing or procuring the provision to the Company of access to the Co-working Space will cease with immediate effect (without any corresponding discount to or reduction of the Programme Fees).

5.3 Scality will make details of Programme Partners, the goods and services which they offer and the terms on which those goods and services will be offered to Participants, available on its website. Scality does not endorse or recommend any Programme Partners and is not responsible in any manner for any act or omission of Programme Partners. Programme Partners are third party companies or organisations which are not affiliated to Scality. The Company shall be solely responsible for engaging a Programme Partner on such terms and conditions as the Company and the Programme Partner may agree. Scality shall not be responsible or liable for any fees which are payable to a Programme Partner for goods or services (or both) provided by a Programme Partner to the Company.

5.4 If the Company has any:

- (a) questions which it believes Scality or a member of the DAFZ Network may be able to assist in answering; or
- (b) ideas or initiatives which it believes Scality or a member of the DAFZ Network may be able to assist in implementing,

Scality would like to help if it can. The Company should notify Scality in writing of any applicable questions or ideas and Scality will consider whether it can

assist or can support in assisting by contacting or working with a member of the DAFZ Network. Scality does not endorse or recommend any companies, authorities, individuals or others within the DAFZ Network and is not responsible in any manner for any act or omission of any one or more of them. Scality shall not be responsible or liable for any advice, suggestions, guidance or other information or documentation offered or provided to the Company by any companies, authorities, individuals, or others within the DAFZ Network.

6 Desk Services

If the Company would like to utilise a dedicated space, within the Co-working Space, it may subscribe for desk services with Scality.

7 Programme Fees

7.1 In consideration for Scality making the Programme available to the Company during the Term, the Company shall pay Scality the Programme Fees in accordance with this Clause 7.

7.2 All amounts payable by the Company exclude VAT, which the Company shall additionally be liable to pay to Scality at the prevailing rate.

7.3 Scality shall submit invoices for the Programme Fees plus VAT if applicable to the Company:

- (a) one-time, in advance, in respect of Registration Fees;
- (b) one-time per employee, in advance, in respect of On-boarding Fees;
- (c) monthly, in advance, in respect of Subscription Fees, with the exception of the Deferred Payment which shall be payable in accordance with Clause 7.4; and
- (d) monthly, in advance, in respect of Desk Fees (if any),

7.4 The Subscription Fees, in aggregate, in respect of the first three calendar months immediately following the Programme Commencement Date (**Deferred Payment**) may, subject to Scality's sole discretion, be deferred until the first day of the twelfth calendar month of the Term, when the Deferred Payment shall, with the agreement of the Parties:

- (a) become payable by the Company in accordance with Clause 7.4 following receipt of an invoice by the Company from Scality, or
- (b) be waived by Scality in its entirety in consideration for the Company issuing shares to Scality in accordance with the Conversion Mechanism.

7.5 The Company shall pay each invoice due and submitted to it by Scality, within fifteen (15) days of receipt, to a bank account nominated in writing by Scality.

7.6 If the Company fails to make any payment due to Scality under the Agreement by the due date for payment, then, without limiting the Scality's remedies under Clause 10.2(a):

- (a) the Company shall pay interest on the overdue sum from the due date until payment of the overdue sum which shall accrue each day at twelve percent (12%) per annum; and
- (b) Scality may suspend the Programme, until payment has been made in full by the Company to Scality of all outstanding amounts.

7.7 All amounts due under the Agreement from the Company to Scality shall be paid in full without any set-off, counterclaim, deduction or withholding.

7.8 The Programme Fees do not include:

- (a) fees for any renewal of any corporate registrations or permits, which must be renewed by the Company in the ordinary course at the then applicable fees charged by any applicable competent company, authority or department;
- (b) fees for any renewal of UAE residence visas, work permits, contracts of employment or other authorisations or documents associated with the right or ability of an Employee to live in the UAE or work for the Company (or both); or
- (c) any other costs or expenses associated with operating the Company lawfully or engaging its Employees;
- (d) any costs or expenses associated with the Company's licence cancellation.

8 **Company's obligations**

8.1 The Company shall:

- (a) co-operate with Scality in all matters relating to the Programme; and
- (b) provide, in a timely manner, such information as Scality may reasonably require, and ensure that it is accurate and complete in all material respects.

8.2 If Scality's performance of its obligations under the Agreement is prevented or delayed by any act or omission of the Company, its agents, subcontractors, consultants, or employees, Scality shall:

- (a) not be liable for any costs, charges or losses sustained or incurred by the Company that arise directly or indirectly from such prevention or delay;
- (b) be entitled to payment of the Programme Fees despite any such prevention or delay; and
- (c) be entitled to recover any additional costs, charges or losses Scality sustains or incurs that arise directly or indirectly from such prevention or delay.

9 **Warranties**

9.1 The Company represents and warrants to Scality that:

- (a) the Company does and at all times during the Term will comply in all respects with all laws, statutes, codes, ordinances, decrees, rules,

regulations, municipal by-laws, judgments, orders, decisions, rulings or awards applicable to the Company, including but not limited to federal laws of the UAE, laws of the Emirate of Dubai or regulations issued by DAFZA, to the extent that they apply to the Company;

- (b) the Company shall maintain its Licence and shall only carry out those activities as are permitted by its Licence;
- (c) the main business to be carried on by the Company will be limited to the technology sector;
- (d) the Company does not currently and, as long as it is a member of the Programme, it will not, without the prior written consent of Scality, employ more than twenty (20) Employees; and
- (e) it is capitalised and the operations of the Company are funded through personal investment of the shareholders, their friends or family or non-professional investors. In case the Company raises additional capital from professional investor(s), the Company will inform Scality and register the professional investor(s) with DAFZA.

9.2 The Company shall notify Scality in writing immediately on becoming aware of any breach by the Company of the representations and warranties contained in Clause 9.1.

10 Termination

10.1 The Agreement may be terminated upon the earlier of:

- (a) the dissolution or liquidation of the Company; or
- (b) the agreement of all of the Parties that it be terminated.

10.2 If:

- (a) the Company is in breach of any of the terms of, or otherwise fails to comply with, any of the provisions of this Agreement, including without limitation the breach of any obligations or warranties set out under Clause 8 or Clause 9; or
- (b) the Company fails to make payment of amounts due to Scality under and in accordance with the terms of this Agreement,

Scality may, by notice in writing served upon the Company, terminate this Agreement with immediate effect without the need for a judicial order.

10.3 Termination of this Agreement, or an individual or multiple subscriptions, shall not affect any accrued rights or obligations of the Parties up to the date of termination, including in respect of the payment of outstanding Programme Fees, which shall remain due and payable irrespective of the termination of this Agreement.

10.4 The Parties acknowledge and agree that a court order shall not be required to give effect to any termination of this Agreement in accordance with its terms.

11 PO Box

- 11.1 The Company may have non-exclusive use of the PO box provided for Scality, being PO box number 293962 (the **PO Box**).
- 11.2 The Company acknowledges and agrees that that the PO Box will be used by Scality and by other Participants.
- 11.3 The Company shall comply with any rules and regulations of Dubai Post in respect of the use of the PO Box.
- 11.4 The Company's use of the PO Box is at the Company's own risk. Scality accepts no liability arising from or related to the Company's use of the PO Box.

12 Disclaimer of liability

- 12.1 Scality has initiated the Programme to assist and support the start-up community. As such, the Company understands and acknowledges that the Company's membership into the Programme and access to the Support Services (in particular to the DAFZ Network or the Programme Partners) shall in no event create any liability for Scality.
- 12.2 Scality's maximum liability in aggregate to the Company arising out of all claims for damages under this Agreement shall not exceed the Programme Fees actually paid to Scality by the Company under and in accordance with the terms of this Agreement.

13 Variation

The terms and conditions of this Agreement may only be varied by the written agreement of the Parties. Notwithstanding the provisions of this Clause 13, Scality shall have the right to vary the content of the Programme at any time by written notice to the Company. If the Company does not agree with any changes to the content of the Programme, the Company shall communicate in writing with Scality to arrive at a mutually agreeable solution. If Scality and the Company are unable to reach an agreement on the changes, then the Company shall have the right to terminate the Agreement in accordance with its terms, subject to the payment of all outstanding fees or payments.

14 Announcements

The Company shall not make or permit any person connected with them to make any announcement or issue any circular relating to the Programme or this Agreement except with the prior written approval of Scality. Scality may use the details of the Company such as the name, logo or the nature of business carried on by the Company for the purposes of marketing and promoting the Programme. If the Company has any reservations in this respect, the Company should consult with Scality with regard to the extent of the information that may be disclosed by Scality.

15 Nature of the Agreement

Nothing in this Agreement shall constitute or be deemed to constitute a partnership between the Parties or any of them nor constitute any Party the agent of any other Party for any purpose.

16 **Rights of third parties**

- 16.1 Scality does not accept any duties or responsibilities to any third parties, including any parent, subsidiary or affiliated companies or any of the officers, directors or employees of the Company, in relation to this Agreement.
- 16.2 No person who is not a Party shall have rights to enforce any of the terms of this Agreement.

17 **Further assurance**

The Company shall:

- 17.1 do or procure to be done all such further acts and things;
- 17.2 execute, or procure the execution of, all such other documents as Scality may from time to time require; and
- 17.3 otherwise exercise all powers and rights available to it to implement the provisions of this Agreement,
- in each case, for the purpose of giving Scality and the Company the full benefit of the provisions of this Agreement.

18 **Assignment**

Without the prior written consent of Scality, the Company may not assign, transfer, grant any security interest over, hold on trust or deal in any other manner with the benefit of the whole or any part of any of this Agreement, nor sub-contract any or all of its obligations under this Agreement, nor purport to do any of the same.

19 **Entire agreement**

This Agreement constitutes the entire arrangement and understanding between the Parties relating to their subject matter and supersedes any and all previous arrangements or understandings (whether written or oral) between the Parties relating to such subject matter.

20 **General**

- 20.1 Any right or remedy of the Parties in respect of a breach of any provision of the Agreement shall be in addition and without prejudice to all other rights and remedies of the Parties. No failure to exercise or delay in exercising on the part of any Party any right, power or privilege under the Agreement shall operate as a waiver of any such right, power or privilege, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise of any such right, power or privilege, or the exercise of any other right, power or privilege.
- 20.2 The rights and remedies provided in the Agreement are cumulative and not exclusive of any rights or remedies provided by law.
- 20.3 Notwithstanding that any provision of this Agreement may prove to be illegal or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

20.4 This Agreement shall in all respects be binding upon, and shall endure for the benefit of, the legal heirs and successors and permitted assigns of the Company and the successors and permitted assigns of Scality.

20.5 This Agreement may be executed in any number of counterparts each of which when executed shall be an original, but all the counterparts shall together constitute one and the same instrument.

21 Notices

21.1 All notices required to be given or information supplied by either of the Parties to the other pursuant to the provisions of this Agreement must be in writing and shall be sent:

- (a) by hand or courier;
- (b) by registered post;
- (c) by fax; or
- (d) by email,

in each case, to the address, fax number or email address given in the Details for the purpose and marked for the attention of the person so given, or to such other address, fax number or email address as may from time to time be notified in writing by either of the Parties.

21.2 A notice given under this Agreement shall be deemed to have been received:

- (a) if delivered by hand by courier, upon delivery to the address referred to in Clause 21.1;
- (b) if sent by registered post, seven (7) Business Days after the date it is posted;
- (c) if sent by fax, upon receipt of a fax transmission report; and
- (d) if sent by email, upon receipt of the email transmission report.

22 Costs

Except for the Programme Fees and any other costs expressly payable by the Company, each of the Parties shall be responsible for the payment of their respective costs in connection with the execution of this Agreement.

23 Governing law

This Agreement shall be governed by, construed, interpreted and applied in accordance with the laws of Dubai.

24 Resolution of disputes

Any dispute arising out of or in connection with this Agreement, including any dispute regarding its existence, validity or termination, shall be referred to and finally resolved by reference to the courts of Dubai.

Schedule 1: Programme Fees

Programme service component	Programme Fee
On-boarding Fee (sponsored)	AED 4,200 per Employee
On-boarding Fee (non -sponsored)	AED 1,000 per Employee
Employee Protection Insurance	Between AED 350 and AED 1,600 depending on the salary bracket of the Employee. Coverage is valid for 38 months from issuance.
Registration Fee	AED 3,000
Subscription Fee (with company set up)	<p>The Subscription Fee will be calculated by reference to the sum of Employees, management team and active founders that the Company has on the first Business Day of each calendar month and shall be calculated as follows:</p> <ul style="list-style-type: none"> • for a Company with between one and four Employees (inclusive of management team and active founding members), AED 500 per Employee per month; • for a Company with between five and ten Employees (inclusive of management team and active founding members), AED 475 per Employee per month; • for a Company with between eleven and twenty Employees (inclusive of management team and active founding members), AED 450 per Employee per month; and • for a Company with twenty-one or more Employees, the fee shall be agreed in writing between the Parties.
Subscription Fee (no company set up)	The Subscription Fee for access to work space only is AED 1,000 per person per month.
One day access fee	AED 50 per day for anyone wanting to access the space for a day only.
Desk Fee	AED 1,000 per desk per month, payable if the Company has subscribed for Desk Services in accordance with the terms of this Agreement.

Programme Fees exclude any external government related fees (such as innovation and knowledge fees), VAT and licence cancelation fees.

Schedule 2: Conversion Mechanism

1 Definitions

Unless already defined under the Terms and Conditions, capitalised terms used in this Schedule 2 shall have the following meaning:

Conversion means the conversion of the Deferred Payment into Conversion Shares in accordance with this Schedule 2;

Conversion Event means the first day of the twelfth calendar month of the Term;

Conversion Price means the price for each Conversion Share, being the Share Market Value multiplied by the Discount Rate;

Conversion Shares means the number of Shares to be allotted to Scality upon the occurrence of the Conversion Event, being the Deferred Payment divided by the Conversion Price;

Discount Rate means 0.25 (25%);

Fully Diluted Capitalisation means the Shares of the Company at the relevant time, comprising:

- (a) the issued Shares; and
- (b) any shares of the Company to be issued on the exercise of any options (whether issued or reserved for issuance),

but in each case excluding any Conversion Shares;

Share Market Value means the market value of the Fully Diluted Capitalisation as determined in accordance with Clause 2.3 of this Schedule 2 divided by the aggregate of number of Shares in issue and any shares of the Company to be issued on the exercise of any options (whether issued or reserved for issuance); and

Shares means shares in the capital of the Company.

2 Conversion

2.1 If Scality and the Company are in mutual agreement that the Conversion will be exercised following the Conversion Event, the Company shall:

- (a) ensure that the number of Conversion Shares to be issued to Scality shall be rounded up to the nearest whole number if there is a fractional entitlement;
- (b) notify Scality of the number of Conversion Shares to be issued to Scality; and
- (c) issue the Conversion Shares to Scality, which shall be credited as fully paid (in consideration for Scality waiving the Deferred Payment) and rank equally with all other Shares of the same class then in issue;

2.2 Upon the Company issuing the Conversion Shares to Scality, the then existing shareholders of the Company and Scality shall:

- (a) enter into a shareholders' agreement; or
- (b) enter into a deed of accession (or equivalent) in case a shareholders' agreement already exists amongst the then existing shareholders of the Company; and

if Scality is not in agreement with terms of the shareholders' agreement at any time prior to Scality becoming a party to the shareholders' agreement, Scality shall have the right to seek repayment of the Deferred Payment and any other pending amounts in accordance with the terms of the Agreement and the Conversion shall not proceed.

- 2.3 For the purposes of this Clause and to arrive on the Conversion Price, the Market Value shall be determined by the statutory auditor of the Company or in the event of any disagreement by Scality on the valuation or the statutory auditor, by an independent valuer to be appointed by the Company with the prior written approval of Scality. The costs relating to the appointment of the independent valuer shall be borne by the Company.