

[Name of the Company]
ARTICLES OF ASSOCIATION

1. BUSINESS NAME AND SEAT

1.1 Business name

The business name of the company is [insert] (the “**Company**”).

1.2 Seat

The seat of the Company is [insert], the Republic of Estonia.

2. SHARE CAPITAL AND SHARES

2.1 Amount of Share Capital

The minimum share capital of the Company (the “**Share Capital**”) shall be [insert] euros and the maximum Share Capital shall be [insert] euros. The amount of the Share Capital may be increased and decreased within the limits of the minimum and maximum Share Capital without amending these Articles of Association (the “**Articles**”).

2.2 Shares

The minimum nominal value of each share of the Company (the “**Share**”) is one eurocent. If the nominal value of a Share is greater, then it shall be a multiple of one eurocent¹.

2.3 Share Premium

Shares may be issued at a premium.

2.4 Shareholders’ rights

The Shares shall grant their holders (the “**Shareholders**”) rights set forth in the Articles and, to the extent not set forth herein, the rights set forth in the law.

2.5 Voting rights

Each Share shall give its holder the right to participate in the adoption of resolutions on matters within the competence of Shareholders. Each one eurocent of the nominal value of a Share shall grant its holder one vote².

2.6 Payment for the Share

The Share shall be paid for by a monetary and/or a non-monetary contribution. The terms and conditions of payment for the Share shall be established by the resolution of Shareholders. The value of the non-monetary contribution shall be appraised by the management board. In cases provided by law, the appraisal of the value of the non-monetary contribution shall be verified by an auditor who shall present a written opinion whether the value of the non-monetary contribution meets the requirements of the law.

¹ NOTE TO DRAFT: The Commercial Code provides that the minimum nominal value of a share shall be one eurocent and if the nominal value of a share is greater than one eurocent, it shall be a multiple of one eurocent. The Articles may still set out that the minimum nominal value of a share is one euro. If the user changes the numbers in this section 2.2 **Error! Reference source not found.**, it is advisable to amend the numbers in section 2.5 respectively.

² NOTE TO DRAFT: The Commercial Code provides that each one eurocent of a share shall grant one vote unless the articles of association prescribe otherwise. If the user changes the numbers in this section 2.5, it is advisable to amend the numbers in section 2.2 respectively

3. PRE-EMPTIVE RIGHT UPON ISSUES OF NEW EQUITY SECURITIES

3.1 Pre-emptive Right

Subject to Sections 3.2 and 3.3, the Shareholders shall have the pro-rata pre-emptive right (the **"Pre-emptive Right"**) to subscribe for new Shares to be issued upon the increase of Share Capital as set forth in Section 193 of the Commercial Code (the **"New Shares"**) as well as options, convertible loans and other instruments giving their holders the right to acquire any Shares (together with New Shares **"Equity Securities"**).

3.2 Right to exclude the Pre-emptive Right

The Pre-emptive Right to subscribe for Equity Securities may be excluded in accordance with Section 193(3) of the Commercial Code by a resolution of Shareholders supported by the majority of votes required by law and these Articles.

3.3 Obligation to exclude the Pre-emptive Right

The Pre-emptive Right to subscribe for Equity Securities shall be excluded in the following cases:

- 3.3.1 in respect of any options granted from the Option Pool (as defined below) in accordance with these Articles and in respect of any Shares to be issued under options granted from the Option Pool in accordance with these Articles;
- 3.3.2 in respect of any Shares to be issued under any Equity Securities approved in accordance with these Articles.

4. TRANSFER, ENCUMBRANCES AND DIVISION OF SHARES, OPTION POOL

4.1 Requirement for approval for Transfer

Any Transfer of a Share or a part of a Share to another Founder, Shareholder or a third person, other than the Company, shall require the approval of the Management Board at least in the form reproducible in writing (with more than half of the members of the Management Board supporting such approval). The Management Board is obliged to give the aforementioned approval if all the terms and conditions of the Founders' Agreement applicable to the Transfers of Shares have been complied with and it is entitled to give such approval only if all such terms and conditions have been complied with.. In these Articles, **"Transfer"** means any assignment, disposal or transfer, whether conducted as a sale, donation, non-monetary contribution or otherwise.

4.2 Approval as a condition for Transfer

The condition set out in Section 4.1 constitutes a condition for the Transfer of Share within the meaning of the first sentence of Section 149(3) of the Commercial Code. Any Transfer of any Share or any part thereof executed without this condition being satisfied shall be null and void.

4.3 Exemptions from approval for Transfer

Sections 4.1 and 4.2 shall not apply in case of a Transfer by a Shareholder, being a natural person, of his or her Share to a company wholly-owned by such Shareholder, provided that such company adheres to the Company's shareholders' agreement in force from time to time in the relevant capacity.

4.4 Encumbrance of a Share

A Shareholder may not encumber its Share with any Encumbrance, except if all other Shareholders have approved the Encumbrance in advance at least in a form reproducible in writing. For the purposes of these Articles **"Encumbrance"** means (a) a security interest of any kind, including any pledge, mortgage, financial collateral arrangement, retention of title

arrangement or security assignment; (b) any claim or right belonging to a third person, including, without limitation, any right of pre-emption, right of first refusal, option, requirement of consent, lease; (c) other encumbrance or restriction of any kind.

4.5 Division of a Share

A resolution of Shareholders is not required for the division of a Share.

4.6 Formal requirement for the disposition and pledge of Shares

If the Share Capital is at least EUR 10,000 and is fully paid in, the formal requirement to notarise a transaction for the disposition of a Share as set forth in Section 149(4) of the Commercial Code shall not apply. In such case, a transaction for the disposition or pledge of a Share must be at least in a format which can be reproduced in writing.

5. SHAREHOLDERS

5.1 Competence of Shareholders

The following matters shall be within the competence of Shareholders:

- 5.1.1 amending the Articles;
- 5.1.2 changing the Share Capital; excluding the Pre-Emptive Right considering Sections 3.2 and 3.3,
- 5.1.3 granting or issuing options, convertible loans, convertible notes or other instruments giving their holders the right to acquire new Shares (through conversion, exercise or otherwise), except granting or issuing options in accordance with an option plan or program approved in accordance with Section 5.1.5 with respect to the Common Shares with the aggregate nominal value approved in accordance with Section 5.1.6; amending the material terms and conditions of any aforementioned transaction;
- 5.1.4 excluding the pre-emptive right to subscribe for new Shares or instruments specified in Section 5.1.3;
- 5.1.5 approving, and changing any material terms of, any option plan or program;
- 5.1.6 [OPTIONAL: approving, and changing the aggregate nominal value of Common Shares reserved for issuance under any option plan or program;]
- 5.1.7 acquiring own Shares and Transferring such Shares;
- 5.1.8 deciding on merger, division, transformation or dissolution of the Company;
- 5.1.9 disposal of all or substantially all the Company's assets (including intellectual property rights), or the granting of an exclusive license over all or substantially all the intellectual property rights of the Company;
- 5.1.10 distributing profit;
- 5.1.11 electing and recalling members of the management board;
- 5.1.12 approving the annual report;
- 5.1.13 electing an auditor;
- 5.1.14 designating special audit and approving the procedure for the remuneration of the special auditor;
- 5.1.15 taking any of the actions specified in Sections 5.1.1- 5.1.14 with respect to any subsidiary of the Company;
- 5.1.16 resolving other matters placed within the competence of Shareholders by law.

5.2 Resolutions of Shareholders

The Shareholders shall adopt resolutions on matters within their competence either at the meeting in accordance with Section 5.3 or without convening a meeting in accordance with Section 5.4.

5.3 Meeting of Shareholders

5.3.1 The meeting of Shareholders shall take place at the time and venue determined by the management board.

5.3.2 The meeting of Shareholders shall be convened by the management board unless otherwise provided by law. The management board shall notify all Shareholders of convening the meeting of the Shareholders in a way that the relevant notice would reach the addressee at least seven days prior to the meeting of Shareholders.

5.3.3 A meeting of Shareholders shall be competent to adopt resolutions in any of the matters specified in Sections 5.1.1-5.1.15 only if more than half of the votes represented by all Shares are represented at the meeting.

5.4 Adoption of resolutions without convening a meeting of Shareholders

5.4.1 To adopt a resolution without convening the meeting of Shareholders as set forth in Article 173 of the Commercial Code, the management board shall send a notice together with a draft of the resolution, at least in a form reproducible in writing, to all Shareholders specifying the term, which may not be shorter than five days, during which a Shareholder must present its opinion on the resolution at least in a form reproducible in writing. If a Shareholder does not respond within this term, the Shareholder shall be deemed to have voted against the resolution. The management board shall prepare a voting record of the voting results and shall send it to all Shareholders without delay.

5.4.2 A resolution of Shareholders may be adopted without observing the procedure set forth in Section 5.4.1, provided that the resolution is drafted in the manner set forth in the law and signed by all Shareholders. In such a case, the resolution is adopted if it has been signed by all Shareholders.

5.5 Required majority for the adoption of resolutions

Subject to higher majority requirements set forth by law, a resolution of the Shareholders (whether adopted at a meeting or without convening a meeting) is adopted if more than [insert]³ of votes represented by all Shares are cast in favour.

6. MANAGEMENT BOARD

6.1 Competence of the Management Board

The management board is the management body of the Company that represents and manages the Company.

6.2 Members of the Management Board

The management board shall comprise one to [insert] members who shall be elected without a term. The members of the management board shall be elected and recalled by the Shareholders.

³ NOTE TO DRAFT: Insert the percentage of votes required to adopt a shareholders' resolution, can be also inserted as a ratio, for example 2/3, 3/4. This percentage must be 50% as a minimum, i.e., more than 50% must vote in favour to adopt a shareholders' resolution.

6.3 Rights of representation

Each management board member may represent the Company in transactions or other legal acts.

7. BUSINESS YEAR

7.1 Business year

The business year of the Company begins on January 1 and ends on December 31.