



Subscription Agreement

PAYYAP LLC

(US EIN: 45-2502029)

("Company")

VERGENT CAPITAL LLC

(US EIN: _____)

("Subscriber")

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Subscription Agreement made on November 01, 2016:

Parties **PAYYAP LLC (US EIN: 45-2502029)**, of 375 Park Avenue, Suite 2607; New York City, NY 10152; USA.

("Company")

VERGENT CAPITAL LLC of _____; USA.

("Subscriber")

Background

The Subscriber has agreed to subscribe for the New Shares upon the terms and conditions contained in this Agreement.

Operative provisions

1. Definitions and interpretation

In this Agreement:

"Business Day" means a day on which all banks are open for business generally in the New South Wales.

"Encumbrance" includes any mortgage, charge, pledge, lien and any other encumbrance whatsoever.

"Enterprise Valuation" means \$ 2.5 million.

"Share" means one ordinary share in the capital of the Company.

"Subscription Price" means \$ 500,000

"Certificate" means in respect of the New Shares of the Subscriber, a certificate issued in accordance with the laws of Wyoming, USA in respect of those New Shares specifying the Subscriber as the registered holder of those New Shares.

"Subscription Completion" means the happening of all of the events under this Agreement are due to happen on the Subscription Completion Date.

"Subscription Completion Date" means the date on which Subscription Completion occurs.

"New Shares" means that number of Shares representing the issued Shares of the Company under this Agreement - up to 20% of the Company (calculated as Subscription Price divided by the Enterprise Valuation).

“**Schedule 1**” means “5. PAYYAP Updated Financial Model (USD 500k+) v2017-06-27.pdf”

2. **Subscription for New Shares**

2.1. **Subscription**

Subject to the terms and conditions of this Agreement, the Subscriber agrees to subscribe for the New Shares for the Subscription Price on the Subscription Completion Date.

2.2. **Time and Place for Subscription Completion**

Subscription Completion will take place over one (1) tranche, as follows:

- USD 500,000 in the week of AUG 1, 2017

Or such other time and place as notified by the Company to the Subscriber.

2.3. **Obligations of the Company**

Subject to the Subscriber satisfying its obligations under clause 2.4, on Subscription Completion the Company will:

- (a) convene a meeting of the directors of the Company, at which the directors of the Company resolve to issue and allot the New Shares to the Subscriber and issue a Certificate in respect of those Shares;
- (b) enter the Subscriber in the register of members of the Company in respect of the New Shares; and
- (c) deliver or cause to be delivered to the Subscriber that Certificate in accordance with the investment schedule set forth in 2.2.

2.4. **Obligations of the Subscriber**

On Subscription Completion, the Subscriber:

- (a) will be taken to have subscribed for the New Shares;
- (b) agrees to become a member of the Company in respect of the New Shares and agrees to hold those Shares subject to the constitution of the Company; and
- (c) paid to the Company the Subscription Price in accordance with the investment schedule set forth in 2.2.

3. Obligations following Subscription Completion

3.1. Obligations of the Company

Following Subscription Completion, the Company must, except to the extent otherwise agreed in writing by the Subscriber:

- (a) use the Subscription Price in accordance with Schedule 1.

4. Warranties

4.1. General

Each party represents and warrants to the other party as at the date of this Deed and as at Subscription Completion that:

- (a) **(Legally binding obligation)**: this Agreement constitutes a valid and legally binding obligation of that party in accordance with its terms;
- (b) **(Execution, delivery and performance)**: the execution, delivery and performance of this Agreement by that party does not breach or conflict with any statute or law, or any document (include if a party is a body corporate, its constitution) or agreement to which that party is bound; and
- (c) **(Power)**: it has the power to execute and deliver this Agreement, and subject to the satisfaction of the Conditions, perform its obligations under this Agreement.

4.2. Company Warranties

- (a) If the Company allots and issues the New Shares pursuant to clauses 2.3 or 4(a) of this Agreement, then the Company will be taken to have represented and warranted to the Subscriber as at Subscription Completion that:
 - (i) the New Shares are free from any Encumbrance;
 - (ii) the New Shares are fully paid up and have been duly allotted and issued in accordance with the constitution of the Company; and
 - (iii) on Subscription Completion legal ownership in the New Shares will vest in the Subscriber.



Subscription Agreement

5. General

Schedule 1 applies and forms part of this Agreement.

Signed as an agreement.

Executed by
PAYYAP LLC
[US EIN: 45-2502029]
by or in the presence of:

Signature of Director

Shea Writer
Name of Director in full

Executed by:
VERGENT CAPITAL LLC
[US EIN: _____]
by or in the presence of:

Signature of Representative

Name of Representative in full

6. Interpretation

In this Agreement:

- (a) headings are for convenience only and do not affect interpretation;
and unless the context indicates a contrary intention:
- (b) the expression "**person**" includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (c) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (d) a reference to any document (including this Agreement) is to that document as varied, novated, ratified or replaced from time to time;
- (e) a reference to a statute includes any regulations or other instruments made under it ("**delegated legislation**") and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, reenactments and replacements;
- (f) words importing the singular include the plural (and vice versa), and words indicating a gender include every other gender;
- (g) references to parties, clauses or schedules are references to parties, clauses and schedules to or of this Agreement, and a reference to this Agreement includes any schedule to this Agreement;
- (h) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (i) the word "includes" in any form is not a word of limitation;
- (j) **a reference to "\$" or "dollar" is to U.S. Dollar currency.**
- (k) if the payment of any money or doing of any act falls on a day which is not a Business Day, that payment must be made or that act must be done on the next Business Day; and
- (l) all payments to be made pursuant to this Agreement must be made by unendorsed bank cheque or other immediately available funds.

Governing law and jurisdiction

- (m) This Agreement is governed by and will be construed according to the laws of Colorado, USA.
- (n) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Colorado, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating in any way to this Agreement.
- (o) Each party irrevocably waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, where that venue falls within paragraph 2(a) of this Schedule.

7. Further acts

Each party will promptly do and perform all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by any other party to give effect to this Agreement.

8. Notices

Any communication under or in connection with this Agreement:

- (a) must be in writing;
- (b) must be addressed as shown below:

Company:

PAYYAP LLC
375 Park Avenue, Suite 2607; New York City, NY 10152 USA
TEL: +1 917 310 0864
EMAIL: accounting@PAYYAP.network
attn: Shea Writer

Subscriber:

VERGENT CAPITAL LLC

_____;

- (c) must be signed by the party making the communication or (on its behalf) by the solicitor for, or by any attorney, director, secretary, or authorised agent of, that party;
- (d) must be delivered or posted by prepaid post to the address, or sent by fax to the number, of the addressee, in accordance with paragraph 4(b); and
- (e) will be deemed to be received by the addressee:
 - (i) (in the case of prepaid post) on the third business day after the date of posting to an address within Australia, and on the fifth business day after the date of posting to an address outside Australia;
 - (ii) (in the case of fax) at the local time (in the place of receipt of that fax) which then equates to the time at which that fax is sent as shown on the transmission report which is produced by the machine from which that fax is sent and which confirms transmission of that fax in its entirety, unless that local time is a non business day, or is after 5.00 pm on a business day, when that communication will be deemed to be received at 9.00 am on the next business day; and
 - (iii) (in the case of delivery by hand) on delivery at the address of the addressee as provided in paragraph 4(b), unless that delivery is made on a non business day, or after 5.00 pm on a business day, when that communication will be deemed to be received at 9.00 am on the next business day,

and where "business day" means a day (not being a Saturday or Sunday) on which banks are generally open for business in the place of receipt of that communication.

9. Counterparts

This Agreement may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this Agreement, all of which together constitute one agreement.

10. Amendments

This Agreement may only be varied by a document signed by or on behalf of each of the parties.

11. Confidentiality

- (a) Subject to paragraph 7(b) and 7(c), each party must keep the terms of this Agreement confidential.
- (b) A party may make any disclosure in relation to this Agreement:
 - (i) to any professional adviser, financial adviser, banker, financier or auditor where that person is obliged to keep the information confidential;
 - (ii) to comply with any applicable law, or any requirement of any regulatory body (including any relevant stock exchange);
 - (iii) to any of its employees to whom it is necessary to disclose the information;
 - (iv) to obtain the consent of any third party to any term of, or to any act pursuant to, this Agreement;
 - (v) to enforce its rights or to defend any claim or action under this Agreement;
 - (vi) to a related body corporate, on receipt of its undertaking to keep the information confidential; or
 - (vii) where the information has come into the public domain through no fault of that party.
- (c) Except as required by applicable law or the requirements of any regulatory body (including any relevant stock exchange), all press releases and other public announcements in relation to this Agreement must be in terms agreed by the parties.

12. **Merger**

No right or obligation of any party will merge on completion of any transaction under this Agreement. All rights and obligations under this Agreement survive the execution and delivery of any document which implements any transaction under this Agreement.

13. **Assignments**

No party may assign or otherwise transfer all or any part of its rights under this Agreement without the prior written consent of the other party.

14. **Waiver**

- (a) Failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Agreement by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this Agreement.
- (b) Any waiver or consent given by any party under this Agreement will only be effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this Agreement will operate as a waiver of another breach of that term or of a breach of any other term of this Agreement.

15. **Expenses**

- (a) Except as otherwise provided in this Agreement, each party will pay its own costs and expenses in connection with the negotiation, preparation, execution, and performance of this Agreement.
- (b) The Company must pay all stamp duties assessed on or in relation to this Agreement.

16. **No representation or reliance**

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this Agreement, except for representations or inducements expressly set out in this Agreement.
- (b) Each party acknowledges and confirms that it does not enter into this Agreement in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this Agreement.

17. **Entire Agreement**

To the extent permitted by law, in relation to the subject matter of this Agreement, this Agreement:

- (a) embodies the entire understanding of the parties, and constitutes the entire terms agreed on between the parties; and
- (b) supersedes any prior written or other agreement between the parties.