

Covenants and Investor Rights Clause

Date: 1 June 2024

Parties: AlphaTech Pvt Ltd ("Company") and BetaInvest Fund ("Investor")

1. Covenants of the Company

1. 1.1 Affirmative Covenants:

- The Company shall conduct its business in compliance with all applicable laws and regulations.
- The Company shall provide the Investor with quarterly financial statements within 30 days of each quarter end.
- The Company shall allow the Investor reasonable access to its premises and personnel for inspection purposes upon prior notice.

2. 1.2 Negative Covenants:

- The Company shall not, without prior written consent from the Investor, alter its share capital or issue any new securities except as expressly permitted in this Agreement.
- The Company shall not incur any debt or enter into any contractual obligations exceeding \$100,000 without the prior written approval of the Investor.

2. Investor Rights

1. 2.1 Information Rights:

- The Investor shall have the right to receive annual and quarterly financial statements, management reports, and budget forecasts from the Company.

2. 2.2 Right to Participate:

- The Investor shall have the right to participate in subsequent equity offerings by the Company, on a pro-rata basis, for future capital raises.

3. 2.3 Board Observer Rights:

- The Investor shall have the right to appoint an observer to attend all meetings of the Company's Board of Directors.

4. 2.4 Exit Rights:

- Upon the occurrence of a liquidation event, the Investor shall be entitled to receive proceeds in accordance with their preference shares, as detailed in the shareholders' agreement.

3. Miscellaneous

- Any amendment to this Clause shall be made in writing and signed by both the Company and the Investor.
- This Clause is governed by the laws of [Jurisdiction].

Important Notes:

- This document is a sample only and should be tailored to reflect specific deal terms and legal requirements.
- Both parties are advised to seek independent legal counsel before execution.
- Covenants and investor rights protect both investors and the company by setting clear expectations.
- Failure to observe covenants may result in legal consequences or loss of investor confidence.
- Terms may vary significantly depending on company stage, investor type, and jurisdiction.

