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As filed with the Securities and Exchange Commission on June 3, 2005.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

VistaPrint Limited

(Exact name of registrant as specified in its charter)

Bermuda	2759	98-0417483
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda
441-295-2244
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Robert S. Keane
VistaPrint USA, Incorporated
100 Hayden Ave.
Lexington, Massachusetts 02421
(781) 890-8434
(Name, Address Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Thomas S. Ward, Esq.
Hal J. Leibowitz, Esq.
Wilmer Cutler Pickering Hale and Dorr LLP
60 State Street
Boston, Massachusetts 02109
(617) 526-6000

Keith F. Higgins, Esq.
Julie H. Jones, Esq.
Ropes & Gray LLP
One International Place
Boston, Massachusetts 02110
(617) 951-7000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date hereof.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. ☐

If delivery of the Prospectus is expected to be made pursuant to Rule 434, please check the following box. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(2)
Common Shares, $0.001 par value per share	$120,000,000	$14,124

(1) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.
(2) Calculated pursuant to Rule 457(o) based on an estimate of the proposed maximum aggregate offering price.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated , 2005.

Shares

Common Shares

This is an initial public offering of common shares of VistaPrint Limited.

VistaPrint is offering common shares to be sold in the offering. The selling shareholders identified in this prospectus are offering an additional common shares. VistaPrint will not receive any of the proceeds from the sale of the shares being sold by the selling shareholders.

Prior to this offering, there has been no public market for the common shares. It is currently estimated that the initial public offering price per share will be between $ and $. Application has been made for quotation on the Nasdaq National Market under the symbol “VPRT”.

See “ Risk Factors” on page 7 to read about factors you should consider before buying the common shares.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Initial public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to VistaPrint	$	$
Proceeds, before expenses, to the selling shareholders	$	$

To the extent that the underwriters sell more than common shares, the underwriters have the option to purchase up to an additional shares from VistaPrint and up to an additional shares from the selling shareholders at the initial public offering price less the underwriting discount.

The underwriters expect to deliver the shares against payment in New York, New York on , 2005.

Goldman, Sachs & Co. **Bear, Stearns & Co. Inc.**
SG Cowen & Co. **Jefferies Broadview**

Prospectus dated , 2005.

Graphics Displaying Examples of Printed Products and Related Text

You should rely only on the information contained in this prospectus. We have not, and the selling shareholders and the underwriters have not, authorized anyone to provide you with different information. We are not, and the selling shareholders and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus is accurate as of the date on the front of this prospectus only. Our business, financial condition, results of operations and prospects may have changed since that date.

Market data and industry statistics used throughout this prospectus are based on independent industry publications and other publicly available information. We do not guarantee, and we have not independently verified this information. Accordingly, investors should not place undue reliance on this information.

Unless otherwise stated, all references to "VistaPrint," "we," "us," "our," the "Company" and similar designations refer to VistaPrint Limited and its subsidiaries. VistaPrint and VistaStudio are registered trademarks and VistaPrint.com and the VistaPrint logo are trademarks or servicemarks of VistaPrint. Other trademarks and servicemarks appearing in this prospectus are the property of their respective holders.

The Bermuda Monetary Authority has classified us as a non-resident of Bermuda for exchange control purposes. Accordingly, the Bermuda Monetary Authority does not restrict our ability to convert currency, other than Bermuda dollars, held for our account to any other currency, to transfer funds in and out of Bermuda or to pay dividends to non-Bermuda residents who are shareholders, other than in Bermuda dollars. The permission of the Bermuda Monetary Authority is required for the issue and transfer of our shares under the Exchange Control Act 1972 of Bermuda and regulations under it.

We have obtained the permission of the Bermuda Monetary Authority for the issue of the common shares that we and the selling shareholders may sell in the offering described in this prospectus. In addition, we have obtained the permission of the Bermuda Monetary Authority for the free issue and transferability of our existing common shares following the offering. Approvals or permissions received from the Bermuda Monetary Authority do not constitute a guaranty by the Bermuda Monetary Authority as to our performance or our creditworthiness. Accordingly, in giving those approvals or permissions, the Bermuda Monetary Authority will not be liable for our performance or default or for the correctness of any opinions or statements expressed in this document.

We have filed this document as a prospectus with the Registrar of Companies in Bermuda under Part III of the Companies Act 1981 of Bermuda. In accepting this document for filing, the Registrar of Companies accepts no responsibility for the financial soundness of any proposals or for the correctness of any opinions or statements expressed in this document.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before buying our common shares. You should read the entire prospectus carefully, including the section captioned "Risk Factors" and our consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment in our common shares.

Our Business

Overview

We are a leading online supplier of high-quality graphic design services and customized printed products to small businesses and consumers worldwide with over 5,000,000 customers in more than 120 countries. We offer a broad spectrum of products ranging from business cards and brochures to invitations and holiday cards. We seek to offer compelling value to our customers through an innovative use of technology, a broad selection of customized printed products, low pricing and personalized customer service. Through our use of proprietary Internet-based graphic design software, 16 localized websites, proprietary order receiving and processing technologies and advanced computer integrated printing facilities, we offer a meaningful economic advantage relative to traditional graphic design and printing methods. We believe that our value proposition has allowed us to successfully penetrate the large, fragmented, geographically dispersed and underserved small business and consumer markets.

We have standardized, automated and integrated the entire graphic design and print process, from design conceptualization to product shipment. Customers visiting our websites can use our graphic design software to easily create and order full-color, personalized, professional-looking printed products, without any prior graphic design training or experience. During the nine months ended March 31, 2005, customers used our design technologies to regularly place over 10,000 customized orders per day, at average order values of approximately $30, with a cost of revenue as a percentage of revenue of less than 45%.

Our proprietary, Internet-based order processing systems receive and store thousands of individual print jobs on a daily basis and, using complex algorithms, efficiently aggregate multiple individual print jobs for printing as a single press-run. By combining this order aggregation technology with our computer integrated print manufacturing facilities, we are able to significantly reduce the costs and inefficiencies associated with traditional short run printing and can provide customized finished products in as few as three days from design to delivery.

Industry Background

We focus on serving the graphic design and printing needs of the small business market, generally businesses or organizations with fewer than 10 employees. We believe this market represents a large and growing opportunity. IDC's U.S. Small Business 2005-2009 Forecast (March 2005) and U.S. Home Office 2005-2009 Forecast (May 2005) estimate that there are over 20 million small office, home office, commonly known as SOHO, firms in the United States, which IDC defines as small firms with fewer than 10 employees as well as home-based businesses. According to the U.S. Census Bureau, 89% of new businesses established each year in the United States have fewer than 10 employees. In Europe, according to a report by the European Network for SME Research, nearly

90% of European Union businesses had less than 10 employees in 2003. We also provide graphic design and printing products to the consumer market. IDC's Worldwide Internet Usage and Commerce 2004-2007 Forecast: Internet Commerce Market Model Version 9.1 (March 2004) estimates that worldwide consumer online spending will grow from $307 billion in 2004 to $759 billion in 2007, with U.S. and European consumers contributing approximately 75% of total amount spent online. In addition, The Freedonia Group estimates that commercial printing demand in the United States will grow from $68.5 billion in 2003 to $84.0 billion in 2008.

We believe that the small business and consumer markets have been underserved by expensive traditional printing and graphic design alternatives. We also believe there is a need to combine the Internet's ability to reach these highly fragmented markets with an integrated graphic design and printing process that can rapidly deliver sophisticated, high-quality printed products while aggregating individual orders to achieve the economies of scale necessary to provide these products at affordable prices.

The VistaPrint Solution

We have developed a direct-to-customer solution using proprietary Internet-based software technologies to standardize, automate and integrate the entire graphic design and print process, from design conceptualization through finished product shipment. Automation and integration allow us to provide high-quality graphic design and customized print products at affordable prices for the small business and consumer markets.

Our solution features:

- Advanced proprietary technology;
- High-volume, standardized and scalable processes;
- Low cost operations;
- World class customer service;
- Direct marketing expertise; and
- International reach.

We provide our customers with the following benefits:

- High-quality automated and customized graphic design;
- A wide range of graphic design options;
- A broad range of products;
- Automated creation of matching products;
- High-quality printing;
- Fast design to delivery turnaround; and
- Lowest price and satisfaction guarantees.

Our Growth Strategy

Our goal is to grow profitably and become the leading online provider of graphic design services and printed products to small businesses and consumers worldwide. We believe that the strength of

our solution gives us the opportunity not only to capture an increasing share of the existing printing needs in our targeted markets, but also to create new market demand in these previously underserved markets by making available customized and high-quality graphic design services and printed products at affordable prices. In order to accomplish this objective, we intend to implement a number of initiatives, including the following:

- ***Expand Customer Base***. We intend to expand our extensive customer base by continuing to promote VistaPrint and the VistaPrint brand as the source for high-quality graphic design, Internet-based printing and premium service.
- ***Address Additional Markets***. We intend to develop additional business opportunities, including targeting international customers and the consumer market and developing additional channels through strategic alliances.
- ***Increase Sales to Existing Customers***. We seek to increase both the average order size and the life time value we receive from a customer by expanding our product and service offerings, increasing up-selling and cross-selling marketing efforts and continuing to improve and streamline our design and ordering processes.
- ***Expand Product and Service Offerings***. Since launching the VistaPrint.com website in 2000, we have extended our product offerings from a limited selection of business cards to a wide array of business and consumer products, ranging from business cards, brochures and return address labels to invitations and holiday cards. We intend to further expand and enhance product and service offerings to provide a wider selection of products to existing customers and to attract new customers.
- ***Extend Technology Leadership***. We hold three United States patents, two European patents and one French patent, have more than 30 patent applications pending in the United States and other countries and have developed a proprietary software suite. We believe that our investment in technology developments will drive further expansion of our service and product offerings, greater efficiencies in the customer's experience in designing and ordering printed products and improved efficiencies in our production of products and delivery of services.
- ***Enhance Product Quality***. By continuously striving to enhance the quality of our products and to manufacture products faster and more efficiently, we believe that we can both increase customer satisfaction and retention and improve our cost efficiencies.

Our Corporate Information

VistaPrint Limited is incorporated under the laws of Bermuda. We maintain a registered office in Bermuda at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda. Our telephone number in Bermuda is (441) 295-2244. VistaPrint Corporation, the immediate predecessor to VistaPrint Limited, was incorporated in Delaware in January 2000 and was amalgamated with and into VistaPrint Limited on April 29, 2002. VistaPrint.com S.A., the predecessor to VistaPrint Corporation, was incorporated in France in 1995 and was merged into VistaPrint Corporation in January 2002. We have website, manufacturing, design, customer service, development and administrative operations in Bermuda, the United States, the Netherlands, Canada and Jamaica. We operate localized websites serving major markets worldwide, including in the United States (www.vistaprint.com), throughout Western Europe and in various other countries. The information on our websites is not incorporated by reference into this prospectus and should not be considered to be a part of this prospectus. Our website address is included in this prospectus as an inactive technical reference only.

The Offering

Common shares offered by VistaPrint Limited	shares
Common shares offered by the selling shareholders	shares
Common shares to be outstanding after this offering	shares
Use of proceeds	We expect to use the net proceeds of this offering for construction and expansion of printing facilities and other operations, possible acquisitions and investments, working capital, capital expenditures and general corporate purposes.
Proposed Nasdaq National Market symbol	VPRT
Risk factors	For a discussion of some of the factors you should consider before buying the common shares, see “Risk Factors.”

The number of common shares to be outstanding after this offering is based on the number of shares outstanding as of March 31, 2005 and excludes:

- 3,378,630 common shares issuable upon the exercise of outstanding shares options as of March 31, 2005 with a weighted average exercise price of $2.45 per share;
- an aggregate of 346,055 common shares reserved for issuance under our option plan as of March 31, 2005;
- 5,000,000 additional common shares that have been reserved for issuance under our option plan subsequent to March 31, 2005; and
- an additional 3,487,960 common shares issuable upon the exercise of options granted after March 31, 2005 with a weighted average exercise price of $11.79 per share.

Except as otherwise noted, all information in this prospectus:

- assumes no exercise by the underwriters of their option to purchase additional common shares from us and the selling shareholders in the offering;
- gives effect to the conversion of all outstanding convertible preferred shares into 22,720,543 common shares upon the closing of the offering, which assumes a one-to-one conversion ratio between convertible preferred shares and common shares; and
- gives effect to the adoption of our amended and restated bye-laws upon the closing of the offering.

Summary Consolidated Financial Data

The following tables summarize the consolidated financial data for our business. You should read this summary financial data in conjunction with "Selected Consolidated Financial Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes, all included elsewhere in this prospectus. Pro forma basic and diluted net income per common share has been calculated assuming the conversion of all outstanding convertible preferred shares into common shares.

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
	(In thousands, except share and per share data)				
Consolidated Statements of Operations Data:					
Revenue	$ 16,851	$ 35,431	$ 58,784	$ 42,238	$ 64,059
Cost of revenue	7,804	15,024	23,837	17,491	25,305
Technology and development expense	2,209	4,897	8,515	6,061	7,956
Marketing and selling expense	5,355	11,901	19,138	14,052	23,513
General and administrative expense	1,392	2,485	3,968	2,940	4,126
Loss on contract termination	—	—	—	—	21,000
Income (loss) from operations	91	1,124	3,326	1,694	(17,841)
Other income (expenses), net	19	96	(36)	55	(228)
Income (loss) from operations before income taxes	110	1,220	3,290	1,749	(18,069)
Income tax provision (benefit)	—	747	(150)	(179)	3
Net income (loss)	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Net income (loss) attributable to common shareholders:					
Basic	$ (163)	$ 89	$ 343	$ (19)	$ (21,372)
Diluted	$ (163)	$ 91	$ 370	$ (19)	$ (21,372)
Basic net income (loss) per share	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)
Diluted net income (loss) per share	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)
Shares used in computing basic net income (loss) per share	10,825,388	11,540,457	11,014,842	11,048,145	11,353,249
Shares used in computing diluted net income (loss) per share	10,825,388	12,113,565	12,539,644	11,048,145	11,353,249
Pro forma basic net income (loss) per share			$ 0.12		$ (0.54)
Pro forma diluted net income (loss) per share			$ 0.12		$ (0.54)
Pro forma shares used in computing pro forma basic net income (loss) per share			27,588,488		33,766,277
Pro forma shares used in computing pro forma diluted net income (loss) per share			29,113,291		33,766,277

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
			(In thousands)		
Consolidated Statements of Cash Flows Data:					
Capital expenditures	$ (820)	$(1,571)	$(13,374)	$(12,288)	$(14,098)
Development of software and website	(1,178)	(2,570)	(3,523)	(2,981)	(1,450)
Depreciation and amortization	1,422	2,103	4,209	2,822	4,325
Cash flows from operating activities	2,269	3,993	9,169	6,482	(11,438)
Cash flows from investing activities	(2,197)	(4,478)	(18,081)	(15,269)	(15,548)
Cash flows from financing activities	16	406	25,803	25,251	30,708

The as adjusted balance sheet data as of March 31, 2005 gives effect to the conversion of all outstanding convertible preferred shares into common shares as of March 31, 2005 and the sale by us of common shares offered by this prospectus at an assumed initial public offering price of $ per share, the mid-point of the estimated price range shown on the cover page of this prospectus, after deducting estimated underwriting discounts and offering expenses.

	As of June 30,				
	2003	2004	March 31, 2005	Pro Forma March 31, 2005	Pro Forma As Adjusted March 31, 2005
			(In thousands)		
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 3,149	$ 20,060	$ 24,012	$ 24,012	$
Property, plant and equipment, net	1,891	14,333	27,336	27,336	
Working capital	(2,427)	12,620	13,255	13,255	
Total assets	9,610	42,007	60,393	60,393	
Accrued expenses and deferred revenue	2,877	6,155	10,359	10,359	
Total long-term obligations, less current portion	125	5,816	13,527	13,527	
Series A redeemable convertible preferred shares	14,557	13,430	13,525	—	
Series B redeemable convertible preferred shares	—	30,505	56,617	—	
Total shareholders' equity (deficit)	(11,280)	(17,072)	(38,009)	32,133	

RISK FACTORS

An investment in our common shares involves a high degree of risk. In deciding whether to invest, you should carefully consider the following risk factors, as well as the other information contained in this prospectus. Any of the following risks, as well as other risks and uncertainties discussed in this prospectus, could have a material adverse effect on our business, financial condition, results of operations and prospects and cause the value of our common shares to decline, which could cause you to lose all or part of your investment. The risks and uncertainties described below are also not the only ones facing us. Additional risks and uncertainties of which we are unaware, or that we currently consider immaterial, may also become important factors that affect our operations. When determining whether to buy our common shares, you should also refer to the other information in this prospectus, including our consolidated financial statements and the related notes.

Risks Related to Our Business

In order to increase revenues and to sustain or increase profitability, we must attract customers in a cost-effective manner.

Our success depends on our ability to attract customers in a cost-effective manner. We rely on a variety of methods to draw visitors to our websites and promote our products, including purchased search results from online search engines, e-mail and direct mail. We pay providers of online services, search engines, directories and other websites and e-commerce businesses to provide content, advertising banners and other links that direct customers to our websites. We promote our products and special offers through e-mail and direct mail, targeted to repeat and potential customers. In addition, we rely heavily upon word of mouth customer referrals. If we are unable to develop or maintain these means of reaching small businesses and consumers, the costs of attracting customers using these methods significantly increase, or we are unable to develop new cost-effective means to obtain customers, our ability to attract new customers would be harmed, traffic to our websites would be reduced and our business and results of operations would be harmed.

Purchasers of graphic design services and printed products may not choose to shop online, which would prevent us from increasing revenues.

The online market for graphic design and printed products is less developed than the online market for other business and consumer products. If this market does not gain widespread acceptance, our business may suffer. Our success will depend in part on our ability to attract customers who have historically purchased printed products and graphic design services through traditional printing operations and graphic design businesses or who have produced graphic design and printed products using self-service alternatives. Furthermore, we may have to incur significantly higher and more sustained advertising and promotional expenditures or price our services and products more competitively than we currently anticipate in order to attract additional online consumers to our websites and convert them into purchasing customers. Specific factors that could prevent prospective customers from purchasing from us include:

- Ÿ concerns about buying graphic design services and printed products without face-to-face interaction with sales personnel;
- Ÿ the inability to physically handle and examine product samples;
- Ÿ delivery time associated with Internet orders;
- Ÿ concerns about the security of online transactions and the privacy of personal information;
- Ÿ delayed shipments or shipments of incorrect or damaged products; and
- Ÿ inconvenience associated with returning or exchanging purchased items.

We may not succeed in promoting, strengthening and continuing to establish the VistaPrint brand, which would prevent us from acquiring new customers and increasing revenues.

A component of our business strategy is the continued promotion and strengthening of the VistaPrint brand. Due to the competitive nature of the graphic design and printing markets, if we are unable to successfully promote the VistaPrint brand, we may fail to substantially increase our revenues. Customer awareness of, and the perceived value of, our brand will depend largely on the success of our marketing efforts and our ability to provide a consistent, high-quality customer experience. To promote our brand, we have incurred and will continue to incur substantial expense related to advertising and other marketing efforts.

A component of our brand promotion strategy is establishing a relationship of trust with our customers, which we believe can be achieved by providing a high-quality customer experience. In order to provide a high-quality customer experience, we have invested and will continue to invest substantial amounts of resources in our website development and technology, graphic design operations, production operations, and customer service operations. We also redesign our websites from time to time to seek to attract customers to our websites. Our ability to provide a high-quality customer experience is also dependent, in large part, on external factors over which we may have little or no control, including the reliability and performance of our suppliers, third-party carriers and communication infrastructure providers. Our failure to provide customers with high-quality customer experiences for any reason could substantially harm our reputation and adversely impact our efforts to develop VistaPrint as a trusted brand. The failure of our brand promotion activities could adversely affect our ability to attract new customers and maintain customer relationships, and, as a result, substantially harm our business and results of operations.

We are currently dependent on a single supplier and our newly constructed Canadian facility for the production of printed products sold to North American customers.

We have historically relied on an exclusive supply relationship with Mod-Pac Corporation to produce all of our printed products for the North American market. However, in September 2004, we began construction of a new printing facility in Windsor, Ontario, Canada. In anticipation of commencing operations at our new Canadian printing facility, we amended our agreement with Mod-Pac in April 2005 to permit us to manufacture products destined for the North American market at this Canadian facility. Pursuant to the terms of this amendment, we must pay Mod-Pac a per product fee for each product we manufacture for the North American market until August 30, 2005. We began shipping products from our Canadian facility in May 2005. Until we are able to increase the production capacity of our Canadian facility to accommodate all of our North American production, we will continue to rely on Mod-Pac to produce printed products for our customers in North America. Moreover, as we transition production to our Canadian facility, we will incur duplicate costs for labor and overhead, resulting in increased cost of revenue as a percentage of revenues and decreased profit margins during the period.

Our plans to produce a majority of our North American orders by December 2005 at our Canadian facility are aggressive and subject to a high degree of risk, and may be more costly and time consuming than we anticipate. Any delay in our transition plans will extend the time during which we will experience increased costs of revenues as a percentage of revenues and decreased profit margins and our reliance on Mod-Pac may continue to a greater extent and for a longer period of time than currently anticipated. If Mod-Pac fails to perform in accordance with the terms of our agreement or experiences any significant interruption in its operations, or if we are unable to successfully increase our production levels at our Canadian facility in a timely manner, our business and results of operations could be substantially harmed.

The chairman of the board of Mod-Pac is Kevin Keane and the chief executive officer of Mod-Pac is Daniel Keane, the father and brother, respectively, of Robert S. Keane, our chief executive officer. In addition, Kevin Keane owns 493,913 common shares of VistaPrint Limited.

We have incurred operating losses in the past and may not be able to sustain profitability in the future.

We experienced significant operating losses in each quarter from our original inception in 1995 through March 1998 and in each quarter from June 1999 through June 2001. As the result of a charge of $21.0 million related to the termination of our exclusive supply agreement with Mod-Pac, we have experienced a significant loss in the quarter ended September 30, 2004, which will cause us to experience a significant loss for the year ending June 30, 2005. If we are unable to produce our products and provide our services at commercially reasonable costs, if revenues decline or if our expenses otherwise exceed our expectations, we may not be able to sustain or increase profitability on a quarterly or annual basis. In addition, as a publicly-traded company, we will be subject to the Sarbanes-Oxley Act of 2002, including the requirement that our internal controls and procedures be compliant with Section 404 of the Sarbanes-Oxley Act, which we expect to be costly and could impact our profitability in future periods. In addition, the Financial Accounting Standards Board issued Statement No. 123 (revised 2004), *Share Based Payment*, or SFAS No. 123R. Under SFAS No. 123R, companies must calculate and record in the income statement the cost of equity instruments, such as stock options or restricted stock, awarded to employees for services received beginning in the first quarter of our 2006 fiscal year. We expect that SFAS No. 123R will adversely impact our results of operations to some extent in future periods.

Our quarterly financial results may fluctuate which may lead to volatility in our share price.

Our future revenues and operating results may vary significantly from quarter-to-quarter due to a number of factors, many of which are outside of our control. Factors that could cause our quarterly operating results to fluctuate include:

- Ÿ demand for our services and products;
- Ÿ our ability to attract visitors to our websites and convert those visitors into customers;
- Ÿ our ability to retain customers and encourage repeat purchases;
- Ÿ business and consumer preferences for printed products and graphic design services;
- Ÿ our ability to manage our production and fulfillment operations;
- Ÿ currency fluctuations, which affect not only our revenues but also our costs;
- Ÿ the costs to produce our products and to provide our services;
- Ÿ our pricing and marketing strategies and those of our competitors;
- Ÿ improvements to the quality, cost and convenience of desktop printing;
- Ÿ costs of expanding or enhancing our technology or websites; and
- Ÿ a significant increase in credits, beyond our estimated allowances, for customers who are not satisfied with our products.

We base our operating expense budgets on expected revenue trends. A portion of our expenses, such as office leases and various personnel costs, are fixed. We may be unable to adjust spending quickly enough to offset any unexpected revenue shortfall. Accordingly, any shortfall in revenue may cause significant variation in operating results in any quarter.

Based on the factors cited above, we believe that quarter-to-quarter comparisons of our operating results are not a good indication of our future performance. It is possible that in one or more future quarters, our operating results may be below the expectations of public market analysts and investors. In that event, the trading price of our common shares may fall.

We face significant competition and may be unsuccessful in competing against current and future competitors.

The printing and graphic design industries are intensely competitive, and we expect competition to increase in the future. Competition may result in price pressure, reduced profit margins and loss of market share, any of which could substantially harm our business and results of operations. Current and potential competitors include:

- Ÿ self-service desktop design and publishing using a combination of (1) software such as Microsoft Publisher, Microsoft Word and Broderbund Printshop; (2) desktop printers or copiers and (3) specialty paper supplies;
- Ÿ traditional printing and graphic design companies;
- Ÿ office supplies and photocopy companies such as Office Depot, FedEx Kinko's, OfficeMax and Staples;
- Ÿ wholesale printers such as Taylor Corporation and Business Cards Tomorrow International; and
- Ÿ other online printing and graphic design companies.

Many of our current and potential competitors have advantages over us, including longer operating histories, greater brand recognition, existing customer and supplier relationships, and significantly greater financial, marketing and other resources. Many of our competitors work together. For example, Taylor Corporation and Business Cards Tomorrow International sell printed products through office superstores such as OfficeMax, Staples and Office Depot.

Some of our competitors who either already have an online presence or are seeking to establish an online presence may be able to devote substantially more resources to website and systems development than we can. In addition, larger, more established and better capitalized entities may acquire, invest or partner with traditional and online competitors as use of the Internet and other online services increases. Competitors may also seek to develop new products, technologies or capabilities that could render many of the products, services and content we offer obsolete or less competitive, which could harm our business and results of operations.

Our failure to meet our customers' price expectations would adversely affect our business and results of operations.

Demand for our products and services has been sensitive to price. Changes in our pricing strategies have had, and may continue to have, a significant impact on our revenues and net income. We offer free products and services as a means of attracting customers and we offer substantial pricing discounts as a means of encouraging repeat purchases. Such free offers and discounts may not result in an increase in revenues or the optimization of profits. In addition, many external factors, including our production and personnel costs and our competitors' pricing and marketing strategies, can significantly impact our pricing strategies. If we fail to meet our customers' price expectations in any given period, our business and results of operations would suffer.

We depend on search engines to attract a substantial portion of the customers who visit our websites, and losing these customers would adversely affect our business and results of operations.

Many customers access our websites by clicking through on search results displayed by search engines such as Google and Yahoo!. Search engines typically provide two types of search results, algorithmic and purchased listings. Algorithmic listings cannot be purchased, and instead are

determined and displayed solely by a set of formulas designed by the search engine. Purchased listings can be purchased by advertisers in order to attract users to their websites. We rely on both algorithmic and purchased listings to attract and direct a substantial portion of the customers we serve. Search engines revise their algorithms from time to time in an attempt to optimize their search result listings. If search engines on which we rely for algorithmic listings modify their algorithms, this could result in fewer customers clicking through to our websites, requiring us to resort to other costly resources to replace this traffic, which, in turn, could reduce our operating and net income or our revenues, harming our business. If one or more search engines on which we rely for purchased listings modifies or terminates its relationship with us, our expenses could rise, or our revenues could decline and our business may suffer. The cost of purchased search listing advertising is rapidly increasing as demand for these channels continues to grow quickly, and further increases could have negative effects on our profitability.

Various private 'spam' blacklisting or similar entities have in the past, and may in the future, interfere with the operation of our websites and our ability to conduct business.

We depend on e-mail to market to and communicate with our customers. Various private entities attempt to regulate the use of e-mail for commercial solicitation. These entities often advocate standards of conduct or practice that significantly exceed current legal requirements and classify certain e-mail solicitations that comply with current legal requirements as unsolicited bulk e-mails, or 'spam'. Some of these entities maintain 'blacklists' of companies and individuals, and the websites, Internet service providers and Internet protocol addresses associated with those entities or individuals, that do not adhere to what the blacklisting entity believes are appropriate standards of conduct or practices for commercial e-mail solicitations. If a company's Internet protocol addresses are listed by a blacklisting entity, e-mails sent from those addresses may be blocked if they are sent to any Internet domain or Internet address that subscribes to the blacklisting entity's service or purchases its blacklist.

Some of our Internet protocol addresses currently are listed with one or more blacklisting entities despite our belief that our commercial e-mail solicitations comply with all applicable laws. In the future, our other Internet protocol addresses may also be listed with these blacklisting entities. We may not be successful in convincing the blacklisting entities to remove us from their lists. Although the blacklisting we have experienced in the past has not had a significant impact on our ability to operate our websites or to send commercial e-mail solicitations, it has, from time to time, interfered with our ability to send operational e-mails—such as password reminders, invoices and electronically delivered products—to customers and others. In addition, as a result of being blacklisted, we have had disputes with, or concerns raised by, various service providers who perform services for us, including co-location and hosting services, Internet service providers and electronic mail distribution services. There can be no guarantee that we will not continue to be blacklisted or that we will be able to successfully remove ourselves from those lists. Blacklisting of this type could interfere with our ability to market our products and services, communicate with our customers and otherwise operate our websites, all of which could have a material negative impact on our business and results of operations.

Interruptions to our websites, information technology systems, production processes or customer service operations could damage our reputation and brand and substantially harm our business and results of operations.

The satisfactory performance, reliability and availability of our websites, transaction processing systems, network infrastructure, printing production facilities and customer service operations are critical to our reputation, and our ability to attract and retain customers and to maintain adequate customer service levels. Any future interruptions that result in the unavailability of our websites or reduced order fulfillment performance could result in negative publicity, damage our reputation and brand and cause our business and results of operations to suffer. We may also experience temporary

interruptions in our business operations for a variety of other reasons in the future, including power failures, software errors, an overwhelming number of visitors trying to reach our websites during promotional campaign periods, extreme weather, political instability, acts of terrorism, war and other events beyond our control. In particular, both Bermuda, where the computer hardware that operates our websites is located, and Jamaica, the location of most of our customer service and design service operations, are subject to a high degree of hurricane risk and extreme weather conditions that could have a devastating impact on our facilities and operations.

Any failure of our printing production equipment may prevent the production of orders and interfere with our ability to fulfill orders. As of June 2005, production operations were performed in three facilities: our Dutch printing facility serving European and Asia-Pacific markets, our Windsor, Ontario facility serving North American markets and our supplier's facility in Buffalo, New York, which also serves the North American markets.

Because we are dependent in part on third parties for the implementation and maintenance of certain aspects of our communications and printing systems, and because many of the causes of system interruptions or interruptions of the production process may be outside of our control, we may not be able to remedy such interruptions in a timely manner, or at all. We do carry the business interruption insurance to compensate us for losses that may occur in the event operations at facilities are interrupted, but these policies do not address all potential causes of business interruptions we may experience and any proceeds we may receive may not fully compensate us for all of the revenue we may lose.

If the single facility where substantially all of our computer and communications hardware is located fails, our business and results of operations would be harmed.

Our ability to successfully receive and fulfill orders and to provide high-quality customer service depends in part on the efficient and uninterrupted operation of our computer and communications systems. Substantially all of the computer hardware necessary to operate our websites is located at a single Cable & Wireless facility in Devonshire, Bermuda. Our systems and operations could suffer damage or interruption from human error, fire, flood, power loss, telecommunications failure, terrorist attacks, acts of war, break-ins, earthquakes and similar events. In particular, the islands of Bermuda are annually subjected to a high degree of hurricane risk and extreme weather conditions that could have devastating impact on facilities. We do not presently have redundant systems in multiple locations or a formal disaster recovery plan, and our business interruption insurance may be insufficient to compensate us for losses that may occur.

Our technology, infrastructure and processes may contain undetected errors or defects that could result in decreased production, limited capacity, reduced demand or costly litigation.

Our technology, infrastructure and processes may contain undetected errors or design faults. These errors or design faults may cause our websites to fail and result in loss of, or delay in, market acceptance of our products and services. In the past, we have experienced delays in website releases and customer dissatisfaction during the period required to correct errors and design faults that caused us to lose revenue. In the future, we may encounter additional issues, such as scalability limitations, in current or future technology releases. In addition, a delay in the commercial release of any future version of our technology, infrastructure and processes could seriously harm our business. In addition, our systems could suffer computer viruses, physical or electronic break-ins and similar disruptions, which could lead to interruptions, delays, loss of critical data, the inability to accept and fulfill customer orders or the unauthorized disclosure of confidential customer data. The occurrence of any of the foregoing could substantially harm our business and results of operations.

Capacity constraints and system failures or security breaches could prevent access to our websites, which could harm our reputation and adversely affect our revenues.

Our business requires that we have adequate capacity in our computer systems to cope with the high volume of visits to our websites. As our operations grow in size and scope, we will need to improve and upgrade our computer systems and network infrastructure to offer customers enhanced and new products, services, capacity, features and functionality. The expansion of our systems and infrastructure may require us to commit substantial financial, operational and technical resources before the volume of our business increases, with no assurance that our revenues will increase.

Our ability to provide high-quality products and service depends on the efficient and uninterrupted operation of our computer and communications systems. If our systems cannot be expanded in a timely manner to cope with increased website traffic, we could experience disruptions in service, slower response times, lower customer satisfaction, and delays in the introduction of new products and services. Any of these problems could harm our reputation and cause our revenues to decline.

Loss of the right to use licensed materials would substantially harm our business and results of operations.

Many of the images, illustrations, and fonts incorporated in the designs and products we offer are the copyrighted property of other parties used by us under license agreements. If one or more of these licenses were to be terminated, the amount and variety of content available on our websites would be significantly reduced. In such event, we could experience delays in obtaining and introducing substitute materials and substitute materials might be available only under less favorable terms or at a higher cost.

If we are unable to develop, market and sell new products and services that address additional market opportunities and develop new technology that meets emerging industry standards, our results of operations may suffer.

Although historically we have focused on the small business and, to a lesser extent, the consumer markets, we intend to address, and demand may shift to, additional market segments in the future. While a component of our business strategy is to expand our graphic design services, we may also need to develop, market and sell new products and additional services that address additional printing market segments to remain competitive in the graphic design and printing industries. We may not successfully expand our graphic design services or create new products and services, address new market segments or develop a significantly deeper customer base. Any failure to address additional market opportunities could harm our business, financial condition, and results of operations.

The loss of key personnel or an inability to attract and retain additional personnel could affect our ability to successfully grow our business.

We are highly dependent upon the continued service and performance of our senior management team and key technical, marketing and production personnel. The loss of a group of these key employees may significantly delay or prevent the achievement of our business objectives. Although we have generally been successful in our recruiting efforts, we face intense competition for qualified individuals from numerous technology, marketing, financial services, manufacturing and e-commerce companies. We may be unable to attract and retain suitably qualified individuals, and our failure to do so could have an adverse effect on our ability to implement our business plan.

We may have difficulty managing our growth and expanding our operations successfully.

We have rapidly grown to over 360 employees as of April 30, 2005, with website operations, offices, production facilities and customer support centers in Bermuda, the United States, the Netherlands, Jamaica and Canada. This brisk and substantial growth, combined with the geographical separation of our operations, has placed, and will continue to place, a strain on our administrative and operational infrastructure. Our ability to manage our operations and growth will require us to continue to refine our operational, financial and management controls, human resource policies, reporting systems and procedures in at least five countries.

We may not be able to implement improvements to our management information and control systems in an efficient or timely manner and may discover deficiencies in existing systems and controls. If we are unable to manage future expansion, our ability to provide a high-quality customer experience could be harmed, which would damage our reputation and brand and substantially harm our business and results of operations.

The United States government may substantially increase border controls and impose restrictions on cross-border commerce that may substantially harm our business.

The United States government has substantially increased border surveillance and controls since the terrorist attacks of September 11, 2001. If the United States were to impose further border controls and restrictions, impose quotas, tariffs or import duties, increase the documentation requirements applicable to cross border shipments or take other actions that have the effect of restricting the flow of goods from Canada to the United States, our ability to ship products from our Windsor, Ontario facility to the United States would be adversely affected, which would substantially impair our ability to serve the United States market and harm our business and results of operations.

If we are unable to manage the challenges associated with our international operations, the growth of our business could be limited.

We operate printing facilities in Venlo, the Netherlands and Windsor, Ontario, Canada, a customer support, sales and service, and graphic design center in Montego Bay, Jamaica, website operations in Devonshire, Bermuda and technology development, marketing, finance and administrative offices in Lexington, Massachusetts, United States. We have localized websites to serve many additional international markets. We are subject to a number of risks and challenges that specifically relate to our international operations. Our international operations may not be successful if we are unable to meet and overcome these challenges, which could limit the growth of our business and may have an adverse effect on our business and operating results. These risks and challenges include:

- Ÿ fluctuations in foreign currency exchange rates that may increase the United States dollar cost, or reduce United States dollar revenue, of our international operations;
- Ÿ difficulty managing operations in, and communications among, multiple locations and time zones;
- Ÿ local regulations that may restrict or impair our ability to conduct our business as planned;
- Ÿ protectionist laws and business practices that favor local producers and service providers;
- Ÿ failure to properly understand and develop graphic design content and product formats appropriate for local tastes;
- Ÿ restrictions imposed by local labor practices and laws on our business and operations; and
- Ÿ failure of local laws to provide a sufficient degree of protection against infringement of our intellectual property.

We may undertake acquisitions to expand our business, which may pose risks to our business and dilute the ownership of our existing shareholders.

A key component of our business strategy includes strengthening our competitive position and refining the customer experience on our websites through internal development. However, from time to time, we may selectively pursue acquisitions of businesses, technologies or services. Integrating any newly acquired businesses, technologies or services is likely to be expensive and time consuming. To finance any acquisitions, it may be necessary for us to raise additional funds through public or private financings. Additional funds may not be available on terms that are favorable to us, and, in the case of equity financings, would result in dilution to our shareholders. If we do complete any acquisitions, we may be unable to operate the acquired businesses profitably or otherwise implement our strategy successfully. If we are unable to integrate any newly acquired entities, technologies or services effectively, our business and results of operations will suffer. The time and expense associated with finding suitable and compatible businesses, technologies or services could also disrupt our ongoing business and divert our management's attention. Future acquisitions by us could also result in large and immediate write-offs or assumptions of debt and contingent liabilities, any of which could substantially harm our business and results of operations. We have no current plans, agreements or commitments with respect to any acquisitions.

Failure to adequately protect our intellectual property could substantially harm our business and results of operations.

We rely on a combination of patent, trademark, trade secret and copyright law and contractual restrictions to protect our intellectual property. These protective measures afford only limited protection. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy aspects of our websites features and functionalities or to obtain and use information that we consider proprietary, such as the technology used to operate our websites and our production operations and our trademarks.

We currently hold three issued United States patents, two issued European patents and one issued French patent. We have 34 patent applications pending in the United States and we intend to pursue corresponding patent coverage in other countries to the extent we believe such coverage is justified, appropriate, and cost efficient. There can be no guarantee that any of our pending applications or continuation patent applications will be granted. In addition, there could be infringement, invalidity, co-inventorship or similar claims brought by third parties with respect to any of our currently issued patents or any patents that may be issued to us in the future. Any such claims, whether or not successful, could be extremely costly, could damage our reputation and brand and substantially harm our business and results of operations.

Our primary brand is "VistaPrint." We hold trademark registrations for the VistaPrint trademark in 15 jurisdictions, including registrations in our major markets of the United States, the European Union, Canada and Japan. Additional applications for the VistaPrint mark are pending. Our competitors may adopt names similar to ours, thereby impeding our ability to build brand identity and possibly leading to customer confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of the term VistaPrint or our other trademarks. Any claims or customer confusion related to our trademarks could damage our reputation and brand and substantially harm our business and results of operations.

If we become involved in patent litigation or other proceedings related to a determination of rights, we could incur substantial costs, expenses or liability, lose our exclusive rights or be required to stop certain of our business activities.

A third party may sue us for infringing its patent rights. In addition, a third party may claim that we have improperly obtained or used its confidential or proprietary information. Likewise, we may need to resort to litigation to enforce a patent issued to us or to determine the scope and validity of third-party proprietary rights. For example, we have received a claim from Daniel Keane, the chief executive officer of Mod-Pac, our North American printing supplier, and the brother of Robert S. Keane, our chief executive officer, claiming an inventorship interest in our issued United States patent relating to printing aggregation. If this individual were successful in establishing co-inventorship, he would be able to use, and license to others the right to use, this patent without paying any compensation to us. We believe this individual does not qualify as a co-inventor and have so informed him, but there can be no guarantee that he will not commence a formal action or that, if commenced, we will be successful in defending against such action. Similarly, the individual may claim inventorship in our other patents or pending applications relating to printing aggregation and may accordingly obtain an interest in these other patents and pending applications.

The cost to us of any litigation or other proceeding relating to intellectual property rights, even if resolved in our favor, could be substantial, and the litigation would divert our management's efforts from growing our business. Some of our competitors may be able to sustain the costs of complex intellectual property litigation more effectively than we can because they have substantially greater resources. Uncertainties resulting from the initiation and continuation of any litigation could limit our ability to continue our operations.

We have received letters from third parties that state that these third parties have patent rights that cover aspects of the technology that we use in our business and that the third parties believe we are obligated to license. If any parties successfully claim that our sale, use, manufacturing or importation of technologies infringes upon their intellectual property rights, we might be forced to pay damages and attorney's fees. Additionally, if we are found to have willfully infringed a third parties' patent, we may be liable for treble damages and a court could enjoin us from performing the infringing activity. Thus, the situation could arise in which our ability to use certain technologies would be restricted by a court order.

Alternatively, we may be required to, or decide to, enter into a license with a third party. Any license required under any patent may not be made available on commercially acceptable terms, if at all. In addition, such licenses are likely to be non-exclusive and, therefore, our competitors may have access to the same technology licensed to us. If we fail to obtain a required license and are unable to design around a patent, we may be unable to effectively conduct certain of our business activities, which could limit our ability to generate revenues or maintain profitability and possibly prevent us from generating revenue sufficient to sustain our operations.

The inability to acquire or maintain domain names for our websites could substantially harm our business and results of operations.

We currently own or control a number of Internet domain names used in connection with our various websites, including VistaPrint.com and similar names with alternate url names, such as .net, .de and .co.uk. Domain names generally are regulated by Internet regulatory bodies. If we lose the ability to use a domain name in a particular country, we would be forced to either incur significant additional expenses to market our products within that country, including the development of a new brand and the creation of new promotional materials and packaging, or elect not to sell products in that country. Either result could substantially harm our business and results of operations. Furthermore, the relationship

between regulations governing domain names and laws protecting trademarks and similar proprietary rights is unclear and subject to change. We might not be able to prevent third parties from acquiring domain names that infringe or otherwise decrease the value of our trademarks and other proprietary rights. Regulatory bodies could establish additional top-level domains, appoint additional domain name registrars or modify the requirements for holding domain names. As a result, we may not be able to acquire or maintain the domain names that utilize the name VistaPrint in all of the countries in which we currently or intend to conduct business.

Our revenues may be negatively affected if we are required to charge sales or other taxes on purchases.

We do not collect or have imposed upon us sales or other taxes related to the products and services we sell, except for certain corporate level taxes and value added and similar taxes in certain jurisdictions. However, one or more jurisdictions or countries may seek to impose sales or other tax collection obligations on us in the future. A successful assertion by one or more governments, including any country in which we do business or sub-federal authorities such as states in the United States, that we should be collecting sales or other taxes on the sale of our products could result in substantial tax liabilities for past sales, discourage customers from purchasing products from us, decrease our ability to compete with traditional retailers or otherwise substantially harm our business and results of operations.

Currently, decisions of the United States Supreme Court restrict the imposition of obligations to collect state and local sales and use taxes with respect to sales made over the Internet. However, implementation of the restrictions imposed by these Supreme Court decisions is subject to interpretation by state and local taxing authorities. While we believe that these Supreme Court decisions currently restrict state and local taxing authorities in the United States from requiring us to collect sales and use taxes from purchasers located within their jurisdictions, taxing authorities could disagree with our interpretation of these decisions. Moreover, a number of states in the United States, as well as the United States Congress, have been considering various initiatives that could limit or supersede the Supreme Court's position regarding sales and use taxes on Internet sales. If any state or local taxing jurisdiction were to disagree with our interpretation of the Supreme Court's current position regarding state and local taxation of Internet sales, or if any of these initiatives were to address the Supreme Court's constitutional concerns and result in a reversal of its current position, we could be required to collect sales and use taxes from purchasers. The imposition by state and local governments of various taxes upon Internet commerce could create administrative burdens for us and could decrease our future net sales. A substantial amount of our business is derived from customers in the European Union, whose tax environment is also complex and subject to changes that would be adverse to our business.

Government regulation of the Internet and e-commerce is evolving and unfavorable changes could substantially harm our business and results of operations.

We are subject to general business regulations and laws as well as regulations and laws specifically governing the Internet and e-commerce. Existing and future laws and regulations may impede the growth of the Internet or other online services. These regulations and laws may cover taxation, restrictions on imports and exports, customs, tariffs, user privacy, data protection, pricing, content, copyrights, distribution, electronic contracts and other communications, consumer protection, the provision of online payment services, broadband residential Internet access and the characteristics and quality of products and services. It is not clear how existing laws governing issues such as property ownership, sales and other taxes, libel and personal privacy apply to the Internet and e-commerce as the vast majority of these laws were adopted prior to the advent of the Internet and do not contemplate or address the unique issues raised by the

Internet or e-commerce. Those laws that do reference the Internet, such as the Bermuda Standard for Electronic Transactions and the U.S. Digital Millennium Copyright Act and the U.S. CAN-SPAM Act of 2003, are only beginning to be interpreted by the courts and their applicability and reach are therefore uncertain. Those current and future laws and regulations or unfavorable resolution of these issues may substantially harm our business and results of operations.

Legislation regarding copyright protection and/or content interdiction could impose complex and costly constraints on our business model.

Because of our focus on automation and high volumes, our operations do not involve, for the vast majority of our sales, any human-based review of content. Although our websites' terms of use specifically require customers to represent that they have the right and authority to reproduce a given content and that the content is in full compliance with all relevant laws and regulations, we do not have the ability to determine the accuracy of these representations on a case-by-case basis. There is a risk that a customer may supply an image or other content that is the property of another party used without permission, that infringes the copyright or trademark of another party, or that would be considered to be defamatory, hateful, racist, scandalous, obscene, or otherwise offensive, objectionable or illegal under the laws or court decisions of the jurisdiction where that customer lives. There is, therefore, a risk that customers may intentionally or inadvertently order and receive products from us that are in violation of the rights of another party or a law or regulation of a particular jurisdiction. If we should become legally obligated in the future to perform manual screening and review for all orders destined for a jurisdiction, we will encounter increased production costs or may cease accepting orders for shipment to that jurisdiction which could substantially harm our business and results of operations.

A percentage of our revenues are derived from offers made to our customers by third parties who have had their business practices challenged in the past.

We currently derive a portion of our revenues from order referral fees paid to us by merchants for customer click-throughs and orders. In general, these third parties offer memberships in discount programs or similar promotions to customers who have purchased products from us and we receive a payment from the third party for every customer that accepts the promotion. We believe these programs deliver significant benefit to those of our customers who choose them and that the terms of each party's offers are clear and unambiguous. However, certain of these third parties have been the subject of consumer complaints and litigation alleging that their enrollment and billing practices violate various consumer protection laws or are otherwise deceptive. We have from time to time received complaints from customers regarding these programs. Customer dissatisfaction or a termination of these relationships could have a negative impact on our brand and our revenues.

Our practice of offering free products and services could be subject to additional judicial or regulatory challenge.

We regularly offer free products as an inducement for customers to try our products. Although we believe that we conspicuously and clearly communicate all details and conditions of these offers—for example, that customers are required to pay shipping, handling and/or processing charges to take advantage of the free product offer—we have in the past, and may in the future, be subject to claims from individuals or governmental regulators that our free offers are misleading or do not comply with applicable legislation. For example, one of our subsidiaries and our predecessor corporation were named as defendants in a class action lawsuit alleging that the shipping and handling fees we charged in connection with our free business card offer violates sections of the California Business and Professions Code. Our free product offers could be subject to challenge in other jurisdictions in the

future. If we are subject to further actions in the future, or if we are compelled or determine to curtail or eliminate our use of free offers as the result of any such actions, our business prospects and results of operations could be materially harmed.

Our failure to protect confidential information of our customers and our network against security breaches and to address risks associated with credit card fraud could damage our reputation and brand and substantially harm our business and results of operations.

A significant prerequisite to online commerce and communications is the secure transmission of confidential information over public networks. Our failure to prevent security breaches could damage our reputation and brand and substantially harm our business and results of operations. Currently, a majority of our sales are billed to our customers' credit card accounts directly. We retain our customers' credit card information for a limited time following a purchase of products for the purpose of issuing refunds. We rely on encryption and authentication technology licensed from third parties to effect secure transmission of confidential information, including credit card numbers. Advances in computer capabilities, new discoveries in the field of cryptography or other developments may result in a compromise or breach of the technology used by us to protect customer transaction data. Any such compromise of our security could damage our reputation and brand and expose us to a risk of loss or litigation and possible liability which would substantially harm our business and results of operations. In addition, anyone who is able to circumvent our security measures could misappropriate proprietary information or cause interruptions in our operations. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches.

In addition, under current credit card practices, we are liable for fraudulent credit card transactions because we do not obtain a cardholder's signature. We do not currently carry insurance against this risk. To date, we have experienced minimal losses from credit card fraud, but we continue to face the risk of significant losses from this type of fraud. Our failure to adequately control fraudulent credit card transactions could damage our reputation and brand and substantially harm our business and results of operations.

Risks Related to Our Corporate Structure

Non-Bermuda tax authorities may tax some or all of VistaPrint Limited's income, which would increase our effective tax rate and adversely affect our earnings.

VistaPrint Limited is incorporated in Bermuda and conducts business through operations within Bermuda. Bermuda does not currently impose income taxes on our operations. Management services are provided to VistaPrint Limited by employees of our United States subsidiary, who are all based in the United States. We have endeavored to structure our business so that all of our non-Bermuda operations are carried out by our local subsidiaries and VistaPrint Limited's business income is, in general, not subject to tax in these non-Bermuda jurisdictions, such as the United States, Canada, or the Netherlands. VistaPrint Limited has filed tax returns on the basis that it is not engaged in business in these non-Bermuda jurisdictions. Many countries' tax laws, including but not limited to United States tax law, do not clearly define activities that constitute being engaged in a business in that country. The tax authorities in these countries could contend that some or all of VistaPrint Limited's income should be subject to income or other tax or subject to withholding tax. If VistaPrint Limited's income is taxed in jurisdictions other than Bermuda, such taxes will increase our effective tax rate and adversely affect our results of operations.

United States corporations are subject to United States federal income tax on the basis of their worldwide income. Foreign corporations generally are subject to United States federal income tax only

on income that has a sufficient nexus to the United States. On October 22, 2004, the United States enacted the American Jobs Creation Act of 2004, or the AJCA. Under the AJCA, foreign corporations meeting certain ownership, operational and other tests are treated as United States corporations for United States federal income tax purposes and, therefore, are subject to United States federal income tax on their worldwide income. The AJCA grants broad regulatory authority to the Secretary of the Treasury to provide regulations as may be appropriate to determine whether a foreign corporation is treated as a United States corporation. We do not believe that the relevant provisions of the AJCA apply to VistaPrint Limited, but there can be no assurance that the Internal Revenue Service will not challenge this position or that a court will not sustain any such challenge. In addition, the United States congressional Joint Committee on Taxation has proposed additional rules that, if enacted, would treat a foreign corporation as a United States resident for United States federal income tax purposes if its primary place of management and control is located in the United States. A successful challenge by the Internal Revenue Service under the AJCA rules or the enactment of the additional rules proposed by the Joint Committee on Taxation could result in VistaPrint Limited being subject to tax in the United States on its worldwide income, which would increase our effective rate of tax and adversely affect our earnings.

Regardless of the application of AJCA to VistaPrint Limited, the Internal Revenue Service could assert that an insufficient amount of tax was paid to the United States federal government in connection with the formation of VistaPrint Limited, such that additional federal income tax is due currently, and potentially on an ongoing basis for years subsequent to the formation. A successful assertion of this position by the Internal Revenue Service could result in an overall tax rate substantially higher than the rate reflected in our financial statements.

Our intercompany arrangements may be challenged, resulting in higher taxes or penalties and an adverse effect on our earnings.

We operate pursuant to written service and related agreements, which we also refer to as transfer pricing agreements, among VistaPrint Limited and its subsidiaries. These agreements establish transfer prices for printing, marketing, management, technology development and other services performed for VistaPrint Limited. Transfer prices are prices that one company in a group of related companies charges to another member of the group for goods, services or the use of property. If two or more affiliated companies are located in different countries, the tax laws or regulations of each country generally will require that transfer prices be the same as those between unrelated companies dealing at arms' length. With the exception of our Dutch operations, our transfer pricing procedures are not binding on applicable tax authorities and no official authority in any other country has made a determination as to whether or not we are operating in compliance with its transfer pricing laws. If tax authorities in any of these countries were to successfully challenge our transfer prices as not reflecting arms' length transactions, they could require us to adjust our transfer prices and thereby reallocate our income to reflect these revised transfer prices. A reallocation of income from a lower tax jurisdiction to a higher tax jurisdiction would result in a higher tax liability to us. In addition, if the country from which the income is reallocated does not agree with the reallocation, both countries could tax the same income, resulting in double taxation. Changes in laws and regulations may require us to change our transfer pricings or operating procedures. If tax authorities were to allocate income to a higher tax jurisdiction, subject our income to double taxation or assess penalties, it would result in a higher tax liability to us, which would adversely affect our earnings.

We will pay taxes even if we are not profitable on a consolidated basis.

The intercompany service and related agreements among VistaPrint Limited and our direct and indirect subsidiaries in general guarantee that the subsidiaries realize profits. As a result, even if the VistaPrint group is not profitable on a consolidated basis, the majority of our subsidiaries will be profitable and incur income taxes in their respective jurisdictions. If we are unprofitable on a

consolidated basis, as has been the case in the past, this structure will increase our consolidated losses and further harm our results of operations.

We may be treated as a passive foreign investment company for United States tax purposes, which may subject United States shareholders to adverse tax consequences.

If our passive income, or our assets that produce passive income, exceed levels provided by law for any taxable year, we may be characterized as a passive foreign investment company, or a PFIC, for United States federal income tax purposes. If we are treated as a PFIC, U.S. holders of our common shares would be subject to a disadvantageous United States federal income tax regime with respect to the distributions they receive and the gain, if any, they derive from the sale or other disposition of their common shares. Under the PFIC rules, unless U.S. holders make an election available under the Internal Revenue Code of 1986, as amended, such shareholders would be liable to pay United States federal income tax at the then prevailing income tax rates on ordinary income plus interest upon excess distributions and upon any gain from the disposition of our common shares, as if the excess distribution or gain had been recognized ratably over the shareholder's holding period of our common shares.

We believe that we were not a PFIC in the tax year ended June 30, 2004 and we expect that we will not become a PFIC in the foreseeable future. However, whether we are treated as a passive foreign investment company depends on questions of fact as to our assets and revenues that can only be determined at the end of each tax year. Accordingly, we cannot be certain that we will not be treated as a passive foreign investment company for our current tax year or for any subsequent year.

If a United States shareholder acquires 10% or more of our common shares, it may be subject to United States taxation under the "controlled foreign corporation" rules.

Each "10% U.S. Shareholder" of a foreign corporation that is a "controlled foreign corporation," or CFC, for an uninterrupted period of 30 days or more during a taxable year, and that owns shares in the CFC directly or indirectly through foreign entities on the last day of the CFC's taxable year, must include in its gross income for United States federal income tax purposes its pro rata share of the CFC's "subpart F income," even if the subpart F income is not distributed. A foreign corporation is considered a CFC if one or more 10% U.S. Shareholders together own more than 50% of the total combined voting power of all classes of voting stock of the foreign corporation or more than 50% of the total value of all stock of the corporation on any day during the taxable year of the corporation. A 10% U.S. Shareholder is a U.S. person, as defined in the Internal Revenue Code, that owns at least 10% of the total combined voting power of all classes of stock entitled to vote of the foreign corporation. For purposes of determining whether a corporation is a CFC, and therefore whether the more-than-50% and 10% ownership tests have been satisfied, shares owned includes shares owned directly or indirectly through foreign entities and shares considered owned under constructive ownership rules. The attribution rules are complicated and depend on the particular facts relating to each investor. If we are deemed to be a CFC, each of our 10% U.S. Shareholders will be required to include in its gross income for United States federal income tax purposes its pro rata share of our subpart F income, even if the subpart F income is not distributed to enable such taxpayer to satisfy this tax liability.

We are organized under the laws of Bermuda, and the majority of our assets are located outside the United States, which may make it difficult for shareholders to enforce civil liability provisions of the federal or state securities laws of the United States.

We are organized under the laws of Bermuda, and over 80% of our assets are located outside of the United States. It may not be possible to enforce court judgments obtained in the United States against us in Bermuda or in countries, other than the United States, where we have assets based on

the civil liability provisions of the federal or state securities laws of the United States. In addition, there is significant doubt as to whether the courts of Bermuda and other countries would recognize or enforce judgments of United States courts obtained against us or our directors or officers based on the civil liabilities provisions of the federal or state securities laws of the United States or would hear actions against us or those persons based on those laws. The United States and Bermuda do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not based solely on United States federal or state securities laws, would not automatically be enforceable in Bermuda. Similarly, those judgments may not be enforceable in countries other than the United States where we have assets.

Bermuda law differs from the laws in effect in the United States and may afford less protection to shareholders.

Our shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction of the United States. As a Bermuda company, we are governed by the Companies Act 1981 of Bermuda. The Companies Act differs in some material respects from laws generally applicable to United States corporations and shareholders, including provisions relating to interested directors, mergers and acquisitions, takeovers, shareholder lawsuits and indemnification of directors.

Under Bermuda law, the duties of directors and officers of a company are generally owed to the company only. Shareholders of Bermuda companies do not generally have rights to take action against directors or officers of the company, and may only do so in limited circumstances. Directors and officers may owe duties to a company's creditors in cases of impending insolvency. Officers of a Bermuda company must, in exercising their powers and performing their duties, act honestly and in good faith with a view to the best interests of the company and must exercise the care and skill that a reasonably prudent person would exercise in comparable circumstances. Directors have a duty not to put themselves in a position in which their duties to the company and their personal interests may conflict and also are under a duty to disclose any personal interest in any contract or arrangement with the company or any of its subsidiaries. If a director or officer of a Bermuda company is found to have breached his duties to that company, he may be held personally liable to the company in respect of that breach of duty. A director may be liable jointly and severally with other directors if it is shown that the director knowingly engaged in fraud or dishonesty. In cases not involving fraud or dishonesty, the liability of the director will be determined by the Bermuda courts on the basis of their estimation of the percentage of responsibility of the director for the matter in question, in light of the nature of the conduct of the director and the extent of the causal relationship between his conduct and the loss suffered.

Anti-takeover provisions in our charter documents and under Bermuda law could make an acquisition of us, which may be beneficial to our shareholders, more difficult and may prevent attempts by our shareholders to replace or remove our current management.

Provisions in our bye-laws that will become effective upon the completion of this offering may delay or prevent an acquisition of us or a change in our management. In addition, by making it more difficult for shareholders to replace members of our board of directors, these provisions also may frustrate or prevent any attempts by our shareholders to replace or remove our current management because our board of directors is responsible for appointing the members of our management team. These provisions include:

- Ÿ a classified board of directors;
- Ÿ the ability of our board of directors to issue preferred shares without shareholder approval, which could be used to institute a "poison pill" that would work to dilute the share ownership of

a potential hostile acquirer, effectively preventing acquisitions that have not been approved by our board of directors;

- limitations on the removal of directors; and
- advance notice requirements for election to our board of directors and for proposing matters that can be acted upon at shareholder meetings.

Risks Related to This Offering

Purchasers in this offering will suffer immediate dilution.

If you purchase common shares in this offering, the value of your shares based on our actual book value will immediately be less than the offering price you paid. This effect is known as dilution. Based upon the pro forma net tangible book value of our common shares at March 31, 2005, your shares will have less book value per share than the price you paid in the offering. If previously granted options are exercised, additional dilution will occur. As of March 31, 2005, options to purchase 3,378,630 common shares at an average exercise price of $2.45 per share were outstanding. Subsequent to March 31, 2005, we granted additional options to purchase an aggregate of 3,487,960 common shares at a weighted average exercise price of $11.79. In addition, if we raise additional funding by issuing additional equity securities, the newly-issued shares will further dilute your percentage ownership of our shares and may also reduce the value of your investment.

No public market for our common shares currently exists and an active trading market may not develop or be sustained following this offering.

Prior to this offering, there has been no public market for our common shares. An active trading market for our common shares may not develop or be sustained following this offering. The initial public offering price for our common shares will be determined through negotiations with underwriters and may not bear any relationship to the market price at which the common shares will trade after this offering.

A significant portion of our total outstanding shares are restricted from immediate resale but may be sold into the market in the near future. If there are substantial sales of our common shares, the price of our common shares could decline.

The price of our common shares could decline if there are substantial sales of our common shares and if there is a large number of our common shares available for sale. After this offering, we will have outstanding common shares based on the number of shares outstanding as of March 31, 2005. This includes the shares that we are selling and the shares the selling shareholders are selling in this offering, which may be resold in the public market immediately. The remaining shares, or % of our outstanding shares after this offering, are currently restricted as a result of securities laws or lock-up agreements but will be able to be sold in the near future as set forth below.

Number of shares and % of total outstanding	Date available for sale into public market
shares, or %	Immediately after this offering.
shares, or %	180 days after the date of this prospectus due to lock-up agreements between the holders of these shares and the underwriters. However, the underwriters can waive the provisions of these lock-up agreements and allow these shareholders to sell their shares at any time.

After this offering, the holders of an aggregate of common shares as of March 31, 2005, will have rights, subject to some conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other shareholders. We also intend to register the issuance of all common shares that we have issued and may issue under our employee option and purchase plans. Once we register the issuance of these shares, they can be freely sold in the public market upon issuance, subject to certain lock-up agreements.

Due to these factors, sales of a substantial number of our common shares in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common shares.

Insiders will continue to have substantial control over VistaPrint after this offering and could delay or prevent a change in corporate control.

After this offering, our directors, executive officers and principal shareholders, together with their affiliates, will beneficially own, in the aggregate, approximately % of our outstanding common shares. As a result, these shareholders, if acting together, may have the ability to determine the outcome of matters submitted to our shareholders for approval, including the election of directors and any merger, consolidation or sale of all or substantially all of our assets. In addition, these persons, acting together, may have the ability to control the management and affairs of our company. Accordingly, this concentration of ownership may harm the market price of our common shares by:

- Ÿ delaying, deferring or preventing a change in control of our company;
- Ÿ impeding a merger, consolidation, takeover or other business combination involving our company; or
- Ÿ discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of our company.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

We cannot specify with certainty the particular uses of the net proceeds that we will receive from this offering. Our management will have broad discretion in the application of the net proceeds, including funding expansion of our facilities, possible acquisitions and working capital purposes. Our shareholders may not agree with the manner in which our management chooses to allocate and spend the net proceeds. The failure by our management to apply these funds effectively could have a material adverse effect on our business. Pending their use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains, in addition to historical information, forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. We may, in some cases, use words such as “project,” “believe,” “anticipate,” “plan,” “expect,” “estimate,” “intend,” “continue,” “should,” “would,” “could,” “potentially,” “will,” or “may,” or other similar words and expressions that convey uncertainty of future events or outcomes to identify these forward-looking statements. Forward-looking statements in this prospectus may include statements about:

- Ÿ our ability to attract and retain customers;
- Ÿ our financial performance;
- Ÿ our development activities;
- Ÿ the advantages of our technology as compared to that of others;
- Ÿ our ability to establish and maintain intellectual property rights;
- Ÿ our ability to retain and hire necessary employees and appropriately staff our operations;
- Ÿ our spending of the proceeds from this offering; and
- Ÿ our cash needs.

The outcome of the events described in these forward-looking statements is subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated by these forward-looking statements. These important factors include our financial performance, our ability to attract and retain customers, our development activities and those factors we discuss in this prospectus under the caption “Risk Factors.” You should read these factors and the other cautionary statements made in this prospectus as being applicable to all related forward-looking statements wherever they appear in this prospectus. These risk factors are not exhaustive and other sections of this prospectus may include additional factors which could adversely impact our business and financial performance.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

USE OF PROCEEDS

We estimate that our net proceeds from the sale of common shares in this offering will be approximately $ million, assuming an initial public offering price of $ per share, the mid-point of the estimated price range shown on the cover of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. At an assumed public offering price of $ per share, the mid-point of the estimated price range shown on the cover of this prospectus, the selling shareholders will receive $ million from their sale of our common shares in this offering, after deducting the underwriting discount. If the underwriters exercise their option to purchase additional shares, we estimate that we will receive an additional $ million and the selling shareholders will receive an additional $ million in net proceeds at a public offering price of $ per share.

We intend to use the net proceeds of this offering to fund:

- Ÿ construction and expansion of our printing facilities and other operations;
- Ÿ possible acquisitions and investments; and
- Ÿ working capital, capital expenditures and other general corporate purposes.

Although we may use a portion of the proceeds for the acquisition of, or investment in, companies, technologies, products or assets that complement our business, we have no present understandings, commitments or agreements to enter into any acquisitions or make any investments.

Management will retain broad discretion in the allocation and use of the net proceeds of this offering. Pending specific utilization of the net proceeds as described above, we intend to invest the net proceeds of the offering in short-term investment grade and United States government securities.

DIVIDEND POLICY

We have never paid or declared any cash dividends on our common shares. We currently intend to retain earnings, if any, to finance the growth and development of our business and we do not expect to pay any cash dividends on our common shares in the foreseeable future. Payment of future dividends, if any, will be at the discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements, restrictions contained in current or future financing instruments and other factors our board of directors deems relevant.

CAPITALIZATION

The following table sets forth our cash and cash equivalents, and capitalization as of March 31, 2005:

- Ÿ on an actual basis;
- Ÿ on a pro forma basis to reflect the conversion of all of our outstanding convertible preferred shares into an aggregate of 22,720,543 common shares upon the closing of this offering; and
- Ÿ on a pro forma as adjusted basis to (1) reflect the conversion of all outstanding convertible preferred shares into 22,720,543 common shares upon the closing of this offering and (2) give effect to the issuance and sale of common shares in this offering at an assumed initial public offering price of $ per share, the mid-point of the estimated price range shown on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read the information below in conjunction with our consolidated financial statements and the related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this prospectus.

	As of March 31, 2005		
	Actual	Pro Forma	Pro Forma As Adjusted
	(In thousands, except share and per share data)		
Cash and cash equivalents	$ 24,012	$ 24,012	$
Current portion of long-term debt	$ 883	$ 883	
Long-term debt	13,527	13,527	
Redeemable convertible preferred shares:			
Series A redeemable convertible preferred shares (aggregate liquidation preference $14,080), par value $0.001 per share, 11,000,000 shares authorized, 9,845,849 shares issued and outstanding actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	13,525	—	
Series B redeemable convertible preferred shares (aggregate liquidation preference $52,915), par value $0.001 per share, 13,008,515 shares authorized, 12,874,694 shares issued and outstanding actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	56,617	—	
Shareholders’ equity (deficit):			
Preferred shares, par value $0.001 per share; shares authorized and unissued, pro forma as adjusted	—	—	
Common shares, $0.001 par value per share; 39,289,197 shares authorized, 11,374,393 shares issued and outstanding, actual; 39,289,197 shares authorized, 34,094,936 shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	11	34	
Additional paid-in capital	2,678	72,797	
Deferred stock compensation	—	—	
Accumulated other comprehensive income	878	878	
Accumulated deficit	(41,576)	(41,576)	
Total shareholders’ equity (deficit)	(38,009)	32,133	
Total capitalization	$ 46,543	$ 46,543	$

DILUTION

The net tangible book value of our common shares as of March 31, 2005 was approximately $30.4 million, or $0.89 per common share, after giving effect to the conversion of all outstanding convertible preferred shares upon the closing of this offering. Pro forma net tangible book value per share represents our total tangible assets (total assets less intangible assets) less total liabilities, divided by the number of common shares outstanding after giving effect to the conversion of all outstanding convertible preferred shares.

After giving effect to the issuance and sale of the common shares offered in this offering, at an assumed offering price of $ per share, the mid-point of the estimated price range shown on the cover of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, the as adjusted net tangible book value as of March 31, 2005 would have been $ million, or $ per share. This represents an immediate increase in net tangible book value to existing shareholders of $ per share. The initial public offering price per share will significantly exceed the net tangible book value per share. Accordingly, new investors who purchase common shares in this offering will suffer an immediate dilution of their investment of $ per share. The following table illustrates this per share dilution to the new investors purchasing common shares in this offering:

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of March 31, 2005	$ 0.89	
Increase per share attributable to sale of common shares in this offering		
As adjusted net tangible book value per share after this offering		
Dilution per share to new investors in this offering		$

If the underwriters exercise their option in full, the as adjusted net tangible book value per share after the offering would be $ per share, the increase in net tangible book value per share to existing shareholders would be $ per share and the dilution to new investors purchasing common shares in this offering would be $ per share.

The following table summarizes, on an as adjusted basis as of March 31, 2005, giving effect to the conversion of all outstanding convertible preferred shares into common shares, the differences between the number of common shares purchased from us, the total consideration paid to us and the average price per share paid by existing shareholders and by new investors purchasing common shares in this offering. The calculation below is based on an assumed initial public offering price of $ per share, the mid-point of the estimated price range shown on the cover of this prospectus, before deduction of estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		
	Number	Percent	Amount	Percent	Average Price Per Share
Existing shareholders	34,094,936	%	$68,403,596	%	$ 2.01
New investors					
Total		%	$	%	

The tables above assume no exercise of options to purchase common shares outstanding as of March 31, 2005. At March 31, 2005, there were 3,378,630 common shares issuable upon exercise of outstanding options at a weighted average exercise price of $2.45 per share. In addition, the table above excludes 346,055 common shares reserved for future issuance under our option plan at March 31, 2005. Subsequent to March 31, 2005, an additional 5,000,000 common shares have been reserved for issuance under our option plan and options to acquire an additional 3,487,960 common shares have been issued at a weighted average exercise price of $11.79 per share.

After this offering and assuming all of such outstanding options had been exercised as of March 31, 2005, as adjusted net tangible book value per share as of March 31, 2005 would be $ and total dilution per share to new investors would be $.

If the underwriters exercise their option in full, the number of shares held by new investors will increase to shares, or % of the total number of common shares outstanding after this offering.

SELECTED CONSOLIDATED FINANCIAL DATA

You should read the following selected consolidated historical financial data below in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements, notes thereto and other financial information included in this prospectus. The selected financial data in this section are not intended to replace the financial statements and are qualified in their entirety by the financial statements and notes thereto included in this prospectus.

We derived the selected consolidated financial data for fiscal years ended June 30, 2002, 2003, 2004 and as of June 30, 2003 and 2004 from our consolidated financial statements, which have been audited by Ernst & Young LLP, independent registered public accounting firm, and are included elsewhere in this prospectus. We derived the selected consolidated financial data for the fiscal years ended June 30, 2000 and 2001 and as of June 30, 2000, 2001 and 2002 from our audited consolidated financial statements which are not included in this prospectus. We have derived the selected consolidated financial data for the nine months ended March 31, 2004 and 2005 and as of March 31, 2005 from our unaudited consolidated financial statements, which are included elsewhere in this prospectus. Historical results are not necessarily indicative of future results. See the notes to the financial statements for an explanation of the method used to determine the number of shares used in computing basic and diluted and pro forma basic and diluted net loss/income per common share.

Pro forma basic and diluted net loss/income per common share have been calculated assuming the conversion of all outstanding convertible preferred shares into 22,720,543 common shares.

	Year Ended June 30,					Nine Months Ended March 31,	
	2000	2001	2002	2003	2004	2004	2005
	(In thousands, except share and per share data)						
Consolidated Statements of Operations Data:							
Revenue	$ 2,814	$ 6,120	$ 16,851	$ 35,431	$ 58,784	$ 42,238	$ 64,059
Cost of revenue	1,954	3,774	7,804	15,024	23,837	17,491	25,305
Technology and development expense	960	2,191	2,209	4,897	8,515	6,061	7,956
Marketing and selling expense	898	3,477	5,355	11,901	19,138	14,052	23,513
General and administrative expense	3,532	4,003	1,392	2,485	3,968	2,940	4,126
Loss on contract termination	—	—	—	—	—	—	21,000
Income (loss) from operations	(4,530)	(7,325)	91	1,124	3,326	1,694	(17,841)
Loss on disposal of business	—	(2,281)	—	—	—	—	—
Other income (expenses), net	(240)	(2,434)	19	96	(36)	55	(228)
Income (loss) from operations before income taxes	(4,770)	(12,040)	110	1,220	3,290	1,749	(18,069)
Income tax provision (benefit)	—	—	—	747	(150)	(179)	3
Net income (loss)	$ (4,770)	$ (12,040)	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Net income (loss) attributable to common shareholders:							
Basic	$ (4,770)	$ (12,084)	$ (163)	$ 89	$ 343	$ (19)	$ (21,372)
Diluted	$ (4,770)	$ (12,084)	$ (163)	$ 91	$ 370	$ (19)	$ (21,372)
Basic net income (loss) per share	$ (0.46)	$ (1.14)	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)
Diluted net income (loss) per share	$ (0.46)	$ (1.14)	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)
Shares used in computing basic net income (loss) attributable to common shareholders per share	10,413,592	10,616,099	10,825,388	11,540,457	11,014,842	11,048,145	11,353,249
Shares used in computing diluted net income (loss) attributable to common shareholders per share	10,413,592	10,616,099	10,825,388	12,113,565	12,539,644	11,048,145	11,353,249
Pro forma basic net income (loss) per share					$ 0.12		$ (0.54)
Pro forma diluted net income (loss) per share					$ 0.12		$ (0.54)
Pro forma shares used in computing pro forma basic net income (loss) per share					27,588,488		33,766,277
Pro forma shares used in computing pro forma diluted net income (loss) per share					29,113,291		33,766,277

	Year Ended June 30,					Nine Months Ended March 31,	
	2000	2001	2002	2003	2004	2004	2005
	(In thousands)						
Consolidated Statements of Cash Flows Data:							
Capital expenditures	$ (702)	$ (165)	$ (820)	$ (1,571)	$ (13,374)	$ (12,288)	$ (14,098)
Development of software and website	(558)	(1,150)	(1,178)	(2,570)	(3,523)	(2,981)	(1,450)
Depreciation and amortization	204	836	1,422	2,103	4,209	2,822	4,325
Cash flows from operating activities	(4,006)	(5,292)	2,269	3,993	9,169	6,482	(11,438)
Cash flows from investing activities	(1,297)	(1,314)	(2,197)	(4,478)	(18,081)	(15,269)	(15,548)
Cash flows from financing activities	4,573	8,437	16	406	25,803	25,251	30,708

	As of June 30,					March 31, 2005	Pro Forma March 31, 2005	Pro Forma As Adjusted March 31, 2005
	2000	2001	2002	2003	2004			
	(In thousands)							
Consolidated Balance Sheet Data:								
Cash and cash equivalents	$ 1,690	$ 3,083	$ 3,228	$ 3,149	$ 20,060	$ 24,012	$ 24,012	
Property, plant and equipment, net	729	403	934	1,891	14,333	27,336	27,336	
Working capital	(2,738)	537	(227)	(2,427)	12,620	13,255	13,255	
Total assets	5,947	4,854	6,380	9,610	42,007	60,393	60,393	
Accrued expenses and deferred revenue	937	687	1,093	2,877	6,155	10,359	10,359	
Total long-term obligation, less current portion	142	21	250	125	5,816	13,527	13,527	
Series A redeemable convertible preferred shares	—	11,781	14,181	14,557	13,430	13,525	—	
Series B redeemable convertible preferred shares	—	—	—	—	30,505	56,617	—	
Total shareholders' equity (deficit)	(1,461)	(11,764)	(11,861)	(11,280)	(17,072)	(38,009)	32,133	

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the financial condition and results of our operations should be read in conjunction with the consolidated financial statements and the notes to those statements included elsewhere in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in the section titled "Risk Factors" included elsewhere in this prospectus.

Overview

We are a leading online supplier of high-quality graphic design services and customized printed products to small businesses and consumers worldwide with over 5,000,000 customers in more than 120 countries. We offer a broad spectrum of products ranging from business cards and brochures to invitations and holiday cards. We seek to offer compelling value to our customers through an innovative use of technology, a broad selection of customized printed products, low pricing and personalized customer service. Through our use of proprietary Internet-based graphic design software, 16 localized websites, proprietary order receiving and processing technologies and advanced computer integrated printing facilities, we offer a meaningful economic advantage relative to traditional graphic design and printing methods. We believe that our value proposition has allowed us to successfully penetrate the large, fragmented, geographically dispersed and underserved small business and consumer markets.

We originally commenced operations in France in January 1995. In early 2000, we relocated the majority of our operations into the United States, conducting business through a Delaware corporation. In May 2000, we launched the VistaPrint.com website to target the United States small business market. On April 29, 2002, the Delaware corporation was amalgamated into the newly formed VistaPrint Limited, a Bermuda corporation. Our total revenues for our fiscal year ending June 30, 2004 were $58.8 million and our total revenues for the nine months ended March 31, 2005 were $64.1 million. We have been profitable on an annual basis for our fiscal years ending June 30, 2002, 2003 and 2004 and we incurred a net loss of $18.1 million for the nine month period ended March 31, 2005. This net loss includes a $21.0 million charge due to a contract termination agreement with our North American print supplier, Mod-Pac Corporation, which is more fully described below.

We maintain a registered office in Hamilton, Bermuda and our websites are hosted in secure co-location facilities in Devonshire, Bermuda. We own and operate state of the art printing facilities in Windsor, Ontario, Canada and in Venlo, the Netherlands, and we operate a customer design, sales and service center in Montego Bay, Jamaica. Our technology development, marketing, finance and administrative offices are located in Lexington, Massachusetts, United States.

Revenue. We generate revenues primarily from the printing and shipment of customized printed products. Revenue is recorded net of a reserve for estimated refunds. Customers place orders via our websites and pay primarily using credit cards. In addition, we receive payment for some orders through direct bank debit, wire transfers and other payment methods. We typically receive payment within two business days after a customer places an order. We also generate revenue from order referral fees paid to us by merchants for customer click-throughs and orders that are placed on the merchant websites. Historically, we have generated less than 10% of our revenues from these order referral fees. An increasing portion of our revenues are derived from repeat purchases from our existing customers. This recurring component of our revenue has grown to 57% of revenue for the nine months ended March 31, 2005 as compared to 50% of revenue for the nine months ended March 31, 2004. To understand our revenue trends, we monitor several key metrics including:

- *Website sessions*. A session is measured each time a computer user visits a VistaPrint website from their Internet browser. We measure this data to understand the volume and source of traffic to our websites. Typically, we use various advertising campaigns to increase the number and quality of shoppers entering our websites. The number of website sessions varies from month to month depending on variables such as product campaigns and advertising channels used.
- *Conversion rates*. The conversion rate is the number of customer orders divided by the total number of sessions during a specific period of time. Typically, we strive to increase conversion rates of customers entering our websites in order to increase the number of customer orders generated. Conversion rates have fluctuated in the past and we anticipate that they will fluctuate in the future due to, among other factors, the type of advertising campaigns and marketing channels used.
- *Average order value*. Average order value is total revenue for a given period of time divided by the total number of customer orders recorded during that same period of time. We seek to increase average order value as a means of increasing total revenue. Average order values have fluctuated in the past and we anticipate that they will fluctuate in the future depending upon the type of products promoted during a period and promotional discounts offered. For example, seasonal product offerings, such as holiday cards, can cause changes in average order values.

We believe the analysis of these metrics provides us with important information on customer buying behavior, advertising campaign effectiveness and the resulting impact on overall revenue trends and company profitability. While we continually seek and test ways to increase revenues, we also attempt to increase the number of customer acquisitions and to grow profits. As a result, fluctuations in these metrics are not unusual. Because changes in any one of these metrics may be offset by changes in another metric, no single factor is determinative of our revenue and profitability trends and we assess them together to understand their overall impact on revenue and profitability.

Cost of Revenue. Cost of revenue consists of the purchase price of printed products sold by us, shipping charges, payroll and related expenses for printing personnel, materials, supplies, depreciation of equipment used in the printing process and other miscellaneous related costs.

We believe that the vertical integration of our manufacturing operations is a key strategic differentiator for our business model. In January 2004, we opened our European production facility in Venlo, the Netherlands and in April 2005, we opened a second production facility in Windsor, Ontario, Canada. Prior to February 2004, we purchased all of our printed products from our third party print provider, Mod-Pac Corporation, under a ten year exclusive supply agreement. The supply agreement provided that Mod-Pac would serve as our exclusive print supplier for all orders shipped to North America with pricing based on Mod-Pac's costs plus a fixed percentage markup. The chairman of the board of Mod-Pac is Kevin Keane and the chief executive officer of Mod-Pac is Daniel Keane, the father and brother, respectively, of Robert S. Keane, our chief executive officer. In addition, Kevin Keane owns 493,913 common shares of VistaPrint Limited.

On July 2, 2004, we entered into a termination agreement with Mod-Pac that effectively terminated all then existing supply agreements with Mod-Pac as of August 30, 2004. Pursuant to the termination agreement, we paid Mod-Pac a one-time $22.0 million termination fee. On the same date, we entered into a new supply agreement with Mod-Pac, which became effective August 30, 2004. Under the new supply agreement, Mod-Pac retained the exclusive supply rights for products shipped in North America through August 30, 2005. The cost of printing and fulfillment services in effect prior to the termination agreement reflected Mod-Pac's actual costs plus 33%. The cost of these services

under the new supply agreement is based on a fixed price per product. This fixed pricing methodology has effectively reduced the price we pay per product to costs of production plus 25%**.** We further amended the new supply agreement in April 2005 to permit us to manufacture products destined for North American customers in exchange for the payment of a fee to Mod-Pac for each unit shipped. The new supply agreement expires on August 30, 2005; however, we and Mod-Pac have agreed to fixed prices on any purchase orders that we may place with Mod-Pac during the period from August 31, 2005 to August 30, 2006. We have no minimum purchase commitments during this period.

In September 2004, we began construction of our new printing facility in Windsor, Ontario, Canada. In May 2005, this printing facility began printing and shipping products to North American customers. We anticipate that we will increase the volume of orders being produced at our Canadian facility in each subsequent month while the volume of orders produced at Mod-Pac will decrease. We intend to produce a majority of our North American orders at the Canadian facility by December 2005.

In February 2004, our facility in Venlo, the Netherlands began printing products for markets outside of North America. By September 2004, the facility was printing substantially all products shipped to markets outside of North America.

Technology and development expense. Technology and development expense consists primarily of payroll and related expenses for software development, amortization of capitalized software and website development costs, information technology operations, website hosting, equipment depreciation, patent amortization and miscellaneous infrastructure-related costs. These expenses also include amortization of purchase costs related to content images used in our graphic design software. Costs associated with the development of software for internal-use are capitalized if the software is expected to have a useful life beyond one year and amortized over the software's useful life, which is estimated to be two years. Costs associated with preliminary stage software development, repair, maintenance or the development of website content are expensed as incurred. Costs associated with the acquisition of content images used in our graphic design process that have useful lives greater than one year, such as digital images and artwork, are capitalized and amortized over their useful lives, which approximate two years.

Marketing and selling expense. Marketing and selling expense consists of advertising and promotional costs as well as wages and related payroll benefits for our employees engaged in sales, marketing and public relations activities. Advertising costs consist of various online and print media, such as the purchase of key word search terms, e-mail and direct mail promotions and various strategic alliances. Our advertising efforts target the acquisition of new customers and repeat orders from existing customers. Advertising costs are generally expensed as incurred. Marketing and selling expense also includes the salaries and related payroll benefits, overhead, and outside services related to our customer design sales and services support center operations. This customer support center provides phone support to customers on various topics such as order status, the use of our website graphic design studio, and free real-time design assistance. Marketing and selling expense also includes third party payment processor and credit card fees.

General and administrative expense. General and administrative expense consists of general corporate costs, including salary and related payroll benefit expenses of employees involved in finance, accounting, human resources and general executive management. We expect that after this offering, we will incur additional legal and accounting costs in order to comply with regulatory reporting requirements, as well as additional costs associated with being a public company, such as investor relations and higher insurance premiums.

Loss on contract termination. On July 2, 2004, we signed a termination agreement with Mod-Pac that effectively terminated all then existing supply agreements as of August 30, 2004. Pursuant to

the termination agreement, we paid Mod-Pac a one-time $22.0 million termination fee. On the same date, we entered into a new supply agreement with Mod-Pac, which became operative August 30, 2004. Under the new supply agreement, Mod-Pac retained exclusive supply rights for products shipped in North America through August 30, 2005 as described above. As a result of the termination agreement and the payment we made to Mod-Pac, we recorded a loss from the termination of the existing supply agreements of $21.0 million. We deferred $1.0 million of the total termination fee of $22.0 million, representing the effective reduction of the mark-up on costs of purchased products from 33% to 25% estimated to be purchased over the contract period. This deferred amount was recorded as a prepaid asset on our consolidated balance sheet and is being amortized over the twelve month term of the new supply agreement.

Other income (expenses), net. Other income (expenses), net primarily consists of interest income earned on cash balances, gains and losses from foreign currency transactions, and interest expense on outstanding balances on our credit facility and other debt obligations.

Income taxes. VistaPrint Limited is a Bermuda based company. Bermuda does not currently impose any tax computed on profits or income, which results in a zero tax liability for our profits recorded in Bermuda. VistaPrint Limited has operating subsidiaries in the Netherlands, Canada, Jamaica and the United States. VistaPrint Limited has entered into service and related agreements, which we also refer to as transfer pricing agreements, with each of these operating subsidiaries. These agreements effectively result in VistaPrint Limited paying each of these subsidiaries for its costs plus a fixed mark-up on these costs. The Jamaican subsidiary is located in a tax free zone, so its tax rate is zero. The Netherlands, Canadian and United States subsidiaries are each located in jurisdictions that tax profits and, accordingly, regardless of our consolidated results of operations, these subsidiaries will each pay taxes in its respective jurisdiction.

In the case of the transfer price agreement between VistaPrint Limited and its subsidiary in the Netherlands, we obtained an advanced tax ruling from the Dutch tax authority which expressly approved the transfer price methodology and pricing that will be in effect until January 2010. We believe that our transfer pricing is in accordance with applicable statutory regulations in other jurisdictions. However, transfer pricing regulations are complex and determining appropriate transfer pricing policies depends upon various estimates and assumptions as to the fair value of various intercompany transactions. If our transfer pricing were to be successfully challenged, we could be required to reallocate our income and to record a higher income tax expense and liability.

At June 30, 2004, our United States subsidiary had United States federal net operating loss carryforwards of approximately $3.5 million that expire on dates up to and through the year 2021. This subsidiary also has state net operating loss carryforwards of approximately $3.5 million that will expire in 2005. Our United States subsidiary generated these net operating losses prior to the execution of the transfer pricing agreement between VistaPrint Limited and the United States subsidiary. Our ability to utilize these operating loss carryfowards to reduce taxable income in future periods may be affected by various United States Internal Revenue Code regulations.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. To apply these principles, we must make estimates that affect our reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. In many instances, we reasonably could have used different accounting estimates and, in other instances, changes in the accounting estimates are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from our estimates. To the extent that there are material differences between these estimates and actual results, our financial condition or results of operations will be affected. We base our estimates on historical experience and other assumptions that

we believe to be reasonable under the circumstances, and we evaluate these estimates on an ongoing basis. We refer to accounting estimates of this type as critical accounting policies and estimates, which are discussed further below.

Revenue Recognition. We generate revenues primarily from the printing and shipping of customized printed products, such as business cards, postcards, brochures, magnets, presentation folders and folded greeting cards. We recognize revenue arising from sales of printed goods when it is realized or realizable and earned. We consider revenue realized or realizable and earned when there is persuasive evidence of an arrangement, the product has been shipped and title and risk of loss transfers to the customer, the sales price is fixed or determinable and collection is reasonably assured. We also generate revenue from order referral fees paid to us by merchants for customer click-throughs to merchant websites. Revenue generated from order referrals is recognized in the period that the click-through impression is delivered provided that there is persuasive evidence of an arrangement, the fee is fixed or determinable, we have no significant remaining obligations and collection is reasonably assured. Shipping, handling and processing costs billed to customers are included in revenue and the related costs are included in cost of revenue. A reserve for sales returns and allowances is recorded based on historical experience or specific identification of an event necessitating a reserve.

Inventories. Our inventories consist primarily of raw materials, and are stated at the lower of first-in, first-out cost or market. Raw materials consist of various types of paper stock, printing plates and packing boxes. Management believes that these materials are commodity products that are not susceptible to obsolescence. In addition, the company manages its supply chain to maintain a just-in-time inventory process to minimize the levels of inventory on hand.

Software and Website Development Costs. We capitalize eligible costs associated with software developed or obtained for internal use in accordance with AICPA Statement of Position 98-1, “Accounting for the Costs of Computer Software Developed or Obtained for Internal Use,” and EITF 00-2, “Accounting for Website Development Costs.” We capitalize the payroll and payroll-related costs of employees who devote time to the development of internal-use computer software. We amortize these costs on a straight-line basis over the estimated two year useful life of the software. Our judgment is required in determining the point at which various projects enter the stages at which costs may be capitalized, in assessing the ongoing value and impairment of the capitalized costs, and in determining the estimated useful lives over which the costs are amortized.

Income Taxes. We make estimates and judgments in determining our income tax expense, and in the calculation of our tax assets and liabilities. Our corporate tax rate is a combination of the tax rates of the jurisdictions where we conduct business. VistaPrint Limited is a Bermuda based company. Bermuda does not currently impose any tax computed on profits or income. We have entered into and operate pursuant to transfer pricing agreements that establish the transfer prices for transactions between VistaPrint Limited and our subsidiaries in the United States, Canada, the Netherlands and Jamaica. The determination of appropriate transfer prices requires us to apply judgment. We believe that our transfer pricing is in accordance with applicable statutory regulations.

We recognize deferred tax assets and liabilities based on the differences between the financial statement carrying values and the tax bases of assets and liabilities. We regularly review our deferred tax assets for recoverability and estimate a valuation allowance based on historical taxable income, projected future taxable income and the expected timing of the reversals of existing temporary differences. Our judgment is required to determine whether an increase or decrease of the valuation allowance is warranted. We will increase the valuation allowance if we operate at a loss or are unable to generate sufficient future taxable income, or if there is a material change in the actual effective tax rates or time period within which the underlying temporary differences become taxable or deductible.

We will decrease the valuation allowance if our future taxable income is significantly higher than expected or we are able to utilize our tax credits. Any changes in the valuation allowance could affect our tax expense, financial position and results of operations.

Share-based compensation. In accounting for share options issued to our employees, we have elected to follow the intrinsic value-based method prescribed by Accounting Principles Board Opinion 25, " Accounting for Stock Issued to Employees," or APB 25, and related interpretations. As a result, we record compensation expense for stock options granted to our employees based on the difference between the exercise price of the share option and the fair market value of the underlying shares on the date of grant, provided that the number of shares eligible for issuance under the options and the vesting period are fixed.

We historically have granted share options at exercise prices that equaled or exceeded the then current fair value of our common shares as estimated by our board of directors as of the date of grant. Because there has been no public market for our common shares, the board has determined the fair value of our common shares by considering a number of factors, including our sale of preferred shares to third parties, sales of our preferred and common shares by our shareholders to third parties, our operating and financial performance, periodic valuation reports prepared by management, the lack of liquidity in our common shares and trends in the broad market for e-commerce and other similarly situated technology stocks. Periodic valuation reports prepared by management to determine the fair value of our common shares underlying options are performed through a comparison of price multiples of our historical and forecasted earnings to certain public companies involved in similar lines of business or markets. The market capitalization of these companies has fluctuated regularly over the last twelve months, and the resulting valuations are inherently uncertain and highly subjective. We have reviewed the methodologies utilized in making these determinations in light of the AICPA's Practice Aid *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*, which we refer to as the practice aid, and we believe that the valuation methodologies we have employed are consistent with the practice aid.

We granted share options on a monthly basis during the fiscal year ending June 30, 2004 and during the nine months ended March 31, 2005. We determined fair market value of our common shares during this period based primarily on sales of shares by our shareholders to third parties, our sale of series B preferred shares to third parties and periodic valuation reports prepared by management.

The following table shows share options granted to employees:

Period	Shares Subject to Options Granted	Weighted Average Exercise Price
Quarter Ended June 30, 2004	63,800	$ 4.11
Quarter Ended September 30, 2004	154,350	4.11
Quarter Ended December 31, 2004	140,200	4.11
Quarter Ended March 31, 2005	220,911	4.14
Two Months Ended May 31, 2005	3,487,960	11.79

In August 2003, we issued 7,339,415 shares of series B preferred shares to a group of new, independent investors at a price per share of $4.11. We also repurchased from a shareholder, in connection with the settlement of a dispute with that shareholder, 25,000 of our common shares at a price per share of $4.00. The board determined, based primarily on these transactions, to grant options for our common shares at a price per share of $4.11.

From August 2003 through December 2004, the board maintained the $4.11 price per share based upon more than ten separate arms length transactions in our shares between shareholders and third parties or between VistaPrint Limited and third parties that occurred during this period. The board considered these transactions as a means of assessing the fair market value of our common shares when fixing the exercise price for options granted during this period.

During January through March 2005, the board continued to assess the fair value of the common shares. In addition, during this period, management prepared periodic valuations of the common shares and met with investment bankers regarding a potential public offering. In late March 2005, based upon a number of factors, including management's periodic valuations, our operating and financial performance, the increasing potentiality that we may pursue a public offering, the recent sales of our preferred and common shares by shareholders to third parties, and valuations of the common shares received from investment bankers, the lack of liquidity in our common shares and trends in the broad market for e-commerce and other similarly situated technology stocks, the board determined that the fair value of the common shares had increased from $4.11 per share to a range between $5.00 and $7.00 per share. Accordingly, the board concluded that the exercise price for share options would be at least $7.00 per share.

During late March and early April 2005, we granted options to purchase an aggregate of 354,200 shares that have an exercise price of $7.00 per share. During April 2005, discussions continued with investment bankers regarding a potential public offering of our common shares and management and the board continued to assess the value of the common shares based upon a number of factors, including the operating and financial performance of the company, values of comparable public companies, the likelihood of a public offering, periodic valuation reports prepared by management and valuations received from various investment banks.

In April 2005, based upon our internal valuation of the company and the valuations received from investment bankers, we requested that the holders of our series B preferred shares agree to amend the terms of the series B preferred shares. At that time, the terms of the series B preferred shares provided that the series B preferred shares would mandatorily convert to common shares in a public offering that resulted in at least $35 million of gross proceeds to us at a price per share of at least $12.33. We requested that the series B holders agree to reduce this $12.33 per share trigger price to $8.00 per share and to amend the conversion feature of the series B preferred shares. The holders of series B preferred shares agreed to the amendment and our bye-laws were subsequently amended to reflect this reduction.

In May 2005, we granted options to purchase an aggregate of 3,135,760 common shares to members of management and approximately 140 other employees. In light of the amendment to the terms of the series B preferred shares discussed above, the board determined that it was appropriate to grant these options at an exercise price equal to $12.33 per share, even though that price was significantly higher than any of the fair value assessments made by the board, management or the investment banks with whom we had had discussions, including those banks that were not selected as the underwriters for this offering.

The determination of the fair value of our common shares involves significant judgments, assumptions, estimates and complexities, but has primarily been based upon third party transactions in our shares. Actual share option prices have generally equaled or exceeded these third party transactions and have generally exceeded valuation assessments made utilizing other methods, in particular the assessment of the market value of comparable companies. We believe that we have used reasonable methodologies, approaches and assumptions consistent with the practice aid to determine the fair value of our common shares. For this reason, we have determined that all of share options have been granted at price per share equal to or in excess of the fair value of our common shares at the time of grant.

Recent Accounting Pronouncements

In November 2004, the Financial Accounting Standards Board, or FASB, issued FAS No. 151, “Inventory Costs, an Amendment of ARB No. 43, Chapter 4.” This statement amends Accounting Research Bulletin No. 43, Chapter 4, to clarify that abnormal amounts of idle facility, freight, handling costs and wasted materials (spoilage) should be recognized as current period charges. In addition, this statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. This statement is effective for inventory costs incurred during fiscal years beginning after June 15, 2005. Earlier application is permitted for inventory costs incurred during fiscal years beginning after November 23, 2004. The provisions of Statement No. 151 should be applied prospectively. The adoption of FAS No. 151 is not expected to have a material impact on our financial position or results of operations.

In December 2004, the FASB issued SFAS 123(R), Share Based Payment. SFAS 123(R) addresses all forms of share-based payment awards, including shares issued under employee stock purchase plans, stock options, restricted stock and stock appreciation rights. SFAS 123(R) will require us to expense share-based payment awards with compensation cost for share-based payment transactions measured at fair value. SFAS 123(R) requires us to adopt the new accounting provisions beginning in the first quarter of fiscal 2006. We continue to evaluate the effect that the adoption of SFAS 123(R) will have on our financial position and results of operations. We currently expect that our adoption of SFAS 123(R) will adversely affect our operating results to some extent in future periods.

Results of Operations

The following table presents our historical operating results for the periods indicated as a percentage of sales:

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
As a percentage of revenue:					
Revenue	100%	100%	100%	100%	100%
Cost of revenue	46%	42%	41%	41%	40%
Technology and development expense	13%	14%	14%	14%	12%
Marketing and selling expense	32%	34%	33%	33%	37%
General and administrative expense	8%	7%	7%	7%	6%
Loss on contract termination	0%	0%	0%	0%	33%
Income (loss) from operations	1%	3%	5%	5%	(28)%
Other income (expense), net	0%	0%	0%	0%	0%
Income (loss) from operations before income taxes	1%	3%	5%	5%	(28)%
Income tax provision	0%	2%	0%	0%	0%
Net income (loss)	1%	1%	5%	5%	(28)%

Nine Months Ended March 31, 2004 and 2005

In thousands

	Nine Months Ended March 31,		
	2004	2005	% Change
Revenue	$42,238	$64,059	52%
Cost of revenue	$17,491	$25,305	45%
% of revenue	*41%*	*40%*	

The $21.8 million, or 52%, increase in revenue from the nine months ended March 31, 2005 compared to the nine months ended March 31, 2004 resulted primarily from increases in website sales of our products. The overall growth during this timeframe was driven by increases in website sessions and the average order value of shipments offset by a decrease in conversion rates. During this period, our website sessions grew by 40%, average order value grew by 11% to $29 and conversion rates decreased from 4.9% to 4.7%. As our total customer base has grown, we also have seen significant growth of purchases from existing customers. Revenues from repeat customers increased from 50% of revenues for the nine months ended March 31, 2004 to 57% of revenues for the nine months ended March 31, 2005. Revenue from our non-United States websites accounted for 22% of total revenues during the nine months ended March 31, 2004 compared to 28% for the same period in 2005.

Cost of revenue for the nine months ended March 31, 2005 increased by 45% over the same period during 2004. This increase was driven by the increased volume in shipments of printed products during this period. The decrease in the cost of revenue as a percentage of total revenue is the result of improved labor and overhead cost efficiencies at our Dutch printing facility. Our Dutch printing facility began producing and shipping products for the European and Asian markets in February 2004. Since that time, the revenue volume produced at the facility has increased, which has increased labor and facility overhead cost absorption, resulting in lower cost of revenue as a percentage of revenue. During

the nine month periods ended March 31, 2004 and March 31, 2005, all of our North American shipments were printed by Mod-Pac. Under the arrangements in place with Mod-Pac during this period, cost of revenue for products produced by Mod-Pac and shipped to North American customers exceeded the cost of revenue for products produced at our Dutch facility and shipped to non-North American customers.

In thousands

	Nine Months Ended March 31,		
	2004	2005	% Change
Technology and development expense	$ 6,061	$ 7,956	31%
% of revenue	*14%*	*12%*	
Marketing and selling expense	$14,052	$23,513	67%
% of revenue	*33%*	*37%*	
General and administrative expense	$ 2,940	$ 4,126	40%
% of revenue	*7%*	*6%*	
Loss on contract termination	$ —	$21,000	
% of revenue	*0%*	*33%*	

The increase in our technology and development expenses for the nine months ended March 31, 2005 of $1.9 million over the same period in the prior year was primarily due to increased website infrastructure and hosting costs of approximately $0.2 million, as well as a decrease of approximately $1.5 million in the amount of internal-use software development costs capitalized.

The increase in our marketing and selling expenses of $9.5 million for the nine months ended March 31, 2005 as compared to the same period in the prior year was driven by increased advertising costs of $4.2 million related to new customer acquisition and promotions targeted at our existing customer base, which drove increased website sales as discussed above. We also made significant investments in our marketing organization and our design sales and services support center, which resulted in an increase in payroll related costs of $3.4 million in the nine months ended March 31, 2005, as compared to the nine months ended March 31, 2004. At March 31, 2005, we employed 255 employees in these organizations compared to 122 employees at March 31, 2004. The remaining increase in marketing and selling expenses is primarily infrastructure costs associated with the expansion of the design sales and customer support center.

The increase in our general and administrative expenses of $1.2 million for the nine months ended March 31, 2005 as compared to the same period in the prior year was primarily due to increases in payroll related costs resulting from the growth of our finance and human resource organizations and third party professional fees.

On July 2, 2004, we signed a termination agreement with Mod-Pac Corporation, our North American print supply vendor that effectively terminated all existing supply agreements as of August 30, 2004. Under the termination agreement, we paid Mod-Pac a one-time $22.0 million termination fee. On the same date, we entered into a new supply agreement with Mod-Pac. As a result of the termination agreement and the payment made to Mod-Pac, we recorded a loss from the termination of the existing supply agreements of $21.0 million. We deferred $1.0 million of the total termination fee of $22.0 million representing the effective reduction of the mark-up on costs of purchased products reflected in the new supply agreement estimated to be purchased over the

contract period. This deferred amount was recorded as a deferred cost within prepaid and other current assets on our consolidated balance sheet and is being amortized over the twelve month term of the new supply agreement.

Other income (expenses), net

Other income (expenses), net changed by $283,000 to $228,000 of net expense for the nine months ended March 31, 2005 as compared to income of $55,000 for the nine months ended March 31, 2004. The increase in expense was primarily due to losses on foreign currency transactions and increased interest expense related to our bank loan obligations that were used to partially finance our Dutch and Canadian production facilities.

Income tax provision (benefit)

In thousands

	Nine Months Ended March 31,	
	2004	2005
Income taxes:		
Income tax provision (benefit)	$ (179)	$ 3
Effective tax rate	*(10)%*	*0%*

For the nine months ended March 31, 2005, our tax expense primarily consisted of tax provisions for our subsidiaries in the United States and the Netherlands offset by a reduction of $496,000 of the deferred tax asset valuation allowance related primarily to net operating losses in the United States. The taxable income for both the United States and the Netherlands entities is a function of their level of costs incurred and charged to VistaPrint Limited under service agreements. Based upon our regular review of the recoverability of our deferred tax assets, our historical taxable income, and projected future taxable income, we concluded that it was more likely than not that we would realize a portion of the United States deferred tax benefit and therefore we reversed a portion of the valuation allowance that had been previously established. The effective tax rate of 0% in the nine months ended March 31, 2005 is a result of a consolidated pre-tax loss of $18.1 million realized primarily due to the $21.0 million loss on the contract termination recorded by VistaPrint Limited which, as a Bermuda corporation, has no tax imposed on its profits or income. Due to the lack of taxes imposed on profits or income in Bermuda, no tax benefit was generated. We expect that the effective tax rate will increase in the near future as we plan to increase our investments in jurisdictions with higher statutory tax rates, such as the United States, Canada and the Netherlands. In the nine months ended March 31, 2004, we reduced our deferred tax asset valuation allowance of $527,000 related to net operating losses in the United States which created a net income tax benefit for the period.

Net income (loss)

Our net loss for the nine months ended March 31, 2005 was $18.1 million. Included in this loss is the $21.0 million charge relating to the termination of our existing supply agreements with Mod-Pac. Net income for the nine months ended March 31, 2004 was $1.9 million and accounted for 4.6% of total revenue.

Years Ended June 30, 2002, 2003 and 2004

In thousands

	Year Ended June 30,				
	2002	2003	2004	2002-2003 % Change	2003-2004 % Change
Revenue	$16,851	$35,431	$58,784	110%	66%
Cost of revenue	$ 7,804	$15,024	$23,837	93%	59%
% of revenue	*46%*	*42%*	*41%*		

The $18.6 million, or 110%, increase in revenue from fiscal 2002 to fiscal 2003 resulted primarily from increases in website sales of our printed products. The overall growth during this period was driven by increases in website sessions and the average order value of shipments. During this period our website sessions grew by 58% and our average order value grew by 45% to approximately $20. Conversion rates decreased from 6.1% in fiscal 2002 to 5.7% in fiscal 2003 as we expanded into new, non-United States markets and opened new marketing channels. Revenues from repeat customers increased from 29% in fiscal 2002 to 42% in fiscal 2003. Revenue from our non-United States websites grew significantly during fiscal 2003, accounting for 14% of total revenue as compared to 5% during fiscal 2002.

The $23.4 million, or 66%, increase in revenue from fiscal 2003 to fiscal 2004 was also primarily attributable to increases in website sales of our printed products. The overall growth during this period was driven by increases in website sessions and the average order value of shipments. From fiscal 2003 to fiscal 2004, our website sessions grew by 53% and our average order value grew by 30% to approximately $26. During fiscal 2004, we experienced a decline in the conversion rates resulting in orders decreasing to approximately 4.7% from 5.7% in fiscal 2003, primarily due to expansion of new non-United States websites that had lower conversion rates. Revenues from repeat customers increased from 42% in fiscal 2003 to 51% in fiscal 2004. Revenue from our non-United States websites grew significantly during fiscal 2004, accounting for 23% of total revenue as compared to 14% of total revenue during fiscal 2003.

While revenues grew 110% in fiscal 2003, cost of revenues for the same period increased by 93% over fiscal 2002. This increase was the result of increased volume in shipments of printed products during this period. The decrease in the cost of revenue as a percentage of revenue was principally due to improved labor and overhead cost efficiencies due to increased order volumes at Mod-Pac. During both fiscal 2002 and 2003, all of our printing production was fulfilled by Mod-Pac under an exclusive supply agreement.

While revenues grew 66% in fiscal 2004, cost of revenues for the same period increased by 59% over fiscal 2003. This increase was driven by the increased volume in shipments of printed products during this period. The decrease in the cost of revenue as a percentage of revenue is the result of increased revenue that resulted in improved labor and overhead cost efficiencies at Mod-Pac. These savings were partially offset by increased costs incurred in connection with the opening of our Dutch printing facility in January 2004. This had an adverse impact on the cost of revenue as a percentage of revenue due to increased overhead and labor costs during the transition of orders outside of North America to the new facility.

In thousands

	Year Ended June 30,			2002-2003 % Change	2003-2004 % Change
	2002	2003	2004		
Technology and development expense	$2,209	$ 4,897	$ 8,515	122%	74%
% of revenue	*13%*	*14%*	*14%*		
Marketing and selling expense	$5,355	$11,901	$19,138	122%	61%
% of revenue	*32%*	*34%*	*33%*		
General and administrative expense	$1,392	$ 2,485	$ 3,968	79%	60%
% of revenue	*8%*	*7%*	*7%*		

The increase in our technology and development expenses for fiscal 2003 of $2.7 million as compared to fiscal 2002 was primarily due to increased payroll and benefit costs of $2.3 million associated with employee hiring in our technology development and infrastructure support organizations. During fiscal 2003, we added 37 employees in these organizations primarily focused on software development of our website and the back-end support systems. In addition, during this period we continued to invest in our website infrastructure, which resulted in increased depreciation and hosting services expenses of $0.4 million.

The increase in our technology and development expenses for fiscal 2004 of $3.6 million as compared to fiscal 2003 was primarily due to increased payroll and benefit costs of $3.0 million associated with employee hiring in our technology development and infrastructure support organizations that occurred in the final quarter of fiscal 2003. In addition, to support our continued revenue growth during this period, we continued to invest in our website infrastructure which resulted in increased depreciation and hosting service expense of $0.4 million. The remaining increase in expense for fiscal 2004 was primarily the result of increased amortization of capitalized internal-use software development costs.

The increase in our marketing and selling expenses of $6.5 million for fiscal 2003 as compared to fiscal 2002 was driven by an increase of $4.8 million in advertising costs related to new customer acquisition and costs of promotions targeted at our existing customer base that drove increased website sales. Payment processing fees paid to third-parties increased by $0.3 million during this period due to increased order volumes. The remaining increase in marketing and selling was primarily due to increased payroll and benefits related costs as we expanded our marketing organization through investments in infrastructure worldwide and hiring new personnel. During this period we more than doubled the number of employees in this function from 8 to 23.

The increase in our marketing and selling expenses of $7.2 million for fiscal 2004 as compared to fiscal 2003 was driven by an increase of $3.8 million in advertising costs related to new customer acquisition and costs of promotions targeted at our existing customer base. During fiscal 2004, we also made significant investments in our marketing organization and our customer design, sales and service center which resulted in increased payroll and benefits related costs of $2.0 million. During this period, we expanded our customer design, sales and services center in Jamaica by 114 employees, ending fiscal 2004 with 127 employees at this center. Payment processing fees paid to third-parties increased by $0.5 million during this period due to increased order volumes.

The increase in our general and administrative expenses of $1.1 million for fiscal 2003 as compared to fiscal 2002 was primarily due to increases in payroll related costs resulting from the growth of our finance and human resource organizations as well as increased professional service fees related to the establishment of our subsidiaries in the Netherlands and Jamaica.

The increase in our general and administrative expenses of $1.5 million for fiscal 2004 as compared to fiscal 2003 was primarily due to increases in payroll related costs resulting from the growth of our finance and human resource organizations as well as increased professional legal fees related to the filing of patent applications in the United States and Europe.

Other income (expenses), net

Other income (expenses), net changed by $77,000 to $96,000 of income for fiscal 2003 as compared to income of $19,000 for fiscal 2002. The increase in income was primarily due to decreased interest expense in fiscal 2003.

Other income (expenses), net changed by $132,000 to $36,000 of expense for fiscal 2004 as compared to income of $96,000 for fiscal 2003. The increase in expense was primarily due to losses on foreign currency transactions. Interest expense also increased during this time due to the establishment of a bank loan used to partially finance the construction of our Dutch printing facility, though this increase was offset by interest income on cash balances.

Income tax provision (benefit)

In thousands

	Year Ended June 30,		
	2002	2003	2004
Income taxes:			
Income tax provision (benefit)	$ —	$747	$(150)
Effective tax rate	*0%*	*61%*	*(5)%*

For fiscal 2003, our tax expense primarily consisted of a tax provision for our United States subsidiary. This subsidiary's taxable income is a function of its level of costs incurred and charged to VistaPrint Limited under various service agreements. The overall effective tax rate of 61% is a result of increased costs incurred in the United States which effectively increased the taxable income and tax expense due in the United States. This tax liability is incurred regardless of whether the consolidated group is profitable, as the United States taxable income of the United States subsidiary is a function of costs rather than profits generated from sales to customers. During fiscal 2003, VistaPrint Limited, which has a statutory tax rate of zero, generated operating losses that did not result in any tax benefit.

The decrease in tax expense in fiscal 2004 was primarily due to the recognition of a deferred tax asset of $527,000 related to net operating losses in the United States that created a net income tax benefit for fiscal 2004. Based upon our regular review of the recoverability of our deferred tax assets, our historical taxable income, and projected future taxable income, we concluded that it was more likely than not that we would realize a portion of the United States deferred tax benefit and we therefore reversed a portion of the valuation allowance that had been previously established.

Net income

Net income for fiscal 2002 was $0.1 million and accounted for 0.7% of revenue as compared to net income for fiscal 2003 of $0.5 million, which accounted for 1.3% of revenue. Net income for fiscal 2004 was $3.4 million, or 5.9% of revenue.

Quarterly Results of Operations Data

The following table sets forth our unaudited quarterly consolidated statement of operations data and our unaudited statement of operations data as a percentage of revenue for each of the eleven quarters in the period ended March 31, 2005. In management's opinion, the data has been prepared on the same basis as the audited consolidated financial statements included in this prospectus, and reflects all necessary adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of this data. The results of historical periods are not necessarily indicative of the results of operations for a full year or any future period.

	For the Three Months Ended,										
	Sept 30, 2002	Dec 31, 2002	March 31, 2003	June 30, 2003	Sept 30, 2003	Dec 31, 2003	March 31, 2004	June 30, 2004	Sept 30, 2004	Dec 31, 2004	March 31, 2005
	(In thousands, except per share data)										
Consolidated Statement of Operations Data:											
Revenue	$ 7,046	$ 7,792	$ 9,635	$ 10,958	$ 12,433	$ 13,644	$ 16,161	$ 16,546	$ 17,861	$ 21,124	$ 25,074
Cost of revenue	2,755	3,185	4,035	5,049	5,076	5,707	6,708	6,346	6,820	8,407	10,078
Technology and development expense	903	1,121	1,220	1,653	1,840	1,938	2,282	2,455	2,504	2,618	2,834
Marketing and selling expense	2,117	2,491	3,445	3,848	4,578	4,473	5,001	5,086	6,551	8,319	8,643
General and administrative expense	548	433	632	872	916	944	1,080	1,028	1,219	1,403	1,504
Loss on contract termination	—	—	—	—	—	—	—	—	21,000	—	—
Income (loss) from operations	723	562	303	(464)	23	582	1,090	1,631	(20,233)	377	2,015
Other income (expenses), net	1	29	23	43	41	29	(15)	(91)	(47)	(121)	(60)
Income (loss) from operations before income taxes	724	591	326	(421)	64	611	1,075	1,540	(20,280)	256	1,955
Income tax provision (benefit)	204	148	88	307	(181)	143	(140)	28	131	152	(280)
Net income (loss)	$ 520	$ 443	$ 238	$ (728)	$ 245	$ 468	$ 1,215	$ 1,512	$ (20,411)	$ 104	$ 2,235
Net income (loss) attributable to common shareholders											
Basic	$ 224	$ 190	$ 85	$ (803)	$ (433)	$ (167)	$ 224	$ 341	$ (21,511)	$ (996)	$ 378
Diluted	$ 225	$ 191	$ 88	$ (803)	$ (433)	$ (167)	$ 242	$ 368	$ (21,511)	$ (996)	$ 423
Net income (loss) attributable to common shareholders per share											
Basic	$ 0.02	$ 0.02	$ 0.01	$ (0.07)	$ (0.04)	$ (0.02)	$ 0.02	$ 0.03	$ (1.90)	$ (0.09)	$ 0.03
Diluted	$ 0.02	$ 0.02	$ 0.01	$ (0.07)	$ (0.04)	$ (0.02)	$ 0.02	$ 0.03	$ (1.90)	$ (0.09)	$ 0.03

	For the Three Months Ended,										
	Sept 30, 2002	Dec 31, 2002	March 31, 2003	June 30, 2003	Sept 30, 2003	Dec 31, 2003	March 31, 2004	June 30, 2004	Sept 30, 2004	Dec 31, 2004	March 31, 2005
Consolidated Statement of Operations Data:											
As a percentage of revenue:											
Revenue	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Cost of revenue	39%	41%	42%	46%	41%	42%	42%	38%	38%	40%	40%
Technology and development expense	13%	14%	13%	15%	15%	14%	14%	15%	14%	12%	11%
Marketing and selling expense	30%	32%	36%	35%	37%	33%	31%	31%	37%	39%	34%
General and administrative expense	8%	6%	7%	8%	7%	7%	7%	6%	7%	7%	6%
Loss on contract termination	0%	0%	0%	0%	0%	0%	0%	0%	118%	0%	0%
Income (loss) from operations	10%	7%	2%	(4)%	0%	4%	6%	10%	(114)%	2%	9%
Other income (expenses), net	0%	0%	0%	0%	0%	0%	0%	(1)%	0%	(1)%	0%
Income (loss) from operations before income taxes	10%	7%	2%	(4)%	0%	4%	6%	9%	(114)%	1%	9%
Income tax provision (benefit)	3%	2%	1%	3%	(1)%	1%	(1)%	0%	1%	1%	(1)%
Net income (loss)	7%	5%	1%	(7)%	1%	3%	7%	9%	(115)%	0%	10%

Our quarterly results of operations have varied significantly in the past and we expect our quarterly operating results to vary in the future depending on our revenue growth rates and the timing of continued investments in our marketing efforts, technology development and operating infrastructure. Our results for the quarter ended September 30, 2004 were significantly affected by the costs related to the termination agreement with Mod-Pac, that included a one-time $22.0 million termination fee that we paid Mod-Pac. As a result of the termination agreement, we recorded a loss from the termination of the existing supply agreements of $21.0 million during the quarter ended September 30, 2004. We deferred $1.0 million of the total termination fee of $22.0 million representing the effective reduction of the mark-up on costs of purchased products estimated to be purchased over the contract period of the new supply agreement. This deferred amount was recorded as a deferred cost within prepaid and other current assets on our consolidated balance sheet and is being amortized over the twelve month term of the new supply agreement.

During fiscal 2005 and continuing into fiscal 2006, we expect to continue to invest in our new North American printing facility in Windsor, Ontario, Canada. During this time we will be transitioning North American product orders from Mod-Pac to our new Canadian printing facility. Throughout this transition period, we will incur duplicate costs for labor and overhead, resulting in increased cost of revenue as a percentage of revenue. Once we have completed the transition, we anticipate that the cost of revenue as a percentage of revenue will decrease in future quarters. We intend to produce a majority of our North American orders at our Canadian facility by December 2005.

Liquidity and Capital Resources

Consolidated Statements of Cash Flows Data:

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
			(In thousands)		
Capital expenditures	$ (820)	$(1,571)	$(13,374)	$(12,288)	$(14,098)
Development of software and website	(1,178)	(2,570)	(3,523)	(2,981)	(1,450)
Depreciation and amortization	1,422	2,103	4,209	2,822	4,325
Cash flows from operating activities	2,269	3,993	9,169	6,482	(11,438)
Cash flows from investing activities	(2,197)	(4,478)	(18,081)	(15,269)	(15,548)
Cash flows from financing activities	16	406	25,803	25,251	30,708

We have financed our operations through internally generated cash flows from operations, private sales of common and preferred shares and the use of bank loans. At March 31, 2005, we had working capital of $13.3 million, including cash and cash equivalents of $24.0 million, compared to working capital of $12.6 million, including cash and cash equivalents of $20.1 million, at June 30, 2004 and a working capital deficiency of $2.4 million, including cash and cash equivalents of $3.1 million, at June 30, 2003. The increase in working capital at the end of fiscal 2004 is primarily attributable to the issuance of series B preferred shares for net proceeds of $28.2 million in August 2003. From these net proceeds, $9.0 million was used to repurchase approximately 1.0 million series A preferred shares and 1.2 million common shares from various existing shareholders.

Operating Activities. Cash provided by operating activities primarily consists of net income (loss) adjusted for certain non-cash items including depreciation and amortization, the provision for doubtful accounts, deferred taxes, and the effect of changes in working capital and other activities. Cash used in operating activities in the nine months ended March 31, 2005 was $11.4 million and consisted of a net loss of $18.1 million, positive adjustments for non-cash items of $3.9 million and $2.7 million provided by working capital and other activities. The net loss is attributed to a $22.0 million termination fee paid in August 2004 in consideration of the termination of all then existing supply agreements with Mod-Pac, of which a $21.0 million was recorded as a loss on contract termination. Working capital and other activities primarily consisted of an increase of $4.3 million in accrued expenses and other liabilities. This was partially offset by an increase of $1.4 million in prepaid expenses and other assets.

Cash provided by operating activities in the nine months ended March 31, 2004 was $6.5 million and consisted of net income of $1.9 million, positive adjustments for non-cash items of $2.1 million and $2.4 million provided by a decrease in working capital and other activities. The decrease in working capital and other activities primarily consisted of an increase of $3.8 million in accrued expenses and other liabilities. This was partially offset by a decrease of $0.6 million in accounts payable, an increase of $0.4 million in accounts receivable and an increase of $0.3 million in prepaid expenses and other assets.

Cash provided by operating activities in fiscal 2004 was $9.2 million and consisted of net income of $3.4 million, positive adjustments for non-cash items of $3.5 million and $2.2 million used as a result of an increase in working capital and other activities. The increase in working capital and other activities primarily consisted of an increase of $3.3 million in accrued expenses and other current liabilities partially offset by a $0.2 million increase in accounts receivables, a $0.3 million increase in prepaid expenses and other assets and a $0.5 million decrease in accounts payable.

Cash provided by operating activities in fiscal 2003 was $4.0 million and consisted of net income of $0.5 million, positive adjustments for non-cash items of $2.4 million and $1.1 million provided by a decrease in working capital and other activities. The decrease in working capital and other activities primarily consisted of an increase of $1.8 million in accrued expenses and other current liabilities and a $0.6 million increase in accounts payable, partially offset by a $1.0 million increase in prepaid expenses and other assets, and a $0.4 million increase in accounts receivables.

Cash provided by operating activities in fiscal 2002 was $2.3 million and consisted of net income of $0.1 million, positive adjustments for non-cash items of $1.4 million and $0.7 million used by working capital and other activities. Working capital and other activities primarily consisted of an increase of $0.5 million in accounts payable and a $0.4 million increase in accrued expenses and other current liabilities, partially offset by a $0.1 million increase in accounts receivables.

Investing Activities. Cash used in investing activities in the nine months ended March 31, 2005 of $15.5 million was attributable to capital expenditures of $14.1 million, and capitalized software and website development costs of $1.5 million. Capital expenditures of $8.9 million were related to the construction of production facilities and purchase of print production equipment for our new printing facility located in Windsor, Ontario, Canada and $3.1 million related to fixed assets and production equipment in the Dutch printing facility located in Venlo, the Netherlands.

Cash used in investing activities in the nine months ended March 31, 2004 of $15.3 million was attributable to capital expenditures of $12.3 million, and capitalized software and website development costs of $3.0 million. Capital expenditures of $11.7 million were related to the construction of production facilities and purchase of print production equipment for our Dutch printing facility.

Cash used in investing activities in fiscal 2004 of $18.1 million was primarily attributable to capital expenditures of $11.8 million relating to the Dutch printing facility, capitalized software and website development costs of $3.5 million and purchased patents of $1.2 million.

Cash used in investing activities in fiscal 2003 of $4.5 million was primarily attributable to capitalized software and website development costs of $2.6 million and capital expenditures of $1.6 million.

Cash used in investing activities in fiscal 2002 of $2.2 million was primarily attributable to capitalized software and website development costs of $1.2 million and capital expenditures of $0.8 million.

Financing Activities. Cash provided by financing activities in the nine months ended March 31, 2005 of $30.7 million was primarily attributable to proceeds from an issuance of our series B preferred shares of $22.7 million and borrowings from building construction and equipment loan facilities of $8.1 million associated with the construction of our Canadian printing facility and the purchase of production equipment for our Dutch printing facility.

Cash provided by financing activities in the nine months ended March 31, 2004 of $25.3 million was primarily attributable to proceeds from an issuance of series B preferred shares of $19.1 million, net of repurchases of series A preferred shares and common shares, and borrowings from building construction loan obligations of $6.0 million.

Cash provided by financing activities in fiscal 2004 of $25.8 million was primarily attributable to proceeds from an issuance of series B preferred shares for $19.1 million, net of repurchases of series A preferred shares and common shares, borrowings from building construction loan facilities of $6.0 million and the issuance of common shares pursuant to share option exercises of $0.7 million.

Cash provided by financing activities in fiscal 2003 of $0.4 million was due to proceeds from the issuance of common shares pursuant to share option exercises of $0.5 million.

We believe that our available cash and cash flows generated from operations, together with the proceeds from this offering, will be sufficient to satisfy our working capital and capital expenditure requirements for at least the next 12 months.

Contractual Obligations

Contractual obligations at March 31, 2005 are as follows:

	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			(In thousands)		
Long-term Debt Obligations	$ 14,410	$ 883	$ 3,909	$ 2,606	$ 7,012
Operating Lease Obligations	2,585	1,356	1,229	—	—
Total	$ 16,995	$ 2,239	$ 5,138	$ 2,606	$ 7,012

Long-Term Debt. In November 2003, VistaPrint B.V., our Dutch subsidiary, entered into a 5.0 million euro revolving credit agreement with ABN AMRO Bank N.V., a Netherlands based bank. The borrowings were used to finance the construction of our printing facility located in Venlo, the Netherlands. The loan is secured by a mortgage on the land and building and is payable in quarterly installments of 62,500 euros ($75,500 at June 30, 2004), beginning October 1, 2004 and continuing through 2024. Interest on the loan accrues at a rate equal to a EURIBOR rate plus 1.15%. The credit agreement includes covenants that, among other things, require VistaPrint Limited to cause VistaPrint B.V. to maintain a tangible net worth at a minimum of 30% of VistaPrint B.V.'s adjusted balance sheet. We were in compliance with all loan covenants at March 31, 2005.

In November 2004, VistaPrint B.V. amended the existing credit agreement with ABN AMRO to include an additional 1.2 million euro loan. The borrowings were used to finance a new printing press for the Venlo printing facility. The loan is secured by the printing press and is payable in quarterly installments of 50,000 euros ($65,000 at March 31, 2005), beginning April 1, 2005 and continuing through 2011. Interest on the loan accrues at a EURIBOR rate plus 1.40%. The credit agreement requires VistaPrint Limited to cause VistaPrint B.V. to maintain tangible net worth at a minimum of 30% of VistaPrint B.V.'s adjusted balance sheet. We were in compliance with all loan covenants at March 31, 2005.

In November 2004, VistaPrint North American Services Corp., our Canadian production subsidiary, established an $11.0 million credit facility with Comerica Bank—Canada. The borrowings are to be used to finance new printing equipment purchases and the construction of a printing facility located in Windsor, Ontario, Canada. The loan is secured by guarantees from VistaPrint Limited and two of its subsidiaries and is payable in monthly installments beginning November 1, 2005 and continuing through 2009, plus interest. Interest on the equipment term loan is based, at our election at the beginning of the applicable period, on either a LIBOR rate plus 2.75% or Comerica's prime rate. Interest on the construction loan is based, at our election at the beginning of the applicable period, on either a LIBOR rate plus 1.75% or Comerica's prime rate less 1.00%. The credit agreement includes covenants that, among other things, require that consolidated, non-financed capital expenditures not exceed $9.3 million for fiscal 2005 or $8.0 million for fiscal 2006. Additionally, beginning in September 2005, the credit agreement requires that VistaPrint Limited maintain a consolidated ratio of funded debt to cash flow at a maximum of 2.50 to 1.00 and VistaPrint North American Services Corp. to maintain a minimum debt service coverage ratio of 1.40 to 1.00. Debt service coverage ratio is defined as the

ratio of cash flow to the sum of required principal payments plus cash interest paid. We were in compliance with all loan covenants at March 31, 2005.

Operating Leases. We rent office space under operating leases expiring on April 30, 2006 and April 30, 2007. We recognize rent expense on our operating leases that include free rent periods and scheduled rent payments on a straight-line basis from the commencement of the lease.

Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk. Our exposure to interest rate risk relates primarily to our cash and cash equivalents, and variable rate borrowings under our existing bank credit facilities. Interest income on our cash and cash equivalents is subject to interest rate fluctuations, but we believe that the impact of these fluctuations does not have a material effect on our financial position due to the short-term nature of these financial instruments. Our results of operations are affected by changes in market interest rates on outstanding bank borrowings, but we believe that a 100 basis-point adverse change in interest rates would not have a material effect on our consolidated financial position, earnings, or cash flows.

Foreign Currency Risk. As we conduct business in multiple international currencies through our worldwide operations, we are affected by changes in foreign exchange rates of such currencies. Changes in exchange rates can positively or negatively affect our sales, gross margins and retained earnings. The majority of our sales outside North America are manufactured by our Dutch subsidiary, which has the euro as its functional currency. Our Dutch subsidiary translates its assets and liabilities at current rates of exchange in effect at the balance sheet date. The resulting gains and losses from translation are included as a component of other comprehensive income. All other international subsidiaries have the United States dollar as the functional currency and transaction gains and losses and remeasurement of foreign currency denominated assets and liabilities are included in other income (expense), net. Foreign currency transaction gains or losses included in other income (expense), net were not material in fiscal 2004, 2003 and 2002 and the nine months ended March 31, 2005. We do not currently enter into derivative financial instruments as hedges against foreign currency fluctuations.

We considered the historical trends in currency exchange rates and determined that it was reasonably possible that an increase or decrease in exchange rates of 10% for all currencies could be experienced in the near term. These changes would have had an immaterial impact on our income before taxes for the nine months ended March 31, 2005 and the year ended June 30, 2004. These reasonably possible changes in exchange rates of 10% were applied to total net monetary assets denominated in currencies other than the local currencies at the balance sheet dates to compute the impact these changes would have had on our income before taxes in the near term.

Our Dutch subsidiary maintains a credit facility with ABN AMRO Bank N.V. pursuant to which it can borrow up to 6.2 million euro. At March 31, 2005 and June 30, 2004, we had short-term borrowings related to current portion of long-term debt denominated in euros. The carrying value of these short-term borrowings approximates fair value due to their short period to maturity. Assuming a hypothetical 10% increase or decrease in the euro to United States dollar period end exchange rate, the impact to the fair value of these short-term borrowings would be immaterial. The potential increase or decrease in fair value was estimated by calculating the fair value of the short-term borrowings at March 31, 2005 and June 30, 2004 and comparing that with the fair value using the hypothetical period end exchange rate.

BUSINESS

Overview

We are a leading online supplier of high-quality graphic design services and customized printed products to small businesses and consumers worldwide with over 5,000,000 customers in more than 120 countries. We offer a broad spectrum of products ranging from business cards and brochures to invitations and holiday cards. We seek to offer compelling value to our customers through an innovative use of technology, a broad selection of customized printed products, low pricing and personalized customer service. Through our use of proprietary Internet-based graphic design software, 16 localized websites, proprietary order receiving and processing technologies and advanced computer integrated printing facilities, we offer a meaningful economic advantage relative to traditional graphic design and printing methods. We believe that our value proposition has allowed us to successfully penetrate the large, fragmented, geographically dispersed and underserved small business and consumer markets.

We have standardized, automated and integrated the entire graphic design and print process, from design conceptualization to product shipment. Customers visiting our websites can use our graphic design software to easily create and order full-color, personalized, professional-looking printed products, without any prior graphic design training or experience. Customers have access to graphic designs, content suggestions, logo design services, design templates, and over 70,000 photographs and illustrations. In addition, our design support staff is available to provide design assistance to customers at no charge. During the nine months ended March 31, 2005, customers used our design technologies to regularly place over 10,000 customized orders per day.

Our proprietary Internet-based order processing systems receive and store thousands of individual print jobs on a daily basis and, using complex algorithms, efficiently aggregate multiple individual print jobs for printing as a single press-run. Our systems intelligently search pending individual print jobs, select jobs having similar printing parameters for combination into a single larger aggregate job and calculate the optimal allocation of print orders that will result in the lowest production cost while ensuring on-time delivery. By combining this order aggregation technology with our computer integrated print manufacturing facilities, we are able to significantly reduce the costs and inefficiencies associated with traditional short run printing and can provide customized finished products in as little as three days from design to delivery. During the nine months ended March 31, 2005, we processed thousands of individual customer orders each day, at average order values of approximately $30, with a cost of revenue as a percentage of revenue of less than 45%.

Our customer base has increased from fewer than 500 customers in April 2000 to over 5,000,000 customers as of May 15, 2005, and, over the past two years, we have regularly added more than 100,000 new customers per month. Our total revenues have grown from $6.1 million for the fiscal year ended June 30, 2001 to $58.8 million for the fiscal year ended June 30, 2004. Our total revenues for the three and nine month periods ended March 31, 2005 were $25.1 million and $64.1 million, respectively.

Market and Industry Background

The Small Business and Consumer Markets

We focus on serving the graphic design and printing needs of the small business market, generally businesses or organizations with fewer than 10 employees. We believe this market represents a large and growing opportunity. IDC's U.S. Small Business 2005-2009 Forecast (March 2005) and U.S. Home Office 2005-2009 Forecast (May 2005) estimate that there are over 20 million small office, home office, commonly known as SOHO, firms in the United States, which IDC defines as small firms with fewer than 10 employees as well as home-based businesses. According to the U.S. Census Bureau, 89% of new businesses established each year in the United States have fewer than

10 employees. In Europe, according to a report by the European Network for SME Research, nearly 90% of European Union businesses had less than 10 employees in 2003. We also provide graphic design and printing products to the consumer market. IDC's Worldwide Internet Usage and Commerce 2004-2007 Forecast: Internet Commerce Market Model Version 9.1 (March 2004) estimates that worldwide consumer online spending will grow from $307 billion in 2004 to $759 billion in 2007, with U.S. and European consumers contributing approximately 75% of total amount spent online. In addition, The Freedonia Group estimates that commercial printing demand in the United States will grow from $68.5 billion in 2003 to $84.0 billion in 2008.

Graphic Design Services and Printed Products

Small businesses and consumers seeking graphic design services or printed products have traditionally had three principal alternatives:

Self-Service

The self-service option typically employs off-the-shelf desktop publishing, word processing or other types of software to create a design and uses either an ink jet or laser desktop printer or a local copy or print shop to print the finished product. However, design software applications, ink cartridges and special paper stock can be costly, design options are limited and often time consuming to create, and printed end-products are typically of significantly lower quality than those generated using professional commercial printing methods.

Professional Graphic Designers and Commercial Printers

A second alternative is to employ a professional graphic designer to create a design and then arrange for a commercial printer to produce the finished product. Graphic designers and commercial printers can create sophisticated, customized designs and high quality professional printed output. However, the traditional graphic design and printing process is generally time consuming, with the entire process often taking several weeks or more, and can be prohibitively expensive for small businesses and consumers. Graphic designers typically charge hourly or project based fees and commercial printers typically run each job independently, creating a low utilization of fixed assets, high labor costs and high material costs, which are passed onto the customer in the form of expensive set-up fees or high print prices.

Wholesale/Retail Print Distribution Channels

Graphic design within the wholesale/retail print distribution option typically entails the customer choosing from designs, standard layouts and format options from binders of product samples or from mail-order catalogues. Design options are generally limited and permit little or no customization, print quality is typically below that provided by traditional commercial printers and delivery lead times can be substantial. Prices for printed products, while typically less than traditional commercial printers, significantly exceed self-service prices.

Internet-Based Graphic Design and Printing

Online commerce provides significant advantages and opportunities to small business customers and consumers seeking high quality graphic design services and customized print products at affordable prices. These customers do not typically require the high quantity print runs that are required to achieve low per-unit pricing and do not maintain dedicated procurement departments to negotiate pricing effectively. We believe the high price, inconvenience and complexity of traditional printing methods historically has dissuaded these customers from purchasing high-quality printed products for business or personal use. We believe that the highly fragmented, geographically dispersed small

business and consumer markets for graphic design and printing services is ideally suited for Internet-based procurement, as the Internet provides a standardized interface through web browsers, availability seven days a week, 24 hours a day, the ability to offer a wide selection of products and services and the opportunity to efficiently aggregate individual orders into larger print runs.

We believe that the small business and consumer markets have been underserved by expensive traditional printing and graphic design alternatives. We also believe there is a need to combine the Internet's ability to reach these highly fragmented markets with an integrated graphic design and printing process that can rapidly deliver sophisticated, high-quality printed products while aggregating individual orders to achieve the economies of scale necessary to provide these products at affordable prices.

The VistaPrint Solution

We have developed a direct-to-customer solution using proprietary Internet-based software technologies to standardize, automate and integrate the entire graphic design and print process, from design conceptualization through finished product shipment. Automation and integration allow us to provide high-quality graphic design and customized print products at affordable prices for the small business and consumer markets.

Advanced Proprietary Technology

We rely on our advanced proprietary technology to market to, attract and retain our customers, to enable customers to create graphic designs and place orders on our websites, and to aggregate and simultaneously print multiple orders from all over the world. Our design and document creation technologies enable customers, by themselves or together with the assistance of our design support staff, to design and create high-quality print materials from the comfort of their home or office. Our pre-press and print production technologies efficiently process and aggregate customer orders, prepare orders for high resolution printing and maintain and manage production, addressing and shipment of these orders. We use our marketing technologies to test changes to our websites and new product offers. In addition, at checkout we can automatically generate and display additional products incorporating the customer's design facilitating the sale of related products.

High-Volume, Standardized and Scalable Processes

Our high-volume, standardized, scalable design and print processes are driven by sophisticated proprietary software. Our document and design creation technologies are architected to use the processing power of the customer's computer rather than our servers. This Internet-based architecture makes our applications scalable and offers our customers fast system responsiveness when they are editing their document designs.

Our pre-press and print production technologies for aggregating print jobs are designed to readily scale as the number of received print orders per day increases. As more individual print jobs are received, the similar jobs can be aggregated and moved to the printing system more efficiently, thereby optimizing the use of the printing equipment and increasing overall system throughput. Our proprietary workflow and production management software allows us to deliver final products to customers in as few as three days. We believe that our strategy of seeking to automate and systematize our service and product production systems enables us to reach and serve small-scale customers more effectively than our competitors.

Low Cost Operations

With the gains we have made in automating the entire design and production process, we can print and ship an order the same day we send it to production, which results in minimal inventory levels and reduced working capital requirements. This allows us to produce high-quality, low price products at high margins even though our average order values are low by traditional standards. During the nine months ended March 31, 2005, we regularly processed in excess of 10,000 individual customer orders per day, at average order values of approximately $30, with a cost of revenue as a percentage of revenue of less than 45%. In comparison, typical local printers handle only a few orders per day, have order values that are significantly higher, but operate with significantly higher costs of revenue.

World Class Customer Service

We differentiate our product offerings by giving English-speaking customers live, toll-free, no charge telephone customer service to provide a satisfying, service-rich experience founded on interaction with highly trained customer service and design representatives. In addition, we offer e-mail support for customers on all of our localized websites.

Direct Marketing Expertise

We have developed expertise in direct marketing to target new customers across various channels and to drive more sessions on our websites. We attract and retain customers through direct marketing using the Internet, e-mail and traditional direct mail marketing methods, and viral and word of mouth marketing. We maintain a global client database to market our new products and services. In addition, we have developed multiple marketing technologies designed to maximize the number of customers in that global client database actively purchasing from us, to encourage customers to purchase additional products from us and to increase overall average order values.

International Reach

We have built our service to scale worldwide and use multiple localized websites and different languages to generate demand for our products. We have rapidly expanded our offerings to include 16 localized websites that serve customers in more than 120 countries, with five of these websites becoming operational in the last twelve months. Our localization and language map content management system software facilitates our rapid entry into new markets and allows us to make changes to all of our localized websites with the same software and relatively simple, standardized and low-cost procedures.

Value for Customers

We provide our customers with the following benefits:

High-Quality Automated and Customized Graphic Design

Through our proprietary technology we offer a new approach to graphic design, reducing or eliminating the need for purchased software or a professional graphic designer. We provide a simple, quick, and affordable way for customers with no training or experience in graphic arts to produce high-quality, personalized, professional looking graphic designs. We provide our customers powerful web-based design and editing software that uses algorithms to automatically create matching design combinations from among over 70,000 high-quality photographic and illustration stock images, thousands of layouts and templates, dozens of fonts and dozens of color schemes. Customers also can easily incorporate their own uploaded photographs, logos or complete designs.

Wide Range of Graphic Design Options

Most customers use our full complement of web browser-based design and editing software to create personalized materials. In addition, customers are able to upload their own designs to our system. Customers who want us to perform some or all of the design work can contact our design service representatives, who will provide custom designs free of charge.

Broad Range of Products

We offer a broad spectrum of products for the business and consumer markets, including:

- business cards
- brochures
- datasheets
- flyers
- letterhead
- mailing labels
- newsletters
- presentation folders
- standard and oversized marketing postcards
- announcements
- calendars
- folded cards
- holiday cards
- invitations
- magnets
- note cards
- return address labels

Automated Creation of Matching Products

Once a customer has created a design for a particular product, our software systems can generate and display one or more matching products of possible interest to the customer using the same design elements without requiring the customer to perform any additional design tasks. For example, after a customer designs a business card, our systems can automatically generate and display matching letterhead and return address labels. A customer can add these additional products to his or her order with a single keystroke.

High-Quality Printing

We use one of the highest quality commercial printing processes in the market. For print jobs in quantities of 250 or more, we use state of the art 40-inch MAN Roland presses that normally are employed only for long run print jobs, such as high end consumer goods packaging, in which quantities of hundreds of thousands or more are produced. For smaller quantities, we typically employ Hewlett-Packard Indigo or similar types of professional digital printing equipment. By employing principals of world class manufacturing, our rigorous quality assurance systems are designed to ensure that we consistently deliver premium, high-quality products.

Fast Design to Delivery Turnaround

We design, print, process and deliver multiple high-quality customized orders in as little as three days.

Lowest Price and Satisfaction Guarantees

We demonstrate our confidence in the quality and pricing of our products by offering an unconditional lowest price guarantee on a majority of our products and an unconditional guarantee of customer satisfaction.

Our Growth Strategy

Our goal is to grow profitably and become the leading online provider of graphic design services and printed products to small businesses and consumers worldwide. We believe that the strength of our solution gives us the opportunity not only to capture an increasing share of the existing printing needs in our targeted markets, but also to create new market demand in these previously underserved markets by making available customized and high-quality graphic design services and printed products at affordable prices. In order to accomplish this objective, we intend to implement a number of initiatives, including:

Expand Customer Base

We intend to expand our extensive customer base by continuing to promote VistaPrint and the VistaPrint brand as the source for high-quality graphic design, Internet printing and premium service. Over the past two years, we have regularly expanded our customer base at the rate of over 100,000 new customers per month. We acquire new customers through direct marketing using the Internet, e-mail, traditional direct mail marketing methods and viral and word of mouth marketing. We offer a satisfying, rewarding, service-rich experience founded on customer interaction with our customer service and design representatives. We believe that this distinguishes the VistaPrint customer experience from the typical on-line, e-commerce customer experience. We intend to constantly seek ways to facilitate and improve the customer care and design process in an effort to convert a greater percentage of visitors to our websites into customers and to generate additional repeat customers.

Address Additional Markets

We intend to target the following additional business opportunities:

- *International*—For the quarter ending March 31, 2005, revenues generated from non-United States websites accounted for approximately 28% of our total revenues. We believe that we have significant opportunity to expand our revenues both in the countries we currently service and in additional countries worldwide. In the markets we currently serve, we intend to intensify marketing efforts and expand customer service and support options. In addition, we intend to further extend our geographic and international scope by continuing to introduce localized websites in different countries and languages and by offering graphic design content specific to local markets.
- *Consumer*—We intend to further penetrate the consumer market. We believe that our customer support, sales and design services are differentiating factors that make purchasing from us an attractive alternative for individual consumers. We intend to add new products and services targeted at the consumer market and we believe that the economies of scale provided by our large print order volumes and integrated design and production facilities will enable us to expand our consumer business profitably.
- *Strategic Alliances*—We intend to develop strategic relationships to expand our marketing and sales channels. We have established co-branded or private branded websites with Advanta Bank Corp., Monster.com and Checks Unlimited. We seek to use these relationships to market our products and services to customers of these other parties, attract additional customers to our websites, and further promote the VistaPrint brand.

Increase Sales to Existing Customers

We seek to increase both our average order size and the lifetime value we receive from a customer by expanding our product and service offerings, increasing up-selling and cross-selling

efforts and continuing to improve and streamline our design and ordering processes. We currently generate a majority of our revenues from returning customers, and typically realize higher average order values from these customers compared to first time customers. We intend to continue to focus our efforts on improving and integrating the entire customer experience, from the customer's first visit to our website through the customer's receipt of the finished printed product. We believe that this direct sales and customer relationship model eliminates inefficiencies and intermediaries that can detract from the overall customer experience and drive up costs, and enables us to more effectively attract and retain customers.

Expand Product and Service Offerings

We launched the VistaPrint.com website in 2000 selling only a limited selection of business cards. Since that time, we have extended our product offerings to cover a wide array of additional business and consumer products, including brochures, datasheets, standard and oversized marketing postcards, invitations, announcements, holiday cards, folded cards, return address labels, calendars, magnets, letterhead and mailing labels. In addition, in 2004, we began offering live, telephone based customer support and free graphic design services to assist customers in designing their products. We plan to continue to expand and enhance our product and service offerings in order to provide a greater selection to our existing customers and to attract new customers seeking different products and services.

Extend Technology Leadership

We believe that technological innovation and the investment we have made in our technology development efforts have been among the principal drivers of our success to date. We hold three United States patents, two European patents and one French patent, have more than 30 patent applications pending in the United States and other countries and have developed a proprietary software suite. We believe that the quality of our technology gives us an advantage over our competitors and we intend to continue developing our proprietary software suite to maintain that advantage. We have designed our technologies to accommodate planned growth in the number of customer visits, orders, and service and product offerings, with little additional effort other than adding servers and other hardware. We intend to continue to invest in enhancing and refining our existing technologies, creating new technologies, and protecting our proprietary rights. We believe that this investment in technology development will drive further expansion of our service and product offerings, greater efficiencies in the customer's experience in designing and ordering printed products and improved efficiencies in our production of products and delivery of services.

Enhance Product Quality

By continuously striving to enhance the quality of our products and to manufacture products faster and more efficiently, we believe that we can both increase customer satisfaction and retention and improve our cost efficiencies. We have specifically designed our print manufacturing operations for efficiency and integration with our automated systems. We have implemented rigorous quality controls for our products, but we intend to continue improving the efficiency and quality of our print manufacturing operations through employee training, technological developments and process improvements.

Our Technology

We have standardized, automated and integrated the entire graphic design and print process, from design conceptualization to product shipment, through a number of proprietary technologies, including:

Design and Document Creation Technologies

IntelliContent Document Platform is our document model architecture and technology that employs Internet-compatible data structures to define, process and store product designs as a set of separately searchable, combinable and modifiable component elements. In comparison to traditional document storage and presentation technologies, such as bitmap or PDFs, this architecture provides significant advantages in storing, manipulating and modifying design elements, allowing us to generate customized product design options automatically in real time.

AutoDesign is our software that automatically generates customized product designs in real-time based on key-word searches, enabling professional-looking graphic layouts to be easily and quickly created by customers without graphic arts training.

VistaStudio is our product design and editing software suite that is downloaded to our customer's computer from our server and runs in the customer's browser. This browser-based software provides real-time client-side editing capabilities plus extensive system scalability. A wide variety of layouts, color schemes and fonts are provided and over 70,000 high-quality photographs and illustrations are currently available for use by customers in product design. Customers can also upload their own images and logos for incorporation into their product designs.

VistaDesigner is our Internet-based, remote, real-time, co-creativity and project management application and database that enables customers and VistaPrint design agents to cooperatively design a product across the Internet in real-time, while simultaneously engaging in voice communication.

Pre-Press and Print Production Technologies

DrawDocs is our automated pre-printing press technology that prepares customer documents received over the Internet for high-resolution printing. DrawDocs ensures that the high-resolution press-ready version of the customer's design will produce a printed product that is exactly like the graphic design that was displayed in the customer's Internet browser.

VistaBridge is our technology that allows us to efficiently store, process and aggregate thousands of Internet print orders every day. The VistaBridge system automates the workflow into our high-volume offset or digital presses by using complex algorithms to aggregate pending individual print jobs having similar printing parameters and combine the compatible orders into a single print job. The VistaBridge technology calculates the optimal allocation of print orders that will result in the lowest production cost but still ensure on-time delivery. We regularly receive in excess of 10,000 orders per day, and we typically have 10,000 to 20,000 individual stored jobs awaiting printing. Our aggregation software regularly scans these pending jobs and analyzes a variety of production characteristics, including quantity, type of paper, size of paper, color versus black and white, single or double-sided print, delivery date, shipping location, type of printing system being used and type of product. The VistaBridge software then automatically aggregates orders with similar production characteristics from multiple customers into a single document image that is transferred to either a digital press or to an automated plating system that produces offset printing plates. For example, in the case of business cards being printed on large offset presses, up to 143 separate customer orders can be simultaneously printed as a single aggregated print file.

Viper is our workflow and production management software for tracking and managing our worldwide production facilities on a networked basis. Viper monitors and manages bar-code driven production batch and order management, pick and pack operations, and addressing and shipping of orders.

Marketing Technologies

Split Run Testing Technology is our software that dynamically assigns our website visitors to test and control groups which can be shown slightly different versions of our website. This technology permits us to evaluate any changes to our websites on a relatively small but still statistically significant test group prior to general release. We then use powerful analytics software to correlate the changes on the site with the visitor's browsing and purchasing behavior and to compare our margins for a given pair of test and control groups. Our testing engine allows us to run hundreds of these tests simultaneously on our websites, significantly reducing the time to take an idea from concept to full deployment and allowing us to quickly identify and implement the most promising and profitable ideas.

VistaMatch is our software that automatically generates and displays one or more additional customized product designs based upon a customer's existing design. Design elements and customer information are automatically transferred to the additional design so that customers do not spend additional time searching for other products or templates or re-entering data. For example, if a customer has designed a business card, VistaMatch can automatically generate corresponding letterhead, return address labels, and refrigerator magnets that the customer can add to its order with a single key stroke.

Automated Cross-Sell and Up-Sell is our technology which permits us to show a customer, while the customer is in the process of purchasing a product, marketing offers for one or more additional or related products. We use our technology to dynamically determine the most effective products to offer to customers based on a number of variables including how the customer reached the website, the customer's purchase history, the contents of the customer's shopping basket and the various pages within the website that the customer has visited.

Localization/Language Map is our content management system that permits all of our localized websites, and the changes to those websites, to be managed by the same software engine. Text and image components of our web pages are separated, translated and stored in our managed content database. If a piece of content is reused, the desired content automatically appears in its correct language on all websites, enabling our localized websites, regardless of the language or country specific content, to share a single set of web pages that automatically use the appropriate content, significantly reducing our software installation, deployment and maintenance costs.

Customer Recognition/Segmentation is our technology that allows us to identify an inbound caller by their phone number and match that information to that customer's history from our customer databases. We can then tailor the types of calls that are taken by our customer service and design service agents and dynamically change call flow, scripts, up-sell and cross-sell suggestions to maximize contribution margin per call.

Technology Development

We believe that the quality of our technology gives us an advantage over our competitors and we intend to continue developing and enhancing our proprietary software programs and processes. As of March 31, 2005, more than 40 of our employees were engaged in technology development.

We have designed our infrastructure and all of our technologies to accommodate future growth. We have designed our website technologies to scale to accommodate future growth in the number of customer visits, orders, and product and services offerings, with little additional effort other than adding servers and other hardware. Our document and design creation technologies are architected to utilize the processing power of the customer's computer rather than our servers. This Internet-based architecture makes our applications extremely scalable and offers our customers fast system responsiveness when they are editing their document designs. Our pre-press and print production technologies for aggregating print jobs in preparation for printing are designed to readily scale as we grow and the number of received print orders per day increases. The more individual jobs received in a time period, the more efficiently aggregations, or gangs, of similar jobs can be assembled and moved to the printing system, thereby maximizing the efficient use of the printing equipment and increasing overall system throughput.

Our systems infrastructure, web and database servers are hosted at Cable & Wireless in Bermuda, which provides communication links, 24-hour monitoring and engineering support. Cable & Wireless has its own generators and dual network access points.

Our site systems are operated 24 hours a day, seven days a week and have had historical system uptimes of more than 99.9% other than for scheduled downtime. We believe this solution is highly scalable by adding relatively inexpensive servers and processors. Data is stored on an EMC Corporation dual fiber channel disk array with current capacity to hold 6 terabytes of data expandable to 58 terabytes. We archive our databases daily and store them at a secure facility.

Security is provided at multiple levels in both our hardware and software. We use 128-bit encryption technology for secure transmission of confidential personal information between customers and our web servers. All customer data is held behind firewalls. In addition, customer credit card information is encrypted. We use fraud prevention technology to identify potentially fraudulent transactions.

The Customer Design and Purchase Experience

We recognize that our customers have differing needs, skills, and expertise, and we offer a corresponding range of customer service options. For experienced or computer-savvy customers, our websites offer a full complement of tools and features allowing customers to create a product design or upload their own complete design, and place an order on a completely self-service basis. Those customers who have started the design process but find that they require some guidance or design help can, with the assistance of our customer sales and support personnel, obtain real time design or ordering assistance. Those customers who would like us to prepare designs can call our toll-free graphic design hotline and quickly receive multiple custom designs prepared by our graphic designers.

Designing Online

Customers visiting our websites can select the type of product they wish to design from our broad range of available products. When a product type has been selected, the customer can initiate the design process by using our predefined industry styles and theme categories, by entering one or more keywords in our image search tool, or by uploading the customer's own design. If the customer chooses to do a keyword search, our automated design logic will, in real time, create and display to the customer a variety of product templates containing images related to the customer's keyword. When the customer chooses a particular template for personalization, our user-friendly, browser-based product design and editing tools are downloaded from our servers to the customer's browser program.

We enable the customer to quickly and easily perform a wide range of design and editing functions on the selected design, such as:

- Ÿ entering and editing text;
- Ÿ cropping images or entirely replacing images with other images;
- Ÿ repositioning product elements using conventional drag-and-drop functionality;
- Ÿ changing fonts or font characteristics;
- Ÿ uploading customer images or logos;
- Ÿ changing color schemes; and
- Ÿ zooming in and out.

Design, Sales and Service Customer Experience

We are committed to providing a high level of customer service and support. We offer e-mail support for customers on all of our localized websites. We augment our e-mail support and our online tools with knowledgeable, English speaking, trained service, sales and design support staff to give customers confidence in us and in our products and services.

Customers that do not want to design themselves or to design online in real-time cooperation with our sales and design personnel can call our design services hotline toll-free and receive free design services. Our agents are trained to be proficient in the use of our design creation software tools. Due to our proprietary design tools and low-cost, high-volume service operations, our cost, design time and revision turn around are significantly less than typically available from traditional graphic designers.

We conduct a short interview process with customers during which we gather information regarding the customer's design needs and ideas, the business or social image the customer desires to convey, and other information relevant to the design process. Our designers then create customized and professional designs for the customer to review and approve. If necessary, up to three revision cycles are performed by our designers at no charge to the customer. Customers can select from the various design options and place orders for printed products incorporating the chosen designs.

Our customer support, sales and design center is located in Montego Bay, Jamaica and was staffed by over 175 service and design agents as of April 30, 2005. Using our proprietary design software applications, combined with voice over internet protocol telephone transmission technology and call center management tools, our agents and designers provide a service-rich customer experience. Calls typically are answered in less than 30 seconds and our agents are available to provide assistance via telephone five days a week, from 8 a.m. to midnight Eastern time.

Post-Design Check-Out Process

Customers purchasing printed products check out either via a standard e-commerce self-service shopping basket or by providing their order and payment information via telephone to one of our service agents. We offer a variety of secure payment methods, with the payment options varying to meet the customs and practices of each of our localized sites. All of our orders require pre-payment, whether by credit or debit card, check, money order or wire transfer. During the check-out process, customers are also typically presented with offers for additional products and services from us and our marketing partners. Using our automated VistaMatch product design capabilities, customers who designed products using our content can be shown images of automatically generated matching products. For example, a customer purchasing business cards can automatically be shown matching return address labels, magnets, calendars, calendar magnets and similar products. Each of these automatically generated product offers can be quickly and simply added to the customer's order with a single key stroke.

The Print Manufacturing and Delivery Process

As orders are received, we automatically route printing jobs, aggregated by our VistaBridge technology, to the type and location of printing system that is most appropriate and cost efficient for the type of product. Products ordered in quantities of 250 or more, such as business cards, postcards, letterhead and the like, are typically produced using a single pass on state of the art automated, high-volume, four color offset professional quality printing presses. Products produced in smaller quantities or using special materials, such as holiday cards, invitations, return address labels, and magnets, are typically produced on digital presses, although we may print as few as 50 of a given product on offset presses. In almost all cases, individual orders from multiple different customers are aggregated to create larger print jobs, allowing multiple orders to be simultaneously produced. Once printed, the individual product orders are separated using computerized robotic cutting systems, assembled, packaged and addressed using proprietary software-driven processes, and shipped to the customer. Requiring as little as 60 seconds of production labor per order, versus an hour or more for traditional printers, this process enables us to print many high-quality customized orders using a fraction of the labor of typical traditional printers. Our quality control systems are designed around the principles of world class manufacturing to ensure that we consistently deliver premium, high-quality products.

Our proprietary Viper software, state of the art automation and software from our suppliers combine to integrate and automate all aspects of the printing process, including:

- Ÿ the pre-press process, during which digital files are transferred directly from our computer servers to the print plate creation system at the appropriate printing facility, or, in the case of digital printers, directly to the printing press;
- Ÿ automatic plate loading systems that eliminate all manual steps other than a quick ‘toaster like’ insertion and removal of plates;
- Ÿ automatic ink key setting whereby ink fountain keys, which control color application, are set automatically from an analysis of the pixelized data used to image plates;
- Ÿ cutting and finishing, during which products are cut to size using computerized, robotic cutters; and
- Ÿ software driven assembly, packaging, sorting and shipping of the final orders.

Sales and Marketing

We employ sophisticated direct marketing technologies and management practices to acquire our customers via direct marketing using the Internet, e-mail, and traditional direct marketing mailings. In addition, many of the products that we print for customers contain the VistaPrint logo and reference our website. Because our products, by their nature, are purchased by our customers for the purpose of being further distributed to business or personal contacts, the appearance of our brand on the products yields broad and ongoing distribution and visibility of our brand and presents the opportunity for beneficial viral and word of mouth advertising.

We have developed tools and techniques for measuring the result of each direct marketing provider and of each marketing message or product offer. In addition, our customer split run testing technology allows us to divide prospective or returning customers visiting our websites into sub-groups that are presented with different product selections, prices and/or marketing messages. This allows us to test or introduce new products on a limited basis, test various price points on products and services or to test different marketing messages related to product or service offerings.

We place advertisements on the websites of companies such as AOL and MSN, contract for targeted e-mail marketing services from vendors such as AzoogleAds.com and MyPoints, and contract

for placement on leading search engines such as Google and Yahoo!. We maintain affiliate programs under which we permit program members to include hyperlinks to our websites on their sites and in promotional materials and pay program members for sales generated through those links.

In addition, we have arrangements with Advanta Bank Corp., Monster.com, and Checks Unlimited, under which we create co-branded or private branded versions of our websites. In general, these arrangements involve payment of a commission or revenue share to these companies for sales of our products and services generated through these websites.

Intellectual Property

Protecting our intellectual property rights is part of our strategy for continued growth and competitive differentiation. We seek to protect our proprietary rights through a combination of patent, copyright, trade secret, and trademark law and contractual restrictions, such as confidentiality agreements and proprietary rights agreements. We enter into confidentiality and proprietary rights agreements with our employees, consultants and business partners, and control access to and distribution of our proprietary information.

We currently hold three issued United States patents, two issued European patents, and one issued French patent. In addition, we currently have more than 30 patent applications pending in the United States and other countries and we intend to pursue corresponding patent coverage in additional countries to the extent we believe such coverage is justified, appropriate, and cost efficient. Our issued patents relate generally to our automated process for receiving and aggregating multiple individual print jobs to create larger print jobs and to the use of downloadable document creation software that executes in a client browser. Our pending patent applications relate to various aspects of our business including systems and methods employed in our VistaStudio technology, our VistaBridge technology, our support, sales and design technology, and our marketing software systems.

Our primary brand is “VistaPrint.” We hold trademark registrations for the VistaPrint trademark in 15 jurisdictions, including registrations in our major markets of the United States, the European Union, Canada and Japan. Additional applications for the VistaPrint mark are pending.

The content of our websites and our downloadable software tools are copyrighted materials protected under international copyright laws and conventions. These materials are further protected by the Terms of Use posted on each of our websites, which customers acknowledge and accept during the purchase process. We currently own or control a number of Internet domain names used in connection with our various websites, including VistaPrint.com and related names. Most of our localized sites use local country code domain names, such as VistaPrint.it for our Italian site.

Competition

The market for graphic design and print services is large, evolving and highly competitive. We compete on the basis of breadth of product offerings, price, convenience, print quality, design content, design options and tools, customer and design services, ease of use, and production and delivery speed. It is our intention to offer high-quality design and print at the lowest price point of any competitor in our market. Our current competition includes one or a combination of the following:

- Ÿ self-service desktop design and publishing using personal computer software such as Broderbund PrintShop, together with a laser or inkjet printer and specialty paper. We believe that we offer a wider breadth of product offerings, significantly greater convenience, far greater design and customization options, superior service and higher quality printed products than the self-service alternative;

- traditional printing and graphic design companies. We believe that we offer significantly better prices, faster turnaround and delivery times, substantially greater convenience, and comparable print quality;
- office supplies and photocopy retailers such as Office Depot, FedEx Kinko's, OfficeMax and Staples. We believe that we offer a significantly broader product selection, superior design and customization options, superior customer service and higher quality graphic design and printed products than these competitors;
- wholesale printers such as Taylor Corporation and Business Cards Tomorrow. We believe that we offer better pricing for the small business and consumer buyer, higher quality graphic design and printing, faster service and superior design and customization options; and
- other online printing and graphic design companies. We are aware of dozens of online print shops that provide some printing products and services similar to ours. Further, we are aware of hundreds of online businesses that offer some limited custom printing services. We believe that we offer a greater breadth of product offerings, superior print quality, better design and customization options and prices that are comparable to or lower than most other online print and graphic design providers.

The level of competition is likely to increase as current competitors improve their offerings and as new participants enter the market or as industry consolidation develops. Many of our current and potential competitors have longer operating histories, larger customer bases, greater brand recognition and significantly greater financial, marketing and other resources than we do and may enter into strategic alliances to provide graphic design and printing services with larger, more established and well-financed companies. Some of our competitors may be able to enter into these alliances on more favorable terms than we could obtain. Additionally, these competitors have research and development capabilities that may allow them to develop new or improved services and products that may compete with the services and products we market. New technologies and the expansion of existing technologies may increase competitive pressures on us. Increased competition may result in reduced operating margins as well as loss of market share and brand recognition. We may be unable to compete successfully against current and future competitors, and competitive pressures facing us could harm our business and prospects.

Government Regulation

We are not currently subject to direct national, federal, state, provincial or local regulation other than regulations applicable to businesses generally or directly applicable to online commerce. The European Union, however, has extensive personal data privacy, electronic mail solicitation and other directives. Several states of the United States have proposed legislation to limit the uses of personal user information gathered online or require online companies to establish privacy policies. We do not currently provide individual personal information regarding our users to third parties without the user's permission.

Employees

As of April 30, 2005, we had 369 full-time employees, of which 141 were employed in Lexington, Massachusetts, United States; 22 in Venlo, the Netherlands; 13 in Windsor, Ontario, Canada; and 193 in Montego Bay, Jamaica. None of our employees are represented by a labor union or covered by a collective bargaining agreement, except that we are required to provide 18 of our employees in our Venlo facility with compensation and benefits equal to or greater those provided in a collective bargaining agreement covering employees in the Dutch printing trade. We have not experienced any work stoppages and believe that relations with all of our employees are good.

Facilities

Our registered office is in Hamilton, Bermuda. We have constructed two computer integrated manufacturing print facilities for the production of our products. Our 68,000 square foot facility located in Windsor, Ontario, Canada services the North American market. Our 54,000 square foot facility located in Venlo, the Netherlands services markets outside of North America. Our technology development, marketing, finance and administrative offices are located in Lexington, Massachusetts, United States. We operate a customer design, sales and service center in Montego Bay, Jamaica. Our web servers are located in data center space at a Cable & Wireless co-location and hosting facility in Devonshire, Bermuda.

We own the real property associated with our printing facilities in the Netherlands and Canada. The real property and facilities we own are listed below:

Location	Square Feet	Type
Venlo, the Netherlands	54,000	Manufacturing and office
Windsor, Ontario, Canada	68,000	Manufacturing and office

We currently sublease approximately 13,000 of the total square feet at our Venlo, the Netherlands facility under a sublease expiring September 30, 2005.

The properties we lease are listed below:

Location	Square Feet	Type	Lease Expires
Lexington, MA, USA	55,924	Office	May 31, 2007
Montego Bay, Jamaica	20,000	Office and design, sales and service center	April 30, 2006

We sublease approximately 5,814 of the total square feet we lease at our Lexington, Massachusetts facilities to third parties under two subleases.

We believe that the total space available to us in our facilities and under our current leases and co-location arrangements will meet our needs for the foreseeable future, and that additional space would be available to us on commercially reasonable terms if it were required.

Legal Proceedings

One of our subsidiaries and our predecessor corporation have been named as defendants in a purported class action law suit filed in Los Angeles County (California) Superior Court. The complaint alleges that the shipping and handling fees we charge for free products are excessive and in violation of sections of the California Business and Professions Code. The Los Angeles County Superior Court granted preliminary approval of a proposed settlement on April 29, 2005, subject to a final settlement hearing on June 17, 2005. Under the terms of the agreed to settlement, we have agreed to change the term ‘shipping and handling’ to ‘shipping and processing’ on our websites, to provide all class members who purchase business cards from us in the future the opportunity to receive additional cards at reduced rates, and to pay reasonable attorneys fees to plaintiffs’ counsel.

We are not currently party to any other material legal proceedings.

MANAGEMENT

Directors, Executive Officers and Other Key Employees

Our directors and executive officers, and their ages and positions as of March 31, 2005, are set forth below:

Directors and Executive Officers	Age	Position(s)
Robert S. Keane	42	President, Chief Executive Officer and Chairman of the Board of Directors
Paul C. Flanagan	40	Executive Vice President and Chief Financial Officer, VistaPrint USA, Incorporated
Janet F. Holian	45	Executive Vice President and Chief Marketing Officer, VistaPrint USA, Incorporated
Alexander Schowtka	41	Executive Vice President and Chief Operating Officer, VistaPrint USA, Incorporated
Fergal Mullen†	38	Director
George M. Overholser†	45	Director and Deputy Chairman of the Board of Directors
Louis Page*	38	Director
Richard T. Riley*	49	Director

* Member of Audit Committee
† Member of Compensation Committee
‡ Member of Nominating and Corporate Governance Committee

Robert S. Keane is the founder of VistaPrint and has served as our President and Chief Executive Officer and Chairman of our board of directors since he founded the Company in January 1995. From 1988 to 1994, Mr. Keane was an executive at Flex-Key Corporation, an OEM manufacturer of keyboards, displays and retail kiosks used for desktop publishing, most recently as General Manager. Mr. Keane earned an A.B. in economics from Harvard College in 1985 and his M.B.A. from INSEAD in Fontainebleau, France in 1994.

Paul C. Flanagan has served as Executive Vice President and Chief Financial Officer of VistaPrint USA, Incorporated, our wholly-owned subsidiary, since he joined the Company in February 2004. From 1999 through July 2003, Mr. Flanagan served in a variety of executive positions at StorageNetworks, Inc., a data storage services and software provider, including Chief Financial Officer and, most recently, Chief Executive Officer. From 1997 through 1999, Mr. Flanagan served as Vice President of Finance for Lasertron, Inc., a manufacturer of fiber optic components for the telecommunications industry. Mr. Flanagan began his career at Ernst & Young LLP, a public accounting firm, in 1986. Mr. Flanagan earned his B.S. in accountancy from Bentley College in 1986 and is a certified public accountant.

Janet F. Holian has served as Executive Vice President and Chief Marketing Officer of VistaPrint USA, Incorporated since she joined us in July 2000. From January 1999 to June 2000, Ms. Holian served as Vice President, Corporate Marketing at Andover.Net, a Linux and Open Source technology portal. Prior to Andover.Net, Ms. Holian held the positions of vice president of marketing at PersonalAudio, Inc. and director of worldwide marketing at MicroTouch Systems Inc. Ms. Holian earned her B.A. in economics and business from Westfield State College in 1981 and completed the Tuck Executive Program at the Amos Tuck School of Business at Dartmouth College in 1995.

Alexander Schowtka has served as Executive Vice President and Chief Information Officer of VistaPrint USA, Incorporated since he joined us in January 2000 and, since March 2004, he has held the position of Chief Operating Officer. From March 1990 to December 1999, Mr. Schowtka was with Accenture Ltd., a management consulting firm, most recently as a partner in Accenture's financial services practice. Mr. Schowtka earned his M.S. in computer science from Hamburg University in Germany in 1990 and his M.B.A. from INSEAD in Fontainebleau, France in 1994.

Fergal Mullen has served as a member of our board of directors since August 2003, as a member of our Audit Committee from August 2003 through 2005 and a member of our Compensation Committee since 2005. Mr. Mullen is a Principal of Highland Capital Partners, a venture capital firm, and has been employed by Highland Capital Partners since 2002. From July 2000 to November 2001, Mr. Mullen was a founding partner with RSA Securities, a venture capital fund. Mr. Mullen, from 1995 to 2000, served as Senior Vice President of Cambridge Technology Partners, a consulting firm. Mr. Mullen earned his B.S. in electrical engineering and B.A. in business economics from Brown University in 1989 and his M.B.A. from Harvard Business School in 1995.

George M. Overholser has served as a member of our board of directors since July 2004, as Deputy Chairman of our board of directors since October 2004, and as a member of our Compensation Committee since 2005. Since founding North Hill Ventures, a venture capital firm, in 1999, Mr. Overholser served as a principal. From 1994 to 1999, Mr. Overholser was Head of Strategy and New Business Development for Capital One, Inc., a company specializing in consumer lending. Mr. Overholser earned his A.B. in physics from Harvard College in 1982 and his M.B.A. from Stanford Graduate School of Business in 1987.

Louis Page has served as a member of our board of directors since September 2000. Mr. Page has served as a member of the Audit Committee since September 2000. From April 2002 through July 2004, Mr. Page also served as a vice president of the company without remuneration. Mr. Page has served as President and General Partner of Window to Wall Street, a venture capital firm, since October 1995. Mr. Page earned his B.S. in Finance from Bryant College in 1989 and is a certified financial analyst (CFA).

Richard T. Riley has served as a member of our board of directors since February 2005 and as a member of our Audit Committee since 2005. Since February 2005, Mr. Riley has served as President, Chief Operating Officer and as a director of Lojack Corporation, a provider of stolen vehicle recovery technology. From 1997 through 2004, Mr. Riley held a variety of positions with New England Business Service, Inc., most recently serving as Chief Executive Officer, President, Chief Operating Officer and director. Mr. Riley earned his BBA in Accounting from the University of Notre Dame in 1978 and is a certified public accountant.

Board of Directors

We have a board of directors consisting of five members. In accordance with our amended and restated bye-laws, which will become effective upon completion of this offering, the board of directors will be divided into three classes, each of whose members will serve for a staggered three-year term. The board of directors will consist of two class I directors: George Overholser and Fergal Mullen; two class II directors: Richard Riley and Louis Page; and one class III director: Robert Keane. Notwithstanding the foregoing, the initial terms of the class I directors, class II directors and class III directors expire upon the election and qualification of successor directors at the annual general meeting of shareholders held during the calendar years 2006, 2007 and 2008, respectively. Thereafter, at each annual general meeting of shareholders, a class of directors will be elected for a three-year term to succeed the directors of the same class whose terms are then expiring.

In addition, our amended and restated bye-laws, which will become effective upon the closing of this offering, will provide that the authorized number of directors may be changed only by resolution approved by a majority of the board of directors or by a majority of the shareholders. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes, so that, as nearly as possible, each class will consist of one-third of the total number of directors.

Each of our directors currently serves on the board of directors pursuant to the voting provisions of the third amended and restated investors' rights agreement between us and certain of our shareholders. The voting provisions of the investors' rights agreement will terminate upon the closing of this offering. There are no family relationships among any of our directors or officers.

Board Committees

The board of directors has established three standing committees—Audit, Compensation, and Nominating and Corporate Governance—each of which operates under a charter that has been approved by the board.

The board of directors has determined that, except as described below with respect to Louis Page's service on the Audit Committee, all of the members of each of the board's three standing committees are independent as defined under the rules of the Nasdaq Stock Market and the independence requirements contemplated by Rule 10A-3 under the Exchange Act. Mr. Page served as a vice president of VistaPrint Limited from 2002 through July 2004 without remuneration.

Audit Committee

The Audit Committee's responsibilities include:

- Ÿ appointing, approving the compensation of, and assessing the independence of our registered public accounting firm;
- Ÿ overseeing the work of our registered public accounting firm, including the receipt and consideration of certain reports from the firm;
- Ÿ reviewing and discussing with management and the registered public accounting firm our annual and quarterly financial statements and related disclosures;
- Ÿ monitoring our internal control over financial reporting, disclosure controls and procedures and code of business conduct and ethics;
- Ÿ discussing our risk management policies;
- Ÿ establishing policies regarding hiring employees from the registered public accounting firm and procedures for the receipt and retention of accounting related complaints and concerns;
- Ÿ meeting independently with our registered public accounting firm and management; and
- Ÿ preparing the audit committee report required by SEC rules.

The members of the Audit Committee are currently Louis Page and Richard Riley. The board of directors has determined that Mr. Page is an "audit committee financial expert" as defined in Item 401(h) of Regulation S-K.

Compensation Committee

The Compensation Committee's responsibilities include:

- annually reviewing and approving corporate goals and objectives relevant to CEO compensation;
- determining the CEO's compensation;
- reviewing and approving, or making recommendations to the board with respect to, the compensation of our other executive officers;
- overseeing an evaluation of our senior executives;
- overseeing and administering our cash and equity incentive plans; and
- reviewing and making recommendations to the board with respect to director compensation, subject to shareholder approval.

The members of the Compensation Committee are currently Fergal Mullen and George Overholser.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee's responsibilities include:

- identifying individuals qualified to become board members;
- recommending to the board the persons to be nominated for election as directors and to each of the board's committees;
- reviewing and making recommendations to the board with respect to management succession planning;
- developing and recommending to the board corporate governance principles; and
- overseeing an annual evaluation of the board.

The members of the Nominating and Corporate Governance Committee are , and .

From time to time, the board may establish other committees to facilitate the management of our business.

Director Nomination Process

The process followed by our Nominating and Corporate Governance Committee to identify and evaluate director candidates includes requests to board members and others for recommendations, meetings from time to time to evaluate biographical information and background material relating to potential candidates and interviews of selected candidates by members of the committee and the board.

In considering whether to recommend any particular candidate for inclusion in the board's slate of recommended director nominees, the Nominating and Corporate Governance Committee applies the criteria set forth in our Corporate Governance Guidelines. These criteria include the candidate's integrity, business acumen, knowledge of our business and industry, experience, diligence, conflicts of interest and the ability to act in the interests of all shareholders. The committee does not assign specific weights to particular criteria and no particular criterion is a prerequisite for each prospective nominee. We believe that the backgrounds and qualifications of our directors, considered as a group,

should provide a composite mix of experience, knowledge and abilities that will allow the board to fulfill its responsibilities.

Shareholders may recommend individuals to the Nominating and Corporate Governance Committee for consideration as potential director candidates by submitting their names, together with appropriate biographical information and background materials and a statement as to whether the shareholder or group of shareholders making the recommendation has beneficially owned more than 5% of our common shares for at least a year as of the date such recommendation is made, to Nominating and Corporate Governance Committee, c/o Corporate Secretary, VistaPrint Limited, Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, with a copy to General Counsel, VistaPrint USA, Incorporated, 100 Hayden Avenue, Lexington, MA 02421. Assuming that appropriate biographical and background material has been provided on a timely basis, the committee will evaluate shareholder-recommended candidates by following substantially the same process, and applying substantially the same criteria, as it follows for candidates submitted by others.

Compensation of Directors

Non-employee directors are eligible to participate in our 2005 non-employee director share plan. Pursuant to this plan, each non-employee board member is eligible to receive a share option to purchase a number of common shares with a fair value equal to $, up to a maximum of shares, upon his or her initial appointment or election to the board. Non-employee directors are also eligible to receive a share option to purchase a number of common shares with a fair value equal to $, up to a maximum of shares, at each year's annual general meeting at which he or she serves as a director. The fair value of each share option is determined by the board of directors using a generally accepted option pricing valuation methodology, such as the Black-Scholes model or binomial method, with such modifications as it may deem appropriate to reflect the fair value of the share options. All options vest 25% one year after the date of grant, and 6.25% per quarter thereafter, so long as the optionholder continues to serve as a director of the Company on such vesting date. Each option terminates upon the earlier of ten years from the date of grant or three months after the optionee ceases to serve as a director. The exercise price of these options will be the fair market value of our common shares on the date of grant.

In July 2004, we granted an option to purchase 40,000 common shares under our amended and restated 2000-2002 share incentive plan to George Overholser, a non-employee director. The exercise price for this option was $4.11 per share, the fair market value of our common shares on the date of grant as determined by our board of directors. In February 2005, we granted an option to purchase 40,000 common shares under our amended and restated 2000-2002 share incentive plan to Richard Riley, a non-employee director. The exercise price for this option was $4.11 per share, the fair market value of our common shares on the date of grant as determined by our board of directors. Each of the above referenced options vests 25% one year after the date of grant, and 6.25% per quarter thereafter, so long as these individuals continue to serve as directors of the Company on the date of vesting.

We have not provided cash compensation to any director for his or her services as a director; however, directors are reimbursed for reasonable travel and other expenses incurred in connection with attending meetings of the board of directors and its committees.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serves as a member of the board of directors or compensation committee, or other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of our board of directors or compensation committee. None of the current members of our compensation committee has ever been an employee of the Company or any subsidiary of the Company.

Executive Compensation

The table below sets forth the total compensation paid or accrued for the fiscal years ended June 30, 2004 for our chief executive officer and each of our three other executive officers who were serving as executive officers on June 30, 2004. We refer to these officers as our named executive officers.

Summary Compensation Table

Name and Principal Positions	Annual Compensation		Long-Term Compensation Awards	All Other Compensation (1)
	Salary	Bonus	Securities Underlying Options	
Robert S. Keane President, Chief Executive Office and Chairman of the Board	$300,000	$143,725	150,000	$ 8,184
Paul C. Flanagan (2) Executive Vice President and Chief Financial Officer VistaPrint USA	70,513	20,818	300,000	2,456
Janet F. Holian Executive Vice President and Chief Marketing Officer VistaPrint USA	177,500	63,543	75,000	7,270
Alexander Schowtka Executive Vice President and Chief Operating Officer VistaPrint USA	200,000	57,590	75,000	8,250

(1) Represents matching contributions under VistaPrint USA's 401(k) deferred savings retirement plan.
(2) Mr. Flanagan commenced employment with VistaPrint USA in February 2004. Mr. Flanagan's annual base salary is $200,000.

Option Grants in Last Fiscal Year

The following table sets forth certain information with respect to share options granted to each of our named executive officers during the fiscal year ended June 30, 2004.

Name	Individual Grants				Potential Realizable Value at Assumed Annual Rates of Share Price Appreciation for Option Term (3)	
	Number of Securities Underlying Options Granted (1)	Percent of Total Options Granted in Fiscal 2004	Exercise Price Per Share (2)	Expiration Date	5%	10%
Robert S. Keane	150,000	15.06%	$ 4.11	1/28/2014	$ 387,714	$ 982,542
Paul C. Flanagan	300,000	30.13%	4.11	2/28/2014	775,427	1,965,084
Janet F. Holian	75,000	7.53%	4.11	1/28/2014	193,857	491,271
Alexander Schowtka	75,000	7.53%	4.11	1/28/2014	193,857	491,271

(1) Share options granted to our executive officers vest as to 25% after one year and in equal installments at the end of each three-month period thereafter.
(2) The exercise price per share was determined to be equal to or higher than the fair market value of our common shares as valued by our board of directors on the date of grant.
(3) Amounts reported in these columns represent amounts that may be realized upon exercise of the share options immediately prior to the expiration of their term assuming the specified compounded rates of appreciation (5% and 10%) on our common shares over the term of the share options, net of exercise price. These numbers are calculated based on rules promulgated by the SEC and do not reflect our estimate of future stock price growth. Actual gains, if any, on share option exercises and common share holdings are dependent on the timing of the exercise and the future performance of our common shares.

Option Exercises and Fiscal Year-End Option Values

The following table sets forth certain information for each of the named executive officers regarding option exercises during the fiscal year ended June 30, 2004. There was no public trading market for our common shares as of June 30, 2004. Accordingly, as permitted by the rules of the Securities and Exchange Commission, amounts described in the following table under the heading "Value of Unexercised In-The-Money Options at June 30, 2004" are determined by multiplying the number of shares underlying the options by the difference between an assumed initial public offering price of $ per share, the mid-point of the estimated price range shown on the cover of this prospectus, and the per share option exercise price.

Name	Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options as of June 30, 2004		Value of Unexercised In-The-Money Options at June 30, 2004	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Robert S. Keane	12,600(1)	$ 36,288(1)	175,625	224,375		
Paul C. Flanagan	—	—	—	300,000		
Janet F. Holian	30,000	90,000(2)	178,750	136,250		
Alexander Schowtka	100,000	300,000(3)	527,496	187,504		

(1) In June 2004, Mr. Keane exercised a warrant to purchase 12,600 common shares with an exercise price of $1.23 per share and sold such shares to a third party for $4.11 per share.

(2) In June 2004, Ms. Holian exercised options to purchase 30,000 common shares at an exercise price of $1.11 per share and sold such shares to a third party for $4.11 per share.

(3) In September 2003, Mr. Schowtka exercised options to purchase 100,000 common shares at an exercise price of $1.11 per share and sold such shares to third parties for $4.11 per share.

Employment Arrangements and Change of Control Provisions

We have entered into executive retention agreements, dated as of December 1, 2004, with each of:

- Robert Keane, president and chief executive officer;
- Paul Flanagan, executive vice president and chief financial officer;
- Janet Holian, executive vice president and chief marketing officer; and
- Alexander Schowtka, executive vice president and chief operating officer.

Mr. Keane's executive retention agreement provides that, in the event his employment is terminated by us without cause, as defined in the agreement, or he terminates his employment for good reason, as defined in the agreement, he will receive severance payments equal to one year's salary and bonus, based upon the highest annual salary and bonus paid or payable to Mr. Keane during the five-year period prior to his termination, and all other employment related benefits for one year following such termination. Mr. Keane's agreement also provides that, upon a change of control, as defined in the executive retention agreement, all share options granted to Mr. Keane will accelerate and become fully vested and, if Mr. Keane's employment is subsequently terminated following the change of control by the successor company without cause or Mr. Keane terminates his employment for good reason, he will have one year from the date of termination in which to exercise certain of the unexercised options he holds.

The executive retention agreements with Messrs. Flanagan and Schowtka and Ms. Holian provide that, in the event the executive's employment is terminated by us without cause, as defined in the agreements, or by the executive for good reason, as defined in the agreements, prior to a change of control, as defined in the agreements, the executive will receive severance payments equal to six month's salary and bonus, based upon the highest annual salary and bonus paid or payable to the

executive during the five-year period prior to termination, and all other employment related benefits for six months following such termination. These agreements also provide that, upon a change of control of the company, all share options granted to the executive will accelerate and become fully vested. In addition, if the executive's employment is terminated by the successor company following the change of control without cause or by the executive for good reason, the severance payment to the executives is increased to one year's salary and bonus and benefit continuation, and the executive will have one year from the date of termination to exercise certain of the unexercised options he or she holds.

Each executive officer has signed nondisclosure, invention assignment and non-competition and non-solicitation agreements providing for the protection of our confidential information and ownership of intellectual property developed by such executive officer and a one-year non-compete and non-solicitation provisions.

Employee Benefit Plans

Share Based Plans

Amended and Restated 2000-2002 Share Incentive Plan

We initially adopted, and our shareholders initially approved, our Amended and Restated 2000-2002 Share Incentive Plan, which we refer to as the 2000-2002 Plan, in September and October 2000, respectively. As of March 31, 2005, there were an aggregate of 4,000,000 common shares reserved for issuance under the 2000-2002 Plan, of which options to purchase 3,378,630 common shares were outstanding and 346,055 shares remained available for future grant. In April and May 2005, the board of directors and shareholders approved an increase in the number of common shares reserved for issuance under the plan to an aggregate of 9,000,000 common shares and options were issued to purchase an additional 3,487,960 shares. Upon the effective date of this offering, no further grants will be made under the 2000-2002 plan and all shares remaining available for grant will be transferred into the 2005 Equity Incentive Plan discussed below.

The 2000-2002 Plan provides for the grant of incentive share options, nonstatutory share options, share bonuses and restricted share awards, which we collectively refer to as awards. Our and our subsidiaries' employees, officers, non-employee directors and consultants, are eligible to receive awards, except that incentive share options may be granted only to employees.

Administration. The board of directors administers the 2000-2002 Plan. The board of directors has delegated to VistaPrint USA, Incorporated the authority to grant options under the 2000-2002 Plan to employees of VistaPrint USA. Subject to the terms of the 2000-2002 Plan, the plan administrator (our board of directors or its authorized delegate) selects the recipients of awards and determines the:

- number of common shares covered by the awards and the dates upon which such awards become exercisable or any restrictions lapse, as applicable;
- type of award and the price and method of payment for each such award;
- exercise price or purchase price of awards; and
- duration of options.

Incentive Share Options. Incentive share options are intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code and are granted pursuant to incentive share option agreements. The plan administrator determines the exercise price for an incentive share option, which may not be less than 100% of the fair market value of the shares underlying the option determined on the date of grant. Notwithstanding the foregoing, incentive share options granted to employees who own, or are deemed to own, more than 10% of our voting shares, must have an

exercise price not less than 110% of the fair market value of the shares underlying the option determined on the date of grant.

Nonstatutory Share Options. Nonstatutory share options are granted pursuant to nonstatutory share option agreements. The plan administrator determines the exercise price for a nonstatutory share option.

Transfer of Options. Incentive share options are not transferable other than by will or the laws of descent and distribution. A nonstatutory share option generally is not transferable other than by will or the laws of descent and distribution unless the nonstatutory share option agreement provides otherwise.

Restricted Share and Other Share Based Awards. Restricted share and other share based awards may be granted on such terms as may be approved by the plan administrator. Rights to acquire shares under a restricted share or other share based award may be transferable only to the extent provided in award agreement.

Changes to Capital Structure. In the event of certain changes in our capital structure, such as a share split, the number of shares reserved under the plan and the number of shares and exercise price or strike price, if applicable, of all outstanding awards will be appropriately adjusted.

Effect of a Change in Control. In the event of a reorganization or change of control event, as each such term is defined in the 2000-2002 plan, all outstanding share awards under the 2000-2002 Plan may be assumed or substituted for by any surviving or acquiring entity. If the surviving or acquiring entity does not assume or substitute for such awards, then, the vesting and exercisability of outstanding awards will accelerate in full, and, unless exercised, the awards will terminate immediately prior to the occurrence of the corporate transaction.

In the event that any surviving or acquiring entity either assumes all outstanding share awards under the incentive plan or substitutes other awards for the outstanding share awards, the vesting of such assumed or substituted awards may be accelerated if the awardholder is subsequently terminated from employment. If the awardholder is terminated without cause or terminates his or her employment for good reason within twelve months following the corporate transaction, 50% of the unvested portion of the awards held by the awardholder will accelerate and become immediately exercisable.

2005 Equity Incentive Plan

Our board of directors adopted our 2005 Equity Incentive Plan, which we refer to as the incentive plan, in 2005 and our shareholders approved the incentive plan in 2005. The incentive plan will become effective upon the effective date of this offering. The common shares that may be issued pursuant to awards granted under the incentive plan shall be all those common shares available for grant under the 2000-2002 plan as of the effective date of this offering, which amount will be increased annually on April 1st of each year, from 2006 until 2015, by a maximum of 500,000 shares, up to a total aggregate maximum of 2,000,000 additional shares. However, the board of directors has the authority to designate a smaller number of shares by which the authorized number of common shares will be increased, including determining that the authorized number of common shares will not be increased in any given year. As of the date hereof, no awards for common share have been issued under the incentive plan.

The following types of shares issued under the incentive plan may again become available for the grant of new awards under the incentive plan: restricted shares issued under the incentive plan or the

2000-2002 Plan that are forfeited or repurchased prior to becoming fully vested; shares withheld for taxes; shares used to pay the exercise price of an option by means of a net exercise; shares tendered to us to pay the exercise price of an option; and shares subject to awards issued under the incentive plan or the 2000-2002 plan that have expired or otherwise terminated without having been exercised in full. Shares issued under the incentive plan may be previously unissued shares or reacquired shares bought on the market or otherwise.

The incentive plan provides for the grant of incentive share options, nonstatutory share options, restricted share awards, share appreciation rights, restricted share units, and other forms of equity compensation, which we collectively refer to as awards in connection with the incentive plan. Our and our subsidiaries' employees, officers, non-employee directors and consultants, are eligible to receive awards, except that incentive share options may be granted only to employees.

Administration. The board of directors will administer the incentive plan. The board of directors may delegate authority to administer the incentive plan to a committee. Subject to the terms of the incentive plan, the plan administrator (our board of directors or its authorized committee) selects the recipients of awards and determines the:

- number of common shares covered by the awards and the dates upon which such awards become exercisable or any restrictions lapse, as applicable;
- type of award and the price and method of payment for each such award;
- exercise price or purchase price of awards; and
- duration of options.

Incentive Share Options. Incentive share options are intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code and are granted pursuant to incentive share option agreements. The plan administrator determines the exercise price for an incentive share option, which may not be less than 100% of the fair market value of the shares underlying the option determined on the date of grant. Notwithstanding the foregoing, incentive share options granted to employees who own, or are deemed to own, more than 10% of our voting shares, must have an exercise price not less than 110% of the fair market value of the shares underlying the option determined on the date of grant.

Nonstatutory Share Options. Nonstatutory share options are granted pursuant to nonstatutory share option agreements. The plan administrator determines the exercise price for a nonstatutory share option, which may not be less than the fair market value of the shares underlying the option determined on the date of grant.

Transfer of Options. Incentive share options are not transferable other than by will or the laws of descent and distribution. Generally, an optionee may not transfer a nonstatutory share option other than by will or the laws of descent and distribution unless the nonstatutory share option agreement provides otherwise. However, an optionee may designate a beneficiary who may exercise the option following the optionee's death.

Restricted Share Awards. Restricted share awards are granted pursuant to restricted share award agreements. The purchase price for restricted share awards must be at least equal to the par value of the common shares. Restricted Share Awards may be subject to a repurchase right in accordance with a vesting schedule determined by the board of directors. Rights to acquire shares under a restricted share award may be transferable only to the extent provided in a restricted share award agreement.

Share Appreciation Rights. Share appreciation rights are granted pursuant to share appreciation right agreements. A share appreciation right granted under the incentive plan vests at the rate specified in the share appreciation right agreement.

The plan administrator determines the term of share appreciation rights granted under the incentive plan. If a participant's relationship with us, or any of our affiliates, ceases for any reason, any unvested share appreciation rights will be forfeited and any vested share appreciation rights will be automatically redeemed.

Other Equity Awards. The plan administrator may grant other awards based in whole or in part by reference to our common shares.

Changes to Capital Structure. In the event of certain types of changes in our capital structure, such as a share split, the number of shares reserved under the plan and the number of shares and exercise price or strike price, if applicable, of all outstanding awards will be appropriately adjusted.

Changes in Control. In the event of a reorganization or change of control event, as such terms are defined in the incentive plan, all outstanding options and other awards under the incentive plan may be assumed, continued or substituted for by any surviving or acquiring entity. If the surviving or acquiring entity elects not to assume, continue or substitute for such awards, the vesting of such awards held by participants will be accelerated and such awards will be terminated if not exercised prior to the effective date of the corporate transaction. Restricted share awards may have their repurchase or forfeiture rights assigned to the surviving or acquiring entity. If such repurchase or forfeiture rights are not assigned, then such awards will become fully vested. In the event of certain changes in control, the vesting and exercisability of certain awards may be accelerated if the participant's award agreement so specifies.

2005 Non-Employee Directors' Share Option Plan

Our board of directors adopted our 2005 Non-Employee Directors' Share Option Plan, which we refer to as the directors' plan, in 2005 and our shareholders approved the directors' plan in 2005. The directors' plan will become effective upon the effective date of this offering. The aggregate number of common shares that may be issued pursuant to options granted under the directors' plan is shares, which amount will be increased annually on April 1st of each year, from 2006 and until 2015, by the number of common shares subject to options granted during the prior calendar year. However, the board of directors has the authority to designate a smaller number of shares by which the authorized number of common shares will be increased. As of the date hereof, no options to acquire common shares have been issued under the directors' plan.

The directors' plan will provide for the automatic grant of nonstatutory share options to purchase common shares to our non-employee directors.

Administration. The board of directors will administer the directors' plan. The exercise price of the options granted under the directors' plan will be equal to the fair market value of the underlying common shares on the date of grant. Options granted under the directors' plan generally are not transferable other than by will or by the laws of descent and distribution and are exercisable during the life of the optionee only by the optionee. However, an option may be transferred for no consideration upon written consent of the board of directors if the transfer is to the optionee's employer or its affiliate.

Automatic Grants. Non-employee directors are eligible to participate in our 2005 non-employee director share plan. Pursuant to this plan, each non-employee board member is eligible to receive a share option to purchase a number of common shares with a fair value equal to $, up to a

maximum of shares, upon his or her initial appointment or election to the board. Non-employee directors are also eligible to receive a share option to purchase a number of common shares with a fair value equal to $, up to a maximum of shares, at each year's annual general meeting at which he or she serves as a director. The fair value of each share option is determined by the board of directors using a generally accepted option pricing valuation methodology, such as the Black-Scholes model or binomial method, with such modifications as it may deem appropriate to reflect the fair value of the share options. All options vest 25% one year after the date of grant, and 6.25% per quarter thereafter, so long as the optionholder continues to serve as a director of the Company on such vesting date. Each option terminates upon the earlier of ten years from the date of grant or three months after the optionee ceases to serve as a director. The exercise price of these options will be the fair market value of our common shares on the date of grant.

Changes to Capital Structure. In the event of certain types of changes in our capital structure, such as a share split, the number of shares reserved under the plan and the number of shares and exercise price of all outstanding share options under the directors' plan will be appropriately adjusted.

Changes in Control. In the event of certain corporate transactions, all outstanding options under the directors' plan may be either assumed, continued or substituted for by any surviving entity. If the surviving or acquiring entity elects not to assume, continue or substitute for such options, the vesting and exercisability of options will be accelerated in full and such options will be terminated if not exercised prior to the effective date of such corporate transaction.

401(k) Plan

We maintain a deferred savings retirement plan for our United States employees. The deferred savings retirement plan is intended to qualify as a tax-qualified plan under Section 401 of the Internal Revenue Code. Contributions to the deferred savings retirement plan are not taxable to employees until withdrawn from the plan. The deferred savings retirement plan provides that each participant may contribute up to 15% of his or her pre-tax compensation (up to a statutory limit, which is $14,000 in 2005). Under the plan, each employee is fully vested in his or her deferred salary contributions. We match 50% of the first 6% a participant contributes to the plan on an annual basis and such matching contributions vest equally over 4 years. The deferred savings retirement plan also permits us to make additional discretionary contributions, subject to established limits and a vesting schedule.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Issuance of Series B Convertible Preferred Shares

On August 19, 2003 and August 30, 2004, we sold an aggregate of 12,874,694 series B preferred shares at a price per share of $4.11 for an aggregate purchase price of $52,914,992. All of our series B preferred shares will be automatically converted into common shares upon completion of this offering. Of these shares, we sold 60,827 series B preferred shares to George Overholser, a director, and an aggregate of 9,732,360 series B preferred shares to Highland Capital Partners VI Limited Partnership and related entities, which collectively own more than five percent of our voting securities. Of these series B preferred shares, Highland Capital Partners VI Limited Partnership purchased 6,092,457 shares, Highland Capital Partners VI-B Limited Partnership purchased 3,338,200 shares and Highland Entrepreneurs Fund VI Limited Partnership purchased 301,703 shares. Fergal Mullen, a director, is a managing director of Highland Management Partners VI, Inc., the general partner of each of the general partners of these entities.

Purchasers of our series B preferred shares, including George Overholser and Highland Capital VI Limited Partnership and related entities, and certain holders of our common and preferred shares, including Robert Keane, a director and our president and chief executive officer who owned shares directly and through family trusts, HarbourVest VI—Direct Fund LP, entities related to SPEF Venture, Window to Wall Street Inc. and a related entity, and Sofinnova Capital II, each of whom own more than five percent of our outstanding voting securities, are party to the third amended and restated investor rights agreement between us and various shareholders containing, among other things, provisions relating to the election of directors, rights to purchase certain securities sold by us or certain other investors and registration of certain equity securities with the United States Securities and Exchange Commission. Louis Page, a director, is general partner and president of the Window to Wall Street entities.

Repurchase of Shares and Sales of Common Shares

In August and September 2003, we repurchased an aggregate of 961,288 series A preferred shares and 1,230,106 common shares from various shareholders for an aggregate purchase price of $9,006,629. These repurchases included purchases from the following directors, officers and holders of more than five percent of our voting securities:

Name	Number of Repurchased Common Shares	Number of Repurchased Series A Preferred Shares	Total Purchase Price
SPEF Venture and related entities	172,126(1)	224,747(1)	$1,631,148.03
Window to Wall Street Inc. and related entity		234,711(2)	964,662.21
Sofinnova Capital II	380,595		1,564,245.45
Robert S. Keane	406,368(3)		1,670,172.48
Janet F. Holian	27,000		110,970.00

(1) Consists of 48,569 common shares sold by Banque Populaire Innovation I; 123,557 common shares sold by Banque Populaire Innovation 2; 74,988 series A preferred shares sold by Banque Populaire Innovation 3 and 149,759 series A preferred shares sold by FCPR Pre-IPO European Fund. All such entities are affiliates of SPEF Venture. Valerie Gombart, a former director, is a partner of SPEF Venture.

(2) Consists of 154,272 series A preferred shares sold by Window to Wall Street IV, Limited Partnership and 80,439 series A preferred shares sold by Window to Wall Street Inc. Louis Page, a director, is general partner of Window to Wall Street IV, Limited Partnership and president of Window to Wall Street Inc.

(3) Consists of 47,968 common shares sold by Robert Keane, our chief executive officer, and 358,400 common shares sold by Heather Keane, Mr. Keane's wife.

In September 2002, VistaPrint USA, Incorporated, our wholly-owned subsidiary, loaned Robert Keane, our president and chief executive officer, and his wife, $355,660 pursuant to a promissory note dated September 6, 2002, issued in favor VistaPrint USA, Incorporated. Mr. Keane utilized the proceeds of this loan to exercise options and warrants to purchase common shares of VistaPrint Limited. Interest on this loan accrued at a rate of 6.6% per annum and Mr. Keane paid the accrued interest on a quarterly basis. On September 25, 2003, Mr. Keane transferred 86,535 common shares to VistaPrint USA, Incorporated, with a then current fair market value of $355,659 as determined by our board of directors, and paid the balance of principal and accrued interest in cash on that date. As a result of this payment, the note is no longer outstanding. These 86,535 common shares were subsequently repurchased by us from VistaPrint USA, Incorporated for total consideration of $355,659.

On September 30, 2003, Alexander Schowtka, our chief operating officer, exercised options to purchase 100,000 of our common shares with an exercise price of $1.11 per share. Mr. Schowtka then sold those shares in three separate transactions for aggregate consideration of $411,000.

On June 30, 2004, Janet F. Holian, our chief marketing officer, exercised options to purchase 30,000 of our common shares at an exercise price of $1.11 per share. Ms. Holian then sold those shares in a private transaction for aggregate consideration of $123,300.

On August 30 and November 30, 2004, Robert S. Keane, our chief executive officer, and a trust established for the benefit of Mr. Keane's family, sold an aggregate of 125,000 of our common shares in private transactions for aggregate consideration of $513,750.

Supply Relationship with Mod-Pac Corporation

As of March 31, 2005, we purchased the majority of our printed products for our North American customer orders from Mod-Pac Corporation. The chairman of the board of Mod-Pac is Kevin Keane and the chief executive officer of Mod-Pac is David Keane, the father and brother, respectively, of Robert S. Keane, our chief executive officer. Kevin Keane owns 493,913 common shares of VistaPrint Limited. In the years ended June 30, 2004, 2003 and 2002, we purchased goods and services from Mod-Pac having a value of $15.4 million, $9.9 million, and $6.3 million, respectively.

Prior to February 2004, we purchased all of our printed products from Mod-Pac under a ten-year exclusive supply agreement pursuant to which Mod-Pac served as our exclusive supplier of all printed materials for customer orders.

In September 2002, we entered into two supply agreements with Mod-Pac, which superseded the ten-year exclusive supply agreement. Under these supply agreements, Mod-Pac's right to be our sole supplier of printed materials was limited to being the sole supplier of printed products for customer orders delivered in North America. The supply agreements were to expire on April 2, 2011. In connection with the execution of the supply agreements, we agreed to change the method of calculating the cost of printing and related services for delivery in North America to a cost plus methodology. Prior to this date costs were based on a standard cost per product produced. Under the methodology provided for in the supply agreements, we were charged all direct and indirect costs incurred by Mod-Pac related to the printing of product for customers in North America, plus a 33% mark-up. In addition, the supply agreements provided that the price for products to be delivered to customers in regions other than North America would be negotiated, but would in no event exceed the cost structure agreed to for customers in North America.

On July 2, 2004, we entered into a termination agreement with Mod-Pac that effectively terminated all then existing supply agreements with Mod-Pac as of August 30, 2004. Pursuant to the

termination agreement, we paid Mod-Pac a one-time $22.0 million termination fee. On the same date, we entered into a new supply agreement with Mod-Pac which became effective August 30, 2004. Under the new supply agreement, Mod-Pac retained the exclusive supply right for products shipped in North America through August 30, 2005. The cost of printing and fulfillment services in effect prior to the termination agreement reflected Mod-Pac's actual costs plus 33%. The cost of these services under the new supply agreement is based on a fixed price per product. This fixed pricing methodology has effectively reduced the price we pay per product to costs of production plus 25%**.** We further amended the new supply agreement in April 2005 to permit us to manufacture products destined for North American customers in exchange for the payment of a fee to Mod-Pac for each unit shipped. The new supply agreement expires on August 30, 2005; however, we and Mod-Pac have agreed to fixed prices on any purchase orders that we may place with Mod-Pac during the period from August 31, 2005 to August 30, 2006. We have no minimum purchase commitments during this period.

Consulting Services

In October, 2004, we paid George Overholser, a member of our board of directors, $9,000 for consulting services provided by Mr. Overholser to us from May through July, 2004, prior to his appointment to our board of directors on July 29, 2004.

Other Considerations

We have adopted a policy providing that all material transactions between us and our officers, directors and other affiliates must be:

- Ÿ approved by a majority of the members of our board of directors and by a majority of the disinterested members of our board of directors; and
- Ÿ on terms no less favorable to us than those that we believe could be obtained from unaffiliated third parties.

PRINCIPAL AND SELLING SHAREHOLDERS

The following table sets forth information regarding beneficial ownership of our common shares as of March 31, 2005 by:

- Ÿ each person, or group of affiliated persons, known to us to be the beneficial owner of more than 5% of our outstanding common shares;
- Ÿ each of our directors;
- Ÿ each of our named executive officers;
- Ÿ our directors and executive officers as a group;
- Ÿ certain selling shareholders; and
- Ÿ all other selling shareholders as a group.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission, and includes voting or investment power with respect to our shares. Common shares issuable under share options that are exercisable within 60 days after March 31, 2005 are deemed beneficially owned and such shares are used in computing the percentage ownership of the person holding the options but are not deemed outstanding for the purpose of computing the percentage ownership of any other person. The information contained in the following table is not necessarily indicative of beneficial ownership for any other purpose and the inclusion of any shares in the table does not constitute an admission of beneficial ownership of those shares.

Unless otherwise indicated below, to our knowledge, all persons named in the table have sole voting and investment power with respect to their common shares, except to the extent authority is shared by spouses under community property laws. The percentage of common shares outstanding reflects the conversion, upon the closing of this offering, of all outstanding convertible preferred shares into an aggregate of 22,720,543 common shares. The number of common shares deemed outstanding after this offering includes the common shares being offered for sale in this offering but assumes no exercise of the underwriters' over-allotment options.

Name and Address of Beneficial Owner (1)	Shares Beneficially Owned Prior to Offering		Shares Offered	Shares Beneficially Owned After Offering	
	Number	Percentage		Number	Percentage
5% Shareholders					
Highland Capital Partners VI and related entities (2) 92 Hayden Ave. Lexington, MA 02421	9,732,360	28.5%			
HarbourVest VI-Direct Fund LP One Financial Center 44th Floor Boston, MA 02111	2,433,090	7.1%			
SPEF Venture and related entities (3) 5-7 Rue de Montessuy 75340 Paris France	3,271,033	9.6%			
Window to Wall Street Inc. and related entity (4) 39 Cedar Hill Road Dover MA 02030	1,934,489	5.7%			
Sofinnova Capital II 17 Rue de Surene 75008 Paris France	3,136,874	9.2%			
Directors and Officers					
Robert S. Keane (5)	3,442,350	10.0%			
Fergal Mullen (2) Highland Capital Partners 92 Hayden Ave. Lexington, MA 02421	9,732,360	28.5%			
Louis Page (4) Window to Wall Street 39 Cedar Hill Road Dover, MA 02030	1,934,489	5.7%			
George M. Overholser	60,827	*			
Richard T. Riley	0	*			
Paul C. Flanagan (6)	93,750	*			
Janet F. Holian (7)	515,749	1.5%			
Alexander Schowtka (8)	645,559	1.9%			
All directors and executive officers as a group (8 persons) (9)	16,425,084	46.4%			
Other Selling Shareholders					
All selling shareholders as a group (persons)					

* Represents beneficial ownership of less than one percent of our common shares.

(1) Unless otherwise indicated, the address of each shareholder is c/o VistaPrint USA, Incorporated, 100 Hayden Ave., Lexington, MA 02421.

(2) Consists of 6,092,457 shares held by Highland Capital Partners VI Limited Partnership (“Highland Capital VI”), 3,338,200 shares held by Highland Capital Partners VI-B Limited Partnership (“Highland Capital VI-B”), 301,703 shares held by Highland Entrepreneurs’ Fund VI Limited Partnership (“Highland Entrepreneurs’ Fund” and together with Highland Capital VI and Highland Capital VI-B, the “Highland Investing Entities”). Highland Management Partners VI Limited Partnership (“HMP”) is the general partner of Highland Capital VI and Highland Capital VI-B. HEF VI Limited Partnership (“HEF”) is the general partner of Highland Entrepreneurs’ Fund. Highland Management Partners VI, Inc. (“Highland Management”) is the general partner of both HMP and HEF. Robert F. Higgins, Paul A. Maeder, a former member of our board of directors, Daniel J. Nova, Jon G. Auerbach, Sean M. Dalton, Corey M. Mulloy, Fergal J. Mullen, a member of our board of directors, and Josaphat K. Tango are the managing directors of Highland Management (together, the “Managing Directors”). Highland Management, as the general partner of the general partners of the Highland Investing Entities, may be deemed to have beneficial ownership of the shares held by the Highland Investing Entities. The Managing Directors have shared voting and investment control over all the shares held by the Highland Investing Entities and therefore may be deemed to share beneficial ownership of the shares held by Highland Investing Entities by virtue of their status as controlling persons of Highland Management. Each of the Managing Directors disclaims beneficial ownership of the shares held by the Highland Investing Entities, except to the extent of such Managing Director’s pecuniary interest therein. The address for the entities affiliated with Highland Capital Partners is 92 Hayden Avenue, Lexington, MA 02421.

(3) Consists of 400,305 shares held by Banque Populaire Innovation 1, 1,018,358 shares held by Banque Populaire Innovation 2, 618,053 shares held by Banque Populaire Innovation 3, and 1,234,317 shares held by SPEF Pre-IPO Fund.

(4) Consists of 1,271,510 shares held by Window to Wall Street IV Limited Partnership and 662,979 shares held by Window to Wall Street Inc. Louis Page, a member of our board of directors, is general partner of Window to Wall Street IV Limited Partnership and president of Window to Wall Street Inc. Mr. Page disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.

(5) Includes an aggregate of 3,157,975 shares held in family trusts established for the benefit of Robert Keane and/or members of his immediate family. Voting and investment power with respect to common shares in these trusts is held by trustees other than Mr. Keane and his spouse, who do not have such rights. Mr. Keane disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein. Also includes 284,375 shares subject to options exercisable within 60 days of March 31, 2005.

(6) Consists of 93,750 shares subject to options exercisable within 60 days of March 31, 2005.

(7) Includes 257,187 shares subject to options exercisable within 60 days of March 31, 2005. Also includes 254,562 shares held by trusts established by Ms. Holian’s spouse. Ms. Holian disclaims beneficial ownership of such shares except to the extent of her pecuniary interest therein.

(8) Includes 641,559 shares subject to options exercisable within 60 days of March 31, 2005.

(9) Includes 1,276,871 shares subject to options exercisable within 60 days of March 31, 2005.

DESCRIPTION OF SHARE CAPITAL

The following description of our share capital and provisions of our memorandum of association and amended and restated bye-laws are summaries and are qualified by reference to the memorandum of continuance and the amended and restated bye-laws that will become effective upon closing of this offering. Copies of these documents will be filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of the common shares and preferred shares reflect changes to our capital structure that will occur upon the closing of this offering.

Our authorized share capital is $, divided into common shares, $.001 par value per share, and preferred shares, $.001 par value per share. Immediately after this offering, our issued and outstanding share capital will consist of common shares. This number excludes the approximately common shares issuable upon the exercise of options held by employees, consultants and directors.

Common Shares

As of March 31, 2005, there were 34,094,936 common shares outstanding and held of record by 95 shareholders, after giving effect to the conversion of all outstanding preferred shares into common shares upon the closing of this offering. Based upon the number of shares outstanding as of March 31, 2005 and giving effect to the issuance of the common shares offered by us in this offering, there will be common shares outstanding upon the closing of this offering. In addition, as of March 31, 2005, there were outstanding options for the purchase of 3,378,630 common shares.

Voting Rights. Holders of common shares are entitled to one vote per share on all matters submitted to a vote of holders of common shares. Most matters to be approved by holders of common shares require approval by a simple majority vote of votes actually cast on a particular matter by the holders of issued shares, subject to any voting rights granted to holders of preferred shares. The holders of at least 75% of the shares voting in person or by proxy at a meeting must generally approve an amalgamation with another company. In addition, a resolution to remove our auditor before the expiration of its term of office must be approved by at least two-thirds of the votes cast at a meeting of our shareholders. The quorum for any meeting of our shareholders is one or more persons holding or representing a majority of the outstanding shares.

Dividends. We have not declared or paid any cash dividends on our common shares since our inception. Holders of common shares are entitled to receive equally and ratably any dividends as may be declared by our board of directors out of funds legally available therefore.

We are subject to Bermuda legal constraints that may affect our ability to pay dividends on our common shares or preferred shares and make other payments. Under the Companies Act, we may declare or pay a dividend out of distributable reserves only if we have reasonable grounds for believing that we are, or would after the payment be, able to pay our liabilities as they become due and if the realizable value of our assets would thereby not be less than the aggregate of our liabilities and issued share capital and share premium accounts. The excess of the consideration paid on issue of shares over the aggregate par value of such shares must, except in certain limited circumstances, be credited to a share premium account. Share premium may be distributed in certain limited circumstances, for example to pay up unissued shares which may be distributed to shareholders in proportion to their holdings, but is otherwise subject to limitation.

Liquidation Rights. In the event of our liquidation, dissolution or winding-up, the holders of common shares are entitled to share equally and ratably in our assets, if any, remaining after the payment of all our debts and liabilities and the liquidation preference of any outstanding preferred shares.

Other Matters. Holders of common shares have no pre-emptive, redemption, conversion or sinking fund rights. All outstanding shares are fully paid and nonassessable. Authorized but unissued shares may, subject to any rights attaching to existing shares, be issued at any time and at the discretion of the board of directors without the approval of our shareholders, with such rights, preferences and limitations as our board of directors may determine.

Under Bermuda law, an exempted company may be discontinued and be continued in a jurisdiction outside Bermuda as if it had been incorporated under the laws of that other jurisdiction. Our bye-laws provide that our board of directors may exercise the power to discontinue to another jurisdiction without the need of any shareholder approval.

Preferred Shares

Pursuant to our bye-laws and Bermuda law, our board of directors by resolution may establish one or more series of preferred shares having a number of shares, designations, relative voting rights, dividend rates, conversion or exchange rights, participation rights, liquidation and other rights, preferences, limitations and powers as may be fixed by the board of directors without any further shareholder approval. Any rights, preferences, powers and limitations as may be established could have the effect of discouraging an attempt to obtain control of us. The issuance of preferred shares could also adversely affect the voting power of the holders of our common shares, deny such holders the receipt of a premium on their shares in the event of a tender or other offer for the shares and depress the market price of the common shares. We have no current plans to issue any preferred shares.

Bye-laws

Our bye-laws provide for our corporate governance, including the establishment of share rights, modification of those rights, issuance of share certificates, imposition of a lien over shares in respect of unpaid amounts on those shares, calls on shares which are not fully paid, forfeiture of shares, the transfer of shares, alterations of capital, the calling and conduct of general meetings, proxies, the appointment and removal of directors, conduct and power of directors, the payment of dividends, the appointment of an auditor and our winding-up.

Our bye-laws provide that one of the three classes of our board of directors shall be elected annually. Shareholders may only remove a director for cause prior to the expiration of that director's term at a special general meeting of shareholders at which a majority of the holders of shares voting on such proposal vote in favor of that action. For a description of the number and term of our directors, see "Management—Board of Directors" above. A classified board may deter a shareholder from removing incumbent directors and may discourage an attempt to obtain control of us.

Our bye-laws may only be amended by a resolution adopted by the board of directors and by resolution of the shareholders.

Transfer Agent and Registrar

The transfer agent and registrar for our common shares is .

National Market

We have applied for the quotation of our common shares on the Nasdaq National Market under the symbol "VPRT."

Bermuda Law

We are an exempted company organized under the Companies Act. The rights of our shareholders, including those persons who will become shareholders in connection with this offering, are governed by Bermuda law and our memorandum of association and bye-laws. The Companies Act differs in some material respects from laws generally applicable to United States corporations and their stockholders. The following is a summary of material provisions of Bermuda law and our organizational documents not discussed above.

Duties and Indemnification of Directors

Under Bermuda common law, members of a board of directors owe a fiduciary duty to the company, not to the shareholders, to act in good faith in their dealings with or on our behalf of a company and exercise their powers and fulfill the duties of their office honestly. This duty has the following essential elements:

- Ÿ a duty to act in good faith in the best interests of the company;
- Ÿ a duty not to make a personal profit from opportunities that arise from the office of director;
- Ÿ a duty to avoid conflicts of interest; and
- Ÿ a duty to exercise powers for the purpose for which such powers were intended.

The Companies Act imposes the additional duties on directors and officers of a Bermuda company:

- Ÿ to act honestly and in good faith with a view to the best interests of the company; and
- Ÿ to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

In addition, the Companies Act imposes various duties on officers of a company with respect to certain matters of management and administration of the company.

The Companies Act provides that in any proceedings for negligence, default, breach of duty or breach of trust against any officer, if it appears to a court that such officer is or may be liable in respect of the negligence, default, breach of duty or breach of trust, but that he has acted honestly and reasonably, and that, having regard to all the circumstances of the case, including those connected with his appointment, he ought fairly to be excused for the negligence, default, breach of duty or breach of trust, that court may relieve him, either wholly or partly, from any liability on such terms as the court may think fit. This provision has been interpreted to apply only to actions brought by or on behalf of the company against such officers. Our bye-laws, however, provide that shareholders waive all claims or rights of action that they might have, individually or in our right, against any director or officer of us for any act or failure to act in the performance of such director's or officer's duties, except this waiver does not extend to any claims or rights of action that arise out of fraud or dishonesty on the part of such director or officer.

Bermuda law permits a company to indemnify its directors and officers, except in respect of their fraud or dishonesty. Our bye-laws indemnify our directors and officers in their capacity as such in respect of any loss arising or liability attaching to them by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which a director or officer may be guilty in relation to us other than in respect of his own fraud or dishonesty, which is the maximum extent of indemnification permitted under the Companies Act.

Mergers and Similar Arrangements

A Bermuda company may acquire the business of another Bermuda company or a company incorporated outside Bermuda and carry on such business when it is within the objects of our memorandum of association. In the case of an amalgamation, a company may amalgamate with another Bermuda company or with an entity incorporated outside Bermuda.

Takeovers

Bermuda law provides that where an offer is made for shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer (other than shares held by or for the offeror or its subsidiaries) accept, the offeror may by notice require the nontendering shareholders to transfer their shares on the terms of the offer. Dissenting shareholders may apply to the court within one month of the notice objecting to the transfer. The burden is on the dissenting shareholders to show that the court should exercise its discretion to enjoin the required transfer, which the court will be unlikely to do unless the offer is obviously and convincingly unfair.

Appraisal Rights and Shareholder's Suits

Under Bermuda law, in the event of an amalgamation of a Bermuda company with another company, a shareholder of the Bermuda company who is not satisfied that fair value has been offered for his or her shares in the Bermuda company may apply to the court within one month of notice of the shareholders' meeting, to appraise the fair value of his or her shares.

Class actions and derivative actions are generally not available to shareholders under the laws of Bermuda. However, the Bermuda courts ordinarily would be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong done to the company where the act complained of is alleged to be beyond the company's corporate power or is illegal or would result in the violation of the memorandum of association or continuance or bye-laws. Furthermore, consideration would be given by the court to acts that are alleged to constitute a fraud against the minority shareholders or where an act requires the approval of a greater percentage of shareholders than actually approved it. The winning party in such an action generally would be able to recover a portion of attorneys' fees incurred in connection with such action. Our bye-laws provide that shareholders waive all claims or rights of action that they might have, individually or in the right of VistaPrint Limited, against any of our directors or officers for any act or failure to act in the performance of such director's or officer's duties, except with respect to any fraud or dishonesty of such director or officer.

When the affairs of a company are being conducted in a manner oppressive or prejudicial to the interests of some part of the shareholders, one or more shareholders may apply to the court for an order regulating the company's conduct of affairs in the future or compelling the purchase of the shares of any shareholder by other shareholders or by the company.

Meetings of Shareholders

Under Bermuda law, a company is required to convene at least one shareholders' meeting each calendar year. Bermuda law provides that a special general meeting may be called by the board of directors and must be called upon the request of stockholders holding not less than 10% of the paid-up share capital of the company carrying the right to vote. Bermuda law also requires that shareholders be given at least five days' advance notice of a general meeting, but the accidental omission to give notice to any person does not invalidate the proceedings at a meeting. Our bye-laws provide that our board of directors may convene an annual general meeting or a special general meeting. Under our bye-laws, we must give each shareholder at least 5 days notice of the annual general meeting and at least 5 days notice of any special general meeting.

Under Bermuda law, the number of shareholders constituting a quorum at any general meeting of shareholders is determined by the bye-laws of a company. Our bye-laws provide that the presence in person or by proxy of one or more shareholders entitled to attend and vote and holding shares representing more than 50% of the combined voting power constitutes a quorum.

The holders of not less than 5% of the total voting rights of all shareholders or 100 shareholders, whichever is the lesser, may require the directors to include in the notice for the next annual general meeting of a company any resolution which may properly be moved and is intended to be moved. In addition, such persons may also require the directors to circulate to the other shareholders a statement on any matter which is proposed to be considered at any general meeting.

Inspection of Corporate Books and Records

Members of the general public have the right to inspect a company's public documents available at the office of the Registrar of Companies in Bermuda. These documents include a company's memorandum of association (including objects and powers) and alterations to its memorandum of association, including any increase or reduction of its authorized capital. A company's shareholders have the additional right to inspect the bye-laws, minutes of general meetings and a company's audited financial statements, which must be presented to the annual general meeting of shareholders. The register of shareholders is also open to inspection by shareholders without charge, and to members of the public for a fee. A company is required to maintain a share register in Bermuda but may establish a branch register outside Bermuda. A company is required to keep at its registered office a register of directors and officers which is open for inspection by members of the public without charge. Bermuda law does not, however, provide a general right for shareholders to inspect or obtain copies of any other corporate records.

Amendment of Memorandum of Association and Bye-laws

Bermuda law provides that the memorandum of association of a company may be amended by a resolution passed at a general meeting of shareholders of which due notice has been given. Our bye-laws may be amended by a resolution first approved by our board of directors and then approved by the requisite vote of our shareholders.

Under Bermuda law, the holders of an aggregate of no less than 20% in par value of a company's issued share capital or any class of issued share capital have the right to apply to the Bermuda Supreme Court for an annulment of any amendment of the memorandum of association adopted by shareholders at any general meeting, other than an amendment that alters or reduces a company's share capital. Where such an application is made, the amendment becomes effective only to the extent that it is confirmed by the Bermuda Supreme Court. An application for the annulment of an amendment of the memorandum of association or continuance must be made within 21 days after the date on which the resolution altering the company's memorandum of association is passed and may be made on behalf of the persons entitled to make the application by one or more of their number as they may appoint in writing for the purpose. No such application may be made by persons voting in favor of the amendment.

SHARES ELIGIBLE FOR FUTURE SALE

Sales of substantial amounts of our common shares in the public market, or the perception that such sales may occur, could adversely affect prevailing market prices of our common shares. Furthermore, since only a limited number of common shares will be available for sale shortly after this offering because of the contractual and legal restrictions on resale described below, there may be sales of substantial amounts of common shares in the public market after these restrictions lapse that could adversely affect the prevailing market price and our ability to raise equity capital in the future.

Prior to this offering, there has been no public market for our common shares. Upon completion of this offering, we will have outstanding an aggregate of of our common shares assuming no exercise of outstanding options (or shares assuming the underwriters exercise their overallotment options in full). Of these shares, the shares sold in this offering will be freely tradable without restrictions or further registration under the Securities Act, unless those shares are purchased by affiliates as that term is defined in Rule 144 under the Securities Act. The remaining common shares held by existing shareholders are restricted securities as that term is defined in Rule 144 under the Securities Act or are subject to the contractual restrictions described below. Of these remaining securities:

- Ÿ shares which are not subject to the 180-day lock-up period described below may be sold immediately after completion of this offering;
- Ÿ additional shares which are not subject to the 180-day lock-up period described below may be sold beginning 90 days after the effective date of this offering; and
- Ÿ additional shares may be sold upon expiration of the 180-day lock-up period described below.

Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration under Rule 144 or 701 under the Securities Act, which rules are summarized below.

Rule 144

In general, under Rule 144, beginning 90 days after the date of this prospectus, a person who has beneficially owned our common shares for at least one year would be entitled to sell within any three-month period a number of shares that does not exceed the greater of:

- Ÿ 1% of the number of common shares then outstanding, which will equal approximately shares, assuming no exercise by the underwriters of their overallotment option to purchase additional shares; or
- Ÿ the average weekly trading volume of the common shares on the Nasdaq National Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales under Rule 144 are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 144(k)

Common shares eligible for sale under Rule 144(k) may be sold immediately upon the completion of this offering. In general, under Rule 144(k), a person may sell common shares acquired from us immediately upon completion of this offering, without regard to manner of sale, the availability of public information or volume, if:

- Ÿ the person is not our affiliate and has not been our affiliate at any time during the three months preceding such a sale; and
- Ÿ the person has beneficially owned the shares proposed to be sold for at least two years, including the holding period of any prior owner other than an affiliate.

Rule 701

In general, under Rule 701 of the Securities Act, shares acquired upon exercise of currently outstanding options or pursuant to other rights granted under our qualified compensatory stock plan are eligible to be resold 90 days after the effective date of this offering by:

- Ÿ persons other than affiliates, subject only to the manner-of-sale provisions of Rule 144;
- Ÿ our affiliates, subject to the manner-of-sale, current public information and filing requirements of Rule 144; and
- Ÿ in each case, without compliance with the one-year holding requirements of Rule 144.

Lock-up Agreements

All of our officers and directors and shareholders owning an aggregate of common shares have signed lock-up agreements under which they agreed not to offer, sell, pledge, contract to sell, sell short, grant any option in or otherwise dispose of, or enter into any hedging transaction with respect to, any of our common shares or any securities convertible into or exercisable or exchangeable for our common shares beneficially owned by them, for a period ending 180 days after the date of this prospectus. The foregoing does not prohibit open market purchases and sales of our common shares by such holders after the completion of this offering and transfers or dispositions by our officers, directors and shareholders can be made sooner:

- Ÿ with the written consent of Goldman, Sachs & Co.;
- Ÿ as a gift or by will or intestacy;
- Ÿ to immediate family members; and
- Ÿ to any trust for the direct or indirect benefit of the holder or his or her immediate family.

Registration Rights

The holders of an aggregate of of our common shares, after giving effect to the conversion of outstanding convertible preferred shares into common shares upon completion of this offering, have rights to require us to file registration statements under the Securities Act or to include their shares in registration statements that we may file in the future for ourselves or other shareholders. These rights are provided under the terms of the third amended and restated investor rights agreement between us and the holders of these shares. We have obtained waivers of certain of these rights in connection with this offering.

Pursuant to the terms of the third amended and restated investor rights agreement, at any time after six calendar months following the closing of this offering, holders of at least 40% of the common shares having registration rights may demand that we register all or a portion of their common shares having an aggregate offering price of at least $3,000,000 for sale under the Securities Act. We are required to affect only two of these registrations. However, if at any time we become eligible to file a registration statement on Form S-3, or any successor form, or on or after the three years following the closing of this offering, various holders of the common shares having registration rights may make unlimited requests for us to effect a registration on such forms of their common shares having an aggregate offering price of at least $1,000,000, provided that we may not be required to effect more than two of these registrations in any twelve month period.

In addition, if at any time after this offering we register any common shares, either for our own account or for the account of other security holders, the holders of registration rights are entitled to notice of the registration and to include all or a portion of their common shares in the registration.

A holder's right to include shares in an underwritten registration is subject to the ability of the underwriters to limit the number of shares included in the underwritten offering. All fees, costs and expenses of underwritten registrations will be borne by us and all selling expenses, including underwriting discounts and selling commissions will be borne by the holders of the shares being registered.

We intend to file a registration statement under the Securities Act covering the common shares reserved for issuance under our Amended and Restated 2000-2002 Share Incentive Plan, 2005 Equity Incentive Plan and 2005 Non-Employee Directors' Share Option Plan. That registration statement is expected to become effective upon filing with the SEC. Accordingly, common shares registered under that registration statement will, subject to any applicable lock-up agreements and the vesting provisions and limitations as to the volume of shares that may be sold by our affiliates under Rule 144 described above, be available for sale in the open market.

As of March 31, 2005, options to purchase 3,378,630 common shares were issued and outstanding at a weighted average exercise price of $2.45. Upon the expiration of the lock-up period described above, at least common shares will be subject to vested options, based on options outstanding as of March 31, 2005.

MATERIAL TAX CONSIDERATIONS

The following summary of our taxation and the taxation of our shareholders is based upon current law and does not purport to be a comprehensive discussion of all the tax considerations that may be relevant to a decision to purchase common shares. This summary as it relates to material United States tax considerations is based on current provisions of the United States Internal Revenue Code of 1986, as amended, or the Code, existing, final, temporary and proposed United States Treasury Regulations, administrative rulings and judicial decisions, all of which are subject to change, possibly with retroactive effect. Legislative, judicial or administrative changes may be forthcoming that could affect this summary.

Prospective investors should consult their own tax advisors concerning the United States federal, state, local and non-United States tax consequences to them of owning common shares.

Taxation of VistaPrint Limited

Bermuda

Bermuda does not currently impose on VistaPrint Limited any income, corporation or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax. VistaPrint Limited has received written assurance dated May 1, 2002 from the Bermuda Minister of Finance under the Exempted Undertakings Tax Protection Act 1966 of Bermuda, as amended, that if any legislation is enacted in Bermuda imposing tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of that tax would not be applicable to VistaPrint Limited or to any of its operations, shares, debentures or obligations until March 28, 2016; provided, that the assurance is subject to the condition that it will not be construed to prevent the application of such tax to persons ordinarily resident in Bermuda, or to prevent the application of any taxes payable by us in respect of real property or leasehold interests in Bermuda held by us. We cannot assure prospective investors that we or our operations, shares, debentures or obligations will not be subject to any such tax after March 28, 2016.

United States

A foreign corporation is generally subject to United States federal income tax only on certain types of United States-source income and on income which is effectively connected with the conduct of a trade or business in the United States. A foreign corporation which is engaged in the conduct of a trade or business in the United States will generally be subject to United States federal income tax (at a current maximum rate of 35%), as well as a 30% branch profits tax in certain circumstances, on its income that is treated as effectively connected with the conduct of that trade or business (including, but not limited to, the corporation's income from the sale of its products in the United States). Such United States federal income tax, if imposed, would be based on effectively connected income computed in a manner generally analogous to that applied to the net income of a United States corporation, except that a foreign corporation is entitled to deductions and credits only if it timely files a United States federal income tax return (which requirement may be waived if the foreign corporation establishes that it acted reasonably and in good faith in its failure to timely file such return).

VistaPrint Limited operates, and intends to continue to operate, in such a manner that it will not be considered to be conducting a trade or business within the United States for purposes of United States federal income taxation. Whether a trade or business is being conducted in the United States is an inherently factual determination. Because the Code, Treasury Regulations and court decisions fail to identify definitively which activities constitute a trade or business in the United States, we cannot assure prospective investors that the Internal Revenue Service, or the IRS, will not contend that VistaPrint Limited is or will be engaged in a trade or business in the United States, or that a court will not sustain such a contention.

Foreign corporations also are subject to United States withholding tax at a rate of 30% of the gross amount of certain "fixed or determinable annual or periodical gains, profits and income" derived from sources within the United States (such as dividends and certain interest on investments), which are not effectively connected with the foreign corporation's conduct of a trade or business in the United States.

On October 22, 2004, the United States enacted the American Jobs Creation Act of 2004, or the AJCA. Under the AJCA, foreign corporations meeting certain ownership, operational and other tests are treated as United States corporations for United States federal income tax purposes and, therefore, are subject to United States federal income tax on their worldwide income. The AJCA grants broad regulatory authority to the Secretary of the Treasury to provide regulations as may be appropriate to determine whether a foreign corporation is treated as a United States corporation. We do not believe that the relevant provisions of the AJCA apply to VistaPrint Limited, but there can be no assurance that the IRS will not challenge this position or that a court will not sustain any such challenge. In addition, the United States congressional Joint Committee on Taxation has proposed additional rules that, if enacted, would treat a foreign corporation as a United States resident for United States federal income tax purposes if its primary place of management and control is located in the United States. A successful challenge by the Internal Revenue Service under the AJCA rules or the enactment of the additional rules proposed by the United States congressional Joint Committee on Taxation could result in VistaPrint Limited being subject to tax in the United States on its worldwide income.

VistaPrint Limited has a subsidiary that is a United States corporation. The net income of this subsidiary is subject to tax in the United States.

Other

As a result of the activities of our subsidiaries in Canada, Jamaica and the Netherlands, the VistaPrint group incurs tax liabilities in those jurisdictions. In addition, VistaPrint Limited routinely fills orders from customers residing in various jurisdictions in which neither we nor any subsidiary has offices or employees. Under certain circumstances, the taxing authority of one or more of these jurisdictions could assert that we are engaged in a trade or business in that jurisdiction and, therefore, subject to tax therein.

Taxation of Shareholders

Bermuda

Under current Bermuda law, there is no Bermuda income or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax or other taxes or stamp duties imposed on our shareholders upon the issue, transfer or sale of our common shares or on any payments in respect of our common shares (except, in certain circumstances, upon persons ordinarily resident in Bermuda). See "Taxation of VistaPrint Limited—Bermuda" above for a description of the undertaking on taxes obtained by us from the Minister of Finance of Bermuda.

United States

The following summary describes the material United States federal income tax considerations related to the purchase, ownership and disposition of our common shares. This summary is only a summary of the material United States federal income tax considerations described herein and does not address all United States federal income tax considerations that may be relevant to particular holders by reason of their particular circumstances. For example, this summary is directed only to shareholders that hold our common shares as capital assets within the meaning of Section 1221 of the Code and does not address the special tax considerations applicable to shareholders that are subject to special tax rules or treatment under the Code, such as:

- dealers or traders in securities or currency;

- banks or other financial institutions;
- insurance companies;
- regulated investment companies;
- tax-exempt entities;
- former United States citizens or long-term United States residents;
- persons subject to alternative minimum tax;
- persons that hold common shares as part of a hedge, straddle, conversion, constructive sale or similar transaction involving more than one position;
- persons that own, directly or indirectly (pursuant to complex attribution and constructive ownership rules), 10% or more of our voting shares; or
- persons whose functional currency is not the United States dollar.

This summary does not address tax considerations to persons who own our common shares through a partnership or other pass-through entity and does not address the indirect consequences to holders of equity interests in entities that own our common shares. This summary does not address tax consequences under United States state, local or estate, or non-United States tax laws.

For purposes of this summary, a U.S. holder is a holder of our common shares that is:

- an individual who is either a United States citizen or a resident of the United States for United States federal income tax purposes;
- a corporation (or an entity taxable as a corporation) created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate, the income of which is subject to United States federal income tax regardless of its source; or
- a trust if (a) a United States court is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

A non-U.S. holder is a holder of common shares other than a U.S. holder or a partnership.

We will not seek a ruling from the IRS with regard to the United States federal income tax treatment of an investment in our common shares and there can be no assurance that the IRS will agree with the conclusions set forth below.

EACH PROSPECTIVE INVESTOR IN OUR COMMON SHARES SHOULD CONSULT WITH ITS OWN TAX ADVISOR AS TO THE PARTICULAR TAX CONSEQUENCES TO IT OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON SHARES, INCLUDING THE APPLICATION OF THE TAX CONSIDERATIONS DISCUSSED BELOW, AS WELL AS THE APPLICATION OF UNITED STATES STATE, LOCAL AND ESTATE, AND NON-UNITED STATES TAX LAWS.

United States Taxation of U.S. Holders

Distributions on Common Shares. The amount of a distribution with respect to our common shares for United States federal income tax purposes will equal the gross amount of cash and the fair market value of any property distributed (including the amount of foreign taxes, if any, withheld from the distribution). Subject to the discussions below under the headings “Passive Foreign Investment

Company" and "Controlled Foreign Corporation," a distribution paid by us with respect to our common shares to a U.S. holder generally will be treated as a dividend to the extent that the distribution does not exceed our current and accumulated earnings and profits, as determined for United States federal income tax purposes. The amount of any distribution that exceeds these earnings and profits will be treated first as a non-taxable return of capital, reducing the U.S. holder's tax basis in its common shares, and then as capital gain. Corporate shareholders generally will not be allowed the deduction for dividends received otherwise allowed to corporations under United States federal income tax law.

Dividend income is generally taxed as ordinary income. However, a maximum United States federal income tax rate of 15% will apply to "qualified dividend income" received by individuals (or certain trusts and estates) in taxable years beginning before January 1, 2009, provided that certain holding period and other requirements are met. "Qualified dividend income" generally includes dividends paid by a foreign corporation if either (a) the stock of such corporation with respect to which the dividends are paid is readily tradable on an established securities market in the United States, including the Nasdaq National Market, or (b) such corporation is eligible with respect to substantially all of its income for the benefits of a comprehensive income tax treaty with the United States which includes an information exchange program and is determined to be satisfactory by the United States Secretary of the Treasury. For this purpose, the U.S.-Bermuda tax treaty is not a comprehensive income tax treaty. Our common shares, however, will be traded on the Nasdaq National Market. Accordingly, we believe that dividend distributions with respect to our common shares should be treated as "qualified dividend income," subject to U.S. holders' satisfaction of certain holding period and other requirements, and should be eligible for the reduced 15% United States federal income tax rate. Dividends paid by us will not qualify for the 15% United States federal income tax rate, however, if we are treated, for the tax year in which the dividends are paid or the preceding tax year, as a "passive foreign investment company" for United States federal income tax purposes.

Foreign taxes withheld from a distribution will generally be treated as a foreign income tax that U.S. holders may elect to deduct in computing United States federal income tax. Alternatively, U.S. holders may be eligible for a credit against their United States federal income tax liability for such taxes, subject to certain complex conditions and limitations that must be determined on an individual basis by each U.S. holder. These limitations include, among others, rules that may limit foreign tax credits allowable with respect to specific classes of income to the United States federal income taxes otherwise payable with respect to each such class of income. Dividends distributed by us will generally be treated as foreign source "passive income" or "financial services income" for United States foreign tax credit purposes. However, if 50% or more of our voting power or value is owned, directly or indirectly, by United States persons (as defined in the Code), then a portion of the dividends distributed with respect to our common shares would, subject to a *de minimis* exception, be characterized as United States-source income for United States foreign tax credit purposes in the same ratio as our earnings and profits that are United States-source bears to our total earnings and profits. In addition, a portion of the dividends distributed with respect to our common shares may be treated as United States-source income for United States foreign tax credit purposes if at least 25% of our gross income for the three-year period preceding the year the distribution is declared is effectively connected with the conduct by us of a trade or business in the United States.

Special rules may apply to the computation of foreign tax credits relating to "qualified dividend income." The rules relating to the United States foreign tax credit are complex, and U.S. holders should consult their own tax advisors to determine whether and to what extent they would be entitled to this credit.

Sale, Exchange or other Disposition of Common Shares. Provided that a nonrecognition provision does not apply, and subject to the discussions below under the headings "Passive Foreign Investment Company" and "Controlled Foreign Corporation," a U.S. holder's sale, exchange

or other disposition of our common shares generally will result in the recognition by such U.S. holder of capital gain or loss in an amount equal to the difference between the amount realized and the U.S. holder's tax basis in the common shares sold. Gain or loss will be computed separately for each block of shares (shares acquired separately at different times and prices). This gain or loss will be long-term capital gain or loss and eligible for reduced rates of taxation if the common shares sold have been held for more than one year at the time of the disposition. If the U.S. holder's holding period on the date of the disposition is one year or less, such gain or loss will be a short-term capital gain or loss. Any capital loss realized upon the disposition of our common shares generally would be deductible only against capital gains and not against ordinary income, except that in the case of an individual U.S. holder, a capital loss is deductible to the extent of capital gains plus ordinary income of up to $3,000. Except in limited circumstances, any capital gain recognized by a U.S. holder upon the disposition of our common shares will be treated as United States-source income for United States foreign tax credit purposes.

A U.S. holder's tax basis in its common shares generally will be equal to the purchase price paid by such U.S. holder. The holding period of each common share owned by a U.S. holder will begin on the day following the date of the U.S. holder's purchase of such common share and will include the day on which the common share is sold by such U.S. holder.

Passive Foreign Investment Company. If, during any taxable year, 75% or more of our gross income consists of certain types of passive income, or the average value during a taxable year of our passive assets (generally assets that generate passive income) is 50% or more of the average value of all of our assets, we will be treated as a "passive foreign investment company", or PFIC, under United States federal income tax law for such year. If we are classified as a PFIC in any year with respect to which a U.S. holder is a shareholder, we will continue to be treated as a PFIC with respect to such U.S. holder in all succeeding years, regardless of whether we continue to meet the tests described above.

We believe that we were not a PFIC in the tax year ended June 30, 2004. We expect that we will not become a PFIC in the foreseeable future. Nevertheless, because the tests for determining PFIC status are applied as of the end of each taxable year and are dependent upon a number of factors, some of which are beyond our control, including the value of our assets and the amount and type of our gross income, we cannot determine our PFIC status until the end of each tax year. We cannot assure U.S. holders that the IRS will agree with our conclusion regarding our PFIC status for any particular year. Neither our advisors nor we have the duty to, or will undertake to, inform U.S. holders of changes in circumstances that would cause us to become a PFIC.

If we are classified as a PFIC, unless a U.S. holder timely makes one of the elections described below, a special tax regime would apply to both:

- any "excess distribution", which would be such holder's share of distributions in any year that are greater than 125% of the average annual distributions received by such holder in the three preceding years or such holder's holding period, if shorter; and
- any gain realized on the sale or other disposition of the common shares.

Under this regime, any excess distribution and realized gain would be treated as ordinary income and would be subject to tax as if the excess distribution or gain had been realized ratably over the U.S. holder's holding period for the common shares. As a result of this treatment:

- the amount allocated to the taxable year in which the holder realizes the excess distribution or gain would be taxed as ordinary income;
- the amount allocated to each prior year, with certain exceptions, would be taxed as ordinary income at the highest applicable tax rate in effect for that year; and

Ÿ the interest charge generally applicable to underpayments of tax would be imposed on the taxes deemed to have been payable in those previous years.

If a U.S. holder makes a mark-to-market election with respect to such holder's common shares, the holder will not be subject to the PFIC rules described above. Instead, in general, such U.S. holder will include as ordinary income for each year the excess, if any, of the fair market value of such holder's common shares at the end of the taxable year over the holder's adjusted basis in those shares. Such U.S. holder will also be allowed to take an ordinary loss in respect of the excess, if any, of the adjusted basis of the holder's common shares over their fair market value at the end of the taxable year, but only to the extent of the net amount of income previously included as a result of the mark-to-market election. The U.S. holder's tax basis in the common shares will be adjusted to reflect any such income or loss amounts. Any gain realized upon disposition of such U.S. holder's common shares will also be taxed as ordinary income. The mark-to-market election will be available only if the common shares are regularly traded on a qualified exchange. The Nasdaq National Market is a qualified exchange.

The special PFIC tax rules described above also will not apply to a U.S. holder if the holder makes a so-called QEF election, pursuant to which the holder elects to have VistaPrint Limited treated as a qualified electing fund for U.S. federal income tax purposes. If a U.S. holder makes a QEF election, the holder will be required to include in gross income for United States federal income tax purposes such holder's pro rata share of our ordinary earnings and net capital gain for each taxable year that we are a PFIC, regardless of whether or not the holder receives any distributions from us. Such U.S. holder's tax basis in the common shares will be increased to reflect undistributed amounts that are included in such holder's gross income. Distributions of previously includible income will result in a corresponding reduction of basis in the common shares and will not be taxed again as a distribution to such holder. Any gain realized upon disposition of such U.S. holder's common shares will generally be taxed as capital gain. A U.S. holder cannot make a QEF election with respect to the common shares unless we comply with certain reporting requirements, with which we might not comply.

U.S. holders are urged to consult their own tax advisors concerning the potential application of the PFIC rules to the ownership and disposition of common shares, including as to the advisability of making either a mark-to-market or QEF election.

Controlled Foreign Corporation. In general, a foreign corporation is considered a controlled foreign corporation, or CFC, if "10% U.S. Shareholders" own more than 50% of the total combined voting power of all classes of voting stock of such foreign corporation, or the total value of all stock of such corporation. A 10% U.S. Shareholder is a United States person who owns at least 10% of the total combined voting power of all classes of stock of the foreign corporation entitled to vote.

Each 10% U.S. Shareholder of a foreign corporation that is a CFC for an uninterrupted period of 30 days or more during a taxable year, and that owns shares in the CFC directly or indirectly through foreign entities on the last day of the CFC's taxable year, must include in its gross income for United States federal income tax purposes its pro rata share of the CFC's "subpart F income," even if the subpart F income is not distributed. A U.S. holder's tax basis in its common shares will be increased by the amount of any subpart F income that the shareholder includes in income. Any distributions made by us out of previously taxed subpart F income will be exempt from further United States income tax in the hands of the U.S. holder. The U.S. holder's tax basis in our common shares will be reduced by the amount of any distributions that are excluded from income under this rule. Any gain upon a disposition of shares in a CFC by a 10% U.S. Shareholder will be treated as a dividend to the extent of the CFC's earnings and profits (determined under United States federal income tax principles) during the period that the shareholder held the shares and while the corporation was a CFC (with certain adjustments).

For purposes of determining whether a corporation is a CFC, and therefore whether the more-than-50% and 10% ownership tests have been satisfied, shares owned include shares owned directly or indirectly through foreign entities and shares considered owned by application of certain constructive ownership rules. Because the attribution rules are complicated and depend on the particular facts relating to each investor, U.S. holders are urged to consult their own tax advisors regarding the application of the rules to their ownership of our common shares.

Information Reporting and Backup Withholding. In general, information reporting requirements will apply to U.S. holders, other than certain exempt recipients (such as corporations), with respect to payments of dividends on, and to proceeds from the disposition of, our common shares. Backup withholding tax will generally apply to such payments if the U.S. holder fails to provide a correct taxpayer identification number or otherwise fails to comply with, or establish an exemption from, backup withholding tax requirements. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the holder's United States federal income tax liability, provided that the required information is furnished to the IRS. U.S. holders are urged to consult their tax advisors regarding the imposition of backup withholding and information reporting with respect to distributions on, and dispositions of, our common shares.

United States Taxation of Non-U.S. Holders

Distributions on and Dispositions of Common Shares. In general, and subject to the discussion below under "Information Reporting and Backup Withholding," a non-U.S. holder will not be subject to United States federal income or withholding tax on income from distributions with respect to, or gain upon the disposition of, our common shares, unless (1) such income or gain is treated as effectively connected with the conduct by the non-U.S. holder of a trade or business in the United States, and in a case where the non-U.S. holder is entitled to the benefits of an income tax treaty with respect to such income or gain, that income or gain is attributable to a permanent establishment or, in the case of an individual, a fixed place of business in the United States, or (2) in the case of gain realized by an individual non-U.S. holder upon a disposition of our common shares, the non-U.S. holder is present in the United States for 183 days or more in the taxable year of the disposition and other applicable conditions are met.

In the event that clause (1) in the preceding paragraph applies, the income or gain generally will be subject to regular United States federal income tax in the same manner as if the income or gain, as the case may be, were realized by a U.S. holder. In addition, if the non-U.S. holder is a foreign corporation, the earnings and profits that are attributable to effectively connected income may be subject to a branch profits tax at a rate of 30%, or at a lower rate as may be provided by an applicable income tax treaty. In the event that clause (2), but not clause (1), in the preceding paragraph applies, the gain generally will be subject to tax at a rate of 30%, or a lower rate as may be provided by an applicable income tax treaty.

Information Reporting And Backup Withholding. If our common shares are held by a non-U.S. holder through a non-U.S., and non-U.S. related, broker or financial institution, information reporting and backup withholding generally would not be required with respect to distributions on, and dispositions of, our common shares. Information reporting, and possibly backup withholding, may apply if our common shares are held by a non-U.S. holder through a United States, or United States related, broker or financial institution and the non-U.S. holder fails to provide a taxpayer identification number, certify as to its foreign status on IRS Form W-8BEN or other applicable form, or otherwise establish an exemption. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the holder's United States federal income tax liability, provided that the required information is furnished to the IRS. Non-U.S. holders are urged to consult their tax advisors regarding the imposition of backup withholding and information reporting with respect to distributions on, and dispositions of, our common shares.

UNDERWRITING

VistaPrint Limited, the selling shareholders and the underwriters named below have entered into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares indicated in the following table. Goldman, Sachs & Co., Bear, Stearns & Co. Inc., SG Cowen & Co., LLC and Jefferies & Company, Inc. are the representatives of the underwriters.

Underwriters	Number of Shares
Goldman, Sachs & Co.	
Bear, Stearns & Co. Inc.	
SG Cowen & Co., LLC	
Jefferies & Company, Inc.	
Total	

The underwriters are committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

If the underwriters sell more shares than the total number set forth in the table above, the underwriters have an option to buy up to an additional shares from VistaPrint Limited and up to an additional shares from the selling shareholders to cover such sales. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following tables show the per share and total underwriting discounts and commissions to be paid to the underwriters by VistaPrint Limited and the selling shareholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

Paid by VistaPrint	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Paid by the Selling Shareholders	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the initial public offering price. Any such securities dealers may resell any shares purchased from the underwriters to certain other brokers or dealers at a discount of up to $ per share from the initial public offering price. If all the shares are not sold at the initial public offering price, the representatives may change the offering price and the other selling terms.

VistaPrint Limited and its officers, directors, and holders of substantially all of the company's common shares, including the selling shareholders, have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of their common shares or securities convertible into or exchangeable for common shares during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus, except with the prior written consent of

Goldman, Sachs & Co., on behalf of the representatives. This agreement does not apply to any existing employee benefit plans. See “Shares Eligible for Future Sale” for a discussion of certain transfer restrictions.

Prior to the offering, there has been no public market for the shares. The initial public offering price has been negotiated among VistaPrint Limited and the representatives. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be VistaPrint Limited’s historical performance, estimates of the business potential and earnings prospects of the company, an assessment of VistaPrint Limited’s management and the consideration of the above factors in relation to market valuation of companies in related businesses.

An application has been made to quote the common shares on the Nasdaq National Market under the symbol “VPRT”.

In connection with the offering, the underwriters may purchase and sell common shares in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Shorts sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares from the company and the selling shareholders in the offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option granted to them. “Naked” short sales are any sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of common shares made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions may have the effect of preventing or retarding a decline in the market price of the company’s shares, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the common shares. As a result, the price of the common shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on Nasdaq, in the over-the-counter market or otherwise.

Each underwriter has represented, warranted and agreed that: (1) it has not offered or sold and, prior to the expiry of a period of six months from the closing date, will not offer or sell any shares to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995; (2) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of

section 21 of the Financial Services and Markets Act 2000 (“FSMA”)) received by it in connection with the issue or sale of any shares in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and (3) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

The shares may not be offered or sold, transferred or delivered, as part of their initial distribution or at any time thereafter, directly or indirectly, to any individual or legal entity in the Netherlands other than to individuals or legal entities who or which trade or invest in securities in the conduct of their profession or trade, which includes banks, securities intermediaries, insurance companies, pension funds, other institutional investors and commercial enterprises which, as an ancillary activity, regularly trade or invest in securities.

The shares may not be offered or sold by means of any document other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the shares may be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation or subscription or purchase, of the securities may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than under circumstances in which such offer, sale or invitation does not constitute an offer or sale, or invitation for subscription or purchase, of the securities to the public in Singapore.

The securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

The underwriters do not expect sales to discretionary accounts to exceed five percent of the total number of shares offered.

VistaPrint Limited estimates that its share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $.

VistaPrint Limited and the selling shareholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

Certain of the underwriters and their respective affiliates may in the future perform various financial advisory and investment banking services for VistaPrint Limited, for which they will receive customary fees and expenses.

LEGAL MATTERS

The validity of the common shares being offered by this prospectus and other legal matters concerning this offering relating to Bermuda law will be passed upon for us by Appleby Spurling Hunter, Hamilton, Bermuda. Certain legal matters concerning this offering relating to United States law will be passed upon for us by Wilmer Cutler Pickering Hale and Dorr LLP, Boston, Massachusetts. On matters of Bermuda law, Wilmer Cutler Pickering Hale and Dorr LLP is relying upon the opinion of Appleby Spurling Hunter.

In connection with this offering, Ropes & Gray LLP, Boston, Massachusetts, has advised the underwriters with respect to certain United States law matters and Conyers Dill, Hamilton, Bermuda, has advised the underwriters with respect to certain Bermuda law matters.

EXPERTS

The consolidated financial statements of VistaPrint Limited at June 30, 2003 and 2004 and for each of the three years in the period ended June 30, 2004, appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

ENFORCEABILITY OF CIVIL LIABILITIES UNDER UNITED STATES FEDERAL SECURITIES LAWS

VistaPrint Limited is incorporated under the laws of Bermuda. In addition, all or a substantial portion of our assets are or may be located in jurisdictions outside the United States. Therefore, it may be difficult for investors to recover against VistaPrint Limited, or obtain judgments of United States courts, including judgments predicated upon the civil liability provisions of the United States federal securities laws. However, VistaPrint Limited may be served with process in the United States with respect to actions against it arising out of or in connection with violations of United States federal securities laws relating to offers and sales of shares made by this prospectus by serving Robert S. Keane, VistaPrint USA, Incorporated, 100 Hayden Avenue, Lexington, MA 02421, our United States agent irrevocably appointed for that purpose.

We have been advised by our Bermuda counsel that there is no treaty in force between the United States and Bermuda providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. A judgment for the payment of money rendered by a court in the United States based on civil liability would not be automatically enforceable in Bermuda. A final and conclusive judgment obtained in a court of competent jurisdiction in the United States under which a sum of money is payable as compensatory damages may be the subject of an action in the Bermuda court under the common law doctrine of obligation, by action on the debt evidenced by the United States' court judgment without examination of the merits of the underlying claim. In order to maintain an action in debt evidenced by a United States court judgment the judgment creditor must establish that:

- Ÿ the court that gave the judgment over the defendant and was competent to hear the claim in accordance with private international law principles as applied in the courts in Bermuda; and
- Ÿ the judgment is not contrary to public policy in Bermuda and was not obtained contrary to the rules of natural justice in Bermuda.

In addition, and irrespective of jurisdictional issues, the Bermuda courts will not enforce a United States federal securities law that is either penal or contrary to Bermuda public policy. It is the advice of our Bermuda counsel that an action brought pursuant to a public or penal law, the purpose of which is the enforcement of a sanction, power or right at the instance of the state in its sovereign capacity, will not be entertained by a Bermuda Court. Certain remedies available under the laws of United States jurisdictions, including certain remedies under United States federal securities laws, would not be available under Bermuda law or enforceable in a Bermuda court, as they would be contrary to Bermuda public policy. United States judgments for multiple damages may not be recoverable in Bermuda court enforcement proceedings under the provisions of the Protection of Trading Interests Act 1981. A claim to enforce the compensatory damages before the multiplier was applied would be maintainable in the Bermuda court. Further, no claim may be brought in Bermuda against us or our directors and officers in the first instance for violation of United States federal securities laws because these laws have no extraterritorial jurisdiction under Bermuda law and do not have force of law in Bermuda. A Bermuda court may, however, impose civil liability on us or our directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Bermuda law.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the Securities and Exchange Commission a registration statement on Form S-1 under the Securities Act that registers the common shares to be sold in the offering. As permitted by the rules and regulations of the Securities and Exchange Commission, this prospectus, which is a part of the registration statement, omits certain information, exhibits, schedules and undertakings set forth in the registration statement. For further information about us and our common shares offered hereby, you should refer to the registration statement and the exhibits and schedules filed with the registration statement. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. You may read and copy any of this information at the Securities and Exchange Commission's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission also maintains an Internet website that contains reports, proxy statements and other information about issuers, like us, that file electronically with the Securities and Exchange Commission. The address of that site is www.sec.gov.

Upon completion of this offering, we will become subject to the information and periodic reporting requirements of the Securities Exchange Act of 1934, and, in accordance therewith, will file periodic reports, proxy statements and other information with the Securities and Exchange Commission. Such periodic reports, proxy statements and other information will be available for inspection and copying at the public reference room and website of the Securities and Exchange Commission referred to above. We maintain a website at www.vistaprint.com. Upon completion of this offering, you may access our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, with the Securities and Exchange Commission free of charge at our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the Securities and Exchange Commission. Our websites and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which this prospectus forms a part, and you should not rely on any such information in making your decision whether to purchase our securities.

We will provide our shareholders with annual reports containing consolidated financial statements audited by an independent registered public accounting firm and will file with the Securities and Exchange Commission quarterly reports containing unaudited consolidated financial data for the first three quarters of each fiscal year.

VISTAPRINT LIMITED

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders of
VistaPrint Limited

We have audited the accompanying consolidated balance sheets of VistaPrint Limited (the Company) as of June 30, 2003 and 2004, and the related consolidated statements of operations, redeemable convertible preferred shares and shareholders' equity (deficit), and cash flows for each of the three years in the period ended June 30, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of VistaPrint Limited at June 30, 2003 and 2004, and the consolidated results of its operations and its cash flows for each of the three years in the period ended June 30, 2004, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Boston, Massachusetts
July 23, 2004

VISTAPRINT LIMITED
CONSOLIDATED BALANCE SHEETS

	June 30, 2003	June 30, 2004	March 31, 2005	Pro Forma as of March 31, 2005
			(Unaudited)	
	(In thousands, except share and per share data)			
Assets				
Current assets:				
Cash and cash equivalents	$ 3,149	$ 20,060	$ 24,012	$ 24,012
Accounts receivable, net of allowances of $211, $48 and $60 at June 30, 2003, 2004 and March 31, 2005 (unaudited), respectively	357	752	1,160	1,160
Inventory	—	44	169	169
Deferred tax asset	—	527	947	947
Prepaid expenses and other current assets	275	565	1,700	1,700
Total current assets	3,781	21,948	27,988	27,988
Property, plant and equipment, net	1,891	14,333	27,336	27,336
Software and web site development costs, net	2,264	2,903	2,058	2,058
Patents	586	1,696	1,591	1,591
Deposits and image licenses	1,088	1,127	1,420	1,420
Total assets	$ 9,610	$ 42,007	$ 60,393	$ 60,393
Liabilities, redeemable convertible preferred shares and shareholders' equity (deficit)				
Current liabilities:				
Trade accounts payable:				
Mod-Pac Corporation (note 3)	$ 1,608	$ 1,527	$ 2,235	$ 2,235
All other vendors	1,723	1,419	1,256	1,256
Accrued expenses	2,651	5,685	9,595	9,595
Deferred revenue	226	470	764	764
Current portion of long-term debt	—	227	883	883
Total current liabilities	6,208	9,328	14,733	14,733
Long-term debt	—	5,816	13,527	13,527
Other long-term liabilities	125	—	—	—
Commitments and contingencies				
Series A redeemable convertible preferred shares, par value $0.001 per share, 11,000,000 shares authorized, 10,814,637, 9,845,849 and 9,845,849 shares issued and outstanding at June 30, 2003 and 2004 and March 31, 2005 (unaudited) (aggregate liquidation preference of $15,465, $14,080 and $14,080, respectively); no shares authorized issued and outstanding, pro forma (unaudited)	14,557	13,430	13,525	—
Series B redeemable convertible preferred shares, par value $0.001 per share, 12,339,416 and 13,008,515 shares authorized, 7,339,415 and 12,874,694 shares issued and outstanding at June 30, 2004 and March 31, 2005 (unaudited) (aggregate liquidation preference $30,165 and $52,915, respectively); no shares authorized, issued and outstanding, pro forma (unaudited)	—	30,505	56,617	—
Shareholders' equity (deficit):				
Common shares, par value $0.001 per share, 25,000,000, 39,289,197 and 39,289,197 shares authorized at June 30, 2003 and 2004 and March 31, 2005 (unaudited); 12,014,831, 11,342,927 and 11,374,393 shares issued and outstanding at June 30, 2003 and 2004 and March 31, 2005 (unaudited); 34,094,936 shares issued and outstanding, pro forma	12	11	11	34
Additional paid-in capital	7,337	2,632	2,678	72,797
Note receivable from officer	(356)	—	—	—
Accumulated deficit	(18,273)	(19,985)	(41,576)	(41,576)
Accumulated other comprehensive income	—	270	878	878
Total shareholders' equity (deficit)	(11,280)	(17,072)	(38,009)	32,133
Total liabilities, redeemable convertible preferred shares and shareholders' equity (deficit)	$ 9,610	$ 42,007	$ 60,393	$ 60,393

See accompanying notes.

VISTAPRINT LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
				(Unaudited)	
	(In thousands, except share and per share data)				
Revenue	$ 16,851	$ 35,431	$ 58,784	$ 42,238	$ 64,059
Cost of revenue (note 3)	7,804	15,024	23,837	17,491	25,305
Technology and development expense	2,209	4,897	8,515	6,061	7,956
Marketing and selling expense	5,355	11,901	19,138	14,052	23,513
General and administrative expense	1,392	2,485	3,968	2,940	4,126
Loss on contract termination	—	—	—	—	21,000
Income (loss) from operations	91	1,124	3,326	1,694	(17,841)
Other income (expenses), net	19	96	(36)	55	(228)
Income (loss) from operations before income taxes	110	1,220	3,290	1,749	(18,069)
Income tax provision (benefit)	—	747	(150)	(179)	3
Net income (loss)	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Net income (loss) attributable to common shareholders:					
Basic	$ (163)	$ 89	$ 343	$ (19)	$ (21,372)
Diluted	$ (163)	$ 91	$ 370	$ (19)	$ (21,372)
Basic net income (loss) per share	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)
Diluted net income (loss) per share	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)
Weighted average common shares outstanding-basic	10,825,388	11,540,457	11,014,842	11,048,145	11,353,249
Weighted average common shares outstanding-diluted	10,825,388	12,113,565	12,539,644	11,048,145	11,353,249

See accompanying notes.

VISTAPRINT LIMITED

CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED SHARES AND SHAREHOLDERS' EQUITY (DEFICIT)

	Series A Redeemable Convertible Preferred Shares		Series B Redeemable Convertible Preferred Shares		Convertible Securities -	Common Shares								
	Number of Shares	Amount	Number of Shares	Amount	French Subsidiary	Number of Shares	Amount	Additional Paid-in Capital	Share Repayment Options	Deferred Compensation	Note Receivable From Officer	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity (Deficit)
	(In thousands)													
Balance at July 1, 2001	9,179	$ 11,781	—	$ —	$ 2,077	10,756	$ 11	$ 6,370	$ 23	$ —	$ —	$ (18,111)	$ (57)	$ (11,764)
Issuance of Common Shares						43		23	(23)					—
Issuance of Preferred Shares, net of issuance costs of $13	1,636	2,114			(2,077)									—
Accretion of Preferred Shares		287										(287)		(287)
Issuance of Restricted Shares						27		30		(30)				—
Amortization of Restricted Shares										23				23
Net Income												110		
Currency translation													57	
Total comprehensive income														167
Balance at June 30, 2002	10,815	14,182	—	—	—	10,826	11	6,423	—	(7)	—	(18,288)	—	(11,861)
Issuance of Common Shares						1,269	1	880						881
Compensation expense for repurchase of immature shares								70						70
Repurchase and retirement of Common Shares						(80)		(36)				(83)		(119)
Accretion of Preferred Shares		375										(375)		(375)
Note receivable from officer											(356)			(356)
Amortization of Restricted Shares										7				7
Net income												473		
Total comprehensive income														473
Balance at June 30, 2003	10,815	$ 14,557	—	$ —	$ —	12,015	$ 12	$ 7,337	$ —	$ —	$ (356)	$ (18,273)	$ —	$ (11,280)

See accompanying notes.

VISTAPRINT LIMITED

CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED SHARES AND SHAREHOLDERS' EQUITY (DEFICIT) (CONTINUED)

	Series A Redeemable Convertible Preferred Shares		Series B Redeemable Convertible Preferred Shares		Common Shares								
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Additional Paid-in Capital	Share Repayment Options	Deferred Compensation	Note Receivable From Officer	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity (Deficit)
							(In thousands)						
Balance at June 30, 2003	10,815	$ 14,557	—	$ —	12,015	$ 12	$ 7,337	$ —	$ —	$ (356)	$ (18,273)	$ —	$ (11,280)
Issuance of Common Shares					670		805						805
Issuance of Preferred Shares net of issuance costs of $1,978			7,339	28,187									—
Accretion of Preferred Shares		181		2,318							(2,499)		(2,499)
Repurchase and retirement of Preferred Shares	(969)	(1,308)									(2,653)		(2,653)
Repurchase and retirement of Common Shares					(1,255)	(1)	(5,154)						(5,155)
Repurchase and retirement of Common Shares in settlement of loan to officer					(87)		(356)			356			—
Net Income											3,440		
Currency translation												270	
Total comprehensive income													3,710
Balance at June 30, 2004	9,846	13,430	7,339	30,505	11,343	11	2,632	—	—	—	(19,985)	270	(17,072)
Issuance of Common Shares (unaudited)					31		46						46
Issuance of Preferred Shares, net of issurance costs of $62 (unaudited)			5,535	22,688									—
Accretion of Preferred Shares		95		3,424							(3,519)		(3,519)
Net Loss (unaudited)											(18,072)		
Currency translation (unaudited)												608	
Total comprehensive income (unaudited)													(17,464)
Balance at March 31, 2005 (unaudited)	9,846	$ 13,525	12,874	$ 56,617	11,374	$ 11	$ 2,678	—	—	—	$ (41,576)	$ 878	$ (38,009)
Conversion of redeemable convertible preferred shares into common shares (unaudited)	(9,846)	(13,525)	(12,874)	(56,617)	22,720	23	70,119						70,142
Pro forma balance at March 31, 2005 (unaudited)	—	$ —	—	$ —	34,094	$ 34	$ 72,797	$ —	$ —	$ —	$ (41,576)	$ 878	$ 32,133

See accompanying notes.

VISTAPRINT LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
			(In thousands)	(Unaudited)	
Operating activities					
Net income (loss)	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	1,422	2,103	4,209	2,822	4,325
Stock-based compensation	22	77	—	—	—
Gain on disposal of assets	—	(17)	—	—	—
Deferred taxes	—	—	(527)	(527)	(420)
Provision for (recovery of) doubtful accounts	—	211	(162)	(168)	11
Changes in operating assets and liabilities:					
Accounts receivable	(144)	(387)	(233)	(387)	(416)
Inventory	(36)	108	(46)	(63)	(120)
Prepaid expenses and other assets	(51)	(973)	(281)	(314)	(1,405)
Accounts payable	540	614	(522)	(598)	331
Accrued expenses and other current liabilities	406	1,784	3,291	3,789	4,328
Net cash provided by (used in) operating activities	2,269	3,993	9,169	6,482	(11,438)
Investing activities					
Purchases of property, plant and equipment, net	(820)	(1,571)	(13,374)	(12,288)	(14,098)
Capitalization of software and website development costs	(1,178)	(2,570)	(3,523)	(2,981)	(1,450)
Acquisition of patents	(199)	(164)	(1,184)	—	—
Increase in other assets	—	(173)	—	—	—
Net cash used in investing activities	(2,197)	(4,478)	(18,081)	(15,269)	(15,548)
Financing activities					
Proceeds from long-term debt	—	—	6,021	6,021	8,136
Repayment of long-term debt	—	—	—	—	(162)
Proceeds from issuance of Series A preferred shares, net	37	—	—	—	—
Proceeds from issuance of Series B preferred shares, net	—	—	28,188	28,188	22,688
Payments on notes payable	(21)	—	—	—	—
Repurchase of common shares	—	(120)	(5,156)	(5,156)	—
Repurchase of Series A preferred shares	—	—	(3,961)	(3,961)	—
Proceeds from issuance of common shares	—	526	711	159	46
Net cash provided by financing activities	16	406	25,803	25,251	30,708
Effect of exchange rate changes on cash	57	—	20	50	230
Net increase (decrease) in cash and cash equivalents	145	(79)	16,911	16,514	3,952
Cash and cash equivalents at beginning of period	3,083	3,228	3,149	3,149	20,060
Cash and cash equivalents at end of period	$ 3,228	$ 3,149	$ 20,060	$ 19,663	$ 24,012

See accompanying notes.

VISTAPRINT LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years Ended June 30, 2002, 2003 and 2004 and
Nine Months Ended March 31, 2004 and 2005 (unaudited)
(in thousands, except share and per share data)

1. Description of the Business

VistaPrint Limited, a Bermuda company (the "Company"), is a leading online supplier of high-quality graphic design services and customized printed products to small businesses and consumers worldwide. Through the use of proprietary Internet-based graphic design software, 16 localized websites, proprietary order receiving and processing technologies and advanced computer integrated printing facilities, the Company offers a broad spectrum of products ranging from business cards and brochures to invitations and holiday cards. The Company focuses on serving the graphic design and printing needs of the small business market, generally businesses or organizations with fewer than 10 employees. The Company also provides graphic design and printing products to the consumer market.

Prior to May 2005, the Company purchased all of its printed materials for the fulfilment of North American customer orders from a related party, Mod-Pac Corporation ("Mod-Pac"), pursuant to a long-term supply agreement (see Note 3). Printed materials for the fulfilment of customer orders outside of North America are produced by the Company's manufacturing facility in Venlo, the Netherlands.

In August 2004, the Company, through its wholly owned subsidiary, VistaPrint North American Services Corp., began construction on a new printing facility in Windsor, Ontario, Canada. In May 2005, VistaPrint North America Services Corp. began printing and shipping limited volumes of products to North American customers.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned, direct and indirect subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Unaudited Interim Financial Information

The accompanying interim consolidated balance sheet as of March 31, 2005, the consolidated statements of operations and cash flows for the nine months ended March 31, 2004 and 2005, and the consolidated statement of redeemable convertible preferred shares and shareholders' equity (deficit) for the nine months ended March 31, 2005 are unaudited.

These unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. In the opinion of the Company's management, the unaudited interim consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and include all adjustments consisting of normal recurring adjustments necessary for the fair presentation of the Company's financial position at March 31, 2005 and its results of operations and cash flows for the nine months ended March 31, 2004 and 2005. The results of operations for the nine months ended March 31, 2005 are not necessarily indicative of the results to be expected for any other interim period or any fiscal year.

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Unaudited Pro Forma Balance Sheet and Shareholders' Equity (Deficit)

If the offering contemplated by this prospectus is consummated, and results in at least $35 million of gross proceeds to the Company at a price per share to the public equal to or greater than $10.00 per share, all of the redeemable preferred shares outstanding will convert into 22,720,543 shares of common stock based on the shares of redeemable convertible preferred shares outstanding at March 31, 2005 on a one-to-one basis. If the offering results in a price per share to the public equal to or greater than $8.00 per share but less than $10.00 per share, then the conversion price of the Series B Preferred Shares shall be reduced to a price determined by multiplying the conversion price of the Series B Preferred Shares then in effect by a fraction, the numerator of which shall equal the per share public offering price and the denominator of which shall equal $10.00, which would result in certain of the preferred shares converting on a greater than one-to-one basis (see Note 8).

The unaudited pro forma consolidated balance sheet and statement of shareholders' equity (deficit) as of March 31, 2005 reflect the conversion of the outstanding redeemable convertible preferred shares into 22,720,543 common shares upon completion of this offering.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

On an ongoing basis, the Company evaluates its estimates, including those related to the accounts receivable and sales returns allowance, useful lives of property and equipment, and income taxes, among others, as well as the value of common stock prior to its initial public offering for the purpose of determining stock-based compensation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity (at the date of purchase) of three months or less to be the equivalent of cash for the purpose of balance sheet and statement of cash flows presentation. Cash equivalents, which consist primarily of money market accounts, are carried at cost, which approximates market value.

Fair Value of Financial Instruments

Carrying amounts of financial instruments held by the Company, which include cash equivalents, accounts receivable, accounts payable, accrued expenses and short-term debt approximate fair value due to the short period of time to maturity of those instruments. The Company's floating-rate long-term borrowings approximate fair value (see Note 5).

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Concentrations of Credit Risk

Financial instruments that subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The risk with respect to cash and cash equivalents is minimized by the Company's policy of investing in financial instruments (i.e., cash equivalents) with short-term maturities issued by highly rated financial institutions. The risk with respect to accounts receivables is minimized by the Company's policy of monitoring the creditworthiness of its customers to which it grants credit terms in the normal course of business. Two customers accounted for 30% and 20% and 36% and 24% of the Company's total accounts receivable at June 30, 2003 and 2004, respectively, and one customer accounted for 48% of the Company's total accounts receivable at March 31, 2005.

The Company maintains an allowance for doubtful accounts for potential credit losses based upon specific customer accounts and historical trends, and such losses in the aggregate have not exceeded the Company's expectations.

Inventories

Inventories consist primarily of raw materials and are stated at the lower of first-in, first-out cost or market.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less allowance for depreciation and amortization. Additions and improvements that substantially extend the useful life of a particular asset are capitalized while repairs and maintenance costs are charged to expense as incurred. Interest on borrowings is capitalized during the active construction period of major capital projects. Capitalized interest is recorded as part of the asset to which it relates and is amortized over the asset's estimated useful life. Interest cost capitalized amounted to $78 for each of the year ended June 30, 2004 and for the nine months ended March 31, 2004, and $51 for the nine months ended March 31, 2005. Upon sale or disposition of a property element, the cost and related accumulated depreciation are removed from the accounts. Depreciation has been provided using the straight-line method over the estimated useful lives of the assets as follows:

Building and building improvements	10 – 30 years
Land improvements	10 years
Machinery and print production equipment	4 – 10 years
Computer software and equipment	3 years
Furniture, fixtures and office equipment	5 – 7 years
Leasehold improvements	Shorter of lease term or remaining life of the asset

Software and Web Site Development Costs

The Company capitalizes eligible costs associated with software developed or obtained for internal use in accordance with AICPA Statement of Position 98-1, "*Accounting for the Costs of Computer Software Developed or Obtained for Internal Use*," and EITF 00-2, "*Accounting for Web Site*

Development Costs." Costs associated with the development of software for internal-use are capitalized if the software is expected to have a useful life beyond one year and amortized over the software's useful life, which is approximately two years. Costs associated with preliminary stage software development, repair, maintenance or the development of website content are expensed as incurred. Total software development costs capitalized in the years ended June 30, 2003 and 2004 and the nine months ended March 31, 2005 (unaudited) were $2,570, $3,523 and $1,450, respectively. Costs associated with the acquisition of content images used in the Company's graphic design process that have useful lives greater than one year, such as digital images and artwork, are capitalized and amortized over their useful lives, which approximate two years.

Amortization expense in the years ended June 30, 2002, 2003, 2004 and the nine months ended March 31, 2004 and 2005 (unaudited) were $1,118, $1,413, $2,702, $1,905 and $2,203, respectively, resulting in accumulated amortization of $1,458 and $3,051 at June 30, 2003 and 2004, respectively, and $5,158 at March 31, 2005 (unaudited).

The Company performs a periodic review of the recoverability of such capitalized software costs in accordance with Statement of Financial Accounting Standards (SFAS) No. 144, "Accounting for the Impairment of Long-Lived Assets." There were no impairment charges recorded for the year ended June 30, 2003. The Company recorded impairment charges of $181 for the year ended June 30, 2004 and $87 and $92 for the nine months ended March 31, 2004 and 2005 (unaudited), respectively. The amortization of capitalized software costs and any impairment charges are included in technology and development in the Consolidated Statements of Operations.

Revenue Recognition

Customer orders are received via the company's website and are primarily paid for using credit cards, and also through direct bank debit, wire transfers and other payment methods. The Company recognizes revenue arising from sales of printed goods when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when it has persuasive evidence of an arrangement, the product has been shipped and title and risk of loss transfers to the customer, the sales price is fixed or determinable and collectibility is reasonably assured.

The Company also generates revenue from order referral fees received from merchants for customer click-throughs and orders that are placed on the merchants' websites. Revenue generated from order referrals is recognized in the period that the click-through impression is delivered provided that persuasive evidence of an arrangement, the fee is fixed or determinable, no significant obligations remain and collection is reasonably assured.

A reserve for sales returns and allowances is recorded based on historical experience or specific identification of an event necessitating a reserve. We offer customers various coupons and discounts which are treated as a reduction of revenue.

Shipping, handling and processing costs billed to customers are included in revenue and the related costs are included in cost of revenue.

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Cost of Revenue

Cost of revenue consists of the purchase price of printed products sold by the Company, shipping charges, payroll and related expenses for production personnel, materials, supplies, depreciation of equipment used in the production process and miscellaneous other related costs (see Note 3).

Marketing and Selling Expense

Marketing and selling expense consist of external advertising expenses, salaries and overhead related to sales, marketing and customer design sales and service activities, credit card processing fees and miscellaneous related costs.

All advertising costs are expensed as incurred. Advertising production costs are expensed as the costs to produce the advertising are incurred. Advertising communication costs are expensed at the time of communication. Advertising expenses for the years ended June 30, 2002, 2003, 2004 and the nine months ended March 31, 2004 and 2005 (unaudited) were $3,045, $7,594, $11,500, and $8,703 and $10,392, respectively.

Technology and Development Expense

Technology and development expense consist primarily of payroll and related expenses for software development, amortization of capitalized software and website development costs, information technology operations, website hosting, equipment depreciation, patent amortization and miscellaneous infrastructure-related costs. This category also includes the amortization of purchase costs related to content images used in the Company's graphic design process.

Research and development costs are expensed as incurred. Research and development expenses for the years ended June 30, 2002, 2003 and 2004 and for the nine months ended March 31, 2004 and 2005 (unaudited) were $449, $1,547, $2,522, and $1,706 and $2,922 respectively. Costs of information technology operations are expensed in the period in which they are incurred.

Long-Lived Assets and Intangible Assets

In accordance with FASB Statement of Financial Accounting Standards (SFAS) No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, the Company continually evaluates whether events or circumstances have occurred that indicate that the estimated remaining useful life of its long-lived assets, including intangible assets, may warrant revision or that the carrying value of these assets may be impaired. The Company evaluates the realizability of its long-lived assets based on profitability and cash flow expectations for the related asset. Any write-downs are treated as permanent reductions in the carrying amount of the assets. Based on this evaluation, the Company believes that, as of each of the balance sheet dates presented, none of the Company's long-lived assets, including intangible assets, was impaired.

Comprehensive Income

SFAS No. 130, Reporting Comprehensive Income, establishes standards for reporting and displaying comprehensive income and its components in the consolidated financial statements.

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Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. Other than reported net income, the only item of comprehensive income is foreign currency translation adjustment, which is disclosed in the accompanying consolidated statements of redeemable convertible preferred shares, and shareholders' equity (deficit).

Income Taxes

VistaPrint Limited is a Bermuda based company. Bermuda currently does not impose any tax computed on profits or income, which results in a zero tax liability for the Company on any profits recorded in Bermuda. VistaPrint Limited has operating subsidiaries in the Netherlands, Canada, Jamaica and the United States. VistaPrint Limited has entered into service agreements, which are also referred to as transfer pricing agreements, with each of its operating subsidiaries. These agreements effectively result in VistaPrint Limited paying each of these subsidiaries for its costs plus a fixed mark-up. The Jamaican subsidiary is located in a tax free zone, so its tax rate is zero. The Netherlands, Canadian and United States subsidiaries are each located in jurisdictions that tax profits and, accordingly, regardless of the Company's consolidated results of operations, each of these subsidiaries will pay taxes in its respective jurisdiction.

The Company provides for income taxes under the liability method prescribed by SFAS No. 109, *Accounting for Income Taxes*. Under this method, income taxes are provided for amounts currently payable and for deferred tax assets and liabilities, which are determined based on the differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. Deferred income taxes are measured using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized.

Foreign Currency Translation

The majority of the Company's non-U.S. sales orders are manufactured by the Company's subsidiary in the Netherlands, VistaPrint B.V., which has the euro as its functional currency. VistaPrint B.V. translates its assets and liabilities at current rates of exchange in effect at the balance sheet date. The resulting gains and losses from translation are included as a component of other comprehensive income (loss). All other non-U.S. subsidiaries have the U.S. dollar as the functional currency and transaction gains and losses and remeasurement of foreign currency denominated assets and liabilities are included in interest and other income (expense), net. Foreign currency transaction gains or losses included in other income (expense), net were not material in the years ended 2002, 2003 and 2004 or the nine months ended March 31, 2005.

Net Income Per Share

The Company calculates net income per share in accordance with SFAS No. 128, *Earnings Per Share*, as clarified by EITF Issue No. 03-6, *Participating Securities and the Two Class Method under FASB Statement No. 128, Earnings per Share* ("EITF 03-6"). EITF 03-6 clarified the use of the "two-class" method of calculating earnings per share as originally prescribed in FAS 128. Effective for periods beginning after March 31, 2004, EITF 03-6 provides guidance on how to determine whether a security should be considered a "participating security" for purposes of computing earnings per share

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and how earnings should be allocated to a participating security when using the two-class method for computing basic earnings per share. The Company has determined that its redeemable convertible preferred shares represents a participating security, and therefore has adopted the provisions of EITF 03-6 retroactively for all periods presented.

Under the two-class method, basic net income (loss) per share is computed by dividing the net income (loss) applicable to common shareholders by the weighted-average number of common shares outstanding for the fiscal period. Diluted net income (loss) per share is computed using the more dilutive of (a) the two-class method or (b) the if-converted method. The Company allocates net income first to preferred shareholders based on dividend rights under the Company's charter and then to preferred and common shareholders, pro rata, based on ownership interests. Net losses are not allocated to preferred shareholders. For all periods presented, the application of the two-class method is more dilutive than the if-converted method. Diluted net income (loss) per share gives effect to all potentially dilutive securities, including share options using the treasury stock method.

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The following table sets forth the computation of basic and diluted net income per share (in thousands, except per share amounts):

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
				(Unaudited)	
Numerator:					
Net income (loss)	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Allocation of net income (loss):					
Basic:					
Accretion of preferred share dividends	273	301	2,582	1,947	3,300
Undistributed net income allocated to preferred shareholders	0	83	515	0	—
Net income attributable to preferred shareholders	273	384	3,097	1,947	3,300
Net income (loss) attributable to common shareholders	(163)	89	343	(19)	(21,372)
Net income (loss)	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Diluted:					
Accretion of preferred stock dividends	273	301	2,582	1,947	3,300
Undistributed net income allocated to preferred shareholders	0	81	488	0	—
Net income attributable to preferred shareholders	273	382	3,070	1,947	3,300
Net income (loss) attributable to common shareholders	(163)	91	370	(19)	(21,372)
Net income (loss)	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Denominator					
Weighted-average common shares outstanding	10,825,388	11,540,457	11,014,842	11,048,145	11,353,249
Weighted-average convertible preferred shares	0	0	0	0	0
Weighted-average common shares issuable upon exercise of outstanding share options and warrants	0	573,108	1,524,802	—	—
Shares used in computing diluted net income (loss) per common share	10,825,388	12,113,565	12,539,644	11,048,145	11,353,249
Calculation of net income (loss) per share:					
Basic:					
Net income (loss) applicable to common shareholders	$ (163)	$ 89	$ 343	$ (19)	$ (21,372)
Weighted average common shares outstanding	10,825,388	11,540,457	11,014,842	11,048,145	11,353,249
Net income (loss) per common share	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)
Diluted:					
Net income (loss) attributable to common shareholders	$ (163)	$ 91	$ 370	$ (19)	$ (21,372)
Shares used in computing diluted net income (loss) per common share	10,825,388	12,113,565	12,539,644	11,048,145	11,353,249
Net income (loss) per common share	$ (0.02)	$ 0.01	$ 0.03	$ 0.00	$ (1.88)

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Pro Forma Net Income Per Share (unaudited)

Pro forma basic net income per share have been computed to give effect to the conversion of convertible preferred shares into common shares upon the closing of the Company's initial public offering on an if-converted basis for the year ended June 30, 2004 and for the nine months ended March 31, 2005 based on the conversion ratios in effect as of such dates. The conversion ratio assumed in the calculation below is one common share for each preferred share.

The following table sets forth the computation of pro forma basic net income per share:

	Year Ended June 30, 2004		Nine Months Ended March 31, 2005
		(Unaudited)	
Numerator:			
Net income (loss)	$ 3,440		$ (18,072)
Denominator:			
Weighted-average common shares outstanding	11,014,842		11,353,249
Add: Adjustments to reflect the weighted average effect of the assumed conversion of preferred shares from the date of issuance	16,573,646		22,413,028
Denominator for basic pro forma calculation	27,588,488		33,766,277
Effect of dilutive securities:			
Employee share options	1,524,803		—
Denominator for diluted pro forma calculation	29,113,291		33,766,277
Pro forma net income (loss) per common share, basic	$ 0.12		$ (0.54)
Pro forma net income (loss) per common share, diluted	$ 0.12		$ (0.54)

Share-Based Compensation

The Company has elected to follow Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees*, and related interpretations in accounting for its stock-based compensation. In addition, the Company provides pro forma disclosure of stock-based compensation, as measured under the fair value requirements of SFAS No. 123, *Accounting for Stock-Based Compensation*. These pro forma disclosures are provided as required under SFAS No. 148, *Accounting for Stock-Based Compensation—Transition and Disclosure*.

At June 30, 2004, the Company had a share-based employee compensation plan, which is more fully described in Note 9. The Company grants share options for a fixed number of shares to employees and certain other individuals with exercise prices as determined by the Board of Directors at the dates of grant. No compensation cost has been recognized for its share-based compensation plans as the exercise price for options granted has equaled or exceeded the fair value at that date. The fair value of restricted share grants are recognized as compensation expense ratably over the vesting

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period. Had compensation cost for the Company's share-based compensation plans been recorded based on the fair value of awards at the grant dates as calculated in accordance with SFAS No. 123, the Company's net income and earnings per share for the years ended June 30, 2002, 2003, 2004 and the nine months ended March 31, 2004 and 2005 (unaudited) would have been decreased to the pro forma amounts as follows:

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
				(Unaudited)	
Numerator:					
Net income (loss), as reported	$ 110	$ 473	$ 3,440	$ 1,928	$ (18,072)
Add: actual share based compensation expense	22	77	—	—	—
Less: pro forma share-based compensation expense under SFAS No. 123	(100)	(86)	(176)	(115)	(185)
Pro forma net income (loss)	$ 32	$ 464	$ 3,264	$ 1,813	$ (18,257)
Allocation of net income:					
Basic:					
Accretion of preferred share dividends	273	301	2,582	1,947	3,300
Undistributed pro forma net income allocated to preferred shareholders	15	224	512	2	—
Pro forma net income attributable to preferred shareholders	288	525	3,094	1,949	3,300
Pro forma net income (loss) attributable to common shareholders	(256)	(61)	170	(136)	(21,557)
Pro forma net income (loss)	$ 32	$ 464	$ 3,264	$ 1,813	$ (18,257)
Diluted:					
Accretion of preferred share dividends	273	301	2,582	1,947	3,300
Undistributed pro forma net income allocated to preferred shareholders	15	224	485	2	—
Pro forma net income attributable to preferred shareholders	288	525	3,067	1,949	3,300
Pro forma net income (loss) attributable to common shareholders	(256)	(61)	197	(136)	(21,557)
Net income (loss)	$ 32	$ 464	$ 3,264	$ 1,813	$ (18,257)
Denominator					
Weighted-average common shares outstanding	10,825,388	11,540,457	11,014,842	11,048,145	11,353,249
Weighted-average convertible preferred shares	—	—	—	—	—
Weighted-average shares of common share issuable upon exercise of outstanding share options and warrants	—	—	1,524,802	—	—
Shares used in computing diluted net income (loss) per common share	10,825,388	11,540,457	12,539,644	11,048,145	11,353,249
Calculation of net income (loss) per share:					
Basic:					
Pro forma net income (loss) attributable to common shareholders	$ (256)	$ (61)	$ 170	$ (136)	$ (21,557)
Weighted average common shares outstanding	10,825,388	11,540,457	11,014,842	11,048,145	11,353,249
Pro forma net income (loss) per common share	$ (0.02)	$ (0.01)	$ 0.02	$ (0.01)	$ (1.90)
Diluted:					
Pro forma net income (loss) attributable to common shareholders	$ (256)	$ (55)	$ 197	$ (136)	$ (21,557)
Shares used in computing diluted net income (loss) per common share	10,825,388	11,540,457	12,539,644	11,048,145	11,353,249
Pro forma net income (loss) per common share	$ (0.02)	$ (0.01)	$ 0.02	$ (0.01)	$ (1.90)

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The fair value of each of the Company's option grant has been estimated on the date of grant using the minimum value method and Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 2003, 2004 and 2005 as follows:

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
				(Unaudited)	
Risk-free interest rates	4.33%	2.85%	3.00%	2.95%	3.65%
Expected dividend yield	0%	0%	0%	0%	0%
Expected life	4.5 years	4.5 years	4.5 years	4.5 years	4.5 years
Expected volatility	0%	0%	0%	0%	0%
Weighted average fair value of options and warrants granted	$0.20	$0.16	$0.50	$0.50	$0.62

The effects of applying SFAS No. 123 in this pro forma disclosure are not likely to be representative of the effects on reported net income for future years. Additional awards in future years are anticipated.

Patents

The Company pursues patent protection for its intellectual property. As of June 30, 2004, the Company owned three issued United States patents; one issued European patent registered as a national patent in Austria, France, Germany, Great Britain, Italy and Switzerland; one issued French patent and had received notice of intention to grant a patent from the European Patent Office for one of the Company's pending patent applications and from the U.S. Patent Office for one additional United States patent. The Company has multiple additional patent applications pending with United States, European, and other patent offices related to various systems, processes, techniques, and tools developed by the Company for its business. All costs related to patent applications are expensed as incurred. The costs of purchasing patents from unrelated third parties are capitalized and amortized over the remaining life of the patent. The costs of pursuing others who are believed to infringe on the Company's patents, as well as costs of defending the Company against patent-infringement claims, are expensed as incurred.

New Accounting Pronouncements

In November 2004, the FASB issued FAS No. 151, "Inventory Costs, an Amendment of ARB No. 43, Chapter 4." This statement amends Accounting Research Bulletin No. 43, Chapter 4, to clarify that abnormal amounts of idle facility, freight, handling costs and wasted materials (spoilage) should be recognized as current period charges. In addition, this statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. This statement is effective for inventory costs incurred during fiscal years beginning after June 15, 2005. Earlier application is permitted for inventory costs incurred during fiscal years beginning after November 23, 2004. The provisions of Statement No. 151 should be applied prospectively. The adoption of FAS No. 151 is not expected to have a material impact on our financial position or results of operations.

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In December 2004, the Financial Accounting Standards Board, or FASB, issued SFAS 123(R), Share Based Payment. SFAS 123(R) addresses all forms of share-based payment awards, including shares issued under employee stock purchase plans, stock options, restricted stock and stock appreciation rights. SFAS 123(R) will require us to expense share-based payment awards with compensation cost for share-based payment transactions measured at fair value based on the Black-Scholes or binomial methods. SFAS 123(R) requires us to adopt the new accounting provisions beginning in the first quarter of fiscal 2006. We continue to evaluate the effect that the adoption of SFAS 123(R) will have on our financial position and results of operations. We currently expect that our adoption of SFAS 123(R) will adversely affect our operating results to some extent in future periods.

In December 2004, the FASB issued FAS No. 153, “Exchange of Nonmonetary Assets”, which is an amendment to APB Opinion No. 29. The guidance in APB Opinion No. 29, “Accounting for Nonmonetary Transactions”, is based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. The guidance in that opinion, however, included certain exceptions to that principle. This statement amends APB Opinion No. 29 to eliminate the exception for nonmonetary exchanges of similar productive assets and replaces it with a general exception for exchanges of nonmonetary assets that do not have commercial substance. A nonmonetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. The adoption of FAS No. 153 is not expected to have a material impact on our financial position or results of operations.

3. Related-Party Transactions

Prior to May 2005, the Company purchased all of its printed materials for the fulfilment of North American customers’ orders from Mod-Pac Corporation. The brother of the President and CEO of the Company is the President and CEO of Mod-Pac, and the father of the President and CEO of the Company is the Chairman of the Board of Mod-Pac. The father of the President and CEO of the Company is also a shareholder of the Company. In the years ended June 30, 2003 and 2004 and the nine months ended March 31, 2005 (unaudited), the Company purchased goods and services from Mod-Pac of $9,915, $15,441, and $14,327, respectively. As of June 30, 2003 and 2004 and March 31, 2005, the Company owed Mod-Pac $2,006, $2,112 and $2,681, respectively.

In April 2001, the Company signed a ten-year supply agreement with Mod-Pac (the “Original Agreement”) pursuant to which Mod-Pac would serve as the exclusive supplier of all printed materials for the fulfilment of customer orders unless otherwise agreed. In return, the Company received extended credit terms until July 2002, at which point the credit terms returned to standard commercial credit terms.

In September 2002, the Company entered into two supply agreements (collectively, the “Supply Agreements”) with Mod-Pac, which superseded the Original Agreement. One agreement covered North America (the “North American Supply Agreement”) and the other agreement covered the rest of the world. Under the Supply Agreements, Mod-Pac’s right to be the sole supplier of printed products was limited to being the sole supplier of printed products for customer orders for delivery in North America. The Supply Agreements had an expiration date of April 2, 2011. Under the North American

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Supply Agreement, the Company was charged all direct and indirect costs incurred by Mod-Pac related to the printing of product for customers in North America, plus a 33% mark-up.

On July 2, 2004, the Company signed a termination agreement for $22,000 with Mod-Pac (the “Termination Agreement”), which effectively terminated in their entirety all then existing Supply Agreements as of August 30, 2004 and the Company entered into a new supply agreement (the “New Supply Agreement”) with Mod-Pac, which became effective on August 30, 2004. Under the New Supply Agreement, Mod-Pac retained the exclusive supply rights for products shipped in North America through August 30, 2005. The cost of these services under the new supply agreement is based on a fixed price per product. This fixed pricing methodology has effectively reduced the price the Company pays per product to costs of production plus 25%.The New Supply Agreement expires August 30, 2005.

On the Termination Date, the Company paid to Mod-Pac a termination fee of $22,000 in consideration of the termination of the existing supply agreements and Mod-Pac entering into the New Supply Agreement. As a result of this payment and agreements, the Company recorded a loss of $21,000. The Company deferred $1,000 of the total termination fee of $22,000 representing the effective reduction of the mark-up on costs of purchased product estimated to be purchased over the contract period of the new supply agreement. This deferral was recorded as a deferred cost within prepaid and other current assets on our consolidated balance sheet and is being amortized over the twelve month term of the new supply agreement.

On April 15, 2005, the Company signed an amendment to the New Supply Agreement with Mod-Pac which permits VistaPrint to manufacture printed products destined for North American customers at its production facility in Windsor, Ontario, Canada. In exchange, the Company will pay to Mod-Pac a fee for each unit shipped based on the type of item produced until August 30, 2005. In addition, the Company and Mod-Pac agreed to fixed prices per product for any purchase orders that the Company may place with Mod-Pac for printed products during the period from August 31, 2005 to August 30, 2006. The Company has no minimum purchase commitments during this period.

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4. Property, Plant and Equipment

Property, plant and equipment consist of the following:

	June 30,		March 31,
	2003	2004	2005
			(Unaudited)
Land and land improvements	$ —	$ 1,779	$ 2,263
Building and building improvements	—	6,085	6,531
Computer software and equipment	2,271	3,351	5,296
Furniture, fixtures and office equipment	293	486	774
Leasehold improvements	167	107	169
Machinery and print production equipment	—	4,010	7,971
Construction in progress	—	551	8,288
	2,731	16,369	31,292
Less: accumulated depreciation	(840)	(2,036)	(3,956)
	$1,891	$14,333	$ 27,336

Depreciation expense totaled $301, $631, $1,205 and $750 and $1,887 for the years ended June 30, 2002, 2003, 2004 and the nine months ended March 31, 2004 and 2005 (unaudited), respectively.

5. Long-Term Debt

In November 2003, VistaPrint B.V. (a wholly owned subsidiary of the Company) entered into a 5,000 euro revolving credit agreement (the “Credit Agreement”) with ABN AMRO Bank N.V., a Netherlands based bank. The borrowings were used to finance the construction of the Company’s printing facility located in Venlo, the Netherlands. The Company had $6,043 and $6,312 outstanding under the Credit Agreement as of June 30, 2004 and March 31, 2005 (unaudited). The loan is secured by a mortgage on the land and building and is payable in quarterly installments beginning October 1, 2004 through 2024 of 63 euros ($76 and $81 at June 30, 2004 and March 31, 2005, respectively). Interest on the loan accrues at a EURIBOR rate plus 1.15%.

In November 2004, VistaPrint B.V. amended the Credit Agreement to include an additional 1,200 euro loan. The borrowings were used to finance a new printing press at the Company’s facility located in Venlo, the Netherlands. This resulted in the Company having an additional $1,554 outstanding under the Credit Agreement as of March 31, 2005 (unaudited). This additional loan is secured by the printing press and is payable in quarterly installments beginning April 1, 2005 through 2011 of 50 euros ($65 at March 31, 2005). Interest on this additional loan accrues at a EURIBOR rate plus 1.40%.

The credit agreement requires the Company to cause VistaPrint B.V. to maintain Tangible Net Worth (as defined in the Credit Agreement) at a minimum of 30% of VistaPrint B.V.’s adjusted balance sheet (as defined in the Credit Agreement). VistaPrint B.V. was in compliance with all loan covenants at June 30, 2004 and March 31, 2005.

In November 2004, VistaPrint North American Services Corp., the Company’s Canadian production subsidiary, entered into an $11,000 credit agreement with Comerica Bank—Canada. The

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borrowings were used to finance new printing equipment purchases and the construction of a printing facility located in Windsor, Ontario, Canada. At March 31, 2005, the Company had $6,544 outstanding under this credit agreement. The loan is secured by a guaranty from VistaPrint Limited and several of its subsidiaries and is payable in monthly installments beginning November 1, 2005 through 2009 plus interest. Interest on the equipment term loan is based, at the Company's election at the beginning of the applicable period, on either a LIBOR rate plus 275 basis points or Comerica's prime rate. Interest on the construction loan is based, at the Company's election at the beginning of the applicable period, on either a LIBOR rate plus 175 basis points or Comercia's prime rate less 1.00%.

The credit agreement includes covenants that, among other things, require that consolidated, non-financed capital expenditures not exceed $9,300 for fiscal year 2005. Additionally, beginning in September 2005, the credit agreement requires the Company to maintain a consolidated ratio of funded debt to cash flow at a maximum of 2.50 to 1.00 and VistaPrint North American Services Corp. to maintain a minimum debt service coverage ratio of 1.40 to 1.00. Debt service coverage ratio is defined as the ratio of cash flow to the sum of required principal payments plus cash interest paid.

The Company and VistaPrint North America Services Corp. were in compliance with all loan covenants at March 31, 2005.

Payments due on long-term debt during each of the five years subsequent to March 31, 2005, are as follows:

2005	$ 146
2006	1,063
2007	1,303
2008	1,303
2009	1,303
Thereafter	9,292
	$ 14,410

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6. Accrued Liabilities

Accrued liabilities included the following:

	Year Ended June 30,		March 31, 2005
	2003	2004	
			(Unaudited)
Accrued advertising costs	$ 908	$ 1,710	$ 2,286
Accrued compensation costs	566	974	1,660
Accrued income taxes	343	699	949
Accrued Mod-Pac printing costs (note 3)	398	585	446
Accrued shipping costs	—	348	981
VAT payable	—	331	1,259
Other	436	1,038	2,014
Other accrued liabilities	$ 2,651	$ 5,685	$ 9,595

7. Series A Redeemable Convertible Preferred Shares

On April 26, 2001, the Company issued 8,409,630 shares of Series A Redeemable Convertible Preferred Shares (the “Series A Shares”) for $1.30 each, for a total consideration of $10,933.

On June 12, 2001, the Company issued a further 769,230 shares of Series A Shares for $1.30 each, for a total consideration of $1,000.

On July 25, 2001, the Company issued a further 38,000 shares of Series A Shares for $1.30 each, for a total consideration of $49.

On January 4, 2002 the Company issued 1,597,777 shares of Series A Shares for $1.30 each, for a total consideration of $2,077.

The principal rights of the Series A Shares are as follows:

Dividend Rights

The Series A Shares are not entitled to dividends. However, the Company cannot declare or pay any dividends or distributions on common shares unless it pays a dividend on the Series A Shares equal to the amount per share payable with respect to the common shares multiplied by the number of whole common shares into which the Series A Shares are then convertible. As of March 31, 2005, no dividends had been declared.

Liquidation Rights

In the event of any voluntary or involuntary liquidation of the Company, before any distribution or payment is made to the holders of common shares but after payment to holders of Series B Shares (see Note 8), the holders of the Series A Shares are entitled to receive the greater of (1) $1.43 per share, plus dividends declared but unpaid or (2) the amount that the Series A Shares would have received had they converted to common shares.

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Voting Rights

The Series A Shares are entitled to vote a number of votes equal to the number of common shares into which the Series A Shares are convertible.

Conversion Rights

The Series A Shares may be converted into common shares at any time based on a conversion ratio determined based upon the original per share issuance price of Series A Shares of $1.30 per share divided by an initial conversion price of $1.30. The conversion ratio may be adjusted in the event of future issuances of dilutive securities or sales of shares at below current market price. Upon the earlier of (a) the date on which all then outstanding Series B Shares are automatically converted or (b) the date that fewer than 2,200,000 of the Series A Shares are outstanding, all then-outstanding Series A shares will be automatically converted.

Redemption Rights

On August 19, 2008, 2009 and 2010, upon receipt of requests from at least 50% of the Series A Shares, the Company must redeem the Series A Shares in three equal installments at a price of $1.43 per share, plus accrued but unpaid dividends.

Redemption requirements on Series A Shares during each of the five years subsequent to March 31, 2005, are as follows:

2005	$ —
2006	—
2007	—
2008	—
2009	4,693
2010	4,693
Thereafter	4,693
	$ 14,079

The Series A Preferred Shares are being accreted to their redemption value using the effective interest rate method over the period from issuance through the dates of redemption.

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8. Series B Redeemable Convertible Preferred Shares

On August 19, 2003, the Company issued 7,339,415 shares of Series B Redeemable Convertible Preferred Shares (the "Series B Shares") for $4.11 each, for a total consideration of $30,165.

On August 30, 2004, the Company issued 5,535,279 shares of Series B Shares for $4.11 each, for a total consideration of $22,750.

The principal rights of the Series B Shares are as follows:

Dividend Rights

The Series B Shares are entitled to receive dividends at an annual rate of 8% of the original purchase price payable only when, as and if declared by the Board of Directors. The dividends will be accruing and cumulative, and if not declared and paid prior to redemption, will be payable upon redemption. As of June 30, 2004, no dividends had been declared.

Liquidation Rights

In the event of any liquidation or winding up of the Company, assets available for distribution to shareholders shall be distributed as follows: (1) holders of Series B Shares shall be entitled to receive, in preference to holders of Series A Shares and common shares, an amount equal to the original purchase price; (2) holders of Series A Shares shall be entitled to receive, in preference to holders of common shares, $1.43 per share; (3) the remaining assets shall be distributed to holders of the Series B Shares and common shares on an as-converted basis.

Voting Rights

Holders of Series B Shares are entitled to vote, together with the holders of Series A Shares and common shares, as a single class on the following basis: (i) common shareholders shall have one vote per share; and (ii) holders of Series A and B Shares shall have the number of votes equal to the number of common shares into which their shares of Preferred stock are convertible. In addition, as long as at least 20% of the Series B Shares are outstanding, a majority must approve any plans to: (1) amend the Memorandum of Association or Bye-Laws; (2) authorize or issue any new class of securities; (3) create or authorize any additional shares of Series A or Series B; (4) make an acquisition for more than $1,000 or borrow amounts exceeding $2,500; (5) change the size of the Board of Directors; (6) increase the number of shares reserved for issuance to employees, directors or contractors unless approved by the Board of Directors; or (7) change the principal business of the Company.

Conversion Rights

The Series B Shares initially were convertible into common shares at any time based on a conversion ratio determined based upon the original per share issuance price of the Series B Shares of $4.11 per share divided by an initial conversion price of $4.11. The conversion ratio may be adjusted in the event of future issuances of dilutive securities or sales of shares at below

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current market price. Initially, the Series B Shares provided that upon the earlier of (a) the closing of an underwritten public offering of shares at a price per share that is not less than $12.33 and which results in gross proceeds to the Company of not less than $35,000 (a "qualified initial public offering"), or (b) the date upon which at least a majority of the Series B Shares elect to convert to common shares, all then-outstanding Series B Shares will be automatically converted.

On May 17, 2005, the terms of the Series B Shares were amended. As a result of this amendment, the automatic conversion provisions were revised to provide that upon the earlier of (a) the closing of an underwritten public offering of shares at a price per share of at least $8.00 per share and which results in gross proceeds to the Company of at least $35,000 or (b) the date on which at least a majority of the Series B Shares elect to convert to common shares, all then-outstanding Series B Shares will be automatically converted, provided that if a mandatory conversion has not occurred prior to December 31, 2005, the price per share set forth in clause (a) above shall be increased to $12.33 after such date. In addition, the amendment provided that if the Company effected a public offering described in clause (a) above prior to December 31, 2005 at a price per share greater than $8.00 per share but less than $10.00 per share, then the conversion price would be reduced immediately prior to the closing of the public offering by multiplying the conversion price then in effect by a fraction, the numerator of which would be the offering price and the denominator of which would be $10.00.

If a reduction in the conversion price were to occur, the Company would record a deemed dividend on its Series B Shares upon its initial public offering. In accordance with EITF Issue No. 00-27, Application of Issue No. 98-5 to Certain Convertible Instruments, the Company would determine the incremental shares issuable pursuant to the conversion price at the time of the initial public offering and compute the deemed dividend based on the fair value of the common shares at the commitment date, which is deemed to be May 17, 2005, the date when such conversion terms were modified. Based on an assumed initial public offering price of $8 per share, the lowest fair market value at which preferred shares automatically convert to common shares, the deemed dividend would be $22,531. At an assumed public offering price of $10, there will be no deemed dividend.

Redemption Rights

On August 19, 2008, 2009 and 2010, upon receipt of requests from holders of a majority of the shares of the Series B Shares, the Company must redeem the Series B Shares, in three equal installments by paying in cash a total amount equal to 100% of the original purchase price plus accrued and unpaid dividends.

Redemption requirements on Series B Shares during each of the five years subsequent to March 31, 2005 are as follows:

2005	$ —
2006	—
2007	—
2008	—
2009	26,104
2010	26,104
Thereafter	26,105
	$ 78,313

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The Series B Preferred Shares are being accreted to their redemption value using the effective interest rate method over the period from issuance through the dates of redemption.

During August and September 2003, the Company utilized $9,007 of the proceeds from the Series B financing to repurchase and retire 961,288 Series A Shares and 1,230,106 common shares from various shareholders.

9. Shareholders' Equity

Share Options

The Company maintains the 2000-2002 Share Incentive Plan (the "Plan"), which provides for employees, officers, directors, consultants and advisors to receive restricted share awards or be granted options to purchase the Company's common shares. Under the Plan, the Company had reserved 3.5 million common shares for such awards. On April 30, 2004, the Company reserved an additional 500,000 shares for issuances under the Plan. Effective May 17, 2005, the Company reserved an additional 5 million shares and subsequently granted options to purchase approximately 3.1 million shares to employees at an exercise price of $12.33 per share, a price equal to the initial price at which Series B Shares would automatically convert in a qualified public offering. Options granted to U.S. tax residents under the Plan may be "Incentive Stock Options" or "Nonstatutory Options" under the applicable provisions of the U.S. Internal Revenue Code.

While the Company may grant options to employees which become exercisable at different times or within different periods, the Company has generally granted options to employees that are exercisable on a cumulative basis, with 25% exercisable on the first anniversary of the date of grant, and 6.25% quarterly thereafter.

The Company's predecessors issued warrants to employees to purchase common shares. These warrants were assumed by the Company upon the amalgamation of VistaPrint Corporation into VistaPrint Limited. There were no outstanding warrants as of June 30, 2004.

A summary of the Company's share option and warrant activity and related information for the years ended June 30, 2003 and 2004 and the nine months ended March 31, 2005 (unaudited) is as follows:

	Year Ended June 30,				Nine Months Ended March 31, 2005	
	2003		2004			
	Options and Warrants	Weighted-Average Exercise Price	Options and Warrants	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
					(Unaudited)	
Outstanding at the beginning of the period	3,557,900	$ 1.00	2,730,513	$ 1.22	2,969,990	$ 2.16
Granted	655,750	1.32	1,003,770	4.00	515,461	4.12
Exercised	(1,268,662)	0.70	(669,738)	1.20	(31,466)	1.47
Forfeited/cancelled	(214,475)	1.11	(94,555)	1.47	(75,355)	2.75
Outstanding at the end of the period	2,730,513	$ 1.22	2,969,990	$ 2.16	3,378,630	$ 2.45
Exercisable at the end of the period	1,644,122	$ 1.20	1,344,487	$ 1.21	1,878,602	$ 1.56

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The weighted average remaining contractual life of options and warrants outstanding was 6.9 years, 7.9 years and 7.5 years at June 30, 2003, 2004 and March 31, 2005 (unaudited), respectively.

The following table represents weighted average price and life information about significant option groups outstanding at June 30, 2004:

Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Yrs.)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$1.11 – 1.90	2,023,650	7.15	$ 1.25	1,344,487	$ 1.21
$4.11	946,340	9.61	4.11	—	—
$1.11 – 4.11	2,969,990	7.90	$ 2.16	1,344,487	$ 1.21

The following table represents weighted average price and life information about significant option groups outstanding at March 31, 2005 (unaudited):

Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Yrs.)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$1.11 – 1.90	1,958,687	6.37	$ 1.25	1,657,593	$ 1.22
$4.11	1,417,943	9.13	4.11	221,009	4.11
$7.00	2,000	10.00	7.00	—	—
$1.11 – 7.00	3,378,630	7.53	$ 2.45	1,878,602	$ 1.56

On October 4, 2002, a former employee exercised warrants to purchase 642,200 common shares of the Company at an exercise price per share of $0.45 for a total of $289. On May 8, 2003, this individual sold 330,000 of these shares to various shareholders at $1.50 per share. The Company purchased 80,000 of these shares for a total value of $120 and immediately retired the shares. The Company has recorded compensation expense associated with this repurchase of $70 in the year ended June 30, 2003.

10. Employees' Savings Plan

The Company has a defined contribution retirement plan that complies with Section 401(k) of the Internal Revenue Code. Substantially all employees in the U.S. are eligible to participate in the plan. Under the provisions of the plan, employees may voluntarily contribute up to 15% of eligible compensation, subject to IRS limitations. The Company matches 50% of each participant's voluntary contributions, subject to a maximum Company contribution of 3% of the participant's eligible compensation. Employee contributions are fully vested when contributed. Company matching contributions vest over four years. The Company contributed and expensed $161, $256 and $239 and $173 in the years ended June 30, 2003 and 2004 and the nine months ended March 31, 2004 and 2005 (unaudited), respectively.

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11. Income Taxes

The components of the (benefit) provision for income taxes are as follows:

	Year Ended June 30,		
	2002	2003	2004
Current:			
U.S. Federal	$ —	$ 666	$ 258
U.S. State	—	81	—
Non-U.S.	—	—	119
Total current	—	747	377
Deferred:			
U.S. Federal	—	—	(527)
Total	$ —	$ 747	$ (150)

The following is a reconciliation of the standard U.S. statutory tax rate and the Company's effective tax rate:

	Year Ended June 30,		
	2002	2003	2004
U.S. federal statutory income tax rate	34.0%	34.0%	34.0%
Valuation allowance (utilized)/provided	(34.0)%	(72.8)%	(29.7)%
Foreign rate differential	0.0%	100.0%	(8.9)%
Effective income tax rate	0.0%	61.2%	(4.6)%

The following is a summary of the Company's income before taxes by geography:

	Year Ended June 30,		
	2002	2003	2004
U.S.	$ 1,135	$ 2,969	$ 1,173
Non-U.S.	(1,025)	(1,749)	2,117
Total	$ 110	$ 1,220	$ 3,290

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Significant components of the Company's deferred tax assets and liabilities which are all related to our United States subsidiary for income taxes consist of the following at June 30, 2003 and 2004:

	Year Ended June 30,	
	2003	2004
Deferred tax assets:		
Net operating loss carryforwards	$ 2,434	$ 1,406
Accrued expenses	48	103
R&D credit carryforwards	—	239
ITC credits and other	—	5
AMT credit carryforward	—	17
	2,482	1,770
Less valuation allowance:	(2,310)	(1,085)
Net deferred tax assets	172	685
Deferred tax liabilities:		
Depreciation	(92)	(158)
Capitalized software	(80)	—
	(172)	(158)
Net deferred taxes	$ —	$ 527

In assessing the realizability of deferred tax assets in accordance with SFAS 109, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. Based on the weight of available evidence, management believes that it is more likely than not that a portion of its net deferred tax assets will be realized.

In March 2005, the Company reversed a portion of its deferred tax asset valuation allowance in the amount of $496 related primarily to net operating losses in the United States. Based upon its regular review of the recoverability of its deferred tax assets, its historical taxable income, and projected future taxable income, the Company concluded that it was more likely than not that it would realize a portion of the U.S. deferred tax benefit and therefore the Company reversed a portion of the valuation allowance that had been previously established. The deferred tax asset at March 31, 2005 was $947. The Company will continue to assess the realization of the deferred tax assets based on operating results.

At June 30, 2004, the Company had U.S. federal net operating loss carryforwards of approximately $3,500 that expire on dates up to and through the year 2021. The Company has state net operating loss carryforwards in the U.S. of approximately $3,500 that will expire in 2005. The utilization of these net operating losses is subject to annual limitation under the change in share ownership rules of the Internal Revenue Code.

The Company has provided for potential amounts due in various tax jurisdictions. Judgment is required in determining the Company's worldwide income tax expense provision. In the ordinary course of global business, there are many transactions and calculations where the ultimate tax outcome is

uncertain. Some of these uncertainties arise as a consequence of cost reimbursement arrangements among related entities. Although we believe our estimates are reasonable, no assurance can be given that the final tax outcome of these matters will not be different from that which is reflected in our historical income tax provisions and accruals. Such differences could have a material impact on our income tax provision and operating results in the period in which such determination is made.

12. Segment Information

SFAS No. 131, *Disclosures about Segments of an Enterprise and Related Information*, establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information of those segments to be presented in interim financial reports issued to stockholders. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker, or decision-making group, in making decisions on how to allocate resources and assess performance. The Company's chief operating decision maker is considered to be the team comprised of the chief executive officer and the executive management team. The Company views its operations and manages its business as one operating segment.

Geographic Data

Revenues by geography are based on the country-specific website through which the customer's order was transacted. The following table sets forth revenues and long-lived assets by geographic area (in thousands):

	Year Ended June 30,			Nine Months Ended March 31,	
	2002	2003	2004	2004	2005
				(Unaudited)	
Revenues					
United States	$ 15,937	$ 30,439	$ 45,454	$ 32,972	$ 46,414
Non-United States	914	4,992	13,330	9,266	17,645
Total revenues	$ 16,851	$ 35,431	$ 58,784	$ 42,238	$ 64,059

	As of June 30,		March 31, 2005
	2003	2004	
			(Unaudited)
Long-lived assets:			
Bermuda	$ 3,486	$ 5,087	$ 4,265
Netherlands	89	12,332	15,559
Canada	527	579	9,783
United States	1,631	1,559	1,833
Jamaica	96	502	965
Total	$ 5,829	$ 20,059	$ 32,405

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Nine Months Ended March 31, 2004 and 2005 (unaudited)
(in thousands, except share and per share data)

13. Commitments and Contingencies

Operating Lease Commitments

The Company rents office space under operating leases expiring on April 30, 2006 and April 30, 2007. Total rent expense for the years ended June 30, 2002, 2003 and 2004 were $141, $381, and $1,150, respectively, and for the nine months ended March 31, 2004 and 2005 (unaudited) were $823 and $958, respectively. There was no sublease income for the years ended June 30, 2002 and 2003. Sublease income received for the year ended June 30, 2004 was $96 and for the nine months ended March 31, 2004 and 2005 was $66 and $88, respectively.

Future minimum rental payments required under operating leases for the next five fiscal years and thereafter are as follows at March 31, 2005:

2005	$ 339
2006	1,316
2007	930
2008	—
2009	—
Thereafter	—
Total lease commitments	$2,585

The Company executed a lease in April 2003 related to the Company's office facility in Lexington, Massachusetts, pursuant to which the Company provided a customary indemnification to the lessor for certain claims that may arise under the lease. A maximum obligation is not explicitly stated, thus the potential amount of future maximum payments that might arise under this indemnification obligation cannot be reasonably estimated. The Company has not experienced any prior claims against similar lease indemnifications in the past and management has determined that the associated fair value of the liability is not material. As such, the Company has not recorded any liability for this indemnity in the accompanying consolidated financial statements. The Company does, however, accrue for losses for any known contingent liability, including those that may arise from indemnification provisions, when future payment is both reasonably estimable and probable. The Company carries specific and general liability insurance policies, which the Company believes would provide, in most cases, some, if not total, recourse to any claims arising from this lease indemnification provision.

Guarantees and Indemnification Obligations

The Company has entered into arrangements with financial institutions and vendors to provide guarantees for the obligations of the Company's subsidiaries under banking arrangements and purchase contracts. The guarantees vary in length of time but, in general, guarantee the financial obligations of the subsidiaries under such arrangements. The financial obligations of the Company's subsidiaries under such arrangements are reflected in the Company's consolidated financial statements and these notes.

VISTAPRINT LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
Years Ended June 30, 2002, 2003 and 2004 and
Nine Months Ended March 31, 2004 and 2005 (unaudited)
(in thousands, except share and per share data)

The Company enters into agreements in the ordinary course of business with, among others, vendors, lessors, financial institutions, service providers, distributors and certain marketing customers, pursuant to which we have agreed to indemnify the other party for certain matters, such as property damage, personal injury, acts or omissions of the Company, its employees, agents or representatives, or third party claims alleging that the Company's intellectual property infringes a patent, trademark or copyright.

In accordance with their respective charter and by-laws, the Company and its subsidiaries have agreed to indemnify the directors, executive officers and employees of the Company and its subsidiaries, to the extent legally permissible, against all liabilities reasonably incurred in connection with any action in which the individual may be involved by reason of such individual being or having been a director, officer or employee.

Based upon our historical experience and information known to us as of March 31, 2005, the Company believes its liability on the above guarantees and indemnities at March 31, 2005 is immaterial.

Purchase Commitments

At June 30, 2004, the Company had unrecorded commitments under a contract to purchase print production equipment of approximately $2,300. The Company had the right to cancel the contract, which limits the Company's future obligations under this commitment to approximately $360. During the nine months ended March 31, 2005, the Company completed its purchase of the production equipment related to this contract.

At March 31, 2005, the Company has unrecorded commitments under contracts to purchase print production equipment and to complete construction of the Windsor printing facility of approximately, $3,000 and $765, respectively.

Legal Proceedings

One of the Company's subsidiaries and its predecessor corporation have been named as defendants in a purported class action law suit filed in Los Angeles County (California) Superior Court. The complaint alleges that the shipping and handling fees the Company charges for free products are excessive and in violation of sections of the California Business and Professions Code. The Los Angeles County Superior Court granted preliminary approval of a proposed settlement on April 29, 2005, subject to a final settlement hearing on June 17, 2005. Under the terms of the agreed to settlement, the Company agreed to change the term 'shipping and handling' to 'shipping and processing' on its websites, to provide all class members who purchase business cards from the Company in the future the opportunity to receive additional cards at reduced rates, and to pay reasonable attorneys fees to plaintiffs' counsel.

The Company is not currently party to any other material legal proceedings.

VISTAPRINT LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
Years Ended June 30, 2002, 2003 and 2004 and
Nine Months Ended March 31, 2004 and 2005 (unaudited)
(in thousands, except share and per share data)

14. Loan to Officer

At June 30, 2003, VistaPrint USA Incorporated held a note receivable totalling $356 from the President of the Company and his wife. This note arose from a transaction in September 2002 whereby the Company loaned the President money to allow him to exercise warrants to purchase 358,400 common shares of the Company. The full recourse promissory note bore interest at a rate of 6.6% per annum, was scheduled to mature on June 19, 2011, and was collateralized by the shares issued upon exercise of the warrants. On September 25, 2003, the President elected to pre-pay 100% of the outstanding principal amount by transferring 86,535 common shares at a price of $4.11 per share for total consideration of $356. The fair market value of the common shares was established by resolution of the Board of Directors on August 14, 2003.

15. Supplemental Disclosures of Cash Flow Information

	Year Ended June 30,			Nine Months Ended March 31, 2005
	2002	2003	2004	
				(Unaudited)
Cash paid during the year for:				
Interest	$ —	$ —	$ 66	$ 197
Income taxes	—	400	410	181
Supplemental disclosure of noncash investing and financing activities:				
Repayment of note payable from officer with common shares	$ —	$ —	$ 356	$ —
Preferred shares issued to investor in lieu of issuance costs	—	—	165	—
Receivables for exercise of share options	—	—	95	—
Note receivable from officer	—	356	—	—
Purchase of patent with long-term payable	$ 375	$ —	$ —	$ —

VISTAPRINT LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
Years Ended June 30, 2002, 2003 and 2004 and
Nine Months Ended March 31, 2004 and 2005 (unaudited)
(in thousands, except share and per share data)

16. Allowance for Doubtful Accounts

The Company offsets gross trade accounts receivable with an allowance for doubtful accounts. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company reviews its allowance for doubtful accounts on a monthly basis and all past due balances are reviewed individually for collectibility. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Below is a summary of the changes in the Company's allowance for doubtful accounts for the years ended June 30, 2002, 2003 and 2004:

	Balance at Beginning of Period	Provision	Write-offs	Balance at End of Period
Year ended June 30, 2002	$ —	$ —	$ —	$ —
Year ended June 30, 2003	—	211	—	211
Year ended June 30, 2004	211	50	(213)	48

17. Quarterly Financial Data (unaudited)

Year Ended June 30, 2003	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total revenue	$ 7,046	$ 7,792	$ 9,635	$ 10,958
Net income (loss)	520	443	238	(728)
Net income (loss) attributable to common shareholders:				
Basic	$ 224	$ 190	$ 85	$ (803)
Diluted	$ 225	$ 191	$ 88	$ (803)
Net income (loss) per common share:				
Basic	$ 0.02	$ 0.02	$ 0.01	$ (0.07)
Diluted	$ 0.02	$ 0.02	$ 0.01	$ (0.07)

Year Ended June 30, 2004	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total revenue	$ 12,433	$ 13,644	$ 16,161	$ 16,546
Net (loss) income	245	468	1,215	1,512
Net income (loss) attributable to common shareholders:				
Basic	$ (433)	$ (167)	$ 224	$ 341
Diluted	$ (433)	$ (167)	$ 242	$ 368
Net income (loss) per common share:				
Basic	$ (0.04)	$ (0.02)	$ 0.02	$ 0.03
Diluted	$ (0.04)	$ (0.02)	$ 0.02	$ 0.03

Graphics Displaying Design and Print Production Processes and Related Text

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representations. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

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Through and including , 2005 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Shares

VistaPrint Limited

Common Shares

VistaPrint
BEST PRINTING. BEST PRICE.

Goldman, Sachs & Co.

Bear, Stearns & Co. Inc.

SG Cowen & Co.

Jefferies Broadview

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

The following table indicates the expenses to be incurred in connection with the offering described in this Registration Statement, other than underwriting discounts and commissions, all of which will be paid by the Registrant. All amounts are estimates, other than the SEC registration fee, the NASD filing fee and the Nasdaq National Market listing fee.

SEC registration fee	$ 14,124
NASD Filing fee	12,500
Nasdaq National Market listing fee	125,000
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous	*
Total	$ *

* To be filed by amendment.

Item 14. ***Indemnification of Directors and Officers*.**

Our bye-laws indemnify our directors and officers in their capacity as such in respect of any loss arising or liability attaching to them by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which a director or officer may be guilty in relation to us other than in respect of his own fraud or dishonesty, which is the maximum extent of indemnification permitted under the Companies Act. Under our bye-laws, each of our shareholders agrees to waive any claim or right of action, other than those involving fraud or dishonesty, against us or any of our officers or directors.

The indemnification provisions contained in our bye-laws are not exclusive of any other rights to which a person may be entitled by law, agreement, vote of shareholders or disinterested directors or otherwise.

In addition, we maintain insurance on behalf of our directors and executive officers insuring them against any liability asserted against them in their capacities as directors or officers or arising out of such status.

The proposed form of underwriting agreement to be filed as Exhibit 1.1 to this registration statement provides for indemnification of directors and certain officers of the Registrant by the underwriters against certain liabilities.

Item 15. ***Recent Sales of Unregistered Securities.***

Set forth below is information regarding common shares and preferred shares issued, and options granted, by the Registrant within the past three years. Also included is the consideration, if any, received by the Registrant for such shares, and upon exercise of options and warrants and information relating to the section of the Securities Act, or rule of the Securities and Exchange Commission under which exemption from registration was claimed.

(1) In August 2003, the Registrant issued and sold an aggregate of 7,339,415 shares of its series B preferred shares to the following investors at a price per share of $4.11. Upon the closing of this offering, these shares will convert into 7,339,415 common shares:

Purchaser	Shares
Highland Capital Partners VI Limited Partnership	4,569,343
Highland Capital Partners VI-B Limited Partnership	2,503,650
Highland Entrepreneurs Fund VI Limited Partnership	75,426
Revolution Partners LLC	28,102
Westport Equity Partners LLC	12,043

(2) In August 2004, the Registrant issued and sold an aggregate of 5,535,279 shares of its series B preferred shares to the following investors at a price per share of $4.11. Upon the closing of this offering, these shares will convert into 5,535,279 common shares:

Purchaser	Shares
Highland Capital Partners VI Limited Partnership	1,523,114
Highland Capital Partners VI-B Limited Partnership	834,550
Highland Entrepreneurs Fund VI Limited Partnership	75,426
HarbourVest VI-Direct Fund LP	2,433,090
Nigel W. Morris Trust	608,272
George Overholser	60,827

(3) Since June 1, 2002, the Registrant has granted options under its Amended and Restated 2000-2002 Share Incentive Plan to purchase an aggregate of 5,615,941 common shares at exercise prices of $1.11 to $12.33 per share. Options to purchase an aggregate of 275,315 common shares were exercised during that period for an aggregate purchase price of $327,780.

(4) Since June 1, 2002, the Registrant has issued an aggregate of 1,694,550 common shares upon the exercise of warrants for an aggregate purchase price of $1,405,988.

No underwriters were involved in the foregoing sales of securities. The securities described in paragraphs 1 and 2 of Item 15 were issued to U.S. investors in reliance upon exemptions from the registration provisions of the Securities Act set forth in Section 4(2) thereof relative to sales by an issuer not involving any public offering, to the extent an exemption from such registration was required. All purchasers of our preferred shares described above represented to us in connection with their purchase that they were accredited investors and were acquiring the shares for investment and not distribution, that they could bear the risks of the investment and could hold the securities for an indefinite period of time. Such purchasers received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration or an available exemption from such registration.

The issuance of share options and the common shares issuable upon the exercise of such options as described in paragraph 3 of Item 15 were issued pursuant to written compensatory plans or arrangements with our employees, directors and consultants, in reliance on the exemption provided by Rule 701 promulgated under the Securities Act.

The issuance of common shares upon the exercise of warrants as described in paragraph (4) of Item 15 were issued in reliance upon exemptions from the registration provisions of the Securities Act set forth in Regulation S and Section 4(2) thereof to the extent an exemption from such registration was required.

All of the foregoing securities are deemed restricted securities for purposes of the Securities Act. All certificates representing the issued common shares described in this Item 15 included appropriate legends setting forth that the securities had not been registered and the applicable restrictions on transfer.

Item 16. ***Exhibits and Financial Statement Schedules.***

(a) *Exhibits*

Exhibit No.	Description
1.1*	Underwriting Agreement
3.1	Memorandum of Association of the Registrant
3.2	Amended and Restated Bye-Laws of the Registrant
3.3*	Amended and Restated Bye-Laws of the Registrant to be effective upon closing of the offering
4.1*	Specimen certificate evidencing common shares
5.1*	Opinion of Appleby Hunter Spurling
10.1	Amended and Restated 2000-2002 Share Incentive Plan, as amended
10.2	Form of Nonqualified Share Option Agreement under 2000-2002 Share Incentive Plan
10.3	Form of Incentive Share Option Agreement under 2000-2002 Share Incentive Plan
10.4*	2005 Non-Employee Director Share Option Plan
10.5*	Form of Share Option Agreement under 2005 Non-Employee Director Share Option Plan
10.6*	2005 Equity Incentive Plan
10.7*	Form of Nonqualified Share Option Agreement under 2005 Equity Incentive Plan
10.8*	Form of Incentive Share Option Agreement under 2005 Equity Incentive Plan
10.9*	VistaPrint USA, Incorporated FY 2005 Success Sharing Plan
10.10	Third Amended and Restated Registration Rights Agreement dated as of August 30, 2004 by and among the Registrant and the other signatories thereto, as amended
10.11	Loan and Security Agreement between Comerica Bank and VistaPrint North American Services Corp. dated as of November 1, 2004
10.12	Lease, dated as of April 24, 2003, between VistaPrint USA, Incorporated and Mortimer B. Zuckerman and Edward H. Linde, Trustees of 92 Hayden Avenue Trust
10.13*	Supply Agreement between the Registrant and Mod-Pac Corp. dated July 2, 2004, as amended
10.14	Executive Retention Agreement between VistaPrint USA, Incorporated, the Registrant and Robert S. Keane dated as of December 1, 2004
10.15	Form of Executive Retention Agreement between Vista Print USA, Incorporated, the Registrant and each of Paul C. Flanagan, Janet F. Holian and Alexander Schowtka, dated as of December 1, 2004
10.16	Credit Agreement between VistaPrint B.V. and ABN AMRO Bank N.V., as amended
21.1	Subsidiaries of the Registrant
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
23.3*	Consent of Appleby Hunter Spurling (included in Exhibit 5.1)
24.1	Power of Attorney (see page II-6)

* To be filed by amendment.

(b) *Financial Statement Schedules.*

None.

Item 17. ***Undertakings*.**

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers, and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification by the registrant against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Windsor, Ontario on this 24th day of May 2005.

VISTAPRINT LIMITED

By: /s/ ROBERT S. KEANE

Robert S. Keane
President and Chief Executive Officer

SIGNATURES AND POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Robert S. Keane, Paul C. Flanagan, Dean J. Breda and Helen Ann Chisholm, and each of them, his true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him and in his name, place, and stead, in any and all capacities, to sign any and all (1) amendments (including post-effective amendments) and additions to this Registration Statement on Form S-1 and (2) Registration Statements, and any and all amendments thereto (including post-effective amendments), relating to the offering contemplated pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ ROBERT S. KEANE **ROBERT S. KEANE**	President, Chief Executive Officer and Director (Principal Executive Officer)	June 2, 2005
/s/ PAUL C. FLANAGAN **PAUL C. FLANAGAN**	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	June 2, 2005
/s/ FERGAL MULLEN **FERGAL MULLEN**	Director	June 2, 2005
/s/ GEORGE M. OVERHOLSER **GEORGE M. OVERHOLSER**	Director	June 2, 2005
/s/ LOUIS PAGE **LOUIS PAGE**	Director	June 2, 2005
/s/ RICHARD T. RILEY **RICHARD T. RILEY**	Director	June 2, 2005

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* To be filed by amendment.

Exhibit 3.1

BERMUDA
THE COMPANIES ACT 1981
MEMORANDUM OF ASSOCIATION OF COMPANY LIMITED BY SHARES
Section 7(1) AND (2)
OF
VISTAPRINT LIMITED
(hereinafter referred to as "the Company")

1. The liability of the members of the Company is limited to the amount (if any) for the time being unpaid on the shares respectively held by them.

2. We, the undersigned, namely,

Name and Address	Bermudian Status (Yes or No)	Nationality	Number of Shares Subscribed
D. Bradfield Adderley Cedar House, 41 Cedar Avenue Hamilton HM 12, Bermuda	Yes	British	1
Ruby L. Rawlins Cedar House, 41 Cedar Avenue Hamilton HM 12, Bermuda	Yes	British	1
Bernett Cox Cedar House, 41 Cedar Avenue Hamilton HM 12, Bermuda	Yes	British	1
Donna S. Outerbridge Cedar House, 41 Cedar Avenue Hamilton HM 12, Bermuda	Yes	British	1

do hereby respectively agree to take such number of shares of the Company as may be allotted to us respectively by the provisional directors of the Company, not exceeding the number of shares which we have respectively subscribed, and to satisfy such calls as may be made by the directors, provisional directors or promoters of the Company in respect of the shares allotted to us respectively.

3. The Company is to be an Exempted Company as defined by the Companies Act 1981.

4. The Company, with the consent of the Minister of Finance, has power to hold land situate in Bermuda not exceeding __ in all, including the following parcels:-

Not Applicable.

5. The authorised share capital of the Company is US$12,000.00 divided into 12,000,000 shares of US$0.001 each. The minimum subscribed share capital of the Company is $12,000.00 in United States currency.

6. The objects for which the Company is formed and incorporated are:-

See Attached

7. The Company has the powers set out in the Schedule annexed hereto.

6. (i) To engage in the developing, discovering, improving and acquiring of intellectual property; including inventions, processes, patents, trade marks, trade names, trade secrets, Internet domain names, graphics, software, designs and the like; and selling and/or licensing (either as licensor and/or as licensee) of the intellectual property;

(ii) To provide financial services in Bermuda and outside Bermuda to:-

(a) any company which is its holding company or is a subsidiary of, or affiliated with, the Company (as such expressions are defined in the Companies Act but including for this purpose the definition of "company" bodies corporate incorporated in jurisdictions other than Bermuda, and furthermore, including any company, firm, partnership or other form of legal entity, wheresoever established, in which the Company has an interest direct or indirect of at least twenty per centum);

(b) any bona fide employee of any such company, firm, partnership or legal entity not employed or resident in Bermuda;

(c) with the prior written consent of the Minister, any other company, firm, partnership or other form of legal entity:

Such services may include, but shall not be limited to, granting or providing credit and financial accommodation, receiving and making advances with or without interest to any such company, firm, partnership, legal entity or employee and lending and depositing with any bank, funds or other assets to provide collateral and or security for loans or other forms of financing provided to such company, firm, partnership, legal entity or employee.

(iii) To develop, operate, advise or act as investment managers and financial technical consultants and advisors in Bermuda to any company being a subsidiary of or a holding company of or affiliated with (as these terms are defined in the Companies Act) the Company or to any firm, partnership, or other form of entity in which the Company is a partner or otherwise participates or to any member of the Company and to any other enterprise, business or person incorporate, formed or otherwise resident outside Bermuda.

(iv) As set forth in paragraphs (b) to (n) and (p) to (u) of the Second Schedule to the Companies Act of 1981.

The Schedule

(referred to in Clause 7 of the Memorandum of Association)

(a) to borrow and raise money in any currency or currencies and to secure or discharge any debt or obligation in any manner and in particular (without prejudice to the generality of the foregoing) by mortgages of or charges upon all or any part of the undertaking, property and assets (present and future) and uncalled capital of the company or by the creation and issue of securities;

(b) to enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present or future) and uncalled capital of the company or by both such methods or in any other manner, the performance of obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any securities or liabilities of, any person, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the company or another subsidiary of a holding company of the company or otherwise associated with the company;

(c) to accept, draw, make, create, issue, execute, discount, endorse, negotiate and deal in bills of exchange, promissory notes, and other instruments and securities, whether negotiable or otherwise;

(d) to sell, exchange, mortgage, charge, let on rent, share of profit, royalty or otherwise, grant licences, easements, options, servitudes and other rights over and in any manner deal with or dispose of, all or any part of the undertaking, property and assets (present and future) of the company for any consideration and in particular (without prejudice to the generality of the foregoing) for any securities;

(e) to issue and allot securities of the company for cash or in payment or part payment for real or personal property purchased or otherwise acquired by the company or any services rendered to the company or as security for any obligation or amount (even if less than the nominal amount of such securities) or for any other purpose;

(f) to grant pensions, annuities, or other allowances, including allowances on death, to any directors, officers or employees or former directors, officers or employees of the company or any company which at any time is or was a subsidiary or a holding company or another subsidiary of a holding company of the company or otherwise associated with the company or of any predecessor in business of any of them, and to the relations, connections or dependants of any such persons, and to other persons whose service or services have directly or indirectly been of benefit to the company or whom the company considers to have any moral claim on the company or to their relations connections or dependants, and to establish or support any associations, institutions, clubs, schools, building and housing schemes, funds and trusts, and to make payment towards insurance or other arrangements likely to benefit any such persons or otherwise advance the interests of the company or any of its members or for any national, charitable, benevolent, educational, social, public, general or useful object;

(g) subject to the provisions of Section 42 of the Companies Act 1981, to issue preference shares which at the option of the holders thereof are to be liable to be redeemed;

(h) to purchase its own shares in accordance with the provisions of Section 42A of the Companies Act 1981.

THE COMPANIES ACT

SECOND SCHEDULE

(section 11(2))

Subject to Section 4A, a company may by reference include in its memorandum any of the following objects, that is to say the business of –

(a) insurance and re-insurance of all kinds;

(b) packaging of goods of all kinds;

(c) buying, selling and dealing in goods of all kinds;

(d) designing and manufacturing goods of all kinds;

(e) mining and quarrying and exploration of metals, minerals, fossil fuels and precious stones of all kinds and their preparation for sale or use;

(f) exploring for, the drilling for, the moving, transporting and refining petroleum and hydro carbon products including oil and oil products;

(g) scientific research including the improvement, discovery and development of processes, inventions, patents and designs and the construction, maintenance and operation of laboratories and research centres;

(h) land, sea and air undertakings including the land, ship and air carriage of passengers, mails and goods of all kinds;

(i) ships and aircraft owners, managers, operators, agents, builders and repairers:

(j) acquiring, owning, selling, chartering, repairing or dealing in ships and aircraft:

(k) travel agents, freight contractors and forwarding agents;

(l) dock owners, wharfingers, warehousemen;

(m) ship chandlers and dealing in rope, canvas oil and ship stores of all kinds;

(n) all forms of engineering;

(o) developing, operating, advising or acting as technical consultants to any other enterprise or business:

(p) farmers, livestock breeders and keepers, graziers, butchers, tanners and processors of and dealers in all kinds of live and dead stock, wool, hides, tallow, grain, vegetables and other produce:

(q) acquiring by purchase or otherwise and holding as an investment inventions, patents, trade marks, trade names, trade secrets, designs and the like:

(r) buying, selling, hiring, letting and dealing in conveyances of any sort; and

(s) employing, providing, hiring out and acting as agent for artists, actors, entertainers of all sorts, authors, composers, producers, directors, engineers and experts or specialists of any kind;

(t) to acquire by purchase or otherwise hold, sell, dispose of and deal in real property situated outside of Bermuda and in personal property of all kinds wheresoever situated;

(u) to enter into any guarantee, contract of indemnity or suretyship and to assure, support or secure with or without consideration or benefit the performance of any obligations of any person and to guarantee the fidelity of individuals filling or about to fill situations of trust or confidence:

(v) to be and carry on business of a mutual fund within the meaning of section 156A.

Provided that none of these objects shall enable the company to carry on restricted business activity as set out in the Ninth Schedule except with the consent of the Minister.

Signed by each subscriber in the presence of at least one witness attesting the signature thereof:-

(Subscribers) (Witnesses)

SUBSCRIBED this 15th day of April, 2002

STAMP DUTY (To be affixed)

Not Applicable

THE COMPANIES ACT 1981
FIRST SCHEDULE

(section 11(1))

A company limited by shares, or other company having a share capital, may exercise all or any of the following powers subject to any provision of law or its memorandum –

(1) [*repealed by 1992:51*]

(2) to acquire or undertake the whole or any part of the business, property and liabilities of any person carrying on any business that the company is authorised to carry on:

(3) to apply for, register, purchase, lease, acquire, hold, use, control, license, sell, assign or dispose of patents, patent rights, copyrights, trade marks, formulae, licences, inventions, processes, distinctive marks and similar rights;

(4) to enter into partnership or into any arrangement for sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise with any person carrying on or engaged in or about to carry on or engage in any business or transaction that the company is authorised to carry on or engage in or any business or transaction capable of being conducted so as to benefit the company;

(5) to take or otherwise acquire and hold securities in any other body corporate having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as to benefit the company;

(6) subject to section 96 to lend money to any employee or to any person having dealings with the company or with whom the company proposes to have dealings or to any other body corporate any of whose shares are held by the company;

(7) to apply for, secure or acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege, that any government or authority or any body corporate or other public body may be empowered to grant, and to pay for, aid in and contribute toward carrying it into effect and to assume any liabilities or obligations incidental thereto;

(8) to establish and support or aid in the establishment and support of associations, institutions, funds or trusts for the benefit of employees or former employees of the company or its predecessors, or the dependants or connections of such employees or former employees, and grant pensions and allowances, and make payments towards insurance or for any object similar to those set forth in this paragraph, and to subscribe or guarantee money for charitable, benevolent, educational or religious objects or for any exhibition or for any public, general or useful objects;

(9) to promote any company for the purpose of acquiring or taking over any of the property or liabilities of the company or for any other purpose that may benefit the company;

(10) to purchase, lease, take in exchange, hire or otherwise acquire any personal property and any rights or privileges that the company considers necessary or convenient for the purposes of its business;

(11) to construct, maintain, alter, renovate and demolish any buildings or works necessary or convenient for its objects;

(12) to take land in Bermuda by way of lease or letting agreement for a term not exceeding fifty years, being land *bona fide* required for the purposes of the business of the company and with the consent of the Minister granted in his discretion to take land in Bermuda by way of lease or letting agreement for a term not to exceed twenty-one years in order to provide accommodation or recreational

facilities for its officers and employees and when no longer necessary for any of the above purposes to terminate or transfer the lease or letting agreement;

(13) except to the extent, if any, as may be otherwise expressly provided in its incorporating Act or memorandum and subject to this Act every company shall have power to invest the moneys of the Company by way of mortgage or real or personal property of every description in Bermuda or elsewhere and to sell, exchange, vary, or dispose of such mortgage as the company shall from time to time determine;

(14) to construct, improve, maintain, work, manage, carry out or control any roads, ways, tramways, branches or sidings, bridges, reservoirs, watercourses, wharves, factories, warehouses, electric works, shops, stores and other works and conveniences that may advance the interests of the company and contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof;

(15) to raise and assist in raising money for, and aid by way of bonus, loan, promise, endorsement, guarantee or otherwise, any person and guarantee the performance or fulfillment of any contracts or obligations of any person, and in particular guarantee the payment of the principal and interest on the debt obligations of any such person:

(16) to borrow or raise or secure the payment of money in such manner as the company may think fit;

(17) to draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments;

(18) when properly authorised to do so, to sell, lease, exchange or otherwise dispose of the undertaking of the company or any part thereof as an entirety or substantially as an entirety for such consideration as the company thinks fit;

(19) to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the company thinks fit;

(20) to adopt such means of making known the products of the company as may seem expedient, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes and rewards and making donations;

(21) to cause the company to be registered and recognized in any foreign jurisdiction, and designate persons therein according to the laws of that foreign jurisdiction or to represent the company and to accept service for and on behalf of the company of any process or suit;

(22) to allot and issue fully-paid shares of the company in payment or part payment of any property purchased or otherwise acquired by the company or for any past services performed for the company;

(23) to distribute among the members of the company in cash, kind, specie or otherwise as may be resolved, by way of dividend, bonus or in any other manner considered advisable, any property of the company, but not so as to decrease the capital of the company unless the distribution is made for the purpose of enabling the company to be dissolved or the distribution, apart from this paragraph, would be otherwise lawful;

(24) to establish agencies and branches;

(25) to take or hold mortgages, hypothecs, liens and charges to secure payment of the purchase price, or of any unpaid balance of the purchase price, of any part of the property of the company

of whatsoever kind sold by the company, or for any money due to the company from purchasers and others and to sell or otherwise dispose of any such mortgage, hypothec, lien or charge;

(26) to pay all costs and expenses of or incidental to the incorporation and organization of the company;

(27) to invest and deal with the moneys of the company not immediately required for the objects of the company in such manner as may be determined;

(28) to do any of the things authorised by this Schedule and all things authorised by its memorandum as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others;

(29) to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the company.

Every company may exercise its powers beyond the boundaries of Bermuda to the extent to which the laws in forcer where the powers are sought to be exercised permit.

BYE-LAWS

of

VISTAPRINT LIMITED

As amended through May 17, 2005

INTERPRETATION

1. 1.1 In these Bye-Laws unless the context otherwise requires –

"Bermuda" means the Islands of Bermuda;

"Board" means the Board of Directors of the Company or the Directors present at a meeting of Directors at which there is a quorum;

"Common Shares" means the Common Shares of par value US$0.00 1 each in the capital of the Company from time to time;

"Common Shareholder" means a holder of any Common Shares;

"the Companies Acts" means every Bermuda statute from time to time in force concerning companies insofar as the same applies to the Company;

"Company" means the company incorporated in Bermuda under the name of VistaPrint Limited on 19 April 2002;

"Director" means such person or persons as shall be appointed to the Board from time to time pursuant to Bye-Law 76;

"Indemnified Person" means any Director, Officer, Resident Representative, member of a committee duly constituted under Bye-Law 92 and any liquidator, manager or trustee for the time being acting in relation to the affairs of the Company, and his heirs, executors and administrators;

"Investor Rights Agreement" means the Second Amended and Restated Investor Rights Agreement, dated as of August 19, 2003 (as amended from time to time);

"Officer" means a person appointed by the Board pursuant to Bye-Law 102 of these Bye-Laws and shall not include an auditor of the Company;

"paid up" means paid up or credited as paid up;

"Preferred Shares" means the Series A Convertible Preference Shares of par value US$0.001 each in the capital of the Company and the Series B Convertible Preference Shares of par value US$0.001 each in the capital of the Company;

"Preferred Shareholder" means a holder of any Preferred Shares;

"Register" means the Register of Shareholders of the Company;

"Registered Office" means the registered office for the time being of the Company;

"Resident Representative" means the individual (or, if permitted in accordance with the Companies Acts, the company) appointed to perform the duties of resident representative set out in the Companies Acts and includes any assistant or deputy Resident Representative appointed by the Board to perform any of the duties of the Resident Representative;

"Resolution" means a resolution of the Shareholders or, where required, of a separate class or separate classes of Shareholders, adopted either in general meeting or by written resolution, in accordance with the provisions of these Bye-Laws;

"Schedule A" means Schedule A attached hereto setting forth the rights of the Preferred Shares of the Company.

"Seal" means the common sea! of the Company and includes any authorised duplicate thereof;

"Secretary" includes a temporary or assistant or deputy Secretary and any person appointed by the Board to perform any of the duties of the Secretary;

"share" means any Preferred Share or Common Share in the capital of the Company and includes a fraction of a share;

"Shareholder" means a shareholder or member of the Company provided that for the purposes of Bye-Laws 126-131 inclusive it shall also include any holder of notes, debentures or bonds issued by the Company;

"these Bye-Laws" means these Bye-Laws in their present form or as from time to time amended;

"USS" means the lawful currency of the United States of America; and

1.2 For the purposes of these Bye-Laws a corporation shall be deemed to be present in person if its representative duly authorised pursuant to the Companies Acts is present;

1.3 Words importing only the singular number include the plural number and vice versa;

1.4 Words importing only the masculine gender include the feminine and neuter genders respectively;

1.5 Words importing persons include companies or associations or bodies of persons, whether corporate or un-incorporate;

1.6 Reference to writing shall include typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form;

1.7 Any words or expressions defined in the Companies Acts in force at the date when these Bye-Laws or any part thereof are adopted shall bear the same meaning in these Bye-Laws or such part (as the case may be); and

1.8 Schedule A forms part of these Bye-Laws.

REGISTERED OFFICE

2. The Registered Office shall be at such place in Bermuda as the Board shall from time to time appoint.

SHARE RIGHTS

3. Subject to any special rights conferred on the holders of any share or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may by Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.

4. 4.1 Subject to the Companies Acts, any preference shares may, with the sanction of a resolution of the Board, be issued on terms:

4.1.1 that they are to be redeemed on the happening of a specified event or on a given date; and/or,

4.1.2 that they are liable to be redeemed at the option of the Company; and/or,

4.1.3 if authorised by the memorandum of association of the Company, that they are liable to be redeemed at the option of the holder.

4.2 The terms and manner of redemption of any redeemable preference shares of the Company shall be either:

4.2.1 as set out in these Bye-Laws; or

4.2.2 in the event that the Company in General Meeting may have so authorised, as the Directors or any committee thereof may by resolution determine before the allotment of such shares, such rights as approved by resolution to be incorporated in Schedule A to these Bye-Laws.

5. The Board may, at its discretion and without the sanction of a Resolution authorise the purchase by the Company of its own shares upon such terms as the Board may in its discretion determine provided always that such purchase is effected in accordance with the provisions of the Companies Acts.

MODIFICATION OF RIGHTS

6. Subject to the Companies Acts, all or any of the special rights for the time being attached to any class of shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than a majority of the issued shares of that class or with the sanction of a Resolution passed at a separate general meeting of the holders of such shares voting in person or by proxy. To any such separate general meeting, all the provisions of these Bye-Laws as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one or more persons holding or representing by proxy any of the shares of the relevant class, that every holder of shares of the relevant class shall be entitled on a poll to one vote for every such share held by him; provided, however, that any holder of Preferred Shares shall be entitled to the number of votes equal to the number of whole Common Shares into which the Preferred Shares held by such holder is then convertible, and that any holder of shares of the relevant class present in person or by proxy may demand a poll.

7. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking senior to or pan passu therewith.

SHARES

8. 8.1 The authorized share capital of the Company is US$72,185.485 consisting of 48,176,970 common shares, par value US$0.001 per share, 11,000,000 Series A Convertible Preference Shares, par value US$0.001 per share and 13,008,515 Series B Convertible Preference Shares par value US$0.001 per share.

The Common Shares and Preferred Shares shall be separate classes of shares and shall have the respective powers, preferences, rights, qualifications, limitations and restrictions set out in these Bye-laws but shall rank pan passu in all other respects. The Preferred Shareholders and the Common Shareholders shall be entitled to receive notice of and attend general meetings of the Company. The Preferred Shareholders and Common Shareholders shall be entitled to vote at general meetings of the Company in accordance with Bye-Law 49 and Schedule A to these Bye-laws.

8.2 **Common Shares**

8.2.1 Voting Rights

The voting, dividend and liquidation rights of the holders of the Common Shares are subject to and qualified by the rights of the holders of the Preferred Shares of any series.

8.2.2 Voting

The holders of the Common Shares are entitled to one vote for each share held at all meetings of shareholders (and written actions in lieu of meetings). There shall be no cumulative voting.

The number of authorized Common Shares may be increased or decreased (but not below the number of shares thereof then outstanding) by Resolution of the holders of a majority of the votes cast by Preferred Shares and Common Shares of the Company entitled to vote, voting together as a single class.

8.2.3 Dividends

Dividends may be declared and paid on the Common Shares from funds lawfully available therefore as and when determined by the Board and subject to any preferential dividend rights of any then outstanding Preferred Shares.

8.2.4 Liquidation

Upon the dissolution or liquidation of the Company, whether voluntary or involuntary, holders of Common Shares will be entitled to receive all assets of the Company available for distribution to its shareholders, subject to any preferential rights of any then outstanding Preferred Shares.

8.3 **Preferred Shares**

The special rights, privileges and restrictions relating to capital and income attached to the Preferred Shares are set out in Schedule A to these Bye-laws.

8.4 Subject to the provisions of these Bye-Laws and of the Investor Rights Agreement, the unissued shares of the Company from time to time will be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may determine.

9. The Board may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by law.

10. Except as ordered by a court of competent jurisdiction or as required by law, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or in any fractional part of a share or (except only as otherwise provided in these Bye-Laws, or by law) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

CERTIFICATES

11. The preparation, issue and delivery of certificates shall be governed by the Companies Acts. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all.

12. If a share certificate is defaced, lost or destroyed it may be replaced without fee but on such terms (if any) as to evidence and indemnity and to payment of the costs and out of pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of defacement, on delivery of the old certificate to the Company.

13. All certificates for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall, except to the extent that the terms and conditions for the time being relating thereto otherwise provide, be issued under the Seal. The Board may by resolution determine, either generally or in any particular case, that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any persons.

LIEN

14. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys, whether presently payable or not, called or payable, at a date fixed by or in accordance with the terms of issue of such share in respect of such share, and the Company shall also have a first and paramount lien on every share (other than a fully paid share) standing registered in the name of a Shareholder, whether singly or jointly with any other person, for all the debts and liabilities of such Shareholder or his estate to the Company, whether the same shall have been incurred before or after notice to the Company of any interest of any person other than such Shareholder, and whether the time for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person, whether a Shareholder or not. The Company's lien on a share shall extend to all dividends payable thereon. The Board may at any time, either generally or in any particular case, waive any lien that has arisen or declare any share to be wholly or in part exempt from the provisions of this Bye-Law.

15. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen (14) days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.

16. The net proceeds of sale by the Company of any shares on which it has a lien shall be applied in or towards payment or discharge of the debt or liability in respect of which the lien exists so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person who was the holder of the share immediately before such sale. For giving effect to any such sale the Board may authorise some person to transfer the share sold to the purchaser thereof The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.

CALLS ON SHARES

17. The Board may from time to time make calls upon the Shareholders in respect of any moneys unpaid on their shares (whether on account of the par value of the shares or by way of premium) and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue, and each Shareholder shall (subject to the Company serving upon him at least fourteen (14) days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine.

18. A call may be made payable by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed.

19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

20. If a sum called in respect of the share shall not be paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest on the sum from the day appointed for the payment thereof to the time of actual payment at such rate as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

21. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Bye-Laws be deemed to be a call duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable and, in case of nonpayment, all the relevant provisions of these Bye-Laws as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

22. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

FORFEITURE OF SHARES

23. If a Shareholder fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

24. The notice shall name a further day (not being less than fourteen (14) days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call is made or installment is payable will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-Laws to forfeiture shall include surrender.

25. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

26. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share; but no forfeiture shall be in any manner invalidated by any omission on neglect to give such notice as aforesaid.

27. A forfeited share shall be deemed to be the property of the Company and may be sold, re-offered or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the Board may think fit.

28. A person whose shares have been forfeited shall thereupon cease to be a Shareholder in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at such rate as the Board may determine from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited:

29. An affidavit in writing that the deponent is a Director of the Company or the Secretary and that a share has been duly forfeited on the date stated in the affidavit shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

REGISTER OF SHAREHOLDERS

30. The Secretary shall establish and maintain the Register at the Registered Office in the manner prescribed by the Companies Acts. Unless the Board otherwise determines, the Register shall be open to inspection in the manner prescribed by the Companies Acts between 10.00 a.m. and 12.00 noon on every working day. Unless the Board so determines, no Shareholder or intending Shareholder shall be entitled to have entered in the Register any indication of any trust or any equitable, contingent, future or partial interest in any share or any fractional part of a share and if any such entry exists or is permitted by the Board it shall not be deemed to abrogate any of the provisions of Bye-Law 10.

REGISTER OF DIRECTORS AND OFFICERS

31. The Secretary shall establish and maintain a register of the Directors and Officers of the Company as required by the Companies Acts. The register of Directors and Officers shall be open to inspection in the manner prescribed by the Companies Acts between 10:00 a.m. and 12:00 noon on every working day.

TRANSFER OF SHARES

32. Subject to the Companies Acts and to such of the restrictions contained in these Bye-Laws as may be applicable, any Shareholder may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve. No such instrument shall be required on the redemption of a share or on the purchase by the Company of a share.

33. The instrument of transfer of a share shall be signed by or on behalf of the transferor and where any share is not fully-paid, the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof All instruments of transfer when registered may be retained by the Company. The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which is not a fully-paid share. The Board may also decline to register any transfer unless:

    33.1 the instrument of transfer is duly stamped and lodged with the Company, accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer,

33.2 the instrument of transfer is in respect of only one class of share,

33.3 where applicable, the permission of the Bermuda Monetary Authority withrespect thereto has been obtained.

Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under this Bye-Law and Bye-Laws 32 and 34.

34. If the Board declines to register a transfer it shall, within three (3) months after the date on which the instrument of transfer was lodged, send to the transferee notice of such refusal.

35. No fee shall be charged by the Company for registering any transfer, probate, letters of administration, certificate of death or marriage, power of attorney, distringas or stop notice, order of court or other instrument relating to or affecting the title to any share, or otherwise making an entry in the Register relating to any share.

TRANSMISSION OF SHARES

36. In the case of the death of a Shareholder, the survivor or survivors, where the deceased was ajoint holder, and the estate representative, where he was sole holder, shall be the only person recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder (whether the sole or joint) from any liability in respect of any share held by him solely or jointly with other persons. For the purpose of this Bye-Law, estate representative means the person to whom probate or letters of administration has or have been granted in Bermuda or, failing any such person, such other person as the Board may in its absolute discretion determine to be the person recognised by the Company for the purpose of this Bye-Law.

37. Any person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable Jaw may, subject as hereafter provided and upon such evidence being produced as may from time to time be required by the Board as to his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall signify his election by signing an instrument of transfer of such share in favour of his nominee. All the limitations, restrictions and provisions of these Bye-Laws relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or instrument of transfer as aforesaid as if the death of the Shareholder or other event giving rise to the transmission had not occurred and the notice or instrument of transfer was an instrument of transfer signed by such Shareholder.

38. A person becoming entitled to a share in consequence of the death of a Shareholder or otherwise by operation of applicable law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Shareholder until he shall have become registered as the holder thereof. The Board may at any time give notice requiring such person to elect either to be registered himself or to transfer the share and, if the notice is not complied with within sixty days, the Board may thereafter withhold payment of all dividends and other moneys payable in respect of the shares until the requirements of the notice have been complied with.

39. Subject to any directions of the Board from time to time in force, the Secretary may exercise the powers and discretions of the Board under Bye-Laws 36, 37 and 38.

INCREASE OF CAPITAL

40. The Company may from time to time increase its capital by such sum to be divided into shares of such par value as the Company by Resolution shall prescribe.

41. The Company may, by the Resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance either at par or at a premium or (subject to the provisions of the Companies Acts) at a discount to all the holders for the time being of shares of any class or classes in proportion to the number of such shares held by them respectively or make any other provision as to the issue of the new shares.

42. The new shares shall be subject to all the provisions of these Bye-Laws with reference to lien, the payment of calls, forfeiture, transfer, transmission and otherwise.

ALTERATION OF CAPITAL

43. The Company may from time to time by Resolution:

43.1 divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;

43.2 consolidate and divide all or any of its share capital into shares of larger par value than its existing shares;

43.3 sub-divide its shares or any of them into shares of smaller par value than is fixed by its memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

43.4 make provision for the issue and allotment of shares which do not carry any voting rights;

43.5 cancel shares which, at the date of the passing of the Resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and

43.6 change the currency denomination of its share capital.

Where any difficulty arises in regard to any division, consolidation, or sub-division under this Bye-Law, the Board may settle the same as **it** thinks expedient and, in particular, may arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Shareholders who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

44. Subject to the Companies Acts and to any confirmation or consent required by law or these Bye-Laws, the Company may by Resolution from time to time convert any preference shares into redeemable preference shares.

REDUCTION OF CAPITAL

45. Subject to the Companies Acts, its memorandum of association and any confirmation or consent required by law or these Bye-Laws, the Company may from time to time (a) reduce its issued share capital pursuant

to a redemption request, as set forth in Section 6 of Schedule A, or pursuant to a share repurchase, or (b) e by Resolution, authorise the reduction of its issued share capital or any share premium account in any manner pursuant to section 46 of the Companies Act 1981.

46. In relation to any such reduction, the Company may by Resolution determine the terms upon which such reduction is to be effected including, in the case of a reduction of part only of a class of shares, those shares to be affected.

GENERAL MEETINGS AND WRITTEN RESOLUTIONS

47. The Board shall convene and the Company shall hold general meetings as Annual General Meetings in accordance with the requirements of the Companies Acts at such times and places as the Board shall appoint. The Board may, whenever it thinks fit, and shall, when required by the Companies Acts, convene general meetings other than Annual General Meetings which shall be called Special General Meetings.

48. 48.1 Except in the case of the removal of auditors or Directors, anything which may be done by Resolution in general meeting may, without a meeting and without any previous notice being required, be done by Resolution in writing, signed by all of the Shareholders or any class thereof or their proxies, or in the case of a Shareholder that is a corporation (whether or not a company within the meaning of the Companies Acts) on behalf of such Shareholder, being all of the Shareholders of the Company or any class thereof who at the date of the Resolution in writing would be entitled to attend a meeting and vote on the Resolution. Such Resolution in writing may be signed in as many counterparts as may be necessary.

48.2 For the purposes of this Bye-Law, the date of the Resolution in writing is the date when the Resolution is signed by, or on behalf of, the last requisite Shareholder to sign and any reference in any enactment to the date of passing of a Resolution is, in relation to a Resolution in writing made in accordance with this section, a reference to such date.

48.3 A Resolution in writing made in accordance with this Bye-Law is as valid as if it had been passed by the Company in general meeting or, if applicable, by a meeting of the relevant class of Shareholders of the Company, as the case may be. A Resolution in writing made in accordance with this section shall constitute minutes for the purposes of the Companies Acts and these Bye-Laws.

NOTICE OF GENERAL MEETINGS

49. An Annual General Meeting shall be called by not less than five *(5)* days notice in writing and a Special General Meeting shall be called by not less than five *(5)* days notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, day and time of the meeting, and, the nature of the business to be considered. Notice of every general meeting shall be given in any manner permitted by Bye-Laws 122 and 123 to all Shareholders other than such as, under the provisions of these Bye-Laws or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company and every Director and to any Resident Representative who or which has delivered a written notice upon the Registered Office requiring that such notice be sent to him or it.

Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Bye-Law, it shall be deemed to have been duly called if it is so agreed:

49.1 in the case of a meeting called as an Annual General Meeting, by all the Shareholders entitled to attend and vote thereat;

49.2 in the case of any other meeting, by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five (95) percent in nominal value of the shares giving that right.

50. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

51. The Board may cancel or postpone a meeting of the Shareholders after it has been convened and notice of such cancellation or postponement shall be served in accordance with Bye-Law 122 upon all Shareholders entitled to notice of the meeting so cancelled or postponed setting out, where the meeting is postponed to a specific date, notice of the new meeting in accordance with Bye-Law 49.

PROCEEDINGS AT GENERAL MEETINGS

52. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Bye-Laws, at least one Shareholder present in person or by proxy and entitled to vote shall be a quorum for all purposes.

53. If within five minutes (or such longer time as the chairman of the meeting may determine to wait) after the time appointed for the meeting, a quorum is not present, the meeting, if convened on the requisition of Shareholders, shall be dissolved. In any other case, it shall stand adjourned to such other day and such other time and place as the chairman of the meeting may determine and at such adjourned meeting one Shareholder present in person or by proxy and entitled to vote shall be a quorum. The Company shall give not less than five *(5)* days notice of any meeting adjourned through want of a quorum and such notice shall state that the one Shareholder present in person or by proxy (whatever the number of shares held by them) and entitled to vote shall be a quorum.

54. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by web or video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously, and instantaneously and participation in such a meeting shall constitute presence in person at such meeting.

55. Each Director, and upon giving the notice referred to in Bye-Law 49 above, the Resident Representative, if any, shall be entitled to attend and speak at any general meeting of the Company.

56. The Chairman (if any) of the Board or, in his absence, the President shall preside as chairman at every general meeting. If there is no such Chairman or President, or if at any meeting neither the Chairman nor the President is present within five minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, the persons present and entitled to vote on a poll shall elect one of their number to be chairman.

57. The chairman of the meeting may, with the consent by Resolution of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for three (3) months or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as expressly provided by these Bye-Laws, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING

58. Save where a greater majority is required by the Companies Acts or these Bye-Laws, any question proposed for consideration at any general meeting shall be decided on by a simple majority of votes cast.

59. At any general meeting, a Resolution put to the vote of the meeting shall be decided on a show of hands or a call for verbal or electronic expressions of "for" or "against"; unless (before or on the declaration of the result of the show of hands or call for verbal expression or electronic expressions of "for" or "against" on the withdrawal of any other demand for a poll) a poll is demanded by:

    59.1 the chairman of the meeting; or

    59.2 at least three Shareholders present in person or represented by proxy; or

    59.3 any Shareholder or Shareholders present in person or represented by proxy and holding between them not less than one tenth of the total voting rights of all the Shareholders having the right to vote at such meeting; or

    59.4 a Shareholder or Shareholders present in person or represented by proxy holding shares conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all such shares conferring such right.

    The demand for a poll may be withdrawn by the person or any of the persons making it at any time prior to the declaration of the result. Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a Resolution has, on a show of hands or call for verbal expression or electronic expressions of "for" or "against", been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded for or against such Resolution.

60. If a poll is duly demanded, the result of the poll shall be deemed to be the Resolution of the meeting at which the poll is demanded.

61. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and either forthwith or at such time later in the meeting as the chairman shall direct.

62. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded and it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

63. On a poll, votes may be cast either personally or by proxy.

64. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

65. In the case of an equality of votes at a general meeting, whether on a show of hands or call for verbal expression or electronic expressions of "for" or "against" or on a poll, the chairman of such meeting shall not be entitled to a second or casting vote and the Resolution shall fail.

66. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding.

67. A Shareholder who is a patient for any purpose of any statute or applicable law relating to mental health or in respect of whom an order has been made by any Court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or call for verbal expression or electronic expressions of "for" or "against" or on a poll, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such Court and such receiver, committee, *curator bonis* or other person may vote on a poll by proxy, and may otherwise act and be treated as such Shareholder for the purpose of general meetings.

68. No Shareholder shall, unless the Board otherwise determines, be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

69. If:

69.1 any objection shall be raised to the qualification of any voter; or,

69.2 any votes have been counted which ought not to have been counted or which might have been rejected; or,

69.3 any votes are not counted which ought to have been counted,

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any Resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any Resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

PROXIES AND CORPORATE REPRESENTATIVES

70. The instrument appointing a proxy shall be in writing executed by the appointor or his attorney authorised by him in writing or, if the appointor is a corporation, either under its seal or executed by an officer, attorney or other person authorised to sign the same.

71. Any Shareholder may appoint a proxy or (if a corporation) representative for a specific general meeting, and adjoumments thereof, or may appoint a standing proxy or (if a corporation) representative, by serving on the Company, in accordance with the manner provided for in Bye-Law 122 at the Registered Office or at such place or places as the Board may otherwise specify for the purpose a proxy or (if a corporation) an authorisation. Any standing proxy or authorisation shall be valid for all general meetings and adjournments thereof or, Resolutions in writing, as the case may be, until notice of revocation is received at the Registered Office, or such place or places as the Board may otherwise specify for the purpose. Where a standing proxy or authorisation exists, its operation shall be deemed to have been suspended at any general meeting or adjournment thereof at which the Shareholder is present or in respect to which the Shareholder has specially appointed a proxy or representative. The Board may from time to time require such evidence as it shall deem necessary as to the due execution and continuing validity of any standing proxy or authorisation and the operation of any such standing proxy or authorisation shall be deemed to be suspended until such time as the Board determines that it has received the requested evidence or other evidence satisfactory to it.

72. Subject to Bye-Law 71, the instrument appointing a proxy together with such other evidence as to its due execution as the Board may from time to time require, shall be delivered at the Registered Office (or at such place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case or the case of a written Resolution, in any document sent therewith) prior to the holding of the

relevant meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, before the time appointed for the taking of the poll, or, in the case of a written Resolution, prior to the effective date of the written Resolution and in default the instrument of proxy shall not be treated as valid.

73. Instruments of proxy shall be in any common form (including, without limitation, in section 3 (a) of Article II of the Investor Rights Agreement) or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting or any written Resolution forms of instruments of proxy for use at that meeting or in connection with that written Resolution. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a written Resolution or amendment of a Resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall unless the contrary is stated therein be valid as well for any adjournment of the meeting as for the meeting to which it relates. Any instrument of proxy expressed to be irrevocable shall be irrevocable in accordance with its terms.

74. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or unsoundness of mind of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, unsoundness of mind or revocation shall have been received by the Company at the Registered Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other documents sent therewith) one hour at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, or the day before the effective date of any written Resolution at which the instrument of proxy is used.

75. Subject to the Companies Acts, the Board may at its discretion waive any of the provisions of these Bye-Laws related to proxies or authorisations and, in particular, may accept such verbal or other assurances as it thinks fit as to the right of any person to attend and vote on behalf of any Shareholder at general meetings or to sign written Resolutions.

APPOINTMENT AND REMOVAL OF DIRECTORS

76. Subject to Schedule A and the Investor Rights Agreement, the number of Directors shall be not less than two (2) and not more than thirteen (13) or such numbers in excess thereof as the Company by Resolution may from time to time determine and, subject to the Companies Acts and these Bye-Laws, the Directors shall be elected or appointed by shareholders and shall serve for such term as the Company by Resolution may determine, or in the absence of such determination, until the termination of the next Annual General Meeting following their appointment. All Directors, upon election or appointment (except upon election at an Annual General Meeting), must provide written acceptance of their appointment, in such form as the Board may think fit, by notice in writing to the Registered Office within thirty (30) days of their appointment.

77. The Company may by Resolution increase the maximum number of Directors. Any one or more vacancies in the Board not filled by the Shareholders at any General Meeting of the Shareholders, shall be deemed casual vacancies for the purposes of these Bye-Laws. Without prejudice to the power of the Company by Resolution in pursuance of any of the provisions of these Bye-Laws to appoint any person to be a Director, the Board, so long as a quorum of Directors remains in office, shall have power at any time and from time to time to appoint any individual to be a Director so as to fill a casual vacancy.

78. The Company may in a Special General Meeting called for that purpose remove a Director provided notice of any such meeting shall be served upon the Director concerned not less than fourteen (14) days before the meeting and he shall be entitled to be heard at that meeting. Any vacancy created by the removal of a Director at a Special General Meeting may be filled at the meeting by the election of another Director in his place or, in the absence of any such election, by the Board.

RESIGNATION AND DISQUALIFICATION OF DIRECTORS

79. The office of a Director shall be vacated upon the happening of any of the following events:

79.1 if he resigns his office by notice in writing delivered to the Registered Office or tendered at a meeting of the Board;

79.2 if he becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health and the Board resolves that his office is vacated;

79.3 if he becomes bankrupt under the laws of any country or compounds with his creditors;

79.4 if he is prohibited by law from being a Director;

79.5 if he ceases to be a Director by virtue of the Companies Acts or is removed from office pursuant to these Bye-Laws.

ALTERNATE DIRECTORS

80. A Director may appoint and remove his own Alternate Director. Any appointment or removal of an Alternate Director by a Director shall be effected by depositing a notice of appointment or removal with the Secretary at the Registered Office, signed by such Director, and such appointment or removal shall become effective on the date of receipt by the Secretary. Any Alternate Director may be removed by resolution of the Board. Subject as aforesaid, the office of Alternate Director shall continue until the next annual election of Directors or, if earlier, the date on which the relevant Director ceases to be a Director. An Alternate Director may also be a Director in his own right and may act as alternate to more than one Director.

81. An Alternate Director shall be entitled to receive notices of all meetings of Directors, to attend, be counted in the quorum and vote at any such meeting at which any Director to whom he is alternate is not personally present, and generally to perform all the functions of any Director to whom he is alternate in his absence.

82. Every person acting as an Alternate Director shall (except as regards powers to appoint an alternate and remuneration) be subject in all respects to the provisions of these Bye-Laws relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for any Director for whom he is alternate. An Alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent mutatis mutandis as if he were a Director. Every person acting as an Alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an Alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the terms of his appointment provides to the contrary, be as effective as the signature of the Director or Directors to whom he is alternate.

DIRECTORS' FEES AND ADDITIONAL REMUNERATION AND EXPENSES

83. The amount, if any, of Directors' fees (including share options or other non-cash remuneration) shall from time to time be determined by the Company by Resolution or in the absence of such a determination, by the Board. Unless otherwise determined to the contrary, such fees shall be deemed to accrue from day to day. Each Director may be paid his reasonable travel, hotel and incidental expenses in attending and returning from meetings of the Board or committees constituted pursuant to these Bye-Laws or general meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, share options, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.

DIRECTORS' INTERESTS

84. 84.1 A Director may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, share options, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Bye-Law.

84.2 A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

84.3 Subject to the provisions of the Companies Acts, a Director may notwithstanding his office be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is interested. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

84.4 So long as, where it is necessary, he declares the nature of his interest at the first opportunity at a meeting of the Board or by writing to the Directors as required by the Companies Acts, a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from any office or employment to which these Bye-Laws allow him to be appointed or from any transaction or arrangement in which these Bye-Laws allow him to be interested, and no such transaction or arrangement shall be liable to be avoided on the ground of any interest or benefit.

84.5 Subject to the Companies Acts and any further disclosure required thereby, a general notice to the Directors by a Director or Officer declaring that he is a director or officer or has an interest in a person and is to be regarded as interested in any transaction or arrangement made with that person, shall be a sufficient declaration of interest in relation to any transaction or arrangement so made.

POWERS AND DUTIES OF THE BOARD

85. Subject to the provisions of the Companies Acts and these Bye-Laws the Board shall manage the business of the Company and may pay all expenses incurred in promoting and incorporating the Company and may exercise all the powers of the Company. No alteration of these Bye-Laws and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Bye-Law shall not be limited by any special power given to the Board by these Bye-Laws and a meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

86. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any other persons.

87. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

88. The Board on behalf of the Company may provide benefits, whether by the payment of gratuities or pensions or otherwise, for any person including any Director or former Director who has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary or affiliate of the Company or a predecessor in the business of the Company or of any such subsidiary or affiliate, and to any member of his family or any person who is or was dependent on him, and may contribute to any fund and pay premiums for the purchase or provision of any such gratuity, pension or other benefit, or for the insurance of any such person.

89. The Board may from time to time appoint one or more of its body to be a managing director, joint managing director or an assistant managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and may revoke or terminate any such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Any person so appointed shall receive such remuneration (if any) (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

DELEGATION OF THE BOARD'S POWERS

90. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-Laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney and of such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the *powers*, authorities and discretions vested in him. Such attorney may, if so authorised under the Seal, execute any deed or instrument under the personal seal of such attorney, with the same effect as the affixation of the Seal.

91. The Board may entrust to and confer upon any Director, Officer or, without prejudice to the provisions of Bye-Law 92, other individual any of the powers exercisable by it upon such terms and conditions with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

92. The Board may delegate any of its powers, authorities and discretions to committees, consisting of such person or persons (whether a member or members of its body or not) as it thinks fit. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, and in conducting its proceedings conform to any regulations which may be imposed upon it by the Board. If no regulations are imposed by the Board the proceedings of a committee with two or more members shall be, as far as is practicable, governed by the Bye-Laws regulating the proceedings of the Board.

PROCEEDINGS OF THE BOARD

93. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes the motion shall be deemed to have been lost. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.

94. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent to him by post, cable, telex, telecopier, email or other mode of representing or reproducing words in a legible and non-transitory form at his last known address or any other address given by him to the Company for this purpose and the provisions of Bye-Law 122 shall apply to any notice so given as to the deemed date of service of such notice. A Director may retrospectively waive the requirement for notice of any meeting by consenting in writing to the business conducted at the meeting.

95. 95.1 The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be a majority of the Directors then holding office. Any Director who ceases to be a Director at a meeting of the Board may continue to be present and to act as a Director and be counted in the quorum until the termination of the meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

95.2 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract, transaction or arrangement with the Company and has complied with the provisions of the Companies Acts and these Bye-Laws with regard to disclosure of his interest shall be entitled to vote in respect of any contract, transaction or arrangement in which he is ~o interested and if he shall do so his vote shall be counted, and he shall be taken into account in ascertaining whether a quorum is present.

95.3 The Resident Representative shall, upon delivering written notice of an address for the purposes of receipt of notice, to the Registered Office, be entitled to receive notice of, attend and be heard at, and to receive minutes of all meetings of the Board.

96. So long as a quorum of Directors remains in office, the continuing Directors may act notwithstanding any vacancy in the Board but, if no such quorum remains, the continuing Directors or a sole continuing Director may act only for the purpose of calling a general meeting.

97. The Chairman (or President) or, in his absence, the Deputy Chairman (or Vice-President), shall preside as chairman at every meeting of the Board. If at any meeting the Chairman or Deputy Chairman (or the President or Vice-President) is not present within five minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present may choose one of their number to be chairman of the meeting.

98. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Bye-Laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board.

99. A resolution in writing signed by all the Directors for the time being entitled to receive notice of a meeting of the Board (or by an Alternate Director, as provided for in Bye-Law 82) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board or, as the case may be, of such committee duly called and constituted. Such resolution may be contained in one document or in several documents in the like form each signed by one or more of the Directors or members of the committee concerned.

100. A meeting of the Board or a committee appointed by the Board may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone or by web or video conferencing) as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously and participation in such a meeting shall constitute presence in person at such meeting. Such meeting shall be deemed to take place where the largest group of those Directors participating in the meeting is physically assembled, or, if there is no such group, where the chairman of the meeting then is.

101. All acts done by the Board or by any committee or by any person acting as a Director or member of a committee or any person duly authorised by the Board or any committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated their office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, member of such committee or person so authorised.

OFFICERS

102. The Officers of the Company must include either a President and a Vice-President, or a Chairman and a Deputy Chairman who must be Directors and shall be elected by the Board as soon as possible after the statutory meeting and each Annual General Meeting. In addition, the Board may appoint any person whether or not he is a Director to hold such office as the Board may from time to time determine. Any person elected or appointed pursuant to this Bye-Law shall hold office for such period and upon such terms as the Board may determine and the Board may revoke or terminate any such election or appointment. Any such revocation or termination shall be without prejudice to any claim for damages that such Officer may have against the Company or the Company may have against such Officer for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. Save as provided in the Companies Acts or these Bye-Laws, the powers and duties of the Officers of the Company shall be such (if any) as are determined from time to time by the Board.

MINUTES

103. The Board shall cause minutes to be made and books kept for the purpose of recording -

103.1 all appointments of Officers made by the Board;

103.2 the names of the Directors and other persons (if any) present at each meeting of the Board and of any committee;

103.3 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, of the Board and of committees appointed by the Board or the Shareholders;

103.4 of all proceedings of its managers (if any).

Shareholders shall only be entitled to see the Register of Directors and Officers, the Register, the financial information provided for in Bye-Law 120 and the minutes of meetings of the Shareholders of the Company.

SECRETARY AND RESIDENT REPRESENTATIVE

104. The Secretary (including one or more deputy or assistant secretaries) and, if required, the Resident Representative, shall be appointed by the Board at such remuneration (if any) and upon such terms as it may think fit and any Secretary and Resident Representative so appointed may be removed by the Board. The duties of the Secretary and the duties of the Resident Representative shall be those prescribed by the Companies Acts together with such other duties as shall from time to time be prescribed by the Board.

105. A provision of the Companies Acts or these Bye-Laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

THE SEAL

106. 106.1 The Seal shall consist of a circular metal device with the name of the Company around the outer margin thereof and the country and year of registration in Bermuda across the centre thereof. Should the Seal not have been received at the Registered Office in such form at the date of adoption of this Bye-Law then, pending such receipt, any document requiring to be sealed with the Seal shall be sealed by affixing a red wafer seal to the document with the name of the Company, and the country and year of incorporation type written across the centre thereof.

106.2 The Board may authorise the production of one or more duplicate seals.

106.3 The Board shall provide for the custody of every Seal. A Seal shall only be used by authority of the Board or of a committee constituted by the Board. Subject to these Bye-Laws, any instrument to which a Seal is affixed shall be signed by either two Directors, or by the Secretary and one Director, or by the Secretary, or by one of the Directors or by any one person whether or not a Director or Officer, who has been authorised either generally or specifically to affirm the use of a Seal; provided that the Secretary or a Director may affix a Seal over his signature alone to authenticate copies of these Bye-Laws, the minutes of any meeting or any other documents requiring authentication

DIVIDENDS AND OTHER PAYMENTS

107. The Board may from time to time declare dividends, or distributions out of contributed surplus, to be paid to the Shareholders according to their rights and interests including such interim dividends as appear to the Board to be justified by the position of the Company. The Board, in its discretion, may determine that any dividend shall be paid in cash or shall be satisfied, subject to Bye-Law 115, in paying up in full shares in the Company to be issued to the Shareholders credited as fully paid or partly paid or partly in one way and partly the other. The Board may also pay any fixed cash dividend which is payable on any shares of the Company half yearly or on such other dates, whenever the position of the Company, in the opinion of the Board, justifies such payment.

108. Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:

108.1 all dividends or distributions out of contributed surplus may be declared and paid according to the amounts paid up on the shares in respect of which the dividend or distribution is paid, and an amount paid up on a share in advance of calls may be treated for the purpose of this Bye-Law as paid-up on the share;

108.2 dividends or distributions out of contributed surplus may be apportioned and paid pro rata according to the amounts paid-up on the shares during any portion or portions of the period in respect of which the dividend or distribution is paid.

109. The Board may deduct from any dividend, distribution or other moneys payable to a Shareholder by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in respect of shares of the Company.

110. No dividend, distribution or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

111. Any dividend, distribution or interest, or part thereof payable in cash, or any other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post or by courier addressed to the holder at his address in the Register or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his registered address as appearing in the Register or addressed to such person at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first in the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the

bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends, distributions or other moneys payable or property distributable in respect of the shares held by such joint holders.

112. Any dividend or distribution out of contributed surplus unclaimed for a period of six years (6) from the date of declaration of such dividend or distribution shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, distribution, interest or other sum payable on or in respect of the share into a separate account shall not constitute the Company a trustee in respect thereof.

113. The Board may also, in addition to its other powers, direct payment or satisfaction of any dividend or distribution out of contributed surplus wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, and where any difficulty arises in regard to such distribution or dividend the Board may settle it as it thinks expedient, and in particular, may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution or dividend purposes of any such specific assets and may determine that cash payments shall be made to any Shareholders upon the footing of the values so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board provided that such dividend or distribution may not be satisfied by the distribution of any partly paid shares or debentures of any company without the sanction of a Resolution.

RESERVES

114. The Board may, before declaring any dividend or distribution out of contributed surplus, set aside such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose of the Company and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any sums which it may think it prudent not to distribute.

CAPITALIZATION OF PROFITS

115. The Board may from time to time resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund which is available for distribution or to the credit of any share premium account and accordingly that such amount be set free for distribution amongst the Shareholders or any class of Shareholders who would be entitled thereto if distributed by way of dividend and in the same proportions, on the footing that the same be not paid in cash but be applied either in or towards paying up amounts for the time being unpaid on any shares in the Company held by such Shareholders respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid amongst such Shareholders, or partly in one way and partly in the other, provided that for the purpose of this Bye-Law, a share premium account may be applied only in paying up of unissued shares to be issued to such Shareholders credited as fully paid.

116. Where any difficulty arises in regard to any distribution under the last preceding Bye-Law, the Board may settle the same as it thinks expedient and, in particular, may authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments should be made to any Shareholders in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Shareholders.

RECORD DATES

117. Notwithstanding any other provisions of these Bye-Laws, the Company may by Resolution or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and for the purpose of identifying the persons entitled to receive notices of general meetings. Any such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made or such notice is despatched.

ACCOUNTING RECORDS

118. The Board shall cause to be kept accounting records sufficient to give a true and fair view of the state of the Company's affairs and to show and explain its transactions, in accordance with the Companies Acts.

119. The records of account shall be kept at the Registered Office or at such other place or places as the Board thinks fit, and shall at all times be open to inspection by the Directors: PROVIDED that if the records of account are kept at some place outside Bermuda, them shall be kept at an office of the Company in Bermuda such records as will enable the Directors to ascertain with reasonable accuracy the financial position of the Company at the end of each three month period. No Shareholder (other than an Officer of the Company) shall have any right to inspect any accounting record or book or document of the Company except as conferred by law or authorised by the Board or by Resolution.

120. A copy of every balance sheet and statement of income and expenditure, including every document required by law to be annexed thereto, which is to be laid before the Company in general meeting, together with a copy of the auditors' report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Acts.

AUDIT

121. Save and to the extent that an audit is waived in the manner permitted by the Companies Acts, auditors shall be appointed and their duties regulated in accordance with the Companies Acts, any other applicable law and such requirements not inconsistent with the Companies Acts as the Board may from time to time determine.

SERVICE OF NOTICES AND OTHER DOCUMENTS

122. Any notice or other document (including a share certificate) may be served on or delivered to any Shareholder by the Company either personally or by sending it through the post (by airmail where applicable) in a pre-paid letter addressed to such Shareholder at his address as appearing in the Register or by sending it by courier service to such registered address or by sending it by email to an address supplied by such Shareholder for the purposes of receipt of notice or documents in electronic form or by delivering it to or leaving it at such address as appears in the Register for such Shareholder. In the case of joint holders of a share, service or delivery of any notice or other document on or to one of the joint holders shall for all purposes be deemed as sufficient service on or delivery to all the joint holders. Any notice or other document if sent by post shall be deemed to have been served or delivered forty-eight (48) hours after it was put in the post, and when sent by courier, twenty-four (24) hours after sending or, when sent by email, twelve (12) hours after sending and in proving such service or delivery, it shall be sufficient to prove that the notice or document was properly addressed and either stamped and put in the post, sent by courier or sent by email, as the case may be.

123. Any notice of a general meeting of the Company shall be deemed to be duly given to a Shareholder, or other person entitled to it, if it is sent to him by courier, cable, telex, telecopier, email or other mode of representing or reproducing words in a legible and non-transitory form at his address as appearing in the Register or any other address given by him to the Company for this purpose. Any such notice shall be deemed to have been served twenty-four (24) hours after its despatch, when sent by courier, cable, telex or telecopier and twelve (12) hours after its dispatch when sent by email.

124. Any notice or other document delivered, sent or given to a Shareholder in any manner permitted by these Bye-Laws shall, notwithstanding that such Shareholder is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Shareholder as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed as sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

WINDING UP

125. If the Company shall be wound up, the liquidator may, with the sanction of a Resolution of the Company and any other sanction required by the Companies Acts, divide amongst the Shareholders in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purposes set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any shares or other assets upon which there is any liability.

INDEMNITY

126. Subject to the proviso below, every Indemnified Person shall be indemnified and held harmless out of the assets of the Company against all liabilities, loss, damage or expense (including but not limited to liabilities under contract, tort and statute or any applicable foreign law or regulation and all reasonable legal and other costs and expenses properly payable) incurred or suffered by him by or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties and the indemnity contained in this Bye-Law shall extend to any Indemnified Person acting in any office or trust in the reasonable belief that he has been appointed or elected to such office or trust notwithstanding any defect in such appointment or election PROVIDED ALWAYS that the indemnity contained in this Bye-Law shall not extend to any matter which would render it void pursuant to the Companies Acts.

127. No Indemnified Person shall be liable for the acts, defaults or omissions of any other Indemnified Person.

128. Every Indemnified Person shall be indemnified out of the funds of the Company against all liabilities incurred by him or by reason of any act done, conceived in or omitted in the conduct of the Company's business or in the discharge of his duties in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted, or in connection with any application under the Companies Acts in which relief from liability is granted to him by the court.

129. To the extent that any Indemnified Person is entitled to claim an indemnity pursuant to these Bye-Laws in respect of amounts paid or discharged by him, the relative indemnity shall take effect as an obligation of the Company to reimburse the person making such payment or effecting such discharge.

130. Each Shareholder and the Company agree to waive any claim or right of action he or it may at any time have, whether individually or by or in the right of the Company, against any Indemnified Person on account of any action taken by such Indemnified Person or the failure of such Indemnified Person to take any action in the performance of his duties with or for the Company PROVIDED HOWEVER that such waiver shall not apply to any claims or rights of action arising out of the fraud or dishonesty of such Indemnified Person or to recover any gain, personal profit or advantage to which such Indemnified Person is not legally entitled.

131. Subject to the Companies Acts, expenses incurred in defending any civil or criminal action or proceeding for which indemnification is required pursuant to Bye-Laws 126 and 128 may be paid by the Company in

advance of the final disposition of such action or proceeding upon the adoption of a resolution by the Board to make such an advance and the receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall ultimately be determined that the Indemnified Person is not entitled to be indemnified pursuant to Bye-Laws 126 and 128.

Each Shareholder of the Company, by virtue of its acquisition and continued holding of a share, shall be deemed to have acknowledged and agreed that the advances of funds may be made by the Company as aforesaid, and when made by the Company under this Bye-Law 131 are made to meet expenditures incurred for the purpose of enabling such Indemnified Person to properly perform his or her duties to the Company.

AMALGAMATION

132. Any Resolution proposed for consideration at any general meeting to approve the amalgamation of the Company with any other company, wherever incorporated, shall require the approval of a simple majority of votes cast at such meeting and the quorum for such meeting shall be that required in Bye-Law 52 and a poll may be demanded in respect of such Resolution in accordance with the provisions of Bye-Law *59*.

CONTINUATION

133. Subject to the Companies Acts, the Board may approve the discontinuation of the Company in Bermuda and the continuation of the Company in a jurisdiction outside Bermuda. The Board, having resolved to approve the discontinuation of the Company, may further resolve not to proceed with any application to discontinue the Company in Bermuda or may vary such application as it sees fit.

ALTERATION OF BYE-LAWS

134. These Bye-Laws may be amended from time to time by resolution of the Board, but subject to approval by Resolution.

INVESTOR RIGHTS AGREEMENT

135. Without prejudice to any other provision of these Bye-Laws or the Companies Acts, the Company will not, for so long as that section of the Investor Rights Agreement remains in effect, exercise any statutory power of the Company listed in Section 6 of Article V of the Investor Rights Agreement unless such exercise has been approved by a resolution of the holders of the Series B Convertible Preference Shares in favour of which the holders of not less than a majority of the then outstanding Series B Convertible Preference Shares.

VISTAPRINT LIMITED

TERMS OF THE

**SERIES A CONVERTIBLE PREFERENCE SHARES,
PAR VALUE US$0.001 PER SHARE AND**

**SERIES B CONVERTIBLE PREFERENCE SHARES,
PAR VALUE US$0.001 PER SHARE**

Of the twenty-four million eight thousand five hundred fifteen (24,008,515) shares of the authorized Preference Shares of the Company, eleven million (11,000,000) such shares are hereby designated "Series A Convertible Preference Shares" (the "Series A Preferred Shares"), and thirteen million eight thousand five hundred fifteen (13,008,515) such shares are hereby designated "Series B Convertible Preference Shares" (the "Series B Preferred Shares"). The Series A Preferred Shares and the Series B Preferred Shares are sometimes collectively referred to as the "Series Preferred Shares". The Series Preferred Shares have the following rights, preferences, powers, privileges and restrictions, qualifications and limitations.

1. **Dividends**.

(a) In addition to the dividends paid to the holders of Series B Preferred Shares pursuant to Subsection 1(e), from and after the date of the first issuance of any Series B Preferred Shares (the "Original Issue Date"), the holders of Series B Preferred Shares shall be entitled to receive, out of funds legally available therefor and before any dividends are paid on the Common Shares (other than a dividend to be satisfied solely in Common Shares) or the Series A Preferred Shares, when and if declared by the Board, or as provided in Section 6 hereof, cumulative dividends at the rate per annum of US$0.3288 per share (subject to appropriate adjustment in the event of any shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of Series B Preferred Shares in issue) on each issued Series B Preferred Share (the "Accruing Dividends"). Accruing Dividends shall accrue on each Series B Preferred Share then issued from day to day beginning on the date such Series B Preferred Share was issued by the Company, whether or not earned or declared.

(b) The Company shall not declare or pay any dividends or other distributions on Common Shares (other than a dividend to be satisfied solely in Common Shares) or Series A Preferred Shares until the holders of the Series B Preferred Shares then in issue shall have first received, or simultaneously receive, all Accruing Dividends unpaid thereon.

(c) Subject to the provisions of Subsection 1(b), the Company shall not declare or pay any dividends or other distributions on Common Shares (other than a dividend to be satisfied solely in Common Shares) until the holders of the Series A Preferred Shares then in issue shall have first received, or simultaneously receive, a cash dividend or other distribution on each Series A Preferred Share then in issue in an amount at least equal to the product of (i) the per share amount, if any, of the dividends or other distributions to be declared, paid or set aside for the Common Shares, multiplied by (ii) the number of whole Common Shares into which such Series A Preferred Share is convertible as of the record date for such dividend or distribution.

(d) Subject to the provisions of Subsection 1(b) and 1(c), the Company may, in any year, declare and pay or set aside a cash dividend or other distribution on (i) each Common Share then in issue in the amount of the Catch-Up Dividend (as defined below), and (ii) each Series A Preferred Share then in issue in the amount obtained by multiplying the Catch-Up Dividend by the number of Common Shares (including for this purpose fractions of a share) deliverable upon conversion of a Series A Preferred Share pursuant to the provisions of Section 4 hereof as of the record date for the determination of holders of Series A Preferred Shares entitled to receive such dividends or other distribution. The "Catch-Up Dividend" shall mean a non-cumulative dividend accruing at the rate per annum of the amount per share obtained by dividing (x) US$0.3288 (subject to appropriate adjustment in the event of any

shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of Series B Preferred Shares in issue) by (y) the number of Common Shares (including for this purpose fractions of a share) deliverable upon conversion of a Series B Preferred Share pursuant to the provisions of Section 4 hereof as of the record date for the determination of holders of Series A Preferred Shares or Common Shares, as the case may be, entitled to receive such dividend.

(e) The Company shall not pay any cash dividend or other distribution, other than Accruing Dividends, in excess of any amounts paid or set aside pursuant to Subsection 1(c) or 1(d) without the approval of the holders of at least a majority of the Series B Preferred Shares then in issue. Except as provided in Section 2 hereof or as approved by the Board, including at a majority of the members of the Board who are not the designees of either the holders of the Series A Preferred Shares or the Series B Preferred Shares, any dividend under this Subsection 1(e) shall be paid on all Common Shares and Series Preferred Shares then in issue on a pro rata basis, taking into account for these purposes the number of Common Shares issuable upon conversion of the Series Preferred Shares pursuant to the provisions of Section 4 hereof as of the record date for the determination of holders of Series Preferred Shares entitled to receive such dividends or other distribution.

2. **Liquidation, Dissolution or Winding Up; Certain Mergers, Amalgamations, Consolidations and Asset Sales**.

(a) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of Series B Preferred Shares then in issue shall be entitled to be paid out of the assets of the Company available for distribution to its shareholders, after and subject to the payment in full of all amounts required to be distributed to the holders of any other class or series of shares of the Company ranking on liquidation senior to the Series B Preferred Shares, but before any payment shall be made to the holders of the Series A Preferred Shares, Common Shares or any other class or series of shares ranking on liquidation junior to the Series B Preferred Shares, an amount equal to US$4.11 per share (subject to appropriate adjustment in the event of any shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of issued Series B Preferred Shares), plus any dividends declared from time to time by the Board but unpaid on such shares. If upon any such liquidation, dissolution or winding up of the Company the remaining assets of the Company available for distribution to its shareholders shall be insufficient to pay the holders of Series B Preferred Shares the full amount to which they shall be entitled under this Subsection 2(a), the holders of Series B Preferred Shares and any class or series of shares ranking on liquidation on a parity with the Series B Preferred Shares shall share ratably in any distribution of the remaining assets and funds of the Company in proportion to the respective amounts that would otherwise be payable in respect of such shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

(b) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of Series A Preferred Shares then in issue shall be entitled to be paid out of the assets of the Company available for distribution to its shareholders, after and subject to the payment in full of all amounts required to be distributed to the holders of Series B Preferred Shares pursuant to Subsection 2(a) above and any other class or series of shares of the Company ranking on liquidation senior to the Series A Preferred Shares, but before any payment shall be made to the holders of Common Shares or any other class or series of shares ranking on liquidation junior to the Series A Preferred Shares, an amount equal to US$1.43 per share (subject to appropriate adjustment in the event of any shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of issued Series A Preferred Shares), plus any dividends declared from time to time by the Board but unpaid on such shares. If upon any such liquidation, dissolution or winding up of the Company, and subject to the provisions of Subsection 2(a), the remaining assets of the Company available for distribution to its shareholders shall be insufficient to pay the holders of Series A Preferred Shares the full amount to which they shall be entitled, the holders of Series A Preferred Shares and any class or series of shares ranking on liquidation on a parity with the Series A Preferred shares shall share ratably in any distribution of the remaining assets and funds of the Company in proportion to the respective amounts which would otherwise be payable in respect of such shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full. The foregoing shall not be construed to restrict in any way the right of each holder of Series A Preferred Shares to voluntarily and at each such holder’s sole discretion convert any or all of such shares into Common Shares pursuant to and in accordance

with the provisions of Subsection 4(a) at any time immediately prior to any such liquidation, dissolution or winding up of the Company and, as a holder of Common Shares, be entitled thereafter to receive any assets and funds of the Company distributable to holders of Common Shares pursuant to Subsection 2(c).

(c) After the payment of all preferential amounts required to be paid to the holders of the Series B Preferred Shares in accordance with Subsection 2(a) and the Series A Preferred Shares and any other class or series of shares of the Company ranking on liquidation on a parity with the Series A Preferred Shares in accordance with Subsection 2(b), upon the dissolution, liquidation or winding up of the Company, the holders of Series B Preferred Shares and Common Shares then in issue (for purposes of this Section 2(c) ranking equally) shall be entitled to receive the remaining assets and funds of the Company available for distribution to its shareholders, pro rata based on the number of Common Shares held by each holder of Common Shares, or in the case of the Series B Preferred Shares, based upon the number of Common Shares into which such Series B Preferred Shares are then convertible; provided however, that after aggregate distributions have been made pursuant to this Section 2 with respect to the Series B Preferred Shares (including those distributions made pursuant to Subsection 2(a)) in an amount equal to US$16.44 per Series B Preferred Share (subject to appropriate adjustment in the event of any shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of issued Series B Preferred Shares), all further distributions made pursuant to this Subsection 2(c) shall be made solely to the holders of Common Shares.

(d) Any (i) consolidation, amalgamation or merger of the Company into or with any other entity or entities (except a consolidation, amalgamation or merger with or into a subsidiary of the Company or a consolidation, amalgamation or merger in which either (A) the Company's voting shares in issue immediately prior to such transaction continue to represent a majority by voting power of the voting shares in issue immediately following the transaction on a fully-diluted basis or (B) the shares issued in exchange for the Company's voting shares in issue immediately prior to such transaction represent a majority by voting power of the voting shares of the continuing entity immediately following the transaction on a fully-diluted basis); or (ii) sale of all or substantially all the assets of the Company, whether by sale, transfer, license or otherwise; or (iii) acquisition by any person or entity, or group of related persons and/or entities, in a single transaction or a series of related transactions, of shares representing a majority by voting power of the voting shares of the Company, shall be treated for purposes of distribution of assets as if it were a liquidation of the Company for purposes of this Section 2 (unless the holders of at least a majority of the Series B Preferred Shares then in issue, voting as a separate class, elect not to treat such amalgamation, merger, consolidation, sale or acquisition as a liquidation) and the agreement or plan of amalgamation, merger or consolidation with respect to such amalgamation, merger, consolidation, sale or acquisition shall provide that the consideration payable to the shareholders of the Company (in the case of an amalgamation, merger, consolidation or acquisition), or consideration payable to the Company, together with all other available assets of the Company (in the case of an asset sale), shall be distributed to the holders of capital shares of the Company in accordance with Subsections 2(a), 2(b) and 2(c) above. The amount deemed distributed to the holders of Series Preferred Shares upon any such amalgamation, merger, consolidation, sale or acquisition shall be the cash or the value of the property, rights or securities distributed to such holders by the Company or the acquiring person or entity. The value of such property, rights or other securities shall be determined in good faith by the Board.

3. **Voting**.

(a) Each holder of issued Series Preferred Shares shall be entitled to the number of votes equal to the number of whole Common Shares into which the Series Preferred Shares held by such holder is then convertible (as adjusted from time to time pursuant to Section 4 hereof), at each meeting of the shareholders of the Company (and written resolutions of shareholders in lieu of meetings) with respect to any and all matters presented to the shareholders of the Company for their action or consideration. Except as provided herein with respect to the Series Preferred Shares, by the provisions of the Investor Rights Agreement, or by the provisions establishing any other series of Preference Shares, holders of Series Preferred Shares and of any other class of Preference Shares then in issue shall vote together with the holders of Common Shares as a single class.

(b) Subject to the provisions of Section 5 and Section 6, the number of authorized Series A Preferred Shares may not be increased or decreased without the affirmative vote of the holders of a majority of the Common Shares,

Series A Preferred Shares and all other classes or series of shares of the Company then in issue entitled to vote thereon, voting as a single class, subject to the Companies Act 1981.

(c) Subject to the provisions of Section 5 and Section 6, the number of authorized Series B Preferred Shares may not be increased or decreased without the affirmative vote of the holders of a majority of the Series B Preferred Shares then in issue, voting as a separate class.

4. **Optional Conversion.** The holders of the Series Preferred Shares shall have conversion rights as follows (the "Conversion Rights"):

(a) **Right to Convert.** (i) Each fully-paid Series A Preferred Share shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid Common Shares as is determined by dividing US$1.30 by the Series A Conversion Price (as defined below) in effect at the time of conversion. The "Series A Conversion Price" shall initially be US$1.30. Such initial Series A Conversion Price, and the rate at which Series A Preferred Shares may be converted into Common Shares, shall be subject to adjustment as provided herein.

(ii) Each fully-paid Series B Preferred Share shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid Common Shares as is determined by dividing US$4.11 by the Series B Conversion Price (as defined below) in effect at the time of conversion. The "Series B Conversion Price" shall initially be US$4.11. Such initial Series B Conversion Price, and the rate at which Series B Preferred Shares may be converted into Common Shares, shall be subject to adjustment as provided herein. The Series A Conversion Price and the Series B Conversion Price are sometimes collectively referred to herein as the "Conversion Price".

(iii) In the event a notice of request for redemption is provided to the Company for any Series Preferred Shares pursuant to Section 6 hereof, the Conversion Rights of the shares designated for redemption shall terminate at the close of business on the first full day preceding the date fixed for redemption, unless the redemption price is not paid in full on such redemption date, in which case the Conversion Rights for such shares shall continue until such price is paid in full. In the event of a liquidation of the Company, the Conversion Rights shall terminate at the close of business on the first full day preceding the date fixed for the payment of any amounts distributable on liquidation to the holders of Series Preferred Shares. In the event of redemption or liquidation, the Company shall provide to each holder of Series Preferred Shares, at least 15 days prior to the termination of the Conversion Right, notice of such redemption or event of liquidation which notice shall include the full amounts that will be distributable on such liquidation or redemption, as the case may be.

(b) **Fractional Shares.** No fractional Common Shares shall be deliverable upon conversion of the Series Preferred Shares. In lieu of any fractional shares to which the holder would otherwise be entitled, the Company shall pay cash equal to such fraction multiplied by the then effective applicable Conversion Price.

(c) **Mechanics of Conversion**.

(i) In order for a holder of Series Preferred Shares to convert Series Preferred Shares into Common Shares, such holder shall surrender the certificate or certificates for such Series Preferred Shares at the registered office of the Company, together with written notice that such holder elects to convert all or any number of Series Preferred Shares represented by such certificate or certificates into Common Shares. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for Common Shares resulting from conversion to be issued. If required by the Company, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Company, duly executed by the registered holder or his or its attorney duly authorized in writing. The date of receipt of such certificates and notice by the Company shall be the conversion date ("Conversion Date"), and the Common Shares deliverable upon conversion of the shares represented by such certificates shall be registered in the register of shareholders of the Company as of such date. The Company shall, as soon as practicable after the

Conversion Date, issue and deliver at such office to such holder of Series Preferred Shares, or to his or its nominees, a certificate or certificates for the number of Common Shares to which such holder shall be entitled, together with cash in lieu of any fraction of a share. The aggregate amount of share capital and share premium credited as paid upon any Common Shares resulting from conversion will be equal to the aggregate amount of share capital and share premium paid upon the issuance of the Series Preferred Shares converted, and each Common Share resulting from such conversion shall be deemed paid up as to at least its par value upon issuance.

(ii) The Company shall at all times when Series Preferred Shares shall be in issue, reserve and keep available out of its authorized but unissued share capital, for the purpose of effecting the conversion of the Series Preferred Shares, such number of its duly authorized Common Shares as shall from time to time be sufficient to effect the conversion of all Series Preferred Shares then in issue. Before taking any action that would cause an adjustment reducing the applicable Conversion Price of a class of Series Preferred Shares below the then par value of the Common Shares issuable upon conversion of such class of Series Preferred Shares, the Company will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid Common Shares at such adjusted applicable Conversion Price.

(iii) Upon any such conversion, no adjustment to the applicable Conversion Price of any such class of Series Preferred Shares so converted shall be made for any declared but unpaid dividends on such class of Series Preferred Shares surrendered for conversion or the Common Shares delivered upon conversion.

(iv) All Series Preferred Shares which shall have been surrendered for conversion as herein provided shall no longer be in issue and all rights with respect to such shares, including the rights, if any, to receive notices and to vote, shall immediately cease and terminate on the Conversion Date, except only the right of the holders thereof to receive Common Shares in exchange therefor and payment of any dividends declared but unpaid thereon. Any Series Preferred Shares so converted shall be retired and cancelled and shall not be reissued, and the Company (without the need for shareholder action) may from time to time take such appropriate action as may be necessary to reduce the authorized Series Preferred Shares accordingly.

(v) The Company shall pay any and all issue and other taxes that may be payable in respect of any delivery of Common Shares upon conversion of Series Preferred Shares pursuant to this Section 4. The Company shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the delivery of Common Shares in a name other than that in which the Series Preferred Shares so converted were registered, and no such delivery shall be made unless and until the person or entity requesting such delivery has paid to the Company the amount of any such tax or has established, to the satisfaction of the Company, that such tax has been paid.

(vi) Any conversion of Series Preferred Shares may be effected by way of variation of rights, share repurchase and issue, bonus issue, share consolidation, share subdivision and/or any other manner permitted by law.

(d) **Adjustment to Conversion Price for Diluting Issues**:

(i) Special Definitions. For purposes of this Subsection 4(d), the following definitions shall apply:

(A) “Additional Common Shares” shall mean all Common Shares issued (or, pursuant to Subsection 4(d)(iii) below, deemed to be issued) by the Company after the Original Issue Date, other than:

(I) Common Shares issued or issuable upon conversion of any Convertible Securities (as defined below) in issue on the Original Issue Date, or upon exercise of any Options (as defined below) in issue on the Original Issue Date;

(II) Common Shares issued or issuable as a dividend or other distribution on Series Preferred Shares in which holders of the Series B Preferred Shares participate pro rata on an as-converted basis;

(III) Common Shares issued or issuable by reason or as a result of a dividend, shares split, share consolidation or other distribution on Common Shares that is covered by Subsection 4(e) or 4(f) below;

(IV) up to (a) 3,500,000 Common Shares (or options or warrants to acquire such shares) issued or issuable to employees or directors of, or consultants to, the Company or any of its subsidiaries and affiliates pursuant to the Company's Amended and Restated 2000-2002 Option Plan (the "Option Plan") plus (b) such additional number of Common Shares (or options or warrants to acquire such Common Shares) issued or issuable to employees or directors of, or consultants to, the Company pursuant to a plan or plans, or an increase in the number of Common Shares issuable pursuant to the Option Plan, in each case under this clause (b) as may be adopted by the Board and approved by at least one Director designated by holders of the Series B Preferred Shares; and

(V) Common Shares issued or issuable in connection with any acquisition of stock or other ownership interest in, or assets of, any other entity pursuant to a plan, agreement or other arrangement adopted by the Board and approved by at least one Director designated by holders of the Series B Preferred Shares.

(B) "Convertible Securities" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Shares, but excluding Options.

(C) "Options" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Shares or Convertible Securities.

(ii) No Adjustment of Conversion Price. No adjustment in the number of Common Shares into which a class of Series Preferred Shares is convertible shall be made by adjustment in the applicable Conversion Price thereof, (a) unless the consideration per share (determined pursuant to Subsection 4(d)(v)) for any Additional Common Shares issued or deemed to be issued by the Company is less than the applicable Conversion Price for such class of Series Preferred Shares in effect on the date of, and immediately prior to, the issue of such Additional Common Shares, or (b) if prior to such issuance, the Company receives written notice from the holders of more than 50% of the shares of such class of Series Preferred Shares then in issue agreeing that no such adjustment shall be made as the result of the issuance of such Additional Common Shares.

(iii) Issue of Securities Deemed Issue of Additional Common Shares. If the Company at any time or from time to time after the Original Issue Date shall issue any Options (excluding Options covered by subsection 4(d)(i)(A)(IV) above) or Convertible Securities or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of Common Shares (as set forth in the instrument relating thereto without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Common Shares issued as of the time of such issuance of Options or Convertible Securities or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that Additional Common Shares shall not be deemed to have been issued unless the consideration per share (determined pursuant to Subsection 4(d)(v) hereof) of such Additional Common Shares would be less than the applicable Conversion Price in effect on the date of and immediately prior to such issue, or such record date, as the case may be, and provided further that in any such case in which Additional Common Shares are deemed to be issued:

(A) No further adjustment in the applicable Conversion Price shall be made upon the subsequent issue of Convertible Securities or Common Shares upon the exercise of such Options or conversion or exchange of such Convertible Securities;

(B) If such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase in the consideration payable to the Company, upon the exercise, conversion or

exchange thereof, the applicable Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase becoming effective, be recomputed to reflect such increase insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities;

(C) Upon the expiration or termination of any such unexercised Option or unconverted Convertible Security, the applicable Conversion Price shall not be readjusted, but the Additional Common Shares deemed issued as the result of the original issue of such Option or Convertible Security shall not be deemed issued for the purposes of any subsequent adjustment of the applicable Conversion Price;

(D) In the event of any change in the number of Common Shares issuable upon the exercise, conversion or exchange of any such Option or Convertible Security, including, but not limited to, a change resulting from the anti-dilution provisions thereof, the applicable Conversion Price then in effect shall forthwith be readjusted to such applicable Conversion Price as would have been obtained had the adjustment which was made upon the issuance of such Option or Convertible Security not exercised or converted prior to such change been made upon the basis of such change; and

(E) No readjustment pursuant to clause (B) or (D) above shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the lower of (i) the applicable Conversion Price on the original adjustment date, or (ii) the applicable Conversion Price that would have resulted from any issuances of Additional Common Shares between the original adjustment date and such readjustment date.

In the event the Company, after the Original Issue Date, amends the terms of any such Options or Convertible Securities (whether such Options or Convertible Securities were in issue on the Original Issue Date or were issued after the Original Issue Date), then such Options or Convertible Securities, as so amended, shall be deemed to have been issued after the Original Issue Date and the provisions of this Subsection 4(d)(iii) shall apply.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Common Shares. In the event the Company shall at any time after the Original Issue Date issue Additional Common Shares (including Additional Common Shares deemed to be issued pursuant to Subsection 4(d)(iii), but excluding shares issued as a shares split or share consolidation as provided in Subsection 4(e) or upon a dividend or distribution as provided in Subsection 4(f)), without consideration or for a consideration per share less than the applicable Conversion Price for a class of Series Preferred Shares in effect on the date of and immediately prior to such issue, then and in such event, such Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying such Conversion Price by a fraction, (A) the numerator of which shall be (1) the number of Common Shares in issue immediately prior to such issue plus (2) the number of Common Shares which the aggregate consideration received or to be received by the Company for the total number of Additional Common Shares so issued would purchase at such Conversion Price, and (B) the denominator of which shall be the number of Common Shares in issue immediately prior to such issue plus the number of such Additional Common Shares so issued; provided that, (i) for the purpose of this Subsection 4(d)(iv), all Common Shares issuable upon exercise, conversion or exchange of Options or Convertible Securities in issue immediately prior to such issue shall be deemed to be in issue, and (ii) the number of Common Shares deemed issuable upon exercise, conversion or exchange of such Options and Convertible Securities in issue shall not give effect to any adjustments to the exercise, conversion or exchange price or exercise, conversion or exchange rate of such Options or Convertible Securities resulting from the issuance of Additional Common Shares that is the subject of this calculation.

(v) Determination of Consideration. For purposes of this Subsection 4(d), the consideration received by the Company for the issue of any Additional Common Shares shall be computed as follows:

(A) Cash and Property: Such consideration shall:

(I) insofar as it consists of cash, be computed at the aggregate of cash received by the Company, excluding amounts paid or payable for accrued interest;

(II) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and

(III) in the event Additional Common Shares are issued together with other shares or securities or other assets of the Company for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (I) and (II) above, as determined in good faith by the Board.

(B) Options and Convertible Securities. The consideration per share received by the Company for Additional Common Shares deemed to have been issued pursuant to Subsection 4(d)(iii), relating to Options and Convertible Securities, shall be determined by dividing:

(x) the total amount, if any, received or receivable by the Company as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Company upon the exercise of such Options or the conversion or exchange of such Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(y) the maximum number of Common Shares (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(vi) Multiple Closing Dates. In the event the Company shall issue on more than one date Additional Common Shares that are comprised of shares of the same class, and such issuance dates occur within a period of no more than 120 days, then the applicable Conversion Price of any class of Series Preferred Shares shall be adjusted only once on account of such issuances, with such adjustment to occur upon the final such issuance and to give effect to all such issuances as if they occurred on the date of the final such issuance.

(vii) Adjustment to Series B Conversion Price upon Initial Public Offering. In the event that the Company shall, on or before December 31, 2005, agree to sell Common Shares in a firm commitment public offering pursuant to effective registration statement under the U.S. Securities Act of 1933, as amended, that will result in at least US$35,000,000 of gross proceeds to the Company at a price per share to the public (the “Per Share Public Offering Price”) equal to or greater than US$8.00 per share but less than US$10.00 per share (in each case subject to appropriate adjustment in the event of any share dividend, shares split, share consolidation or other similar recapitalization affecting the number of Common Shares in issue), then the Series B Conversion Price shall be reduced effective immediately prior to the closing of such offering to a price (calculated to the nearest cent) determined by multiplying the Series B Conversion Price then in effect by a fraction, the numerator of which shall equal the Per Share Public Offering Price and the denominator of which shall equal US$10.00 (subject to appropriate adjustment in the event of any share dividend, shares split, share consolidation or other similar recapitalization affecting the number of Common Shares in issue).

(e) **Adjustment for Shares Splits and Share Consolidations.** If the Company shall at any time or from time to time after the Original Issue Date effect a subdivision of the Common Shares in issue, the applicable Conversion Price of each class of Series Preferred Shares then in effect immediately before that subdivision shall be

proportionately decreased. If the Company shall at any time or from time to time after the Original Issue Date consolidate issued Common Shares, the applicable Conversion Price of each class of Series Preferred Shares then in effect immediately before the share consolidation shall be proportionately increased. Any adjustment under this paragraph shall become effective at the close of business on the date the subdivision or consolidation becomes effective.

(f) **Adjustment for Certain Dividends and Distributions.** In the event the Company at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Shares entitled to receive, a dividend or other distribution payable in additional Common Shares, then and in each such event the applicable Conversion Price for each class of Series Preferred Shares then in effect shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the applicable Conversion Price for each class of Series Preferred Shares then in effect by a fraction:

(1) the numerator of which shall be the total number of Common Shares issued immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of Common Shares issued immediately prior to the time of such issuance or the close of business on such record date plus the number of Common Shares issuable in payment of such dividend or other distribution;

provided, however, if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the applicable Conversion Price for each class of Series Preferred Shares shall be recomputed accordingly as of the close of business on such record date and thereafter the applicable Conversion Price for each class of Series Preferred Shares shall be adjusted pursuant to this paragraph as of the time of actual payment of such dividends or other distributions not fully paid or made on the date fixed therefor; and provided further, however, that no such adjustment to the applicable Conversion Price of a class of Series Preferred Share shall be made if the holders of such class of Series Preferred Shares simultaneously receive (i) a dividend or other distribution of Common Shares in a number equal to the number of Common Shares as they would have received if all Preference Shares then in issue had been converted into Common Shares on the date of such event or (ii) a dividend or other distribution of Series Preferred Shares which are convertible, as of the date of such event, into such number of Common Shares as is equal to the number of additional Common Shares being issued with respect to each Common Share in such dividend or distribution.

(g) **Adjustments for Other Dividends and Distributions.** In the event the Company at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Shares entitled to receive, a dividend or other distribution payable in securities of the Company (other than Common Shares), or in cash or other property, then and in each such event provision shall be made so that the holders of the Series Preferred Shares shall receive upon conversion thereof in addition to the number of Common Shares receivable thereupon, the amount of securities of the Company, cash or property that they would have received had the Series Preferred Shares been converted into Common Shares on the date of such event and had they thereafter, during the period from the date of such event to and including the conversion date, retained such securities receivable by them as aforesaid during such period, giving application to all adjustments called for during such period under this paragraph with respect to the rights of the holders of the Series Preferred Shares; and provided further, however, that no such adjustment shall be made with respect to a class of Series Preferred Shares if the holders of such class of Series Preferred Shares simultaneously receive a dividend or other distribution of such securities in an amount equal to the amount of such securities as they would have received if all shares of such class then in issue had been converted into Common Shares on the date of such event.

(h) **Adjustment for Reclassification, Exchange, or Substitution.** If the Common Shares deliverable upon the conversion of the Series Preferred Shares shall be changed into the same or a different number of shares of any class or classes of shares, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or consolidation of shares or shares dividend provided for above, or a reorganization, scheme of arrangement,

amalgamation, merger, consolidation, or sale of assets provided for below), then and in each such event the holder of each such Series Preferred Share shall have the right thereafter to convert such share into the kind and amount of shares and other securities and property receivable upon such reorganization, reclassification, or other change, by holders of the number of Common Shares into which such Series Preferred Shares could have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustment as provided herein.

(i) **Adjustment for Amalgamation, Merger or Reorganizations, etc.** Subject to the provisions of Subsection 2(d), if there shall occur any reorganization, scheme of arrangement, recapitalization, consolidation, amalgamation or merger involving the Company in which the Common Shares are converted into or exchanged for securities, cash or other property (other than a transaction covered by paragraphs (e), (f) or (g) of this Section 4), then, following any such reorganization, scheme of arrangement, recapitalization, consolidation, amalgamation or merger, each Series Preferred Share shall be convertible into the kind and amount of securities, cash or other property which a holder of the number of Common Shares deliverable upon conversion of such Series Preferred Share immediately prior to such reorganization, scheme of arrangement, recapitalization, consolidation, amalgamation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board) shall be made in the application of the provisions in this Section 4 set forth with respect to the rights and interest thereafter of the holders of the Series Preferred Shares, to the end that the provisions set forth in this Section 4 (including provisions with respect to change in and other adjustments of the applicable Conversion Price) shall thereafter be applicable to the number and kind of shares or other property to be delivered thereafter upon the conversion of the Series Preferred Shares. Notwithstanding anything to the contrary contained herein, each holder of a Series Preferred Shares shall have the right to elect to give effect to the conversion rights contained in Section 4(a) (or the rights contained in Section 2(d), if applicable) instead of giving effect to the provisions contained in this Subsection 4(i) with respect to the Series Preferred Shares owned by such holder.

(j) **No Impairment**. The Company will not, by amendment of its Bye-Laws or its Memorandum of Association, or through any reorganization, scheme of arrangement, transfer of assets, consolidation, amalgamation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times (subject to compliance with applicable law) in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series Preferred Shares against impairment.

(k) **Certificate as to Adjustments.** Upon the occurrence of each adjustment or readjustment of any Conversion Price pursuant to this Section 4, the Company at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Series Preferred Shares to which the Conversion Price so adjusted relates a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Company shall, upon the written request at any time of any holder of any class of Series Preferred Shares, furnish or cause to be furnished to such holder a similar certificate setting forth (i) such adjustments and readjustments, (ii) the applicable Conversion Price of such class of Series Preferred Shares then in effect, and (iii) the number of Common Shares and the amount, if any, of other property which then would be received upon the conversion of such Series Preferred Shares.

(l) **Notice of Record Date**. In the event:

(i) that the Company declares a dividend (or any other distribution) on its Common Shares payable in Common Shares or other securities of the Company;

(ii) that the Company subdivides or consolidates its shares of Common Shares then in issue;

(iii) of any reclassification of the Common Shares (other than a subdivision or consolidation of its issued Common Shares or a share dividend or share distribution thereon), or of any consolidation, amalgamation or merger of the Company into or with another Company, or of the sale of all or

substantially all of the assets of the Company (whether by sale, transfer, license, or otherwise), or acquisition by any person or entity, or group of related persons and/or entities, in a single transaction or a series of related transactions, of shares representing a majority by voting power of the voting shares of the Company; or

(iv) of the involuntary or voluntary dissolution, liquidation or winding up of the Company;

then in each such case the Company shall cause to be filed at its registered office, and shall cause to be mailed to the holders of the Series Preferred Shares at their last addresses as shown in the register of Shareholders of the Company, at least ten days prior to the date specified in (A) below or twenty days before the date specified in (B) below, a notice stating

(A) the record date of such dividend, distribution, subdivision or share consolidation, or, if a record is not to be taken, the dates as of which the holders of Common Shares of record to be entitled to such dividend, distribution, subdivision or share consolidation are to be determined, or

(B) the date on which such reclassification, consolidation, amalgamation, merger, sale, acquisition, dissolution, liquidation or winding up is expected to become effective, and, if applicable, the date as of which it is expected that holders of Common Shares of record shall be entitled to exchange their Common Shares for securities or other property deliverable upon such reclassification, consolidation, amalgamation, merger, sale, acquisition, dissolution, liquidation or winding up.

5. **Mandatory Conversion.**

(a) Upon the earlier of (i) the date of the closing of the sale of Common Shares, at a price per share of at least US$8.00 (subject to appropriate adjustment in the event of any shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of Common Shares in issue), in a firm commitment underwritten public offering pursuant to an effective registration statement under the U.S. Securities Act of 1933, as amended, resulting in at least US$35,000,000 of gross proceeds to the Company or (ii) the date upon which conversion notices for at least a majority of the Series B Preferred Shares that were issued at any time on or after the Original Issuance Date are delivered to the Company (such date under clause (i) or (ii), the "Mandatory Conversion Date"), then (x) all Series B Preferred Shares in issue shall automatically be converted into Common Shares, at the then effective conversion rate, and (y) the number of authorized Preference Shares shall be automatically reduced by the number of Preference Shares that had been designated as Series B Preferred Shares, and all provisions herein included under the caption "Series Preferred Shares" applicable to Series B Preferred Shares, and all references to the Series B Preferred Shares, shall be deleted and shall be of no further force or effect; provided that, in the event that the Mandatory Conversion Date has not occurred on or before December 31, 2005, the price per share set forth in clause (i) hereof shall, after such date, be US$12.33 per share (subject to appropriate adjustment in the event of any shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of Common Shares in issue).

(b) Upon the earlier of (i) the Mandatory Conversion Date or (ii) the date on which fewer than 2,200,000 Series A Preferred Shares (as adjusted for any shares splits, shares dividends, share consolidation or other similar recapitalizations affecting such shares) are in issue (such earlier date, the "Series A Mandatory Conversion Date"), (1) all Series A Preferred Shares in issue shall automatically be converted into Common Shares, at the then effective conversion rate, and (2) the number of authorized Series A Preference Shares shall be automatically reduced by the number of Preference Shares that had been designated as Series A Preferred Shares, and all provisions included under the caption "Series Preferred Shares" relating to the Series A Preferred Shares, and all references to the Series A Preferred Shares, shall be deleted and shall be of no further force or effect.

(c) All holders of record of Series Preferred Shares shall be given written notice of the Mandatory Conversion Date, and all holders of record of Series A Preferred Shares shall be given written notice of the Series A Mandatory Conversion Date, and the place designated for mandatory conversion of such Series Preferred Shares pursuant to this Section 5. Such notice need not be given in advance of the occurrence of the Mandatory Conversion Date or

Series A Mandatory Conversion Date. Such notice shall be sent by reputable courier service to each record holder of Series Preferred Shares being so converted at such holder's address last shown in the register of shareholders of the Company. Upon receipt of such notice, each holder of Series Preferred Shares being so converted shall surrender his or its certificate or certificates for all such shares to the Company at the place designated in such notice, and shall thereafter receive certificates for the number of Common Shares to which such holder is entitled pursuant to this Section 5. On the Mandatory Conversion Date or Series A Mandatory Conversion Date, as the case may be, all Series Preferred Shares in issue being so converted shall be deemed to have been converted into Common Shares, all rights with respect to such Series Preferred Shares so converted, including the rights, if any, of Series Preferred Shares to receive notices and vote (other than as a holder of Common Shares) will terminate, except only the rights of the holders thereof, upon surrender of their certificate or certificates therefor, to receive certificates for the number of Common Shares into which such Series Preferred Shares have been converted, and payment of any declared but unpaid dividends thereon. If so required by the Company, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Company, duly executed by the registered holder or by his or its attorney duly authorized in writing. As soon as practicable after the Mandatory Conversion Date or Series A Mandatory Conversion Date, as the case may be, and the surrender of the certificate or certificates for Series Preferred Shares being so converted, the Company shall cause to be issued and delivered to such holder, or on his or its written order, a certificate or certificates for the number of full Common Shares deliverable on such conversion in accordance with the provisions hereof and cash as provided in Subsection 4(b) in respect of any fraction of a Common Share otherwise deliverable upon such conversion.

(d) All certificates evidencing Series Preferred Shares which are required to be surrendered for conversion in accordance with the provisions hereof shall, from and after the Mandatory Conversion Date or Series A Mandatory Conversion Date, as the case may be, be deemed to have been retired and cancelled and the Series Preferred Shares represented thereby converted into Common Shares for all purposes, notwithstanding the failure of the holder or holders thereof to surrender such certificates on or prior to such date. The Company may thereafter take such appropriate action (without the need for shareholder action) as may be necessary to reduce the authorized Series Preferred Shares accordingly.

6. **Redemption**.

(a) The Company will, subject to the conditions set forth below and subject to the Companies Act, on or after August 19, 2008 (such date being referred to hereinafter as the "Mandatory Redemption Date"), upon receipt not less than 10 days nor more than 90 days prior to the Mandatory Redemption Date of written request(s) for redemption from holders of more than 50% of any class of Series Preferred Shares then in issue (an "Initial Redemption Request"), redeem from each holder of such class of Series Preferred Shares that requests redemption pursuant to the Initial Redemption Request or pursuant to a subsequent election made in accordance with Section 6(b) below (a "Requesting Holder"), at a price equal to US$1.43 per share, in the case of the Series A Preferred Shares, or US$4.11 per share, in the case of the Series B Preferred Shares, plus any Accruing Dividends and any other dividends declared from time to time by the Board but unpaid thereon (subject to appropriate adjustment in the event of any share dividend, share split, share consolidation or other similar recapitalization affecting the number of Series A Preferred Shares or Series B Preferred Shares in issue, as the case may be (the "Mandatory Redemption Price")), the number of such class of Series Preferred Shares requested to be redeemed by each Requesting Holder, such redemption to be made in three annual installments such that the maximum cumulative portions of such Requesting Holder's Series Preferred Shares to be so redeemed will not exceed 33% on the first such installment, 67% on the second such installment, and 100% on the third such installment.

(b) The Company shall provide notice of its receipt of an Initial Redemption Request, specifying the time, manner and place of redemption and the Mandatory Redemption Price (a "Redemption Notice"), by first class or registered mail, postage prepaid, to each holder of record of Series Preferred Shares at the address for such holder last shown in the register of shareholders of the Company, not less than 45 days prior to the applicable Mandatory Redemption Date or, if the Company receives such Initial Redemption Request less than 45 days prior to the applicable Mandatory Redemption Date, within 15 days thereafter. Each holder of that class of Series Preferred Shares being so redeemed (other than a holder who has made the Initial Redemption Request) may elect to become a

Requesting Holder on such Mandatory Redemption Date by so indicating in a written notice mailed to the Company, by first class or registered mail, postage prepaid, within 15 days after deliver of the Redemption Notice. Except as provided in Section 6(c) below, each Requesting Holder shall surrender to the Company on the applicable Mandatory Redemption Date the certificate(s) representing the shares to be redeemed on such date, in the manner and at the place designated in the Redemption Notice. Thereupon, the Mandatory Redemption Price shall be paid to the order of each such Requesting Holder and each certificate surrendered for redemption shall be cancelled.

(c) If the funds of the Company legally available for redemption of Series Preferred Shares on any Mandatory Redemption Date are insufficient to redeem in full the number of Series Preferred Shares required under this Section 6 to be redeemed on such date from Requesting Holders, those funds which are legally available will be used to redeem: (i) first, the maximum possible number of Series B Preferred Shares that may be redeemed using all legally available funds up to an amount equal to the product of (A) the number of Series B Preferred Shares in issue and (B) US$4.11 (subject to appropriate adjustment in the event of any share dividend, share split, share consolidation or other similar recapitalization affecting the number of Series B Preferred Shares in issue) ratably on the basis of the number of Series B Preferred Shares which would be redeemed on such date from each holder of Series B Preferred Shares if the funds of the Company legally available therefor had been sufficient to redeem in full all Series B Preferred Shares required to be redeemed on such date; (ii) second, to the extent of remaining funds legally available for additional redemptions after giving effect to the redemption of Series B Preferred Shares pursuant to clause (i), the maximum possible number of Series A Preferred Shares that may be redeemed using all legally available funds up to an amount equal to the product of (A) the number of Series A Preferred Shares in issue and (B) US$1.30 (subject to appropriate adjustment in the event of any shares dividend, shares split, share consolidation or other similar recapitalization affecting the number of Series A Preferred Shares in issue) ratably on the basis of the number of Series A Preferred Shares which would be redeemed on such date from each holder of Series A Preferred Shares if the funds of the Company legally available therefor had been sufficient to redeem in full all Series A Preferred Shares required to be redeemed on such date; (iii) third, to the extent of remaining funds legally available for additional redemptions after giving effect to the redemption of Series B Preferred Shares pursuant to clause (i) and Series A Preferred Shares pursuant to clause (ii), the maximum possible number of Series Preferred Shares ratably on the basis of the number of Series Preferred Shares which would be redeemed on such date if the funds of the Company legally available therefor had been sufficient to redeem in full all Series Preferred Shares required to be redeemed on such date from each holder of Series Preferred Shares. At any time thereafter when additional funds of the Company become legally available for the redemption of Series Preferred Shares, such funds will be set aside and used, at the end of the next succeeding fiscal quarter, to redeem the balance of the shares which the Company was theretofore obligated to redeem, ratably on the basis set forth in the preceding sentence.

(d) Unless there shall have been a failure to pay the Mandatory Redemption Price on the Mandatory Redemption Date, all rights of the holder of each share redeemed on such date as a shareholder of the Company by reason of the ownership of such shares will cease, except the right to receive the Mandatory Redemption Price of such share, without interest, upon presentation and surrender of the certificate representing such shares, and such share will not, from and after such Mandatory Redemption Date, be deemed to be in issue.

(e) Any Series Preferred Share redeemed pursuant to this Section 6 will be cancelled and will not under any circumstances be reissued, sold or transferred and the Company may from time to time (without the need for shareholder action) take such appropriate actions as may be necessary to reduce the authorized Series Preferred Shares accordingly.

7. **Waiver.** Any of the rights of the holders of Series Preferred Shares set forth herein may be waived by the affirmative vote of the holders of more than 50% of the Series Preferred Shares then in issue, except that any waiver that would adversely affect the rights of a class of Series Preferred Shares in a manner disparately from any other class of Series Preferred Shares may only be waived by the affirmative vote of the holders of more than 50% of the class of Series Preferred Shares so affected then in issue.

Exhibit 10.1

VistaPrint Limited

Amended & Restated
2000-2002 SHARE INCENTIVE PLAN

As Amended through May 17, 2005

WHEREAS, VistaPrint Corporation, formerly VistaPrint.com Incorporated, a Delaware corporation ("VistaPrint Delaware") adopted the 2000-2002 Stock Incentive Plan (the "Original Plan") pursuant to resolutions approved by VistaPrint Delaware's Board of Directors at a meeting held on September 25, 2000 and by Written Consent of Stockholders dated October 2, 2000;

WHEREAS, on April 29, 2002, VistaPrint Delaware merged and amalgamated with the VistaPrint Limited, a Bermuda corporation ("VistaPrint Bermuda" or the "Company"), in accordance with the Merger and Amalgamation Agreement by and between the Company and VistaPrint Delaware dated April 29, 2002 (the "Merger"), pursuant to which the Company was the surviving entity; and

WHEREAS, under the Original Plan, the Merger constitutes a Reorganization Event, as such term is defined in the Original Plan, and as a result all outstanding options shall be assumed by the Company.

NOW, THEREFORE, the Original Plan is hereby amended and restated as follows:

1. Purpose

The purpose of this 2000-2002 Share Incentive Plan (the "Plan") of the Company, is to advance the interests of the Company's shareholders by enhancing the Company's, and its subsidiaries', ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company and its subsidiaries by providing such persons with equity ownership opportunities and performance-based incentives and thereby better aligning the interests of such persons with those of the Company's shareholders. Except where the context otherwise requires, the term "Company" shall include any of the Company's present or future parent or subsidiary corporations as defined in Sections 424(e) or (f) of the United States Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code") and any other business venture (including, without limitation, joint venture or limited liability company) in which the Company has a significant interest, as determined by the Board of Directors of the Company (the "Board").

2. Eligibility

All of the Company's employees, officers, directors, consultants and advisors (and any individuals who have accepted an offer for employment are eligible to be granted options, restricted share awards, or other share-based awards (each, an "Award") under the Plan. Each person who has been granted an Award under the Plan shall be deemed a "Participant".

3. Administration and Delegation

(a) Administration by Board of Directors. The Plan will be administered by the Board. The Board shall have authority to grant Awards and to adopt, amend and repeal such administrative rules, guidelines and practices relating to the Plan as it shall deem advisable. The Board may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the

extent it shall deem expedient to carry the Plan into effect and it shall be the sole and final judge of such expediency. All decisions by the Board shall be made in the Board's sole discretion and shall be final and binding on all persons having or claiming any interest in the Plan or in any Award. No director or person acting pursuant to the authority delegated by the Board shall be liable for any action or determination relating to or under the Plan made in good faith.

(b) Appointment of Committees and Service Providers. To the extent permitted by applicable law, the Board may delegate any or all of its powers under the Plan to one or more committees or subcommittees of the Board (a "Committee") and/or to one or more subsidiaries of the Company (a "Service Provider"). All references in the Plan to the "Board" shall mean the Board, a Committee of the Board, or a Service Provider, to the extent that the Board's powers or authority under the Plan have been delegated to such Committee or Service Provider.

4. Shares Available for Awards. Subject to adjustment under Section 9, Awards may be made under the Plan for up to 9,000,000 common shares of the Company, $0.001 par value per share (the "Common Shares"). If any Award expires or is terminated, surrendered or canceled without having been fully exercised or is forfeited in whole or in part (including as the result of Common Shares subject to such Award being repurchased by the Company at the original issuance price pursuant to a contractual repurchase right) or results in any Common Shares not being issued, the unused Common Shares covered by such Award shall again be available for the grant of Awards under the Plan, subject, however, in the case of Incentive Stock Options (as hereinafter defined), to any limitations under the Code. Common Shares issued under the Plan may consist in whole of in part of authorized but unissued shares or treasury shares.

5. Stock Options

(a) General. The Board may grant options to purchase Common Shares (each, an "Option") and determine the number of Common Shares to be covered by each Option, the exercise price of each Option and the conditions and limitations applicable to the exercise of each Option, including conditions relating to applicable Bermuda laws, applicable United States federal or state securities laws, or other applicable laws worldwide, as it considers necessary or advisable. An Option which is not intended to be an Incentive Stock Option (as hereinafter defined) shall be designated a "Nonstatutory Stock Option".

(b) Incentive Stock Options. An Option that the Board intends to be an "incentive stock option" as defined in Section 422 of the Code (an "Incentive Stock Option") shall only be granted to employees of VistaPrint Bermuda or its parent or subsidiary corporations and shall be subject to and shall be construed consistently with the requirements of Section 422 of the Code. The Company shall have no liability to a Participant, or any other party, if an Option (or any part thereof) which is intended to be an Incentive Stock Option is not an Incentive Stock Option.

(c) Exercise Price. The Board shall establish the exercise price at the time each Option is granted and specify it in the applicable option agreement.

(d) Duration of Options. Each Option shall be exercisable at such times and subject to such terms and conditions as the Board may specify in the applicable option agreement.

(e) Exercise of Option. Options may be exercised by delivery to the Company of a written notice of exercise signed by the proper person or by any other form of notice (including electronic notice)

approved by the Board together with payment in full as specified in Section 5(f) for the number of shares for which the Option is exercised.

(f) Payment Upon Exercise. Common Shares purchased upon the exercise of an Option granted under the Plan shall be paid for as follows:

(1) in cash or by check, payable to the order of the Company;

(2) except as the Board may, in its sole discretion, otherwise provide in an option agreement, by (i) delivery of an irrevocable and unconditional undertaking by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the exercise price and any required tax withholding or (ii) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price and any required tax withholding;

(3) when the Common Shares are registered under the United States Securities Exchange Act of 1934 (the "Exchange Act"), by delivery of Common Shares owned by the Participant, or by attestation to the ownership of a sufficient number of Common Shares, valued at their fair market value as determined by (or in a manner approved by) the Board in good faith ("Fair Market Value"), provided (i) such methods of payment are then permitted under applicable law and (ii) such Common Shares, if acquired directly from the Company, were owned by the Participant at least six months prior to such delivery;

(4) to the extent permitted by the Board, in its sole discretion by (i) delivery of a promissory note of the Participant to the Company on terms determined by the Board, or (ii) payment of such other lawful consideration as the Board may determine; or

(5) by any combination of the above permitted forms of payment.

(g) Substitute Options. In connection with a merger or consolidation of an entity with the Company or the acquisition by the Company of property or securities of an entity, the Board may grant Options in substitution for any options or other securities or equity-based awards granted by such entity or an affiliate thereof. Substitute Options may be granted on such terms as the Board deems appropriate in the circumstances, notwithstanding any limitations on Options contained in the other sections of this Section 5 or in Section 2.

(h) Sale or Transfer of Common Shares. In the discretion of the Board, the Participant's Award agreement may include terms and conditions regarding any sale, transfer or other disposition by the Participant of the Common Shares received upon the exercise of an Option granted under the Plan, including any right of the Company to purchase all or a portion of such Common Shares.

6. Restricted Shares

(a) Grants. The Board may grant Awards entitling recipients to acquire Common Shares, subject to the right of the Company to repurchase all or part of such shares at their issue price or other stated or formula price (or to require forfeiture of such shares if issued at no cost) from the recipient in the event that conditions specified by the Board in the applicable Award are not satisfied prior to the end of the applicable restriction period or periods established by the Board for such Award (each, a "Restricted Share Award").

(b) Terms and Conditions. The Board shall determine the terms and conditions of any such Restricted Share Award, including the conditions for repurchase (or forfeiture) and the issue price, if any, and conditions relating to applicable Bermuda laws, applicable United States federal or state securities laws, or applicable laws of other jurisdictions where a Restricted Share Award is granted, as it considers necessary or advisable.

(c) Share Certificates. Any Common Share certificates issued in respect of a Restricted Share Award shall be registered in the name of the Participant and, unless otherwise determined by the Board, deposited by the Participant, together with a share power endorsed in blank, with the Company (or its designee). As a registered holder of the Common Shares granted pursuant to the Restricted Share Award, the Participant receiving such Award shall be entitled to all the rights, privileges and benefits with respect to such Common Shares. At the expiration of the applicable restriction periods, the Company (or such designee) shall deliver the certificates no longer subject to such restrictions to the Participant or if the Participant has died, to the beneficiary designated, in a manner determined by the Board, by a Participant to receive amounts due or exercise rights of the Participant in the event of the Participant's death (the "Designated Beneficiary"). In the absence of an effective designation by a Participant, Designated Beneficiary shall mean the Participant's estate.

(d) Sale or Transfer of Common Shares. In the discretion of the Board, the Participant's Restricted Award agreement may include terms and conditions regarding the sale, transfer or other disposition by the Participant of the Common Shares received pursuant to a Restricted Share Award, including the right by the Company to purchase all or a portion of such Common Shares.

7. Other Share-Based Awards

The Board shall have the right to grant other Awards based upon the Common Shares having such terms and conditions as the Board may determine, including the grant of shares based upon certain conditions, the grant of securities convertible into Common Shares and the grant of stock appreciation rights.

8. Adjustments for Changes in Common Shares and Certain Other Events

(a) Changes in Capitalization. In the event of any share split, reverse share split, share dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any distribution to holders of Common Shares other than a normal cash dividend, (i) the number and class of securities available under this Plan, (ii) the number and class of securities and exercise price per share subject to each outstanding Option, (iii) the repurchase price per share subject to each outstanding Restricted Share Award, and (iv) the terms of each other outstanding Award shall be appropriately adjusted by the Company (or substituted Awards may be made, if applicable) to the extent the Board shall determine, in good faith, that such an adjustment (or substitution) is necessary and appropriate. If this Section 8(a) applies and Section 8(c) also applies to any event, Section 8(c) shall be applicable to such event, and this Section 8(a) shall not be applicable.

(b) Liquidation or Dissolution. In the event of a proposed liquidation or dissolution of the Company, the Board shall upon written notice to the Participants provide that all then unexercised Options will (i) become exercisable in full as of a specified time at least 10 business days prior to the effective date of such liquidation or dissolution and (ii) terminate effective upon such liquidation or dissolution, except to the extent exercised before such effective date. The Board may specify the effect of

a liquidation or dissolution on any Restricted Share Award or other Award granted under the Plan at the time of the grant of such Award.

(c) Reorganization and Change in Control Events.

(1) Definitions

(a) A “Reorganization Event” shall mean:

(i) any merger or consolidation of the Company with or into another entity as a result of which the Common Shares are converted into or exchanged for the right to receive cash, securities or other property; or

(ii) any exchange of shares of the Company for cash, securities or other property pursuant to a share exchange transaction.

(b) A “Change in Control Event” shall mean:

(i) the acquisition by an individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “Person”) of beneficial ownership of any capital shares or equity of the Company if, after such acquisition, such Person beneficially owns (within the meaning of Rule 13d-3 promulgated under the Exchange Act) 50% or more of either (x) the then-outstanding Common Shares (the “Outstanding Company Common Shares”) or (y) the combined voting power of the then-outstanding securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control Event: (A) any acquisition directly from the Company (excluding an acquisition pursuant to the exercise, conversion or exchange of any security exercisable for, convertible into or exchangeable for Common Shares or voting securities of the Company, unless the Person exercising, converting or exchanging such security acquired such security directly from the Company or an underwriter or agent of the Company), (B) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (C) any acquisition by any corporation pursuant to a Business Combination (as defined below) which complies with clauses (x) and (y) of subsection (ii) of this definition; or

(ii) the consummation of a merger, consolidation, reorganization, recapitalization or share exchange involving the Company or a sale or other disposition of all or substantially all of the assets of the Company (a “Business Combination”), unless, immediately following such Business Combination, each of the following two

conditions is satisfied: (x) all or substantially all of the individuals and entities who were the beneficial owners of the Outstanding Company Common Shares and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding securities entitled to vote generally in the election of directors, respectively, of the resulting or acquiring corporation in such Business Combination (which shall include, without limitation, a corporation which as a result of such transaction owns the Company or substantially all of the Company's assets either directly or through one or more subsidiaries) (such resulting or acquiring corporation is referred to herein as the "Acquiring Corporation") in substantially the same proportions as their ownership of the Outstanding Company Common Shares and Outstanding Company Voting Securities, respectively, immediately prior to such Business Combination and (y) no Person (excluding the Acquiring Corporation or any employee benefit plan (or related trust) maintained or sponsored by the Company or by the Acquiring Corporation) beneficially owns, directly or indirectly, 30% or more of the then-outstanding shares of common stock of the Acquiring Corporation, or of the combined voting power of the then-outstanding securities of such corporation entitled to vote generally in the election of directors (except to the extent that such ownership existed prior to the Business Combination).

(c) "Good Reason" shall mean any significant diminution in the Participant's title, authority, or responsibilities from and after such Reorganization Event or Change in Control Event, as the case may be, or any reduction in the annual cash compensation payable to the Participant from and after such Reorganization Event or Change in Control Event, as the case may be, or the relocation of the place of business at which the Participant is principally located to a location that is greater than 50 miles from the current site.

(d) "Cause" shall mean any (i) willful failure by the Participant, which failure is not cured within 30 days of written notice to the Participant from the Company, to perform his or her material responsibilities to the Company or (ii) willful misconduct by the Participant which affects the business reputation of the Company. The Participant shall be considered to have been discharged for "Cause" if the Company determines, within 30 days after the Participant's resignation, that discharge for Cause was warranted.

(2) Effect on Options

(a) Reorganization Event. Upon the occurrence of a Reorganization Event (regardless of whether such event also constitutes a Change in Control

Event), or the execution by the Company of any agreement with respect to a Reorganization Event (regardless of whether such event will result in a Change in Control Event), the Board shall provide that all outstanding Options shall be assumed, or equivalent options shall be substituted, by the acquiring or succeeding corporation (or an affiliate thereof); provided that if such Reorganization Event also constitutes a Change in Control Event, except to the extent specifically provided to the contrary in the instrument evidencing any Option or any other agreement between a Participant and the Company, one-half of the number of shares subject to the Option which were not already vested shall become exercisable if, on or prior to the first anniversary of the date of the consummation of the Reorganization Event, the Participant's employment with the Company or the acquiring or succeeding corporation is terminated for Good Reason by the Participant or is terminated without Cause by the Company or the acquiring or succeeding corporation. For purposes hereof, an Option shall be considered to be assumed if, following consummation of the Reorganization Event, the Option confers the right to purchase, for each Common Share subject to the Option immediately prior to the consummation of the Reorganization Event, the consideration (whether cash, securities or other property) received as a result of the Reorganization Event by holders of each Common Share held immediately prior to the consummation of the Reorganization Event (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Common Shares); provided, however, that if the consideration received as a result of the Reorganization Event is not solely common stock of the acquiring or succeeding corporation (or an affiliate thereof), the Company may, with the consent of the acquiring or succeeding corporation, provide for the consideration to be received upon the exercise of Options to consist solely of common stock of the acquiring or succeeding corporation (or an affiliate thereof) equivalent in fair market value to the per share consideration received by holders of outstanding Common Shares as a result of the Reorganization Event.

Notwithstanding the foregoing, if the acquiring or succeeding corporation (or an affiliate thereof) does not agree to assume, or substitute for, such Options, then the Board shall, upon written notice to the Participants, provide that all then unexercised Options will become exercisable in full as of a specified time prior to the Reorganization Event and will terminate immediately prior to the consummation of such Reorganization Event, except to the extent exercised by the Participants before the consummation of such Reorganization Event; provided, however, that in the event of a Reorganization Event under the terms of which holders of Common Shares will receive upon consummation thereof a cash payment for each share of Common Share surrendered pursuant to such Reorganization Event (the "Acquisition Price"), then the Board may instead provide that all outstanding Options shall terminate upon consummation of such Reorganization Event and that each Participant shall receive, in exchange therefor, a cash payment equal to the amount (if any) by which (A) the Acquisition Price multiplied by the

number of Common Shares subject to such outstanding Options (whether or not then exercisable), exceeds (B) the aggregate exercise price of such Options. To the extent all or any portion of an Option becomes exercisable solely as a result of the first sentence of this paragraph, upon exercise of such Option the Participant shall receive shares subject to a right of repurchase by the Company or its successor at the Option exercise price. Such repurchase right (1) shall lapse at the same rate as the Option would have become exercisable under its terms and (2) shall not apply to any shares subject to the Option that were exercisable under its terms without regard to the first sentence of this paragraph.

(b) Change in Control Event that is not a Reorganization Event. Upon the occurrence of a Change in Control Event that does not also constitute a Reorganization Event, except to the extent specifically provided to the contrary in the instrument evidencing any Option or any other agreement between a Participant and the Company, one-half of the number of shares subject to the Option which were not already vested shall become exercisable if, on or prior to the first anniversary of the date of the consummation of the Change in Control Event, the Participant's employment with the Company or the acquiring or succeeding corporation is terminated for Good Reason by the Participant or is terminated without Cause by the Company or the acquiring or succeeding corporation.

(c) If any Option provides that it may be exercised for Common Shares which remain subject to a repurchase right in favor of the Company, upon the occurrence of a Reorganization Event, any restricted shares received upon exercise of such Option shall be treated in accordance with Section 8(c)(3) as if they were a Restricted Share Award.

(3) Effect on Restricted Share Awards

(a) Reorganization Event that is not a Change in Control Event. Upon the occurrence of a Reorganization Event that is not a Change in Control Event, the repurchase and other rights of the Company under each outstanding Restricted Share Award shall inure to the benefit of the Company's successor and shall apply to the cash, securities or other property which Common Shares were converted into or exchanged for pursuant to such Reorganization Event in the same manner and to the same extent as they applied to the Common Shares subject to such Restricted Share Award.

(b) Change in Control Event. Upon the occurrence of a Change in Control Event (regardless of whether such event also constitutes a Reorganization Event), except to the extent specifically provided to the contrary in the instrument evidencing any Restricted Share Award or any other agreement between a Participant and the Company, one-half of the number of shares subject to conditions or restrictions shall become free from all conditions or restrictions if, on or prior to the first anniversary of the date of the consummation of the Change in Control Event, the

Participant's employment with the Company or the acquiring or succeeding corporation is terminated for Good Reason by the Participant or is terminated without Cause by the Company or the acquiring or succeeding corporation.

(4) Effect on Other Awards

(a) Reorganization Event that is not a Change in Control Event. The Board shall specify the effect of a Reorganization Event that is not a Change in Control Event on any other Award granted under the Plan at the time of the grant of such Award.

(b) Change in Control Event. Upon the occurrence of a Change in Control Event (regardless of whether such event also constitutes a Reorganization Event), except to the extent specifically provided to the contrary in the instrument evidencing any Award or any other agreement between a Participant and the Company, one-half of the number of shares subject to each such Award shall become exercisable, realizable, vested or free from conditions or restrictions if, on or prior to the first anniversary of the date of the consummation of the Change in Control Event, the Participant's employment with the Company or the acquiring or succeeding corporation is terminated for Good Reason by the Participant or is terminated without Cause by the Company or the acquiring or succeeding corporation.

9. General Provisions Applicable to Awards

(a) Transferability of Awards. Except as the Board may otherwise determine or provide in an Award, Awards shall not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the life of the Participant, shall be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, shall include references to authorized transferees.

(b) Documentation. Each Award shall be evidenced in such form (written, electronic or otherwise) as the Board shall determine. Each Award may contain terms and conditions in addition to those set forth in the Plan.

(c) Board Discretion. Except as otherwise provided by the Plan, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award need not be identical, and the Board need not treat Participants uniformly.

(d) Termination of Status. The Board shall determine and indicate in the Participant's Award Agreement, the effect on an Award of the disability, death, retirement, authorized leave of absence or other change in the employment or other status of a Participant and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award.

(e) Withholding. Each Participant shall pay to the Company, or make provision satisfactory to the Board for payment of, any taxes required by law to be withheld in connection with Awards to such

Participant no later than the date of the event creating the tax liability. Except as the Board may otherwise provide in an Award, when the Common Shares are registered under the Exchange Act, Participants may satisfy such tax obligations in whole or in part by delivery of Common Shares, including shares retained from the Award creating the tax obligation, valued at their Fair Market Value; provided, however, that the total tax withholding where shares are being used to satisfy such tax obligations cannot exceed the Company's minimum statutory withholding obligations (based on minimum statutory withholding rates for United States federal and state tax purposes, including payroll taxes, that are applicable to such supplemental taxable income) or, the applicable statutory withholding rates as required under the laws of a jurisdiction other than the United States. The Company may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to a Participant.

(f) Amendment of Award. The Board may amend, modify or terminate any outstanding Award, including but not limited to, substituting therefor another Award of the same or a different type, changing the date of exercise or realization, and converting an Incentive Stock Option to a Nonstatutory Stock Option, provided that the Participant's consent to such action shall be required unless the Board determines that the action, taking into account any related action, would not materially and adversely affect the Participant.

(g) Conditions on Delivery of Share. The Company will not be obligated to deliver any Common Shares pursuant to the Plan or to remove restrictions from shares previously delivered under the Plan until (i) all conditions of the Award have been met or removed to the satisfaction of the Company, (ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any applicable securities laws and any applicable stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Company may consider appropriate to satisfy the requirements of any applicable laws, rules or regulations.

(h) Acceleration. The Board may at any time provide that any Award shall become immediately exercisable in full or in part, free of some or all restrictions or conditions, or otherwise realizable in full or in part, as the case may be.

10. Miscellaneous

(a) No Right To Employment or Other Status. No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan, except as expressly provided in the applicable Award.

(b) No Rights As Shareholder. Subject to the provisions of the applicable Award, no Participant or Designated Beneficiary shall have any rights as a shareholder with respect to any Common Shares to be distributed with respect to an Award until becoming the record holder of such shares. Notwithstanding the foregoing, in the event the Company effects a split of the Common Shares by means of a share dividend and the exercise price of and the number of shares subject to such Option are adjusted as of the date of the distribution of the dividend (rather than as of the record date for such dividend), then an optionee who exercises an Option between the record date and the distribution date for such share dividend shall be entitled to receive, on the distribution date, the share dividend with respect to the Common Shares acquired upon such Option exercise, notwithstanding the fact that such shares were not outstanding as of the close of business on the record date for such share dividend.

(c) Effective Date and Term of Plan. The Plan shall become effective on the date on which it is adopted by the Board. No Awards shall be granted under the Plan after the completion of ten years from the earlier of (i) the date on which the Plan was adopted by the Board or (ii) the date the Plan was approved by the Company's shareholders, but Awards previously granted may extend beyond that date.

(d) Amendment of Plan. The Board may amend, suspend or terminate the Plan or any portion thereof at any time.

(e) Authorization of Sub-Plans. The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities, tax or other applicable laws of various jurisdictions. The Board shall establish such sub-plans by adopting supplements to this Plan containing (i) such limitations on the Board's discretion under the Plan as the Board deems necessary or desirable or (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction and the Company shall not be required to provide copies of any supplement to Participants in any jurisdiction which is not the subject of such supplement.

(f) Governing Law. The provisions of the Plan and all Awards made hereunder shall be governed by and interpreted in accordance with the laws of Bermuda, without regard to any applicable conflicts of law.

Exhibit 10.2

Nonqualified Stock Option Agreement
Granted Under The Amended & Restated 2000-2002 Share Incentive Plan

1. Grant of Option.

Pursuant to the Administrative Services Agreement between VistaPrint USA, Incorporated, a Delaware corporation ("VistaPrint USA") and VistaPrint Limited, a Bermuda corporation (the "Company") dated April 29, 2002, this Agreement evidences the grant by the Company, on **«GrantDate»** (the "Grant Date") to **«Name»,** an employee of VistaPrint USA (the "Participant"), of an option to purchase, in whole or in part, on the terms provided herein and in the Company's Amended and Restated 2000-2002 Share Incentive Plan (the "Plan"), a total of **«Numbershares»** common shares of the Company (the "Shares"), $0.001 par value per share (the "Common Shares"), at an exercise price of **«Price»** per Share. Unless earlier terminated, this option shall expire on **«Finalexercisedate»** (the "Final Exercise Date").

It is intended that the option evidenced by this agreement shall not be an incentive stock option as defined in Section 422 of the United States Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code"). Except as otherwise indicated by the context, the term "Participant", as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. Vesting Schedule.

This option will become exercisable ("vest") as to 25% of the original number of Shares on **«Vestdate»** (the "Vesting Date") and as to an additional 6.25% of the original number of Shares at the end of each successive three-month period following the Vesting Date until the third anniversary of the Vesting Date.

The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares for which it is vested until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this option shall be in writing in the form of the Notice of Stock Option Exercise attached hereto or such other form as the Company shall accept, signed by the Participant, and received by the Company at its principal office, accompanied by this agreement, and payment in full in the manner provided in the Plan or other lawful consideration as determined by the Board of Directors of the Company. The Participant may purchase less than the number of shares covered hereby, provided that no partial exercise of this option may be for any fractional share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company and as defined in Section 424(e) or (f) of the Code (an "Eligible Participant").

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the non-competition or confidentiality provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and VistaPrint USA or the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes disabled (within the meaning of Section 22(e)(3) of the Code) prior to the Final Exercise Date while he or she is an Eligible Participant and the Company or VistaPrint USA has not terminated such relationship for "cause" as specified in paragraph (e)

below, this option shall be exercisable, within the period of one year following the date of death or disability of the Participant by the Participant (or in the case of death by an authorized transferee), provided that this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or disability, and further provided that this option shall not be exercisable after the Final Exercise Date.

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company or VistaPrint USA for "cause" (as defined below), the right to exercise this option shall terminate immediately upon the effective date of such discharge. "Cause" shall mean willful misconduct by the Participant or willful failure by the Participant to perform his or her responsibilities to the Company or VistaPrint USA (including, without limitation, breach by the Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Participant and the Company or VistaPrint USA), as determined by the Company or VistaPrint USA, which determination shall be conclusive. The Participant shall be considered to have been discharged for "Cause" if the Company or VistaPrint USA determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Right of First Refusal.

(a) If the Participant proposes to sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively, "transfer") any Shares acquired upon exercise of this option, then the Participant shall first give written notice of the proposed transfer (the "Transfer Notice") to the Company. The Transfer Notice shall name the proposed transferee and state the number of such Shares the Participant proposes to transfer (the "Offered Shares"), the price per share and all other material terms and conditions of the transfer.

(b) For 30 days following its receipt of such Transfer Notice, the Company shall have the option to purchase all or a portion of the Offered Shares at the price and upon the terms set forth in the Transfer Notice. In the event the Company elects to purchase all or a portion of the Offered Shares, it shall give written notice of such election to the Participant within such 30-day period. Within 10 days after his receipt of such notice, the Participant shall tender to the Company at its principal offices the certificate or certificates representing the Offered Shares to be purchased by the Company, duly endorsed in blank by the Participant or with duly endorsed share powers attached thereto, all in a form suitable for transfer of such Offered Shares to the Company. Promptly following receipt of such certificate or certificates, the Company shall deliver or mail to the Participant a check in payment of the purchase price for the Offered Shares; provided that if the terms of payment set forth in the Transfer Notice were other than cash against delivery, the Company may pay for the Offered Shares on the same terms and conditions as were set forth in the Transfer Notice; and provided further that any delay in making such payment shall not invalidate the Company's exercise of its option to purchase the Offered Shares.

(c) If the Company does not elect to acquire any of the Offered Shares, the Participant may, within the 30-day period following the expiration of the option granted to the Company under subsection (b) above, transfer the Offered Shares to the proposed transferee, provided that such transfer shall not be on terms and conditions more favorable to the transferee than those contained in the Transfer Notice. Notwithstanding any of the above, all Offered Shares transferred pursuant to this Section 4 shall remain subject to the right of first refusal set forth in this Section 4 and such transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Section 4.

(d) After the time at which the Offered Shares are required to be delivered to the Company for transfer to the Company pursuant to subsection (b) above, the Company shall not pay any dividend to the Participant on account of such Offered Shares or permit the Participant to exercise any of the privileges or rights of a shareholder with respect to such Offered Shares, but shall, in so far as permitted by law, treat the Company as the owner of such Offered Shares.

(e) The following transactions shall be exempt from the provisions of this Section 4:

(1) any transfer of Shares to or for the benefit of any spouse, child or grandchild of the Participant, or to a trust for their benefit;

(2) any transfer pursuant to an effective registration statement filed by the Company under the United States Securities Act of 1933, as amended (the "Securities Act"); and

(3) any transfer as part of the sale of all or substantially all of the capital shares of the Company (including pursuant to a merger or consolidation);

provided, however, that in the case of a transfer pursuant to clause (1) above, such Shares shall remain subject to the right of first refusal set forth in this Section 4 and such transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Section 4.

(f) The Company may assign its rights to purchase Offered Shares in any particular transaction under this Section 4 to one or more persons or entities.

(g) The provisions of this Section 4 shall terminate immediately upon the earlier of the following events:

(1) the closing of the sale of Common Shares in an underwritten public offering pursuant to an effective registration statement filed by the Company under the Securities Act; or

(2) the closing of the sale of all or substantially all of the capital shares, equity, assets or business of the Company, by merger, consolidation, sale of assets or otherwise (other than a merger or consolidation in which all or substantially all of the individuals and entities who were beneficial owners of Common Shares immediately prior to such transaction beneficially own, directly or indirectly, more than 50% of the outstanding securities entitled to vote generally in the election of directors of the resulting, surviving or acquiring corporation in such transaction).

(h) The Company shall not be required (a) to transfer on its books any of the Shares which shall have been sold or transferred in violation of any of the provisions set forth in this Section 4, or (b) to treat as owner of such Shares or to pay dividends to any transferee to whom any such Shares shall have been so sold or transferred.

5. Agreement in Connection with Public Offering.

The Participant agrees, in connection with the initial underwritten public offering of the Company's securities pursuant to a registration statement under the Securities Act, (i) not to sell, make short sale of, loan, grant any options for the purchase of, or otherwise dispose of any Common Shares held by the Participant (other than those shares included in the offering) without the prior written consent of the Company or the underwriters managing such initial underwritten public offering of the Company's securities for a period of 180 days from the effective date of such registration statement, and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company or the managing underwriters at the time of such offering. The Company may impose stop-transfer instructions with respect to the Shares or other securities subject to the foregoing restriction until the end of the applicable period set forth in the first sentence of this Section 5.

6. Withholding.

No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any withholding taxes required by applicable law to be withheld in respect of this option.

7. Nontransferability of Option.

This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

8. No Right to Employment or Other Status.

This option shall not be construed as giving the Participant the right to continued employment or any other relationship with VistaPrint USA or the Company. VistaPrint USA expressly reserves the right to dismiss or otherwise terminate its relationship with the Participant free from any liability or claim under the Plan or this option, except as expressly provided in this option.

9. No Rights as Stockholder.

The Participant shall not have any rights as a stockholder with respect to any Common Shares issuable under this option until becoming recordholder of such shares.

10. Provisions of the Plan.

This option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this option.

IN WITNESS WHEREOF, the Company has caused this option to be executed on its behalf by VistaPrint USA, Incorporated. This option shall take effect as a sealed instrument.

VistaPrint USA, Incorporated

Dated:

By: _____
Name: **Robert S. Keane**
Title: **President & CEO**

PARTICIPANT'S ACCEPTANCE

The undersigned hereby accepts the foregoing option and agrees to the terms and conditions thereof. The undersigned hereby acknowledges receipt of a copy of the VistaPrint Limited Amended and Restated 2000-2002 Share Incentive Plan.

PARTICIPANT:

_____

Address: _____

_____

_____

Exhibit 10.3

Incentive Stock Option Agreement
Granted Under The Amended & Restated 2000-2002 Share Incentive Plan

1. Grant of Option.

Pursuant to the Administrative Services Agreement between VistaPrint USA, Incorporated, a Delaware corporation ("VistaPrint USA") and VistaPrint Limited, a Bermuda corporation (the "Company") dated April 29, 2002, this Agreement evidences the grant by the Company, on **«GrantDate»** (the "Grant Date") to **«Name»,** an employee of VistaPrint USA (the "Participant"), of an option to purchase, in whole or in part, on the terms provided herein and in the Company's Amended and Restated 2000-2002 Share Incentive Plan (the "Plan"), a total of **«Options»** common shares of the Company (the "Shares")**,** $0.001 par value per share (the "Common Shares"), at an exercise price of **«Amount»** per Share. Unless earlier terminated, this option shall expire on **«ExpirationDate»** (the "Final Exercise Date").

It is intended that the option evidenced by this agreement shall be an incentive stock option as defined in Section 422 of the United States Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code"). Except as otherwise indicated by the context, the term "Participant", as used in this option, shall be deemed to include any person who acquires the right to exercise this option validly under its terms.

2. Vesting Schedule.

This option will become exercisable ("vest") as to 25% of the original number of Shares on **«VestDate»** (the "Vesting Date") and as to an additional 6.25% of the original number of Shares at the end of each successive three-month period following the Vesting Date until the third anniversary of the Vesting Date.

The right of exercise shall be cumulative so that to the extent the option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares for which it is vested until the earlier of the Final Exercise Date or the termination of this option under Section 3 hereof or the Plan.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this option shall be in writing in the form of the Notice of Stock Option Exercise attached hereto or such other form as the Company shall accept, signed by the Participant, and received by the Company at its principal office, accompanied by this agreement, and payment in full in the manner provided in the Plan or other lawful consideration as determined by the Board of Directors of the Company. The Participant may purchase less than the number of shares covered hereby, provided that no partial exercise of this option may be for any fractional share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this option may not be exercised unless the Participant, at the time he or she exercises this option, is, and has been at all times since the Grant Date, an employee, officer or director of, or consultant or advisor to, the Company or any parent or subsidiary of the Company and as defined in Section 424(e) or (f) of the Code (an "Eligible Participant").

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this option shall terminate three months after such cessation (but in no event after the Final Exercise Date), provided that this option shall be exercisable only to the extent that the Participant was entitled to exercise this option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the non-competition or confidentiality provisions of any employment contract, confidentiality and nondisclosure agreement or other agreement between the Participant and VistaPrint USA or the Company, the right to exercise this option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes disabled (within the meaning of Section 22(e)(3) of the Code) prior to the Final Exercise Date while he or she is an Eligible Participant and the Company or VistaPrint USA has not terminated such relationship for "cause" as specified in paragraph (e)

below, this option shall be exercisable, within the period of one year following the date of death or disability of the Participant by the Participant (or in the case of death by an authorized transferee), provided that this option shall be exercisable only to the extent that this option was exercisable by the Participant on the date of his or her death or disability, and further provided that this option shall not be exercisable after the Final Exercise Date.

(e) Discharge for Cause. If the Participant, prior to the Final Exercise Date, is discharged by the Company or VistaPrint USA for "cause" (as defined below), the right to exercise this option shall terminate immediately upon the effective date of such discharge. "Cause" shall mean willful misconduct by the Participant or willful failure by the Participant to perform his or her responsibilities to the Company or VistaPrint USA (including, without limitation, breach by the Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Participant and the Company or VistaPrint USA), as determined by the Company or VistaPrint USA, which determination shall be conclusive. The Participant shall be considered to have been discharged for "Cause" if the Company or VistaPrint USA determines, within 30 days after the Participant's resignation, that discharge for cause was warranted.

4. Right of First Refusal.

(a) If the Participant proposes to sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively, "transfer") any Shares acquired upon exercise of this option, then the Participant shall first give written notice of the proposed transfer (the "Transfer Notice") to the Company. The Transfer Notice shall name the proposed transferee and state the number of such Shares the Participant proposes to transfer (the "Offered Shares"), the price per share and all other material terms and conditions of the transfer.

(b) For 30 days following its receipt of such Transfer Notice, the Company shall have the option to purchase all or a portion of the Offered Shares at the price and upon the terms set forth in the Transfer Notice. In the event the Company elects to purchase all or a portion of the Offered Shares, it shall give written notice of such election to the Participant within such 30-day period. Within 10 days after his receipt of such notice, the Participant shall tender to the Company at its principal offices the certificate or certificates representing the Offered Shares to be purchased by the Company, duly endorsed in blank by the Participant or with duly endorsed share powers attached thereto, all in a form suitable for transfer of such Offered Shares to the Company. Promptly following receipt of such certificate or certificates, the Company shall deliver or mail to the Participant a check in payment of the purchase price for the Offered Shares; provided that if the terms of payment set forth in the Transfer Notice were other than cash against delivery, the Company may pay for the Offered Shares on the same terms and conditions as were set forth in the Transfer Notice; and provided further that any delay in making such payment shall not invalidate the Company's exercise of its option to purchase the Offered Shares.

(c) If the Company does not elect to acquire any of the Offered Shares, the Participant may, within the 30-day period following the expiration of the option granted to the Company under subsection (b) above, transfer the Offered Shares to the proposed transferee, provided that such transfer shall not be on terms and conditions more favorable to the transferee than those contained in the Transfer Notice. Notwithstanding any of the above, all Offered Shares transferred pursuant to this Section 4 shall remain subject to the right of first refusal set forth in this Section 4 and such transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Section 4.

(d) After the time at which the Offered Shares are required to be delivered to the Company for transfer to the Company pursuant to subsection (b) above, the Company shall not pay any dividend to the Participant on account of such Offered Shares or permit the Participant to exercise any of the privileges or rights of a shareholder with respect to such Offered Shares, but shall, in so far as permitted by law, treat the Company as the owner of such Offered Shares.

(e) The following transactions shall be exempt from the provisions of this Section 4:

(1) any transfer of Shares to or for the benefit of any spouse, child or grandchild of the Participant, or to a trust for their benefit;

(2) any transfer pursuant to an effective registration statement filed by the Company under the United States Securities Act of 1933, as amended (the "Securities Act"); and

(3) any transfer as part of the sale of all or substantially all of the capital shares of the Company (including pursuant to a merger or consolidation);

provided, however, that in the case of a transfer pursuant to clause (1) above, such Shares shall remain subject to the right of first refusal set forth in this Section 4 and such transferee shall, as a condition to such transfer, deliver to the Company a written instrument confirming that such transferee shall be bound by all of the terms and conditions of this Section 4.

(f) The Company may assign its rights to purchase Offered Shares in any particular transaction under this Section 4 to one or more persons or entities.

(g) The provisions of this Section 4 shall terminate immediately upon the earlier of the following events:

(1) the closing of the sale of Common Shares in an underwritten public offering pursuant to an effective registration statement filed by the Company under the Securities Act; or

(2) the closing of the sale of all or substantially all of the capital shares, equity, assets or business of the Company, by merger, consolidation, sale of assets or otherwise (other than a merger or consolidation in which all or substantially all of the individuals and entities who were beneficial owners of Common Shares immediately prior to such transaction beneficially own, directly or indirectly, more than 50% of the outstanding securities entitled to vote generally in the election of directors of the resulting, surviving or acquiring corporation in such transaction).

(h) The Company shall not be required (a) to transfer on its books any of the Shares which shall have been sold or transferred in violation of any of the provisions set forth in this Section 4, or (b) to treat as owner of such Shares or to pay dividends to any transferee to whom any such Shares shall have been so sold or transferred.

5. Agreement in Connection with Public Offering.

The Participant agrees, in connection with the initial underwritten public offering of the Company's securities pursuant to a registration statement under the Securities Act, (i) not to sell, make short sale of, loan, grant any options for the purchase of, or otherwise dispose of any Common Shares held by the Participant (other than those shares included in the offering) without the prior written consent of the Company or the underwriters managing such initial underwritten public offering of the Company's securities for a period of 180 days from the effective date of such registration statement, and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company or the managing underwriters at the time of such offering. The Company may impose stop-transfer instructions with respect to the Shares or other securities subject to the foregoing restriction until the end of the applicable period set forth in the first sentence of this Section 5.

6. Withholding.

No Shares will be issued pursuant to the exercise of this option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any withholding taxes required by applicable law to be withheld in respect of this option.

7. Nontransferability of Option.

This option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this option shall be exercisable only by the Participant.

8. Disqualifying Disposition.

If the Participant disposes of Shares acquired upon exercise of this option within two years from the Grant Date or one year after such Shares were acquired pursuant to exercise of this option, the Participant shall notify the Company in writing of such disposition.

9. No Right to Employment or Other Status.

This option shall not be construed as giving the Participant the right to continued employment or any other relationship with VistaPrint USA or the Company. VistaPrint USA expressly reserves the right to dismiss or otherwise terminate its relationship with the Participant free from any liability or claim under the Plan or this option, except as expressly provided in this option.

10. No Rights as Stockholder.

The Participant shall not have any rights as a stockholder with respect to any Common Shares issuable under this option until becoming recordholder of such shares.

11. Provisions of the Plan.

This option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this option.

IN WITNESS WHEREOF, the Company has caused this option to be executed on its behalf by VistaPrint USA, Incorporated. This option shall take effect as a sealed instrument.

VistaPrint USA, Incorporated

Dated:

By: _____
Name: **Robert S. Keane**
Title: **President & CEO**

PARTICIPANT'S ACCEPTANCE

The undersigned hereby accepts the foregoing option and agrees to the terms and conditions thereof. The undersigned hereby acknowledges receipt of a copy of the VistaPrint Limited Amended and Restated 2000-2002 Share Incentive Plan.

PARTICIPANT:

_____

Address: _____

_____

_____

Exhibit 10.10

THIRD AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT

This Third Amended and Restated Investor Rights Agreement (the "Agreement") dated as of August 30, 2004, is entered into by and among VistaPrint Limited (the "Company"), the Prior Investors listed on Schedule I attached hereto (individually, a "Prior Investor" and, collectively, the "Prior Investors"), the Series A Investors listed on Schedule II attached hereto (individually, a "Series A Investor" and, collectively, the "Series A Investors"), and the Series B Investors listed on Schedule III attached hereto (individually, a "Series B Investor" and, collectively, the "Series B Investors").

BACKGROUND

WHEREAS, the Company, the Prior Investors, the Series A Investors and certain of the Series B Investors are parties to the Second Amended and Restated Investor Rights Agreement dated August 19, 2003, as amended (the "Original Agreement");

WHEREAS, contemporaneously with the execution and delivery of this Agreement, the Company and certain of the Series B Investors have entered into a certain Series B Convertible Preference Share Purchase Agreement (the "2004 Purchase Agreement") in connection with the issuance and sale by the Company to such Series B Investors of the Company's Series B Convertible Preference Shares, $0.001 par value per share (the "Series B Preference Shares"); and

WHEREAS, the Company, the Prior Investors, the Series A Investors and the Series B Investors that are parties to the Original Agreement wish to amend and restate in its entirety the Original Agreement to reflect the issuance of additional Series B Preference Shares on the terms and conditions set forth in the 2004 Purchase Agreement and to make certain other changes to the terms of the Original Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement and for other valuable consideration, receipt of which is hereby acknowledged, the Company, the Prior Investors, the Series A Investors and the Series B Investors hereto agree that the Original Agreement is hereby amended and restated as follows:

ARTICLE I. DEFINITIONS

1. Certain Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

"2003 Purchase Agreement" means the Series B Convertible Preference Share Purchase Agreement dated as of August 19, 2003, as amended, among the Company and the persons and entities listed on Schedule 1 attached thereto.

"Affiliate" means, with respect to any person or entity, any person or entity which, directly or indirectly, controls, is controlled by or is under common control with such person or entity, including, without limitation, any partner of such person or entity and any venture capital fund now or hereafter existing which is controlled by or under common control with one or more general partners of such person or entities. For purposes of this definition, "control" of any entity shall mean owning more than 50% of such entity's issued voting interests, or having the power to appoint at least a majority of such entity's board of directors (or similar governing body).

"BMA" means the Bermuda Monetary Authority.

"Board of Directors" means the Company's board of directors.

"Bye-Laws" means the bye-laws of the Company as they may be amended from time to time.

"Commission" means the United States Securities and Exchange Commission, or any other federal agency at the time administering the Securities Act.

"Common Shares" means the Company's common shares, $0.001 par value per share.

"Companies Act" means the Bermuda Companies Act 1981, as amended from time to time.

"Competitor" means an entity (i) of which a Shareholder notifies the Company in writing in connection with a proposed transfer of Voting Shares or the exercise of inspection rights pursuant to Section 1 of Article V, and (ii) that a majority of the Board of Directors reasonably determines to be a direct competitor of the Company and provides written notification to such Shareholder of such determination within twenty (20) days following the notification provided by the Shareholder in accordance with clause (i).

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations of the Commission issued under such Act, as they each may, from time to time, be in effect.

"GAAP" means generally accepted accounting principals in the United States.

"Highland" means Highland Capital Partners VI Limited Partnership.

"Highland B" means Highland Capital Partners VI-B Limited Partnership

"Highland Capital Partners" means collectively, Highland, Highland B, Highland Entrepreneurs' Fund VI Limited Partnership and, except for purposes of Section 1(b) of Article V, any persons or entities to whom the rights granted under this Agreement are Transferred by Highland Capital Partners, their successors or assigns.

"Holder" means a holder of Preference Shares.

"Initial Public Offering" means the Company's initial firm commitment underwritten public offering of Common Shares at a price per share of at least $8.00 (subject to appropriate adjustment for share splits, share dividends, share consolidations or other similar recapitalizations affecting the number of issued Common Shares) pursuant to an effective Registration Statement resulting in gross proceeds to the Company of at least $35,000,000; provided, however, if the Initial Public Offering shall not have occurred by December 31, 2005, the price per share set forth in the foregoing clause shall be increased to $12.33 (subject to appropriate adjustment for share splits, share dividends, share consolidations or other similar recapitalizations affecting the number of issued Common Shares).

"Major Series B Holders" means Highland Capital Partners and HarbourVest Partners VI-Direct Fund L.P.

"Preference Shares" shall collectively mean the Series A Preference Shares and the Series B Preference Shares.

"Prospectus" means the prospectus included in any Registration Statement, as amended or supplemented by an amendment or prospectus supplement, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"Prior Investor Shares" means any Voting Shares held by the Prior Investors.

"Registrable Shares" means (i) the Common Shares delivered or deliverable upon conversion of the Preference Shares, (ii) any Common Shares, and any Common Shares delivered or deliverable upon the conversion or exercise of any other securities, acquired by a Holder pursuant to Article III of this Agreement, (iii) any other Common Shares issued in respect of such shares (because of share splits, share dividends, share consolidations, reclassifications, recapitalizations, or similar events), and (iv) any Voting Shares held by the Prior Investors; provided, however, that a Shareholder's Common Shares that are Registrable Shares shall cease to be Registrable Shares (i) upon any sale pursuant to a Registration Statement or Rule 144 under the Securities Act, (ii) upon any sale in any manner to a person or entity which, by virtue of Article VII, Section 3 of this Agreement, is not entitled to the rights provided by this Agreement or (iii) at such time as all of the Registrable Shares then held by such Shareholder may be sold without restriction as to volume under Rule 144 under the Securities Act. Wherever reference is made in this Agreement to a request or consent of holders of a certain percentage of Registrable Shares, the

determination of such percentage shall include Common Shares deliverable upon conversion of the Preference Shares even if such conversion has not been effected.

"Registration Statement" means (i) a registration statement filed by the Company with the Commission for a public offering and sale of securities of the Company (other than a registration statement on Form S-8 or Form S-4, or their successors, or any other form for a similar limited purpose, or any registration statement covering only securities proposed to be issued in exchange for securities or assets of another corporation) or (ii) any filing made in Bermuda under Part III of the Companies Act.

"Securities Act" means the United States Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations of the Commission issued under such Act, as they each may, from time to time, be in effect.

"Selling Shareholder" means any Shareholder owning Registrable Shares included in a Registration Statement.

"Series A Investor Shares" means any Voting Shares held by the Series A Investors.

"Series A Preference Shares" shall mean the Company's Series A Convertible Preference Shares, $0.001 par value per share.

"Series B Preference Shares" shall mean the Company's Series B Convertible Preference Shares, $0.001 par value per share.

"Shareholders" means the Series B Investors, the Prior Investors, the Series A Investors, and any persons or entities to whom the rights granted under this Agreement are Transferred by any Series B Investor, Prior Investor or Series A Investor, their successors or assigns pursuant to Article VII, Section 3 below.

"Subsidiary" or "Subsidiaries" shall mean any corporation, 50% or more of the outstanding voting securities of which shall at the time be owned by the Company or by one or more Subsidiaries, or any other entity or enterprise, 50% or more of the equity of which shall at the time be owned by the Company or by one or more Subsidiaries.

"Transfer" and any grammatical variation thereof means any sale, transfer, pledge, encumbrance, or other disposition, whether voluntarily, involuntarily or by operation of law.

"Voting Shares" means any and all Common Shares, Preference Shares and/or other shares in the capital of the Company, by whatever name called, that carry voting rights (including voting rights which arise by reason of default) and that are now owned or subsequently acquired by a Shareholder, however acquired, including without limitation shares acquired pursuant to share splits, share dividends, share consolidations, recapitalizations and other similar events affecting such shares.

ARTICLE II. VOTING RIGHTS

1. Voting of Shares.

(a) Subject to Section 3 of this Article II below, in any and all elections of directors of the Company (whether at a meeting or by written resolution in lieu of a meeting), each Shareholder shall vote or cause to be voted all Voting Shares owned by him, her or it or over which such Shareholder has voting control (and attend, in person or by proxy for purposes of obtaining a quorum, or by execution of written resolution in lieu of meetings), and otherwise use his, her, or its best efforts, and the Company agrees to take all necessary and desirable actions within its control (including, but not limited to the nomination of specified persons), so as to fix the number of directors of the Company at seven (7) and to cause and maintain the election to the Board of Directors as follows:

(i) two (2) members, one of which is designated by Highland, and the other of which is designated by Highland B (collectively, the "Series B Designees"), who shall initially be Paul Maeder and Fergal Mullen, respectively;

(ii) two (2) members designated by the Series A Investors who are the holders of a majority of the Series A Investor Shares in issue at the time of such election (the "Series A Designees"), who shall initially be Valerie Gombart and Louis Page;

(iii) one (1) member designated by the holders of a majority of the Common Shares in issue at the time of such election (the "Common Shares Designee"), who shall initially be Robert Keane; and

(iv) two (2) members who shall be independent, non-employee directors designated by a majority of the Board of Directors, including the Series B Designees (the "Independent Designees"), one of whom shall initially be George Overholser and one of whom shall initially be so designated, approved and elected by February 19, 2005. Until the Independent Designee other than George Overholser is initially elected, the Series A Designees shall designate an incumbent member of the Board of Directors to serve in such position, who shall initially be Olivier Protard; provided, that to the extent an Independent Designee is not designated by a majority of the Board of Directors, including the Series B Designees, within the time period specified herein with respect to such Independent Designee, the Shareholders shall vote or cause to be voted their Voting Shares to remove from the Board of Directors the incumbent designated by the Series A Designees to serve in the position of such Independent Designee, and the vacancy created thereby shall be filled only by a person designated by a majority of the Board of Directors, including the Series B Designees.

(b) The Company shall provide the Shareholders with at least 30 days' prior written notice of any intended mailing of a notice to Shareholders for a meeting at which directors are to be elected. Highland, Highland B, the Series A Investors and the holders of Common Shares party to this Agreement shall give written notice to all parties to this Agreement, no later than 20 days prior to such mailing, of their respective designees for election as directors. If Highland, Highland B, the Series A Investors or the holders of Common Shares party to this Agreement fail to give notice to the Company as provided above, it shall be deemed that such parties' designee(s) then serving on the Board of Directors shall be such parties' designee(s) for reelection.

(c) Except with the prior consent of the party or parties which were entitled to designate a director pursuant to Section 1 of this Article II, the Shareholders shall not vote to remove such director designated hereunder except for bad faith, willful misconduct or the consistent failure by such director to attend meetings of the Company's Board of Directors.

(d) In the event that any director designee (a "Former Director") ceases to serve as a director for any reason other than (i) for bad faith, willful misconduct or the consistent failure by any such director to attend meetings of the Company's Board of Directors or (ii) for refusal to stand for re-election, the parties entitled to designate such Former Director shall have the right to nominate another designee for immediate election as a director without complying with Section 1(b) of this Article II. Notwithstanding anything to the contrary in the preceding sentence, if a Former Director ceases to serve for the reasons set forth in clauses (i) and (ii) of this subsection, the parties designating such Former Director shall nominate another designee for election, provided that such parties comply with Section 1(b) of this Article II.

(e) In the event that Robert Keane ceases to serve as the Company's Chief Executive Officer, then for so long as the Common Shares Designee is not the then Chief Executive Officer, each Shareholder shall vote or cause to be voted all Voting Shares owned by him, her or it or over which such Shareholder has voting control (and attend, in person or by proxy for purposes of obtaining a quorum, or by execution of written consents in lieu of meetings), and otherwise use his, her, or its best efforts, and the Company agrees to take all necessary and desirable actions within its control (including, but not limited to the nomination of specified persons), so as to increase the number of directors of the Company to eight (8) and to elect the Company's Chief Executive Officer to the Board of Directors.

2. No Revocation. The voting agreements contained herein are coupled with an interest and may not be revoked, except by written consent of all of the Shareholders.

3. Rights Relating to an Acquisition.

(a) At any time on or after August 19, 2005 and in addition to the requirements under the Bye-Laws and the Companies Act, if (i) any person or entity, or group of related persons and/or entities makes a good faith offer to consummate, in a single transaction or a series of related transactions, any (a) consolidation, amalgamation or merger of the Company into or with any other entity or entities (except a consolidation, amalgamation or merger with or into a subsidiary of the Company or a consolidation, amalgamation or merger in which either (I) the Company's voting capital shares in issue immediately prior to the transaction continue to represent a majority by voting power of the voting capital shares in issue immediately following the transaction on a fully-diluted basis or (II) the shares issued in exchange for the Company's voting shares in issue immediately prior to such transaction represent a majority by voting power of the voting shares of the continuing entity immediately following the transaction on a fully-diluted basis); (b) sale of all or substantially all the assets of the Company, whether by sale, transfer, license or otherwise; or (c) acquisition of capital shares representing a majority by voting power of the voting capital shares of the Company other than any such acquisition that is (1) made by any person or entity of which Highland Capital Partners and its Affiliates collectively own more than 25% of the outstanding voting interests, and (2) not approved by a majority of the Board of Directors (each, an "Acquisition"), and (ii) such Acquisition is approved by holders of at least a majority of the Series B Preference Shares then in issue, then each party to this Agreement shall be obligated to use their best efforts to effect the closing of such Acquisition, including without limitation, to (a) vote all of his, her or its Voting Shares in favor of such transaction, to the extent any such vote is required for the consummation of such transaction, (b) sell, transfer or exchange all of his, her or its Voting Shares in connection with such transaction, with the consideration to be paid in respect of such sale, transfer or exchange to be allocated or distributed among the Shareholders in accordance with the terms of the Company's Bye-Laws, and (c) execute and deliver such instruments of conveyance and transfer and take such other action, including executing any purchase agreement, merger agreement, amalgamation agreement, indemnity agreement, escrow agreement or related documents (each, an "Acquisition Agreement"), as may be reasonably required by the Company in order to carry out the terms and provision of this Section 3(a). If a party to this Agreement fails or refuses to vote or sell his, her or its Voting Shares as required by, or votes his, her or its Voting Shares in contravention of, this Section 3(a), then such party hereby grants to the President and Treasurer of the Company, and each of them acting singly, an irrevocable proxy and power of attorney, coupled with an interest, to vote such Voting Shares in accordance with this Section 3(a) and to execute any instruments necessary or advisable to effect such grant, and the President and Treasurer of the Company, and each of them acting singly, shall so vote such Voting Shares, and hereby appoints the President and Treasurer of the Company and each of them acting singly, his, her or its attorney in fact, to sell such Voting Shares in accordance with the terms of this Section 3(a) and the President and Treasurer of the Company shall so sell such Voting Shares. At the closing of such Acquisition, each of the parties to this Agreement shall deliver, against receipt of the consideration payable in such transaction, certificates representing that number of Voting Shares which such party is bound to transfer pursuant to the Acquisition Agreement, with all endorsements or other instruments necessary for transfer. In the event that any party fails or refuses to comply with the provisions of this Section 3(a), the Company, the Shareholders and the purchaser in such Acquisition, at their option, may elect to proceed with such Acquisition notwithstanding such failure or refusal and, in such event and upon tender of the specified consideration to any such party, the rights of any such party with respect to such Voting Shares of such party shall cease.

(b) In the event that following August 19, 2005, the Board considers an Acquisition proposed to be made by any person or entity, or group of related persons and/or entities, other than any person or entity of which Highland Capital Partners and its Affiliates collectively own more than 25% of the outstanding voting interests, and such Acquisition is approved by the Series B Designees but is not approved by the requisite number of members of the Board of Directors, then the number of directors constituting the Board of Directors will be increased by that number of directors such that new directors appointed to fill such new directorships plus the Series B Designees will constitute a majority of the Board of Directors, all such new directorships will be filled by persons designated by Highland and Highland B, each designating an equal number of directors unless they otherwise agree, and each Shareholder shall vote all of such Shareholder's Voting Shares to cause all such designees to be elected to the Board of Directors. If the Company thereafter terminates discussions regarding such Acquisition or terminates any binding

legal agreement setting forth the terms of such Acquisition, then the directors elected pursuant to this Section 3(b) will be removed from office and the number of directors constituting the Board of Directors will be reduced to the number in effect prior to the increase in the Board of Directors made with respect to such Acquisition and each Shareholder shall vote all of such Shareholder's Voting Shares to cause such directors to be removed from office and to reduce the number of directors accordingly. Highland Capital Partners shall be responsible for any claims for indemnity brought by such directors on account of their removal.

ARTICLE III. SALE OF COMPANY SECURITIES

1. Pre-Emptive Rights.

(a) The Company shall not issue, sell or exchange, agree to issue, sell or exchange, or reserve or set aside for issuance, sale or exchange (i) any Common Shares, (ii) any other equity securities of the Company, including, without limitation, preference shares, (iii) any option, warrant or other right to subscribe for, purchase or otherwise acquire any equity securities of the Company, or (iv) any debt securities convertible into shares of the Company (collectively, the "Offered Securities"), unless in each case the Company shall have first complied with the requirements of this Article III, the Bye-Laws and obtained the prior written approval of the BMA. The Company shall deliver to each of the Shareholders holding greater than 500,000 Voting Shares (the "Pre-emptive Rights Holders") a written notice of any proposed or intended issuance, sale or exchange of Offered Securities (the "Offer"), which Offer shall (i) identify and describe the Offered Securities, (ii) describe the price and other terms upon which they are to be issued, sold or exchanged and the number or amount of the Offered Securities to be issued, sold or exchanged, (iii) identify the persons or entities (if known) to which or with which the Offered Securities are to be offered, issued, sold or exchanged (the "Proposed Offeree") and describe the general terms upon which the Company proposes to effect such offer or issuance, sale or exchange, and (iv) offer to issue and sell to or exchange with each such Pre-emptive Rights Holder (A) a pro rata portion of the Offered Securities determined by dividing the aggregate number of Common Shares then held by each such Pre-emptive Rights Holder (giving effect to the conversion of all convertible preference shares then held by such Pre-emptive Rights Holder) by the total number of Common Shares then in issue (giving effect to the conversion of all issued convertible preference shares and the exercise or conversion of other convertible securities, options, rights or warrants) (the "Basic Amount"), and (B) any additional portion of the Offered Securities attributable to the Basic Amounts of other Pre-emptive Rights Holders as each such Pre-emptive Rights Holder shall indicate it will purchase or acquire should the other Pre-emptive Rights Holders subscribe for less than their Basic Amounts (the "Undersubscription Amount"). Each of the Pre-emptive Rights Holders shall have the right, for a period of 20 days following delivery of the Offer, to purchase or acquire, at the price and upon the other terms specified in the Offer, the number or amount of Offered Securities described above. The Offer by its term shall remain open and irrevocable for such 20-day period.

(b) To accept an Offer, in whole or in part, a Pre-emptive Rights Holder must deliver a written notice to the Company prior to the end of the 20-day period of the Offer, setting forth the portion of such Pre-emptive Rights Holder's Basic Amount that such holder elects to purchase and, if such holder shall elect to purchase all of its Basic Amount, the Undersubscription Amount (if any) that such holder elects to purchase (the "Notice of Acceptance"). If the Basic Amounts subscribed for by all Pre-emptive Rights Holders are less than the total of all of the Basic Amounts available for purchase, then each Pre-emptive Rights Holder who has set forth Undersubscription Amounts in its Notice of Acceptance shall be entitled to purchase, in addition to the Basic Amounts subscribed for, all Undersubscription Amounts it has subscribed for; provided, however, that should the Undersubscription Amounts subscribed for exceed the difference between the total of all of the Basic Amounts available for purchase and the Basic Amounts subscribed for (the "Available Undersubscription Amount"), each Pre-emptive Rights Holder who has subscribed for any Undersubscription Amount shall be entitled to purchase only that portion of the Available Undersubscription Amount as the Undersubscription Amount subscribed for by such holder bears to the total Undersubscription Amounts subscribed for by all Pre-emptive Rights Holders, subject to rounding by the Board of Directors to the extent it reasonably deems necessary.

(c) The Company shall have 90 days from the expiration of the 20-day period set forth in Article III, Section 1(a) to issue, sell or exchange all or any part of such Offered Securities as to which a Notice of Acceptance has not been given by the Pre-emptive Rights Holders (the "Refused Securities"), but only to the Proposed Offeree and only upon terms and conditions (including, without limitation, unit prices and interest rates) which are not, in the aggregate, more favorable to the Proposed Offeree or less favorable to the Company than those set forth in the Offer.

(d) In the event the Company shall propose to sell less than all the Refused Securities (any such sale to be in the manner and on the terms specified in Section 1(c) above), then each Pre-emptive Rights Holder may, at its sole option and in its sole discretion, reduce the number or amount of the Offered Securities specified in its Notice of Acceptance to an amount that shall be not less than the number or amount of the Offered Securities that it elected to purchase pursuant to Section 1(b) above multiplied by a fraction, (i) the numerator of which shall be the number or amount of Offered Securities the Company actually proposes to issue, sell or exchange (including Offered Securities to be issued or sold to such Pre-emptive Rights Holder pursuant to Section 1(b) above prior to such reduction) and (ii) the denominator of which shall be the amount of all Offered Securities. In the event that a Pre-emptive Rights Holder so elects to reduce the number or amount of Offered Securities specified in its Notice of Acceptance, the Company may not issue, sell or exchange more than the reduced number or amount of the Offered Securities unless and until such securities have again been offered to each of the Pre-emptive Rights Holders in accordance with Section 1(a) above.

(e) Upon the closing of the issuance, sale or exchange of all or less than all the Refused Securities, the Pre-emptive Rights Holders shall acquire from the Company, and the Company shall issue to such Pre-emptive Rights Holders, the number or amount of Offered Securities specified in the Notices of Acceptance, upon the terms and conditions specified in the Offer. The purchase by the Pre-emptive Rights Holders of any Offered Securities is subject in all cases to the preparation, execution and delivery by the Company and such holders of a purchase agreement relating to such Offered Securities reasonably satisfactory in form and substance to such holders and their respective counsel.

(f) Any Offered Securities not acquired by the Pre-emptive Rights Holders or other persons in accordance with Article III, Section 1(c) may not be issued, sold or exchanged until they are again offered to the Pre-emptive Rights Holders under the procedures specified in this Article.

2. Excluded Issuances. The rights of the Pre-emptive Rights Holders under Section 1 of this Article III shall not apply to:

(a) Common Shares issued as a share dividend to holders of Common Shares or upon any subdivision or consolidation of Common Shares;

(b) the delivery of any Common Shares upon conversion of Preference Shares;

(c) Common Shares (or options or warrants to acquire such shares) issued or issuable to employees or directors of, or consultants to, the Company pursuant to the Company's Amended and Restated 2000-2002 Share Incentive Plan as in effect as of the date hereof or pursuant to a plan, agreement or arrangement approved by a vote of not less than a majority of the Board of Directors of the Company including the Series B Designees then serving on the Board of Directors;

(d) Common Shares issued or issuable pursuant to warrants outstanding on or as of the date hereof;

(e) securities issued solely in consideration for the acquisition (whether by merger, amalgamation or otherwise) by the Company or any of its subsidiaries of all or substantially all of the capital shares or assets of any other entity which acquisition is approved by a vote of not less than a majority of the Board of Directors, including the Series B Designees then serving on the Board of Directors;

(f) Common Shares sold by the Company in an underwritten public offering pursuant to an effective registration statement under the Securities Act; or

(g) Series B Preference Shares issued pursuant to the 2003 Purchase Agreement or the 2004 Purchase Agreement.

3. Rights of First Refusal.

(a) If any Shareholder other than the Major Series B Holders desires to Transfer all or any part of any shares of the Company held by such Shareholder, whether owned as of the date of this Agreement or hereafter acquired (the "Restricted Shares"), or if any Major Series B Holder desires to Transfer all or any part of any shares of the Company held by such Major Series B Holder to a Competitor, other than according to the terms of this Article III, Section 3, such Transfer shall be void and shall Transfer no right, title, or interest in or to any of such Restricted Shares to the purported Transferee.

(b) If a Shareholder other than the Major Series B Holders desires to Transfer any of his, her or its Restricted Shares other than as set forth in Section 3(h) below, or if a Major Series B Holder desires to Transfer all or any part of any shares of the Company held by such Major Series B Holder to a Competitor, such Shareholder (the "Initiating Shareholder") shall submit a written offer (the "Offer") to sell such Restricted Shares (the "Offered Shares") to the Company and each other Shareholder on terms and conditions, including price, not less favorable to the Shareholders than those offered by the Initiating Shareholder to the proposed Transferee. The Offer shall disclose the identity of the party to which the Initiating Shareholder proposes to Transfer the Restricted Shares (the "Proposed Transferee"), the Offered Shares proposed to be Transferred, the terms and conditions, including price and consideration, of the proposed Transfer, and any other material facts relating to the proposed Transfer.

(c) Subject to compliance with the applicable provisions of the Companies Act, the Company shall have the first option to purchase all or any part of the Offered Shares for the consideration per share and on the terms and conditions specified in the Offer. The Company must exercise such option, no later than 15 days after the date the Offer was delivered, by written notice to the Initiating Shareholder. In the event the Company does not exercise its option within such 15-day period with respect to all of the Offered Shares, the Company shall, by the last day of such period, give written notice of that fact to the Shareholders (the "Shareholder Notice") specifying the number of Offered Shares not purchased by the Company (the "Remaining Shares"). In the event the Company duly exercises its option to purchase all or part of the Offered Shares, the closing of such purchase shall take place at the offices of the Company (A) if the Company agrees to purchase all but not less than all of the Offered Shares, by the date five days after the expiration of such 15-day period or (B) if the Company and the Shareholders together agree to purchase all or a part of the Offered Shares, by the date that the Shareholders consummate their purchase of Remaining Shares under Section 3(f) hereof.

(d) Subject to Section 3(e), each Shareholder shall have an option, exercisable for a period of 15 days from the date of delivery of the Shareholder Notice, to purchase up to that number of Remaining Shares as shall be equal to the number of Remaining Shares multiplied by a fraction, the numerator of which shall be the number of Common Shares (after giving effect to the conversion of all convertible preference shares owned by such Shareholder and the exercise of all vested options and warrants owned by such Shareholder) then owned by such Shareholder and the denominator of which shall be the aggregate number of Common Shares (after giving effect to the conversion of all convertible preference shares owned by all such Shareholders and the exercise of all vested options and warrants owned by all Shareholders) then owned by all of the Shareholders. The amount of Remaining Shares that each Shareholder is entitled to purchase under this Section 3(d) shall be referred to as such Shareholder's "Pro Rata Fraction." The Shareholders must exercise their options under this Section 3(d), if at all, by delivery of written notice to the Secretary of the Company within such 15-day period.

(e) The Shareholders shall have a right of oversubscription such that in the event options to purchase Remaining Shares have been exercised by the Shareholders with respect to some but not all of the Remaining Shares, those Shareholders who have exercised their options within the 15-day

period specified in Section 3(d) shall have an additional option, for a period of five days next succeeding the expiration of such 15-day period, to purchase all or any part of the balance of such Remaining Shares on the terms and conditions set forth in the Offer, which option shall be exercised by delivery of written notice to the Secretary of the Company. In the event there are Shareholders that choose to exercise the last-mentioned option for a total number of Remaining Shares in excess of the number available, such Shareholders shall be cut back with respect to their oversubscriptions on a pro rata basis in accordance with their respective Pro Rata Fractions or as they may otherwise agree among themselves.

(f) If the options to purchase the Remaining Shares are exercised in full by the Shareholders, the Company shall immediately notify the Initiating Shareholder and all of the subscribing Shareholders of that fact. The closing of the purchase of the Remaining Shares shall take place at the offices of the Company no later than thirty days after the date of such notice. Such closing shall be effected by the Initiating Shareholder's delivery to the subscribing Shareholders of a certificate or certificates evidencing the Offered Shares to be purchased, duly endorsed for Transfer to each such Shareholder, against payment to such Initiating Shareholder, in cash or such other form of payment as may by agreed to by the Initiating Shareholder of the purchase price therefor by such Shareholders and receipt of BMA consent to the purchase.

(g) In the event options to purchase have been exercised by the Shareholders and the Company, with respect to some but not all of the Offered Shares, then neither the Company nor any of the Shareholders may purchase any of the Offered Shares and instead the Offered Shares may be sold at any time within 90 days after the date the Offer was made, subject to the provisions of Section 4 of this Article III. Any such sale shall be to the Proposed Transferee at not less than the price and upon such other terms and conditions, if any, not more favorable in any material respect to the Proposed Transferee than those specified in the Offer. Any Offered Shares not sold within such 90-day period shall again become subject to the right of first refusal contained this Section 3.

(h) Subject to receiving the prior written consent of the BMA, the rights of the Company and the Shareholders under this Section 3 shall not apply to:

(i) any Transfer by a Shareholder who is a natural person to his spouse or children or to a trust established for the benefit of his spouse, children or himself (a "Trust"), or pursuant to his will, or to any entity in which such Shareholder holds a majority of the capital and voting rights;

(ii) any Transfer by a Shareholder that is an entity to any partner, member, retired partner or retired member, Shareholder or Affiliate of such Shareholder;

(iii) any Transfer made pursuant to an effective registration statement filed by the Company under the Securities Act;

(iv) any Transfer made as part of the sale of all or substantially all of the shares of the Company (including pursuant to a merger, amalgamation or consolidation); or

(v) any Transfer by a Trust (i) to its beneficiaries in accordance with the terms of the governing documents of the Trust or (ii) to another Trust,

provided, however, that in the case of a Transfer described in clauses (i) through (iii) above, the Transferor or Transferee provides written notice of such Transfer to the Company and the Transferee agrees in writing to be bound by the terms of this Agreement.

4. Co-Sale Rights.

(a) If at any time any Prior Investor desires to sell all or any part of the Restricted Shares owned by him to any Proposed Transferee in accordance with Section 3, other than pursuant to sales

exempted pursuant to Section 3(h), each of the Holders shall have the right to sell to the Proposed Transferee, as a condition to such sale to the Proposed Transferee, at the same price per share and on the same terms and conditions, a number of Restricted Shares equal to the total number of Restricted Shares to be sold multiplied by a fraction, the numerator of which is the aggregate number of Common Shares (after giving effect to the conversion of all convertible preference shares owned by such Holder) then owned by such Holder and the denominator of which is the aggregate number of Common Shares (after giving effect to the conversion of all convertible preference shares owned by all such Holders) then owned by all of the Holders. If and to the extent a Holder exercises his, her or its rights under this Section 4(a), the number of Restricted Shares to be sold by the Prior Investor shall be reduced by the number of Restricted Shares to be sold by the Holder exercising his, her or its right under this Section 4(a).

(b) Each Holder wishing to so participate in any sale under Section 4(a) shall notify the Prior Investor in writing of such intention as soon as practicable after such Holder's receipt of the Offer made pursuant to Section 3(b) above, and in any event within the 15-day time period specified in Section 3(d) above.

(c) Each participating Holder shall sell to the Proposed Transferee all, or at the option of the Proposed Transferee, any part, of the Restricted Shares proposed to be sold at not less than the price and upon other terms and conditions, if any, not more favorable in any material respect to the Proposed Transferee than those in the Offer provided by the Prior Investor under Section 3(b) above; provided, however, that any purchase of fewer than all of such Restricted Shares by the Proposed Transferee shall be made from each participating Holder and the Prior Investor pro rata based upon the relative amount of the Restricted Shares that each participating Holder and the Prior Investor is otherwise entitled to sell pursuant to Section 4(a) above.

5. Constructive Trust. The proceeds of any sale made by any Shareholder without compliance with the provisions of this Article III, Section 3 and 4 shall be deemed to be held in constructive trust in such amount as would have been due to the Holders if such Shareholder had complied with such Sections.

ARTICLE IV. REGISTRATION RIGHTS

1. Required Registrations.

(a) At any time after the earlier of (i) August 19, 2006 or (ii) six calendar months following the closing of the Company's first underwritten public offering of Common Shares pursuant to a Registration Statement, Series B Investors holding in the aggregate at least 40% of the Registrable Shares held by the Series B Investors may request, in writing, that the Company effect the registration of Registrable Shares owned by such Series B Investors having an aggregate offering price of at least $3,000,000 (based on the market price or fair value at the time of such request). If the Series B Investors initiating the registration intend to distribute the Registrable Shares by means of an underwriting, they shall so advise the Company in their request.

(b) The Company shall not be required to effect more than two registrations pursuant to paragraph (a) above; provided, however, that such obligation shall be deemed satisfied only when a Registration Statement covering the applicable Registrable Shares shall have become effective, and then only if such Registration Statement shall not have been withdrawn at the request of the Holders requesting such registration (other than as a result of information concerning the business or financial condition of the Company which is made known to the Holders after the date on which such registration was requested).

(c) At any time after the Company becomes eligible to file a Registration Statement on Form S-3 (or any successor form relating to secondary offerings), Series B Investors holding in the aggregate at least 20% of the Registrable Shares held by the Series B Investors, or, on or after the three-year anniversary of the Company's initial public offering, Series A Investors holding an aggregate of at least 20% of the Registrable Shares held by the Series A Investors, may request, in writing, that the

Company effect the registration on Form S-3 (or such successor form) of Registrable Shares having an aggregate offering price (based on the then current public market price) of at least $1,000,000, provided, however, that in no event shall the Company be required to file more than two Registration Statements for the Holders pursuant to this Section 1(c) in any 12-month period.

(d) Upon receipt of any request for registration pursuant to this Section 1, the Company shall promptly give written notice of such proposed registration to all other Shareholders. Such Shareholders shall have the right, by giving written notice to the Company within 15 days after the Company provides its notice, to elect to have included in such registration such of their Registrable Shares as such Shareholders may request in such notice of election, subject in the case of an underwritten offering to Section 1(e) below). Thereupon, the Company shall, as expeditiously as possible, use its reasonable best efforts to effect the registration on an appropriate registration form of all Registrable Shares which the Company has been requested to so register; provided, however, that in the case of a registration requested under Section 1(c) of this Article IV, the Company will only be obligated to effect such registration on Form S-3 (or any successor form).

(e) If the Holders initiating a registration pursuant to this Section 1 (the "Initiating Holders") intend to distribute the Registrable Shares covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 1(a) or (b), as the case may be, and the Company shall include such information in its written notice referred to in Section 1(d). The right of any other Shareholder to include its Registrable Shares in such registration pursuant to Section 1(a) or (b), as the case may be, shall be conditioned upon such other Shareholder's participation in such underwriting on the terms set forth herein. If the managing underwriter determines that the inclusion of all of the Registrable Shares requested to be registered under Section 1(a) or (b), as the case may be, would adversely affect the marketing of such Registrable Shares, then (i) Registrable Securities held by the Prior Investors shall first be cut back, with each requesting Prior Investor being cut back in the proportion, as nearly as practicable, that the number of Registrable Shares held by such Prior Investor bears to the number of Registrable Shares held by all of the requesting Prior Investors, and (ii) if further reduction in the number of Registrable Shares is requested by the managing underwriter thereafter, each requesting Holder shall be cut back in the proportion, as nearly as practicable, that the number of Registrable Shares held by such Holder bears to the number of Registrable Shares held by all of the requesting Holders; provided, however, that, in any offering other than the Company's initial public offering, no fewer than 20% of the Registrable Shares initially proposed to be so registered by the requesting Holders shall be included in such registration and underwriting. The Company shall have the right to select the managing underwriter(s) for any underwritten offering requested pursuant to Section 1(a) or (b), subject to the approval of the Initiating Holder, which approval shall not unreasonably be withheld, conditioned or delayed, provided that, in any offering other than the Company's initial public offering, such managing underwriter was an underwriter in the Company's initial public offering or has been selected by the Board of Directors.

(f) If at the time of any request to register Registrable Shares pursuant to this Section 1, the Company is engaged or has plans to engage within 90 days of the time of the request in a registered public offering of securities for its own account or is engaged in any other activity which, in the good faith determination of the Company's Board of Directors, would be adversely affected by the requested registration to the material detriment of the Company, then the Company may at its option direct that such request be delayed for a period not in excess of 90 days from the effective date of such offering or the date of commencement of such other material activity, as the case may be, such right to delay a request to be exercised by the Company not more than once in any 12-month period.

2. Incidental Registration.

(a) Whenever the Company proposes to file a Registration Statement (other than a Registration Statement covering shares to be sold solely for the account of other holders of securities of the Company who are entitled, by contract with the Company, to have securities included in such registration ("Other Holders")) at any time and from time to time, the Company will, prior to such filing, give written notice to all Shareholders of its intention to do so; provided, that no such notice need be given if no

Registrable Shares are to be included therein as a result of a determination of the managing underwriter pursuant to Article IV, Section 2(b) below. Upon the written request of a Shareholder or Shareholders given within 20 days after the Company provides such notice (which request shall state the intended method of disposition of such Registrable Shares), the Company shall use its reasonable best efforts to cause all Registrable Shares which the Company has been requested by such Shareholder or Shareholders to register to be registered under the Securities Act to the extent necessary to permit their sale or other disposition in accordance with the intended methods of distribution specified in the request of such Shareholder or Shareholders; provided that the Company shall have the right to postpone or withdraw any registration effected pursuant to this Section without obligation to any Shareholder.

(b) If the registration for which the Company gives notice pursuant to Article IV, Section 2(a) above is a registered public offering involving an underwriting, the Company shall so advise the Shareholders as a part of the written notice given pursuant to such section. In such event, the right of any Shareholder to include its Registrable Shares in such registration pursuant to this Section shall be conditioned upon such Shareholder's participation in such underwriting on the terms set forth herein. All Shareholders proposing to distribute their securities through such underwriting shall enter into an underwriting agreement as agreed upon between the Company and the underwriters selected by the Company. Notwithstanding any other provision of this Section, if the managing underwriter determines that the inclusion of all of the Registrable Shares requested to be registered would adversely affect the marketing of such Registrable Shares, then the Company may limit the number of Registrable Shares to be included in the registration and underwriting. The Company shall so advise all holders of Registrable Shares requesting registration, and the number of shares that are entitled to be included in the registration and underwriting shall be allocated in the following manner. The securities of the Company held by holders other than Shareholders and Other Holders shall be excluded from such registration and underwriting to the extent deemed advisable by the managing underwriter, and, if a further limitation on the number of shares is required, the number of shares that may be included in such registration and underwriting shall be allocated among all Shareholders and Other Holders requesting registration in the proportion, as nearly as practicable, that the number of Registrable Shares held by such Shareholder or Other Holder bears to the number of Registrable Shares held by all of the requesting Shareholders and Other Holders; provided, however, that, in any offering other than the Company's initial public offering, no fewer than 20% of the Registrable Shares initially proposed to be so registered by such Shareholders and Other Holders shall be included in such registration and underwriting. If any Shareholder or Other Holder would thus be entitled to include more securities than such holder requested to be registered, the excess shall be allocated among other requesting Shareholders and Other Holders pro rata in the manner described in the preceding sentence. If any holder of Registrable Shares or any officer, director or Other Holder disapproves of the terms of any such underwriting, such person may elect to withdraw therefrom by written notice to the Company, and any Registrable Shares or other securities excluded or withdrawn from such underwriting shall be withdrawn from such registration.

3. Registration Procedures.

(a) If and whenever the Company is required by the provisions of this Agreement to use its reasonable best efforts to effect the registration of any Registrable Shares under the Securities Act, the Company shall:

(i) file with the Commission a Registration Statement with respect to such Registrable Shares and use its best efforts to cause that Registration Statement to become effective as soon as possible;

(ii) as expeditiously as possible prepare and file with the Commission any amendments and supplements to the Registration Statement and the prospectus included in the Registration Statement as may be necessary to comply with the provisions of the Securities Act (including the anti-fraud provisions thereof) and to keep the Registration Statement effective for a period of not less than 120 days from the effective date or such lesser period until all such Registrable Shares are sold;

(iii) as expeditiously as possible furnish to each Selling Shareholder such reasonable numbers of copies of the Prospectus, including any preliminary Prospectus, in conformity with the requirements of the Securities Act, and such other documents as such Selling Shareholder may reasonably request in order to facilitate the public sale or other disposition of the Registrable Shares owned by such Selling Shareholder;

(iv) as expeditiously as possible use its reasonable best efforts to register or qualify the Registrable Shares covered by the Registration Statement under the securities or Blue Sky laws of such states as the Selling Shareholders shall reasonably request, and do any and all other acts and things that may be necessary or desirable to enable the Selling Shareholders to consummate the public sale or other disposition in such states of the Registrable Shares owned by the Selling Shareholder; provided, however, that the Company shall not be required in connection with this paragraph (iv) to qualify as a foreign corporation or execute a general consent to service of process in any jurisdiction;

(v) as expeditiously as possible, cause all such Registrable Shares to be listed on each securities exchange or automated quotation system on which similar securities issued by the Company are then listed;

(vi) promptly provide a transfer agent and registrar for all such Registrable Shares not later than the effective date of such registration statement;

(vii) as expeditiously as possible, notify each Selling Shareholder, promptly after it shall receive notice thereof, of the time when such Registration Statement has become effective or a supplement to any Prospectus forming a part of such Registration Statement has been filed;

(viii) as expeditiously as possible following the effectiveness of such Registration Statement, notify each seller of such Registrable Shares of any request by the Commission for the amending or supplementing of such Registration Statement or Prospectus;

(ix) promptly make available for inspection by the Selling Shareholders, any managing underwriter participating in any disposition pursuant to such Registration Statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the Selling Shareholders, all financial and other records, pertinent corporate documents and properties of the Company and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such Registration Statement;

(x) promptly notify each holder of Registrable Shares covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act upon becoming aware of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(xi) advise each holder of Registrable Shares promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the Commission suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for such purpose and promptly use all reasonable efforts to prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued; and

(xii) cooperate with each holder of Registrable Shares and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Shares to be sold, such certificates to be in such denominations and registered in such names as such Selling Shareholder or the managing underwriters may request at least two (2) business days prior to any sale of Registrable Shares.

(b) If the Company has delivered a Prospectus to the Selling Shareholders and, after having done so, the Prospectus is amended to comply with the requirements of the Securities Act, the Company shall promptly notify the Selling Shareholders and, if requested, the Selling Shareholders shall immediately cease making offers of Registrable Shares and return all Prospectuses to the Company. The Company shall promptly provide the Selling Shareholders with revised Prospectuses and, following receipt of the revised Prospectuses, the Selling Shareholders shall be free to resume making offers of the Registrable Shares.

(c) In the event that, in the judgment of the Company, it is advisable to suspend use of a Prospectus included in a Registration Statement due to pending material developments or other events that have not yet been publicly disclosed and as to which the Company believes public disclosure would be detrimental to the Company, the Company shall notify all Selling Shareholders to such effect, and, upon receipt of such notice, each such Selling Shareholder shall immediately discontinue any sales of Registrable Shares pursuant to such Registration Statement until such Selling Shareholder has received copies of a supplemented or amended Prospectus or until such Selling Shareholder is advised in writing by the Company that the then current Prospectus may be used and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus. Notwithstanding anything to the contrary herein, the Company shall not exercise its rights under this Section 3(c) to suspend sales of Registrable Shares for a period in excess of 60 days in any twelve (12) month period.

4. Allocation of Expenses. The Company will pay all Registration Expenses for two (2) registrations pursuant to Section 1(a) of this Article IV and for all registrations under Sections 1(c) and 2 of this Article IV; provided, however, that if a registration under Article IV, Section 1 is withdrawn at the request of the Initiating Holders (other than as a result of information concerning the business or financial condition of the Company which is made known to the Shareholders after the date on which such registration was requested) and if the Initiating Holders elect not to have such registration counted as a registration request under such Section, the requesting Shareholders shall pay the Registration Expenses of such registration pro rata in accordance with the number of their Registrable Shares included in such registration. For purposes of this Section, the term “Registration Expenses” shall mean all expenses incurred by the Company in complying with the provisions of Section 1 of this Article IV of this Agreement, including, without limitation, all registration and filing fees, exchange listing fees, printing expenses, fees and expenses of counsel for the Company and the fees and expenses of one counsel (not to exceed $25,000) selected by the Selling Shareholders to represent the Selling Shareholders, state Blue Sky fees and expenses, and the expense of any special audits incident to or required by any such registration, but excluding underwriting discounts, selling commissions and the fees and expenses of Selling Shareholders’ own counsel (other than the counsel selected to represent all Selling Shareholders).

5. Indemnification.

(a) In the event of any registration of any of the Registrable Shares under the Securities Act pursuant to this Agreement, the Company will indemnify and hold harmless the seller of such Registrable Shares, each underwriter of such Registrable Shares, and each other person, if any, who controls such seller or underwriter within the meaning of the Securities Act or the Exchange Act against any losses, claims, damages or liabilities, joint or several, to which such seller, underwriter or controlling person may become subject under the Securities Act, the Exchange Act, state securities or Blue Sky laws or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any Registration Statement under which such Registrable Shares were registered under the Securities Act, any preliminary prospectus or final prospectus contained in the Registration Statement, or any amendment or supplement to such Registration Statement, or arise out of or are based upon the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any state or other securities law; and the Company will reimburse such seller, underwriter and each such controlling person for any legal or any other expenses reasonably incurred by such seller, underwriter or controlling person in connection with investigating or defending any such loss, claim, damage, liability

or action; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any untrue statement or omission made in such Registration Statement, preliminary prospectus or prospectus, or any such amendment or supplement, in reliance upon and in conformity with information furnished to the Company, in writing, by or on behalf of such seller, underwriter or controlling person specifically for use in the preparation thereof.

(b) In the event of any registration of any of the Registrable Shares under the Securities Act pursuant to this Agreement, each seller of Registrable Shares, severally and not jointly, will indemnify and hold harmless the Company, each of its directors and officers and each underwriter (if any) and each person, if any, who controls the Company or any such underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages or liabilities, joint or several, to which the Company, such directors and officers, underwriter or controlling person may become subject under the Securities Act, Exchange Act, state securities or Blue Sky laws or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement under which such Registrable Shares were registered under the Securities Act, any preliminary prospectus or final prospectus contained in the Registration Statement, or any amendment or supplement to the Registration Statement, or arise out of or are based upon any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, if and only to the extent the statement or omission was made in reliance upon and in conformity with information relating to such seller furnished in writing to the Company by or on behalf of such seller specifically for use in such Registration Statement, prospectus, amendment or supplement; provided, however, that the obligations of a seller hereunder shall be limited to an amount equal to the net proceeds received by such seller from the sale of Registrable Shares sold in connection with such registration.

(c) Each party entitled to indemnification under this Section (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim or any litigation resulting therefrom; provided, that counsel for the Indemnifying Party, who shall conduct the defense of such claim or litigation, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld, conditioned or delayed); and, provided, further, that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section except to the extent that the Indemnifying Party is prejudiced by such failure. The Indemnified Party may participate in such defense at such party's expense; provided, however, that the Indemnifying Party shall pay such expense if representation of such Indemnified Party by the counsel retained by the Indemnifying Party would be inappropriate due to actual or potential differing interests between the Indemnified Party and any other party represented by such counsel in such proceeding; provided, further, that in no event shall the Indemnifying Party be required to pay the expenses of more than one law firm per jurisdiction as counsel for the Indemnified Party. The Indemnifying Party also shall be responsible for the expenses of such defense if the Indemnifying Party does not elect to assume such defense. No Indemnifying Party, in the defense of any such claim or litigation shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect of such claim or litigation, and no Indemnified Party shall consent to entry of any judgment or settle such claim or litigation without the prior written consent of the Indemnifying Party.

(d) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Section 5 is due in accordance with its terms but for any reason is held to be unavailable to an Indemnified Party in respect to any losses, claims, damages and liabilities referred to herein, then the Indemnifying Party shall, in lieu of indemnifying such Indemnified Party, contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities to which such party may be subject in such proportion as is appropriate to reflect the relative fault of the Company on the one hand and the Selling Shareholders on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative fault of the Company and the Selling Shareholders

shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of material fact related to information supplied by the Company or the Selling Shareholders and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Selling Shareholders agree that it would not be just and equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph of Section 5(d), (a) in no case shall any one Selling Shareholder be liable or responsible for any amount in excess of the net proceeds received by such Selling Shareholder from the offering of Registrable Shares by it pursuant to such Registration Statement and (b) the Company shall be liable and responsible for any amount in excess of such proceeds; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this Section, notify such party or parties from whom contribution may be sought, but the omission so to notify such party or parties from whom contribution may be sought shall not relieve such party from any other obligation it or they may have thereunder of otherwise under this Section except to the extent that such party is actually prejudiced thereby. No party shall be liable for contribution with respect to any action, suit, proceeding or claim settled without its prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

6. Other Matters with Respect to Underwritten Offerings. In the event that Registrable Shares are sold pursuant to a Registration Statement in an underwritten offering pursuant to Section 1 of this Article IV, the Company agrees to (a) enter into an underwriting agreement containing customary representations and warranties with respect to the business and operations of the Company and customary covenants and agreements to be performed by the Company, including without limitation customary provisions with respect to indemnification by the Company of the underwriters of such offering; (b) use its reasonable best efforts to cause its legal counsel to render customary opinions to the underwriters with respect to the Registration Statement; and (c) use its reasonable best efforts to cause its independent public accounting firm to issue customary "cold comfort letters" to the underwriters with respect to the Registration Statement.

7. Information by Holder. Each holder of Registrable Shares included in any registration shall furnish to the Company such information regarding such holder and the distribution proposed by such holder as the Company may reasonably request in writing and as shall be required in connection with any registration, qualification or compliance referred to in this Agreement.

8. "Stand-Off" Agreement; Confidentiality of Notices. Each Shareholder, if requested by the Company and the managing underwriter of an underwritten public offering by the Company of Common Shares, shall not Transfer or dispose of any Registrable Shares or other securities of the Company held by such Shareholder for a period of up to 180 days as requested by the managing underwriter following the effective date of a Registration Statement relating to the Initial Public Offering, or for a period of up to 90 days as requested by the managing underwriter following the effective date of a Registration Statement relating to a public offering of securities other than the Initial Public Offering; provided, however, that all officers and directors of the Company enter into similar agreements. The Company may impose stop-transfer instructions with respect to the Registrable Shares or other securities subject to the foregoing restriction until the end of such period. Any Shareholder receiving any written notice from the Company regarding the Company's plans to file a Registration Statement shall treat such notice confidentially and shall not disclose such information to any person other than as necessary to exercise its rights under this Agreement.

9. Limitations on Subsequent Registration Rights. The Company shall not, without the prior written consent of (i) Shareholders holding at least a majority of the Registrable Shares then held by all Shareholders and (ii) holders of at least a majority of Series B Preference Shares, enter into any agreement (other than this Agreement) with any holder or prospective holder of any securities of the

Company which grants such holder or prospective holder registration rights senior to those granted to the Shareholders hereunder.

10. Rule 144 Requirements. After the earliest of (i) the closing of the sale of securities of the Company pursuant to a Registration Statement, (ii) the registration by the Company of a class of securities under Section 12 of the Exchange Act, or (iii) the issuance by the Company of an offering circular pursuant to Regulation A under the Securities Act, the Company agrees to:

(a) make and keep current public information about the Company available, as those terms are understood and defined in Rule 144 under the Securities Act;

(b) use its reasonable best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements); and

(c) furnish to any holder of Registrable Shares upon request (i) a written statement by the Company as to its compliance with the reporting requirements of Rule 144, the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), (ii) a copy of the most recent annual or quarterly report of the Company, and (iii) such other reports and documents of the Company as such holder may reasonably request to avail itself of any similar rule or regulation of the Commission allowing it to sell any such securities without registration.

ARTICLE V. COVENANTS OF THE COMPANY

1. Inspection.

(a) The Company shall permit each Holder or any authorized representative thereof, to visit and inspect the properties of the Company, including its corporate and financial records, during normal business hours following reasonable notice and as often as reasonably requested; provided, however, that the Company shall be under no obligation to disclose, pursuant to this Section 1, any information that is (i) subject to an attorney-client privilege which would be lost by such disclosure or (ii) subject to any third party non-disclosure agreement to which the Company is bound which would be violated by such disclosure.

(b) The Company shall not be obligated to provide inspection rights pursuant to Section 1(a) above (i) to any authorized representative of a Holder (other than such Holder's legal counsel or accountants) who or which is not employed by such Holder (x) unless such authorized representative shall first execute a confidentiality agreement in a form approved by the Company's Board of Directors or (y) if such authorized representative (other than any authorized representative of Highland Capital Partners) is employed by or is an Affiliate of a Competitor or (ii) if such Holder (other than Highland Capital Partners) is an Affiliate of a Competitor.

2. Financial Statements and Other Information. The Company shall deliver to each Shareholder that holds at least ten percent (10%) of all Common Shares in issue as of the date hereof, at least seven percent (7%) of all Series A Preference Shares in issue as of the date hereof, or at least ten percent (10%) of all Series B Preference Shares in issue as of the date hereof (including any issuances made pursuant to the 2003 Purchase Agreement or the 2004 Purchase Agreement), the following financial statements and other information:

(a) as soon as available, but in any event within ninety (90) days after the end of each fiscal year of the Company (or 120 days with the approval of a majority of the Board of Directors, including the Series B Designees) an audited consolidated balance sheet of the Company as at the end of such year and audited consolidated statements of income and of cash flows of the Company for such year, certified by certified public accountants from a nationally recognized accounting firm, such firm approved by the Company's Board of Directors, and prepared in accordance with GAAP consistently applied;

(b) as soon as available, but in any event within thirty (30) days after the end of each calendar month, an unaudited consolidated balance sheet of the Company as at the end of such calendar month, and unaudited consolidated statements of income and of cash flows of the Company for such calendar month prepared in accordance with GAAP consistently applied, with the exception that no notes need be attached to such statements and year-end audit adjustments may not have been made;

(c) upon request of any Shareholder having the right to receive financial statements and other information under this Section 2, an unaudited consolidating balance sheet of the Company and each of its Subsidiaries as at the end of such calendar month, and unaudited consolidating statements of income and of cash flows of the Company and each of its Subsidiaries for such calendar month prepared in accordance with GAAP consistently applied, with the exception that no notes need be attached to such statements, year-end audit adjustments may not have been made, and the statements are presented on a consolidating, rather than consolidated, basis;

(d) as soon as available, but in any event within thirty (30) days after the end of each calendar month, a headcount summary and a comparison of the budget for the last completed calendar month to the three (3) calendar months preceding such calendar month;

(e) as soon as available, but in any event within forty-five (45) days after the commencement of each new fiscal year, an annual budget for such fiscal year;

(f) with reasonable promptness, such other notices, information and data with respect to the Company as the Company delivers to the holders of its Common Shares in their capacities as shareholders; and

(g) with reasonable promptness, such other information and data as any such Holders holding greater than 500,000 Preference Shares may from time to time reasonably request.

3. Material Changes and Litigation. The Company shall promptly notify each Holder of (i) any change in the business, assets or financial condition of the Company and its Subsidiaries, taken as a whole, that would reasonably be expected to materially adversely affect, currently or in the future, the business, assets or financial condition of the Company and its Subsidiaries, taken as a whole, and (ii) of any litigation or governmental proceeding or investigation brought or, to the Company's knowledge, threatened against the Company or any Subsidiary, or against any officer, director, key employee or shareholder of the Company or any Subsidiary, materially adversely affecting, or which, if adversely determined, would reasonably be expected to materially adversely affect, currently or in the future, the business, assets or financial condition of the Company and its Subsidiaries, taken as a whole.

4. Nondisclosure and Noncompetition Agreements. The Company shall require (a) all employees at the director level or above and all employees whose responsibilities are technical in nature hereafter hired by the Company and all consultants retained by the Company whose responsibilities are technical in nature to enter into invention and nondisclosure agreements in such forms attached as an exhibit to the 2003 Purchase Agreement or approved by a majority of the Board of Directors, and (b) all employees at or above the Vice President level or whose responsibilities are technical in nature to enter into non-competition agreements in such form attached as an exhibit to the 2003 Purchase Agreement or approved by a majority of the Board of Directors.

5. Reservation of Common Shares. The Company shall reserve and maintain a sufficient number of shares of Common Shares for issuance upon conversion of all of the outstanding Preference Shares.

6. Negative Covenants. In addition to any other rights provided by the Company's Bye-Laws, so long as at least twenty percent (20%) of the aggregate number of Series B Preference Shares issued to the Series B Investors remain in issue (subject to appropriate adjustment in the event of any share dividend, share split, share consolidation or other similar recapitalization affecting the number of such

Series B Preference Shares), the Company shall not, and shall not cause or permit any Subsidiary (as such term is defined in the 2003 Purchase Agreement) to, without first obtaining the affirmative vote or written consent of the holders of not less than a majority of the then outstanding Series B Preference Shares, voting as a separate class:

(a) Consummate any (i) consolidation, amalgamation or merger of the Company or any Subsidiary into or with any other entity or entities (except (A) a consolidation, amalgamation or merger with or into a Subsidiary of the Company, (B) a consolidation, amalgamation or merger in which either (I) the Company's or the Subsidiary's voting capital shares in issue immediately prior to the transaction continue to represent a majority by voting power of the voting capital shares in issue immediately following the transaction on a fully-diluted basis or (II) the shares issued in exchange for the Company's or the Subsidiary's voting shares in issue immediately prior to such transaction represent a majority by voting power of the voting shares of the continuing entity immediately following the transaction on a fully-diluted basis, or (C) a consolidation, amalgamation or merger of any Subsidiary in which the aggregate gross proceeds to the Company and its Subsidiaries does not exceed $50,000); or (ii) sale to any third party of all or substantially all the assets of the Company or any Subsidiary, whether by sale, transfer, license or otherwise, other than any sale of all or substantially all the assets of a Subsidiary in which the aggregate gross proceeds to the Company and its Subsidiaries does not exceed $50,000; or (iii) acquisition by any person or entity, or group of related persons and/or entities, other than the Company or any Subsidiary, in a single transaction or a series of related transactions, of capital shares representing a majority by voting power of the voting capital shares of the Company or any Subsidiary, other than any such acquisition of shares of a Subsidiary in which the aggregate gross proceeds to the Company and its Subsidiaries does not exceed $50,000;

(b) Liquidate, dissolve or wind up the affairs of the Company or any Subsidiary;

(c) Authorize or issue any new class or classes or series of shares having any preference or priority as to dividends or amounts distributable upon liquidation, dissolution or winding up of the Company senior to or on parity with the Series B Preference Shares, or authorize or issue shares of any class or any bonds, debentures, notes or other obligations convertible into or exchangeable for, or having rights to purchase, any shares of the Company having any preference or priority as to dividends or amounts distributable upon liquidation, dissolution or winding up of the Company senior to or on parity with the Series B Preference Shares;

(d) Amend its Memorandum of Association or Bye-laws in any way that would adversely effect the rights of the holders of Series B Preference Shares. For this purpose, the authorization of any shares senior to or on parity with the Series B Preference Shares as to the right to receive either dividends or amounts distributable upon liquidation, dissolution or winding up of the Company shall be deemed to affect adversely the rights of the holders of Series B Preferred Shares;

(e) Acquire any entity in a transaction for which the consideration paid by the Company or the Subsidiary exceeds an aggregate of $1,000,000;

(f) Create, authorize or issue any additional Preference Shares, including additional Series A Preference Shares or Series B Preference Shares;

(g) repurchase or redeem any capital shares of the Company or any Subsidiary (except for repurchases at cost from employees, directors and consultants pursuant to agreements providing the Company or any Subsidiary with repurchase rights upon the termination of this service to the Company or such Subsidiary or redemption of the Preference Shares pursuant to the terms of the Bye-Laws);

(h) incur or carry any indebtedness for borrowed funds in an aggregate principal amount in excess of $2,500,000 on a consolidated basis;

(i) change the number of directors constituting the Board of Directors, except as expressly contemplated herein;

(j) increase the number of shares reserved for issuance to employees, directors or contractors unless approved by the Board of Directors, including the Series B Designees;

(k) change the principal business of the Company, enter a new unrelated line of business or exit the current line of business; or

(l) sell, transfer, pledge, hypothecate or otherwise dispose of any ownership interest in any Subsidiary to any third party.

7. Key Man Life Insurance. The Company shall maintain an insurance policy on the life of Robert Keane, in the beneficial amount of $2,000,000, with the Company as the sole beneficiary, for a period of seven (7) years from August 19, 2003.

8. Share Options. All options to purchase shares in the capital of the Company and restricted shares issued from the date hereof shall be subject to terms and conditions, including the vesting schedule, as approved by the Compensation Committee; provided, however, that all persons exercising an option shall be required, as a condition to such exercise, to become a party to an agreement providing a right of first refusal in favor of the Company. The Company shall not increase the aggregate number of Common Shares available under its equity incentive plans from those authorized as of the date hereof without the approval of the Series B Designees.

9. Related Party Transactions. The Company shall not enter into any agreement or transaction with any of its officers, directors, affiliates or beneficial owners of five percent (5%) or more of the issued capital shares of the Company without the consent of the holders of at least a majority of the Series B Preference Shares, which such consent shall not be unreasonably withheld. The provisions of this Section 9 shall not apply to (a) fees and compensation (including options and equity compensation) paid to or indemnity provided on behalf of any officer, director, employee or consultant of the Company or any of its Subsidiaries in the ordinary course consistent with past practices and (b) transactions exclusively between the Company and any of its Subsidiaries.

10. Compensation and Audit Committees. The Company shall maintain a Compensation Committee and an Audit Committee of the Board of Directors, each of which shall have no more than three members, none of whom shall be employees of the Company or any Subsidiary, and each of which shall include one Series B Designee as a member thereof. The Compensation Committee shall be charged with, among other things, the administration of all equity compensation plans and arrangements and will also approve or recommend to the Board of Directors all management compensation levels and arrangements. The Audit Committee will select the Company's auditor and will approve the scope of the Company's annual audit.

11. Meetings of the Board of Directors. The Board of Directors shall hold meetings duly called (with notice properly given) not less frequently than once per fiscal quarter of the Company or as otherwise determined by the Board of Directors, which shall include the Series B Designees then serving on the Board of Directors.

12. 10b5-1 Plans. The Company shall adopt an insider trading policy to provide that directors may implement trading plans pursuant to Rule 10b5-1 under the Exchange Act on a basis approved by the Series B Investors.

13. Tax Matters.

(a) The Company shall not make an election under Section 897(i) to be treated as a domestic corporation.

(b) Without the consent of the Series B Investors, the Company will not take any action that would result in the Company becoming a "controlled foreign corporation" within the meaning of Section 957 of the Code. The Company will provide prompt written notice to the Series B Investors if at any time the Company becomes aware that it or any Subsidiary has become a "controlled foreign corporation". Upon request of a Series B Investor from time to time, the Company will promptly provide in writing such information in its possession concerning its shareholders and the direct and indirect interest holders in each shareholder sufficient for such Series B Investor to determine that the Company is not a "controlled foreign corporation."

(c) The Company will not elect for United States federal income tax purposes to be classified other than as an association taxable as a corporation for U.S. Federal income tax purposes.

(d) The Company shall use its best efforts to avoid becoming, and to prevent any Subsidiary from becoming, a "passive foreign investment company" within the meaning of Section 1297 of the Code. The Company will provide prompt written notice to the Series B Investors if at any time the Company becomes a "passive foreign investment company." Additionally, if the Company or any Subsidiary becomes a "passive foreign investment company", the Company (or such Subsidiary) shall provide each Series B Investor with a "Passive Foreign Investment Company Annual Information Statement", as described in Regulation Section 1.1295-1(g) and such other information as the Internal Revenue Service may require from time to time, to allow the Series B Investor to timely make a "qualified electing fund election" with respect to the Company and/or any such Subsidiaries within the meaning of Section 1295 of the Code.

(e) The Company shall use its best efforts to avoid becoming, and to prevent any Subsidiary from becoming, a "foreign personal holding company" within the meaning of Section 552 of the code. The Company will provide prompt written notice to the Series B Investors if at any time the Company becomes aware that it or any Subsidiary has become a "foreign personal holding company".

(f) The Company shall take any reasonable action which is necessary or appropriate to assist any Series B Investor in obtaining any available exemption from or refund of any withholding or other tax imposed by any jurisdiction from time to time with respect to amounts distributable to such Series B Investor. The Company shall use reasonable efforts to make any filings, applications or elections reasonably necessary or appropriate to reduce the amount of tax withheld on behalf of any Series B Investor, and to receive refunds of tax withheld or paid, to the extent that the Company may reasonably and lawfully do so.

(g) Without the approval of the Series B Designees, the Company will not change its place of domicile other than to reincorporate (whether by merger, amalgamation, continuation or other means) in the State of Delaware.

ARTICLE VI. TRANSFER OF SHARES; LEGENDS

1. Restrictions on Transfer. Notwithstanding anything in this Agreement to the contrary, Registrable Shares shall not be Transferred unless either (i) they first shall have been registered under the Securities Act, or (ii) the Company first shall have been furnished with an opinion of legal counsel, reasonably satisfactory to the Company (it being agreed that Testa, Hurwitz & Thibeault, LLP or Wilmer Cutler Pickering Hale and Dorr LLP shall be satisfactory counsel), to the effect that such Transfer is exempt from the registration requirements of the Securities Act. The Company is required to refuse to register any Transfer of the Registrable Shares not made in accordance with Regulation S or pursuant to an available exemption from registration under the Securities Act.

2. Exceptions to Restrictions on Transfer. Notwithstanding the foregoing, no registration or opinion of counsel shall be required for a Transfer without consideration by a holder of Registrable Shares

as to which such Transfer the provisions of Section 3 of Article III do not apply, provided the transferee agrees in writing to be subject to the terms of this Article VI to the same extent as if the transferee were an original holder of Registrable Shares hereunder.

3. Restrictive Legend. All certificates representing Voting Shares owned or hereafter acquired by the Shareholders or any Transferee of the Shareholders bound by this Agreement shall have affixed thereto a legend in substantially the following form, in addition to any other legends that may be required hereunder or under any other agreement or applicable securities laws:

"THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN VOTING AGREEMENTS, RESTRICTIONS ON TRANSFER AND/OR OTHER TERMS AND CONDITIONS SET FORTH IN AN INVESTOR RIGHTS AGREEMENT, AS AMENDED FROM TIME TO TIME, BY AND AMONG THE REGISTERED OWNER OF THE SHARES REPRESENTED BY THIS CERTIFICATE (OR HIS, HER OR ITS PREDECESSOR IN INTEREST), THE COMPANY AND CERTAIN OTHER SHAREHOLDERS OF THE COMPANY, A COPY OF WHICH IS AVAILABLE FOR INSPECTION AT THE REGISTERED OFFICE OF THE COMPANY."

ARTICLE VII. GENERAL

1. Bye-Laws. The provisions of this Agreement take precedent over the Bye-Laws of the Company. Should there be any inconsistency between the Bye-Laws and this Agreement, then each Shareholder shall use its best efforts, including but not limited to voting any Voting Shares held by such Shareholder, to amend the Bye-Laws so as to conform the provisions thereof to this Agreement.

2. Termination. Article II, Article III and Article V of this Agreement shall terminate in their entirety on the closing of an Initial Public Offering. The Company's obligation to register Registrable Shares under Article IV of this Agreement shall terminate upon the earlier of (i) seven years after the closing of the Initial Public Offering and (ii) such time as all of the Registrable Shares have been sold.

3. Transfer of Rights; Deemed Holdings.

(a) This Agreement, and the rights and obligations of the Shareholders hereunder, may be assigned by a Shareholder to any person or entity to which Voting Shares are Transferred by the Shareholder in compliance with the provisions of this Agreement, and such Transferee shall be deemed a "Shareholder" for purposes of this Agreement; provided that (i) the BMA consents to the transfer, (ii) the Transferee or Transferor provides written notice of such assignment to the Company and (iii) the Transferee agrees in writing to be bound by the terms hereof and further provided that, notwithstanding the foregoing, the rights of a Shareholder pursuant to Articles III and IV may only be assigned to any (A) Person or entity which immediately following such Transfer, holds 500,000 or more Voting Shares (as adjusted for share splits, share consolidations, share dividends and similar events) or (B) spouse or child of a Shareholder pursuant to the terms of such Shareholder's duly executed will.

(b) If a Shareholder shall have rights under this Agreement to the extent that such Shareholder holds a minimum number of shares, all shares held by such Shareholder's spouse, minor children, or trusts for the benefit of children and all shares held by any Affiliate of such Shareholder shall be aggregated with the shares held by such Shareholder for purposes of determining whether such minimum threshold has been met.

4. Severability. The provisions of this Agreement are severable, so that the invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other term or provision of this Agreement, which shall remain in full force and effect.

5. Specific Performance. The Company and each Shareholder hereby agree and acknowledge that any breach of this Agreement would cause irreparable harm to the other parties hereto for which monetary damages would provide an inadequate remedy. Accordingly, and in addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, the Shareholders shall be entitled to seek specific performance of the agreements and obligations of the Company and the Shareholders hereunder and to such other injunctive or other equitable relief as may be granted by a court of competent jurisdiction.

6. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Massachusetts, exclusive of its conflicts of law rules.

7. Notices. All notices, requests, consents, and other communications under this Agreement shall be in writing and shall be delivered by hand, reputable overnight courier service or mailed by first class certified or registered mail, return receipt requested, postage prepaid:

If to the Company, c/o VistaPrint USA, Inc., 100 Hayden Avenue, Lexington, MA 02421, Attention: President, or at such other address or addresses as may have been furnished in writing by the Company to the Series A Investors and the Series B Investors; with a copy to (i) the registered office of the Company in Bermuda at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda Attention: the Secretary and (ii) Wilmer Cutler Pickering Hale and Dorr LLP, 60 State Street, Boston, MA 02109, Attention: Thomas S. Ward, Esq.; or

If to a Shareholder, at the address previously provided to the Company, or at such other address or addresses as may have been furnished to the Company in writing by such Shareholder.

Notices provided in accordance with this Article VII, Section 7 shall be deemed delivered upon personal delivery, one business day after delivery to a reputable overnight courier service or two business days after deposit in the mail.

8. Complete Agreement; Amendments.

(a) This Agreement constitutes the full and complete agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to the subject matter, including, but not limited to, the Amended and Restated Investor Rights Agreement dated June 13, 2002, as amended by and among the Company, the Prior Investors and the Series A Investors. Each of the parties hereto hereby acknowledges and agrees that such agreements and understandings be and hereby are terminated in their entirety and all rights and obligations thereunder be and hereby are extinguished and of no further force or effect.

(b) No amendment, modification or termination of any provision of this Agreement shall be valid unless in writing and signed by the Company and the holders of more than 50% of the voting power of the Preference Shares then held by the Series B Investors; provided, that Articles I, II, III, IV, VI and VII may be amended, modified or terminated only if, in addition to such consent of the Series B Investors, the holders of more than 50% of the Voting Shares held by all Shareholders concur in such amendment, modification or termination. Except as otherwise expressly set forth in this Agreement, the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) (i) with respect to the rights of the Company, with the written consent of the Company, (ii) with respect to the rights of the Series B Investors, with the written consent of the holders of more than 50% of the then issued Voting Shares held by all such Series B Investors, (iii) with respect to the rights of the Prior Investors or the Series A Investors, exclusive of the rights set forth in Article V, Section 2, with the written consent of the holders of more than 50% of the then issued Voting Shares held by all such Prior Investors and Series A Investors voting together; (iv) with respect to the rights of the Prior Investors and Series A Investors set forth in of Article V, Section 2, with the written consent of holders of more than 50% of the then issued Voting Shares held by all such Prior Investors and Series A Investors voting separately; (v) with respect to the rights of the Pre-emptive Rights Holders set forth in Article III, Section 1, with the written consent of the holders of more than 50% of the then issued Voting

Shares held by all such Pre-emptive Rights Holders; or (vi) with respect to the rights of the Major Series B Holders set forth in Article III, Section 3, with the written consent of the holders of more than 50% of the then issued Voting Shares held by all such Major Series B Holders. In no event shall the rights of any Prior Investor, Series A Investor, Series B Investor or Major Series B Holder be amended or modified hereunder so as to adversely affect the rights or obligations of such Prior Investor, Series A Investor, Series B Investor or Major Series B Holder in a manner disproportionate to the effect of such amendment or modification upon any other Prior Investor, Series A Investor, Series B Investor or Major Series B Holder having similar rights and obligations, without the consent of such Prior Investor, Series A Investor, Series B Investor or Major Series B Holder, as the case may be. Any amendment, modification, termination or waiver effected in accordance with this Section 8(b) shall be binding upon each of the Shareholders regardless of whether such Shareholder consented to such amendment, modification, termination or waiver, and notice of any such amendment, modification, termination or waiver shall be promptly sent to each Shareholder that has not executed a consent relating to such amendment, modification, termination or waiver. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

9. Pronouns. Whenever the content may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one Agreement binding on all the parties hereto.

11. Captions. Captions of sections have been added only for convenience and shall not be deemed to be a part of this Agreement.

[Remainder Of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Third Amended and Restated Investor Rights Agreement has been executed as of the date first written above.

COMPANY:

VISTAPRINT LIMITED

By: _____
Name:
Title:

SHAREHOLDERS:

_____
Robert Keane

HIGHLAND CAPITAL PARTNERS VI LIMITED PARTNERSHIP

By: Highland Management Partners VI Limited Partnership
By: Highland Management Partners VI, Inc.

By: _____
Managing Director

HIGHLAND CAPITAL PARTNERS VI-B LIMITED PARTNERSHIP

By: Highland Management Partners VI Limited Partnership
By: Highland Management Partners VI, Inc.

By: _____
Managing Director

HIGHLAND ENTREPRENEURS' FUND VI LIMITED PARTNERSHIP

By: HEF VI Limited Partnership
By: Highland Management Partners VI, Inc.

By: _____
Managing Director

REVOLUTION PARTNERS, LLC

By: _____
Name:
Title:

WESTPORT EQUITY PARTNERS CORP.

By: _____
Name:
Title:

_____
George Overholser

THE NIGEL W. MORRIS TRUST

By: _____
Name:
Title:

HARBOURVEST PARTNERS VI-DIRECT FUND L.P.

By: HarbourVest VI-Direct Associates LLC
Its General Partner

By: HarbourVest Partners, LLC
Its Managing Member

By: _____
Name:
Title:

BANQUE POPULAIRE INNOVATION

By: _____
Name:
Title:

BANQUE POPULAIRE INNOVATION 2 FCPI

By: _____
Name:
Title:

BANQUE POPULAIRE INNOVATION 3 FCPI

By: _____
Name:
Title:

SPEF PRE-IPO EUROPEAN FUND

By: _____
Name:
Title:

WINDOW TO WALL STREET INC.

By: _____
Name:
Title:

WINDOW TO WALL STREET IV, LIMITED PARTNERSHIP

By: _____
Name:
Title:

SOFINNOVA CAPITAL II FCPR

By: _____
Name:
Title:

WINDSPEED VENTURES

By: _____
Name:
Title:

MC EUROPEAN INVESTMENT PARTNERSHIP

By: _____
Name:
Title:

SILVER FRANCE INVESTMENT LTD.

By: _____
Name:
Title:

Kevin T. Keane

Patrick Mataix

Peter Franz Cremer

James S. Mulholland Jr.

Marie C. Flatness

TWICKLER 2004 ANNUITY TRUST

By: _____
Name:
Title:

BRUCE A. TWICKLER 2004 REVOCABLE TRUST

By: _____
Name:
Title:

Paul P. Huffard IV

IMAGINACTION S.A.

By: _____
Name:
Title:

Donald Savoie

DILEN SA

By:
Title:

Emma McQuillan

Taro Ikeba

HABERT DASSAULT FINANCE

By:
Title:

Benoit Habert

Mark Haynes

Phillip Dardier

Daniel Zumino

Jean-Marc Brunswick

Bruno Petit

Laurent Ryckelynck

BRAINBERRY SNC

By:
Title:

Helene Wintenberger

Gwyn Jones

INNOVAFRANCE FCPI

By:
Title:

INNOVAFRANCE 99 FCPI

By:
Title:

AVENIR FINANCE FCPR

By:
Title:

HEATHER K.L. MCEVOY KEANE IRREVOCABLE TRUST

By:
Title:

KEANE FAMILY IRREVOCABLE TRUST

By:
Title:

ROBERT S. KEANE 2003 IRREVOCABLE TRUST

By:
Title:

ROBERT AND HEATHER KEANE NEVIS TRUST

By:
Name:
Title:

ALISON R. KEANE & KEVIN R. KEANE JTWROS

_____
Alison R. Keane

_____
Kevin R. Keane

TREVOR M. KEANE UTMA NY

By: _____
Name: **Kevin R. Keane**
Title: **Custodian**

LILY A. KEANE UTMA NY

By: _____
Name: **Kevin R. Keane**
Title: **Custodian**

HENRY D. KEANE UTMA NY

By: _____
Name: **Kevin R. Keane**
Title: **Custodian**

NATHAN A. KEANE UTMA NY

By: _____
Name: **Kevin R. Keane**
Title: **Custodian**

WINDSPEED INVESTORS, L.P.

By: Windspeed Acquisition Fund GP, LLC
its General Partner

By: _____
Name:
Title:

MECHANIC BROCHAGE SAS

By: _____
Name:
Title:

AMENDMENT NO. 1 TO THIRD AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT

This Amendment No. 1 to Third Amended and Restated Investor Rights Agreement (the "Amendment") is dated as of _____, 2005 and is by and among VistaPrint Limited, an exempted company registered in Bermuda (the "Company"), and the Shareholders (as such term is defined in the Third Amended and Restated Investor Rights Agreement dated as of August 30, 2004 by and among the Company and the other parties thereto (the "Investor Rights Agreement"). Capitalized terms used herein but not defined shall have the meanings given to them in the Investor Rights Agreement.

WHEREAS, the Company and the Shareholders desire to amend the Investor Rights Agreement as set forth herein.

NOW, THEREFORE, the undersigned hereby agree as follows:

1. The definition of "Initial Public Offering" set forth in Article I of the Investor Rights Agreement is hereby deleted in its entirety and replaced with the following:

'"Initial Public Offering" means the Company's initial firm commitment underwritten public offering of Common Shares at a price per share of at least $8.00 (subject to appropriate adjustment for share splits, share dividends, share consolidations or other similar recapitalizations affecting the number of issued Common Shares) pursuant to an effective Registration Statement resulting in gross proceeds to the Company of at least $35,000,000; provided, however, if the Initial Public Offering shall not have occurred by December 31, 2005, the price per share set forth in the foregoing clause shall be increased to $12.33 (subject to appropriate adjustment for share splits, share dividends, share consolidations or other similar recapitalizations affecting the number of issued Common Shares).'

2. Effectiveness. The terms and provisions of this Amendment shall be effective for all purposes upon the receipt of a telecopy by the Company or its counsel of signature pages from (i) the Company, (ii) the holders of more than 50% of the voting power of the Preference Shares then held by the Series B Investors and (iii) holders of at least 50% of the issued Voting Shares held by all Shareholders.

3. No Other Amendment. Except as amended hereby, the Investor Rights Agreement shall remain in full force and effect in accordance with its terms.

4. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, exclusive of its choice of law and conflict of law rules.

Executed as a sealed instrument as of the date set forth below.

If an individual:

_____

Signature

_____

Print Name

If a corporation, partnership, trust or other non-individual signatory:

_____

Name of Entity

By: _____

Signature

Title: _____

VISTAPRINT LIMITED

By: _____

Title: _____

Exhibit 10.11

This LOAN AND SECURITY AGREEMENT is entered into as of November 1, 2004, by and between Comerica Bank, a Michigan corporation, acting through its Canadian branch ("Bank") and VistaPrint North American Services Corp., a Nova Scotia corporation ("Borrower").

RECITALS

Borrower wishes to obtain credit from time to time from Bank, and Bank desires to extend credit to Borrower. This Agreement sets forth the terms on which Bank will advance credit to Borrower, and Borrower will repay the amounts owing to Bank.

AGREEMENT

The parties agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1 Definitions. As used in this Agreement, all capitalized terms shall have the definitions set forth on Exhibit A. Any term used in the Act and not defined herein shall have the meaning given to the term in the Act. All amounts referred to in this Agreement are in United States currency unless otherwise specifically stated.

1.2 Accounting Terms. Any accounting term not specifically defined on Exhibit A shall be construed in accordance with GAAP and all calculations shall be made in accordance with GAAP. The term "financial statements" shall include the accompanying notes and schedules.

2. LOAN AND TERMS OF PAYMENT.

2.1 Credit Extensions.

(a) Promise to Pay. Borrower promises to pay to Bank, in lawful money of the United States of America, the aggregate unpaid principal amount of all Credit Extensions made by Bank to Borrower, together with interest on the unpaid principal amount of such Credit Extensions at rates in accordance with the terms hereof.

(b) Construction Loan.

(i) Subject to and upon the terms and conditions of this Agreement, Bank agrees to loan, and Borrower agrees to borrow and repay on or before the Construction Loan Maturity Date, when the entire unpaid balance of principal and interest shall be due and payable, sums not to exceed the Construction Loan Amount. The Construction Loan shall be evidenced by the Construction Note, under which advances may be made from time to time. Each Advance shall not exceed 100% of the Direct Costs and Indirect Costs made against invoices from the General Contractor. Advances are subject to a ten percent (10%) holdback under the Construction Lien Act of Ontario, as well as Borrower establishing to the satisfaction of Bank Borrower's 25% equity in the Project.

(ii) The proceeds of the Construction Loan shall be used by Borrower to finance the construction of the Project, in accordance with plans and specifications reasonably approved by Bank.

(iii) The Construction Loan shall bear interest at the rate specified in Section 2.2 (a) and shall be payable in accordance with Section 2.2(c).

(iv) Borrower may prepay all or part of the Construction Note accruing interest at the Prime Rate at any time without prepayment premium or penalty. Any amounts so prepaid shall not be available for re-advance.

(v) Upon the Construction Loan Maturity Date, the Borrower may convert the Construction Loan to the Mortgage Loan, subject to the following conditions:

a) No event of default hereunder or under any of the other Loan Documents shall be in existence;

b) Intentionally omitted;

c) The Project shall have been completed in a good and workmanlike manner in accordance with all applicable codes, on a lien free basis in accordance with the plans and specifications and Budget approved by Bank with a certificate of occupancy therefor having been issued;

d) Bank shall have received the an update of the Appraisal of the Project, on an as completed basis;

e) The Mortgage Loan, will (i) be for a term of four (4) years, (ii) amortize over a period of fifteen (15) years, and (iii) bear interest (at Borrower's option) at either (x) the "Prime-based Rate" (as defined in Section 2.2(a)(i)), (y) the Term LIBOR Option (as defined in Section 2.b.i. of the LIBOR/Cost of Funds Addendum (Exhibit B hereto) or (z) the Term Cost of Funds Option (as defined in Section 2.b.ii. of the LIBOR/Cost of Funds Addendum);

f) Borrower shall have, no less than ten (10) Business Days nor more than thirty (30) Business Days prior to the Completion Date to have executed and delivered to Bank the Mortgage Note, as required by Bank, the interest rate, amortization and other payment provisions all determined in accordance with this Section 2.1(b); and

g) The amount of the Mortgage Loan shall be the lesser of: (a) Three Million One Hundred Thousand Dollars ($3,100,000); (b) the then outstanding principal balance of the Construction Loan; (c) seventy-five percent (75%) of the total costs of the Project; or (d) seventy-five percent (75%) of the Appraised Value of the Project (as confirmed by an Updated Appraisal of the Project on an actual as-completed basis).

(vi) When Borrower desires to obtain an Advance under the Construction Loan (but no more than once a month), Borrower shall notify Bank (which notice shall be irrevocable) by facsimile transmission to be received no later than 3:00 p.m. Eastern time three Business Days before the day on which the Advance is to be made. Such notice shall be substantially in the form of Exhibit C. The notice shall be signed by a Responsible Officer or its designee and include a copy of the invoice from the General Contractor. Prior to each Advance request, but in any case at least monthly, an independent third party approved by Bank will inspect the Project.

(c) Equipment Advances.

(i) Subject to and upon the terms and conditions of this Agreement, Bank agrees to make Equipment Advances to Borrower in two tranches, Tranche A and Tranche B. On the Closing Date, Bank agrees to make an Equipment Advance under Tranche A to Borrower. Borrower may request Equipment Advances under Tranche B at any time from the Closing Date through the Tranche B Availability End Date. The aggregate outstanding amount of Tranche A Equipment Advances and Tranche B Equipment Advances shall not exceed the Equipment Loan. The Equipment Loan shall be evidenced by the Equipment Note, under which advances may be made from time to time. Each Equipment Advance shall not exceed 100% of the invoice (as reviewed by Bank) amount of printing equipment used in Borrower's customary operations (including deposits and down payments) (which Borrower shall, in any case, have purchased (or incurred deposits or down payments for such purchases) within 90 days of the date of the corresponding Equipment Advance, except for Equipment Advances under Tranche A in which case the equipment shall have been purchased (or such deposits or down payments incurred) after June 30, 2004), excluding taxes, shipping, warranty charges, insurance, freight discounts, installation expense, training, and other soft costs, and shall be evidenced by accompanying invoices delivered to Bank within 90 days of purchase.

(ii) Interest shall accrue from the date of each Equipment Advance at the rate specified in Section 2.2(a), and shall be payable in accordance with Section 2.2(c). Installments of interest are calculated at an assumed amortization term. The Equipment Advances shall be interest only until November 1, 2005. Thereafter, interest and principal payments shall amortize over a period of seven and one half (7.5) years. Any Equipment Advances under the Equipment Loan outstanding under Tranche A on the Closing Date and Tranche B on the Tranche B Availability End Date shall be payable in 48 equal monthly installments of principal, plus all accrued interest, beginning on November 1, 2005, and continuing on the same day of each month thereafter through the Equipment Maturity Date, at which time all amounts due in connection with the Equipment Loan and any other amounts due under this Agreement and outstanding at the time shall be immediately due and payable. Advances under the Equipment Loan, once repaid, may not be reborrowed. Borrower may prepay all or part of the Equipment Line accruing interest at the Prime Rate at any time without penalty or premium.

(iii) When Borrower desires to obtain an Equipment Advance, Borrower shall notify Bank (which notice shall be irrevocable) by facsimile transmission to be received no later than 3:00 p.m. Eastern time three Business Days before the day on which the Equipment Advance is to be made. Such notice shall be substantially in the form of Exhibit C. The notice shall be signed by a Responsible Officer or its designee and include a copy of the invoice or invoices for any Equipment to be financed.

2.2 Interest Rates, Payments, and Calculations.

(a) Interest Rates.

(i) Construction Loan. Except as set forth in Section 2.2(b), the Construction Loan and Mortgage Loan shall bear interest, on the outstanding daily balance thereof, at a variable rate equal to the Prime Rate minus 1.00% (the "Prime-based Rate") or as set forth in the LIBOR/Cost of Funds Addendum to Loan & Security Agreement attached as Exhibit B.

(ii) Equipment Loan. Except as set forth in Section 2.2(b), the, Equipment Advances shall bear interest, on the outstanding daily balance thereof, at a rate equal to the Prime Rate or as set forth in the LIBOR/Cost of Funds Addendum to Loan & Security Agreement attached as Exhibit B.

(b) Late Fee; Default Rate. If any payment is not made within 10 days after the date such payment is due, Borrower shall pay Bank a late fee equal to the lesser of (i) 5% of the amount of such unpaid amount or (ii) the maximum amount permitted to be charged under applicable law. All Obligations shall bear interest, from and after the occurrence and during the continuance of an Event of Default, at a rate equal to 3 percentage points above the interest rate applicable immediately prior to the occurrence of the Event of Default.

(c) Payments. Interest hereunder shall be due and payable on the first calendar day of each month during the term hereof. Bank shall, charge such interest and all Periodic Payments (and upon prior notice, Bank Expenses) against any of Borrower's deposit accounts, in which case those amounts shall thereafter accrue interest at the rate then applicable hereunder unless the parties agree otherwise. Any interest not paid when due shall be compounded by becoming a part of the Obligations, and such interest shall thereafter accrue interest at the rate then applicable hereunder. All payments shall be free and clear of any taxes, withholdings, duties, impositions or other charges, to the end that Bank will receive the entire amount of any Obligations payable hereunder, regardless of source of payment.

(d) Computation. In the event the Prime Rate is changed from time to time hereafter, the applicable rate of interest hereunder shall be increased or decreased, effective as of the day the Prime Rate is changed, by an amount equal to such change in the Prime Rate. For the purpose of the *Interest Act (Canada)*, the annual rates of interest to which the rates calculated under this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year and divided by 360. All interest payable under this Agreement is payable both before and after any or all of default, maturity, demand and judgment.

(e) Currency Conversion. If, for the purpose of obtaining judgment in any court, determining the amount outstanding under this Agreement or for any other purpose, it is necessary to convert an

amount in one currency (the "Original Currency") into another currency (the "Second Currency"), the Equivalent Amount of the Second Currency shall be used. If the conversion relates to a judgment, the conversion shall be performed as of the date two (2) Business Days preceding that on which judgment is given. For all other purposes, the conversion shall be performed as of the date and time of determination. Borrower agrees that any obligations in respect of any Original Currency due from it to Bank shall, notwithstanding any judgment or payment in any Second Currency, be discharged only to the extent that, on the Business Day following receipt of any sum so paid or adjudged to be due in the Second Currency, Bank may, in accordance with normal banking procedures, purchase, in the Toronto foreign exchange market, the Original Currency with the amount of the Second Currency so paid or so adjudged to be due; and if the amount of the Original Currency so purchased is less than the amount of the Original Currency due to Bank, Borrower agrees, as a separate obligation and notwithstanding any such payment or judgment, to pay Bank the amount of the Second Currency required to purchase the amount of the Original Currency necessary to make up such difference on such date together with interest (at the rate then in effect under this Agreement) and expenses from such date to the date of payment.

2.3 Crediting Payments. Prior to the occurrence of an Event of Default, Bank shall credit a wire transfer of funds, check or other item of payment to such deposit account or Obligation as Borrower specifies, except that to the extent Borrower uses the Advances to purchase Collateral, Borrower's repayment of the Advances shall apply on a "first-in-first-out" basis so that the portion of the Advances used to purchase a particular item of Collateral shall be paid in the chronological order the Borrower purchased the Collateral. After the occurrence of an Event of Default, Bank shall have the right, in its sole discretion, to immediately apply any wire transfer of funds, check, or other item of payment Bank may receive to conditionally reduce Obligations, but such applications of funds shall not be considered a payment on account unless such payment is of immediately available federal funds or unless and until such check or other item of payment is honored when presented for payment. Notwithstanding anything to the contrary contained herein, any wire transfer or payment received by Bank after 12:00 noon Eastern time shall be deemed to have been received by Bank as of the opening of business on the immediately following Business Day. Whenever any payment to Bank under the Loan Documents would otherwise be due (except by reason of acceleration) on a date that is not a Business Day, such payment shall instead be due on the next Business Day, and interest shall accrue and be payable for the period of such extension.

2.4 Fees. Borrower shall pay to Bank the following:

(a) Structuring Fee. On the Closing Date, a fee equal to 0.75% of the Credit Extensions, which shall be nonrefundable;

(b) Bank Expenses. On the Closing Date, all Bank Expenses incurred through the Closing Date, and, after the Closing Date, all Bank Expenses, as and when they become due.

2.5 Term. This Agreement shall become effective on the Closing Date and, subject to Section 12.7, shall continue in full force and effect for so long as any Obligations remain outstanding or Bank has any obligation to make Credit Extensions under this Agreement. Notwithstanding the foregoing, Bank shall have the right to terminate its obligation to make Credit Extensions under this Agreement immediately and without further notice upon the occurrence and during the continuance of an Event of Default.

3. CONDITIONS OF LOANS.

3.1 Conditions Precedent to Initial Credit Extension. The obligation of Bank to make the initial Credit Extension is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, the following:

(a) this Agreement;

(b) an officer's certificate of Borrower with respect to incumbency and resolutions authorizing the execution and delivery of this Agreement together with certified copies of Borrower's organizational documents;

(c) agreement to provide insurance;

(d) guarantees of VistaPrint Limited and Vista Print Technologies Limited, together with corporate resolutions for each Guarantor in form acceptable to Bank authorizing execution of such guarantee and certified copies of each Guarantors organizational documents;

(e) deposit account control agreements for accounts of VistaPrint Limited and Vista Print Technologies Ltd with The Bank of Bermuda Limited or such other bank(s), covering deposit amounts not to exceed $12,000,000 in form reasonably satisfactory to Bank, and subject to Section 4.3;

(f) account pledge agreements from VistaPrint Canada Limited, VistaPrint Limited and VistaPrint Technologies Limited in form reasonably satisfactory to Bank, and subject to Section 4.3;

(g) deposit account control agreement for accounts of VistaPrint Canada Limited with The Bank of Nova Scotia or such other bank(s) covering deposit amounts not to exceed $12,000,000 in form reasonably satisfactory to Bank, and subject to Section 4.3;

(h) an opinion of Borrower's and Guarantors' counsel with respect to such matters as Bank's counsel shall reasonably require which, with respect to Canadian counsel, shall not include enforceability of the Loan Agreement and Security Documents;

(i) prior to the Initial Construction Advance (as defined below) a first charge/mortgage on the Premises, which contains a provision assigning to Bank all leases, rental arrangements, rents, land contracts, income and profits arising out of Premises;

(j) prior to the Initial Construction Advance a collateral assignment of contract rights in substantially the form of Exhibit E which assigns all contract rights related to the construction of the Project of Borrower to Bank, including but not limited to the plans and specifications of the Project, and all assignable building permits, governmental permits, licenses and authorizations issued from time to time in connection with the Project, and consent to assignment executed by the general contractor and the Project architect all in form reasonably satisfactory to Bank;

(k) A general security agreement in form and substance reasonably acceptable to Bank whereby Borrower pledges to Bank a first priority security interest in and to all of Borrower's tangible and intangible personal property;

(l) payment of the fees and Bank Expenses then due specified in Section 2.4;

(m) current PPSA Reports indicating that except for Permitted Liens, there are no other security interests or Liens of record in the Collateral registered under the PPSA in the Collateral Province;

(n) an annual audit of the Collateral (unless there occurs an Event of Default, at which case such audit may occur more than once a year), the results of which shall be reasonably satisfactory to Bank;

(o) current financial statements of VistaPrint Limited (the "Consolidated Company"), including audited statements for VistaPrint Limited's most recently ended fiscal year, together with an unqualified report of its auditors, company prepared consolidated and consolidating balance sheets and income statements for the Consolidated Company for the most recently ended month in accordance with Section 6.2, and such other updated financial information as Bank may reasonably request;

(p) current Compliance Certificate in accordance with Section 6.2; and

(q) such other documents or certificates, and completion of such other matters, as Bank may reasonably deem necessary or appropriate.

3.2 Conditions Precedent to advances under the Construction Loan.

(a) Prior to any borrowing under the Construction Loan, Borrower shall have furnished or cause to be furnished to Bank, in form and substance satisfactory to Bank, the following:

(i) A policy of mortgage title insurance loan policy form, issued in the Province of Ontario, Canada by a title insurance company satisfactory to Bank without exceptions, and in a form acceptable to Bank's counsel acting reasonably, in an amount equal to the Construction Loan Amount insuring that the Mortgage is a first lien on the Premises, that the title to the Premises and that there are no other liens, claims or encumbrances thereon except for the Permitted Encumbrances. Such policy shall provide that if disbursements hereunder shall be made by Bank through the Title Company or Bank's solicitors or pursuant to a pending disbursement rider by the Title Company, the Title Company or Bank's solicitors shall obtain from Borrower certificates of payment issued by Borrower's architect (and reviewed by Bank's architect/engineer if required by Bank) for all completed and paid up work, and further, irrespective of the delivery or non-delivery of said certificates of payment as herein contemplated, that in all events the Title Company shall insure any disbursements made under the policy as a condition of such disbursements and that the lien of the Mortgage shall at all times constitute a first lien insured as such by the Title Company subject only to the Permitted Encumbrances. The policy shall also contain a zoning endorsement acceptable to Bank's counsel, pending disbursement clause, comprehensive endorsement and such other endorsements as are required by Bank, acting reasonable;

(ii) Prior to the initial advance under the Construction Loan (the "Initial Construction Advance") a copy of each executed building permit and each approved site plan, together with evidence that all construction and improvements and their use fully comply with all applicable Environmental Laws, land use, zoning, health, fire and building laws, regulations and requirements;

(iii) Prior to the Initial Construction Advance, a mortgage survey certified to Bank and to the Title Company for the Premises from a registered Ontario Land Surveyor acceptable to Bank which complies with Bank's minimum detail requirements and which shows nothing objectionable to Bank or a survey endorsement from the Title Company, reasonably satisfactory to Bank;

(iv) Prior to the Initial Construction Advance, a copy of the Budget as approved by Bank;

(v) Prior to the Initial Construction Advance, a set of the Project's final plans and specifications;

(vi) Prior to the Initial Construction Advance, copies of all contracts covering the cost of the Project entered into by the Borrower, in form assignable to Bank;

(vii) Prior to the Initial Construction Advance, copies of the insurance policies and endorsements required under the terms and conditions of this Agreement;

(viii) Intentionally omitted;

(ix) Prior to the Initial Construction Advance, evidence that all necessary utilities have been or will be supplied to the Project, which may be satisfied by a certification from the general contractor;

(x) Prior to the Initial Construction Advance, a copy of a soil evaluation test of the Project, together with a certificate from the Project engineer regarding the suitability of the soil conditions for the construction of the Project;

(xi) Prior to the Initial Construction Advance, a satisfactory Phase I environmental assessment report prepared by a consultant acceptable to Bank. The Phase I environmental assessment report and other information provided by the Borrower to Bank as required in this commitment must demonstrate to Bank's reasonable satisfaction that 1) there is no contamination or Hazardous Materials present on the Premises 2) there are

no other circumstances regarding the environmental status of the subject property or of other properties in reasonable proximity to the Premises which might impair the value of the Premises or result in Bank's assumption of any environmental liability which it deems to be unacceptable in its sole and absolute discretion, and 3) there are no material violations of Environmental Laws and regulations with respect to the Premises or the Borrower;

(xii) Prior to the Initial Construction Advance, an "as built" appraisal of the Project establishing the Appraised Value, which Bank acknowledges receipt of and satisfaction of this condition;

(xiii) Prior to the Initial Construction Advance, a copy of a pre-construction audit by the Bank report, satisfactory to Bank prepared by the Inspector;

(xiv) Such other information as Bank may reasonably request from time to time.

(b) Bank shall not be obligated to make Advances under the Construction Note unless Borrower shall on each occasion of Advance file with Bank a Request for Advance as of the date of the borrowing duly executed by Borrower. Said request shall be supported by:

(i) A certificate of payment of Borrower's architect/engineer (and reviewed by Bank's architect/engineer if required by Bank) for all completed and paid up work in form satisfactory to Bank and to the Title Company, as applicable, wherein the contract price, including any approved change orders, is set forth, together with the amount paid, the amount currently due and the balance due and the amount required to complete the Project which shall include all costs under the construction contract and amounts retained hereunder;

(ii) Signed AIA forms G-702 and G-703 or their Canadian equivalents;

(iii) Appropriate declarations as to payment of outstanding liabilities with respect to the Project satisfactory to Bank, acting reasonably and the Title Company;

(iv) A certificate from Borrower's architect/engineer stating: (i) that the portion of the construction which is the subject of the Advance is fully completed in accordance with approved plans and specifications and in good and workmanlike manner, and (ii) that the Project can be completed by the Completion Date subject to Section 8.17;

(v) A revised and updated Budget prepared by Borrower, if any change in the Budget has occurred; and

(vi) A satisfactory inspection report from the Inspector, provided that such inspection report shall be provided at least monthly.

(c) No Advance of the Construction Loan shall be made hereunder unless (a) Bank shall be satisfied at the time of each such Advance that the amount of the Construction Loan remaining undisbursed is sufficient to complete the Project, (b) Bank shall be in receipt of an endorsement to the Title Policy increasing the coverage thereunder to include the amount to be advanced, and (c) Bank shall have approved any change in the Budget. Each Advance of the Construction Loan shall be computed on the basis of retaining undisbursed Construction Loan funds equal to the sum of: (i) 75% of the cost to complete the Project, including all related costs and fees, which amounts shall be retained by Bank until the requirements of this Section 3 are fulfilled, (ii) all amounts which have been retained or held back under any construction contracts or subcontracts for the Project, and (iii) all holdbacks pursuant to the Construction Lien Act of Ontario. Subject to satisfaction of the foregoing requirements of this Section 3.2(c), Borrower shall, with respect to a Request for Advance to pay Direct Costs, be entitled to receive an amount equal to 75% of the amount of Direct Costs incurred through the date of the Request for Advance as shown therein, reduced by amounts theretofore advanced for Direct Costs. The percentage of completion of construction at any time and the total Direct Costs shall be determined by the Inspector in his sole discretion. With respect to a Request for Advance to pay Indirect Costs, the Borrower shall be entitled to receive an amount equal to 75% of the amount of Indirect Costs incurred through the date of the Request for Advance as shown therein, reduced by amounts theretofore advanced for Indirect Costs.

(d) Advances of the Construction Loan shall be limited to the actual cost of each item on the Budget as approved by Bank. If the actual cost of any of the items shown on the Budget is less than the budgeted amount, at the request of Borrower and the consent of Bank, which shall not be unreasonably withheld and provided there is no Event of Default, Bank shall reallocate to other line items any sums in excess of the actual cost for such item. Bank shall not be obligated to make any Advances of the Construction Loan for stored materials. Bank shall not be obligated to make Advances of the Construction Loan more frequently than monthly. Bank shall not be obligated to make any Advances of the Construction Loan from the contingency line item, but may do so at its option. Borrower shall bear the cost of all legal, title search, title company, inspection and other costs and expenses of Bank in connection with any advance of Construction Loan proceeds hereunder, including, but not limited to those costs and expenses of Bank in connection with protecting and insuring the priority of its Mortgage on the Premises as to each and every dollar of the Construction Loan disbursed hereunder, whether such costs and expenses are incurred in respect of title search, legal, Inspector fees or otherwise, and by its execution of this Agreement Borrower authorizes Bank to debit Borrower's accounts with Bank or advance funds from the Construction Loan in payment of any and all of such fees, costs and expenses. Anything contained in this Agreement to the contrary notwithstanding, each Advance of the Construction loan shall be subject to the retention by Bank or its solicitors of statutory holdback amount under the Construction Lien Act (Ontario).

(e) Borrower shall purchase or cause to be purchased, public liability and property damage/casualty insurance (such property damage/casualty insurance to be on a replacement cost basis and containing such endorsements/coverage consistent with prudent commercial property ownership practice in the province of Ontario) with respect to the Premises and the Project. The general contractor of the Project shall also maintain insurance pursuant to all applicable worker's compensation laws as well as general liability and builders risk policies in form as substance reasonably satisfactory to Bank. The liability insurance shall be in an amount not less than Two Million Dollars ($2,000,000). The property damage/casualty insurance policies required hereunder shall each contain a loss payable clause to the Bank, as mortgagee, and shall provide that the policy may not be cancelled or modified without thirty (30) days prior written notice to Bank. The original or duplicate of each such policy (or certificates evidencing such policies) and each renewal thereof shall be delivered to Bank. The insurance companies writing the insurance policies shall be reasonably satisfactory to Bank. The insurance required hereunder shall be maintained in full force and effect at all times during the period of this Agreement and while any indebtedness is owed by Borrower to Bank and Bank shall be noted on all such policies as mortgagee, loss payee and additional insured.

(f) Anything herein to the contrary notwithstanding Bank may make an Advance of the Construction Loan in part or in total, before same becomes due, if the Bank reasonably believes it advisable to do so, and all such Advances shall be deemed to have been made pursuant to this Agreement and not a modification hereof. The making of any Advance of the Construction Loan or any part of an Advance of the Construction Loan shall not be deemed an approval or acceptance by the Bank of the work theretofore done. Any Advance of the Construction Loan or portion thereof may be postponed or deferred by the mutual consent of Borrower and Bank, and any such postponement or postponements shall be deemed to be pursuant to this Agreement and not a modification hereof.

(g) A final Advance under the Construction Note shall be made only upon Bank's receipt of certification by its inspecting architect of completion of the Project and issuance of all governmental approvals including, but not limited to, a final certificate of occupancy, by the appropriate governmental authorities having jurisdiction, and compliance with the Construction Lien Act of Ontario.

(h) Subject to Section 8.17, if the Project at any time is discontinued or is not carried on for a period of 10 consecutive days, Bank may, but shall not be required to, purchase materials and employ workmen to protect the Project so that the same will not suffer from vandalism, waste or the weather, or complete the Project. In such event, Bank may terminate its commitment to lend under this Agreement and pursue its remedies hereunder and under the Mortgage and under any other documents delivered pursuant to this Agreement. At Bank's option, Bank may, but shall not be required to make advances under this Section in excess of the Construction Loan Amount. All sums paid or expended under this Section shall be deemed Advances of the Construction Loan to Borrower under the Construction Note and secured by the Mortgage and the other security agreements and instruments described herein.

3.3 Borrower agrees to pay any reasonable fees and expenses incurred by Bank in connection with this loan, including but not limited to fees and expenses for surveys, appraisals, inspection reports, environmental audits, surveys and reports, the Title Policy, lien searches and all recording fees, and all fees charged by the Inspector, and legal fees for preparation of loan documents and closing. Bank may advance or deduct from any payment to be made under this Agreement, and/or any account of Borrower at Bank, any amount necessary for the payment of the aforedescribed fees and expenses, and of any insurance premiums, mortgages, taxes, assessments, water rates, sewer rents and other charges, liens and encumbrances upon the said premises, whether before or after the making of the loan and any amounts necessary for payment of any unpaid costs of the Project and apply such amounts in making said payments. All sums paid or expended under this Section shall be deemed Advances of the Construction Loan to Borrower at Borrower's request under the Construction Note secured by the Mortgage and the other security documents described herein.

3.4 Conditions Precedent to all Credit Extensions. The obligation of Bank to make each Credit Extension, including the initial Credit Extension, is further subject to the following conditions:

(a) timely receipt by Bank of the Payment/Advance Form as provided in Section 2.1; and

(b) the representations and warranties contained in Section 5 shall be true and correct in all material respects on and as of the date of such Payment/Advance Form and on the effective date of each Credit Extension as though made at and as of each such date (provided, however, that those representations and warranties expressly referring to another date shall be true, correct and complete in all material respects as of such date), and no Event of Default shall have occurred and be continuing, or would exist after giving effect to such Credit Extension.

4. CREATION OF SECURITY INTEREST.

4.1 Grant of Security Interest. Pursuant to that certain General Security Agreement executed by Borrower in favor of Bank of even date herewith (the "GSA"), Borrower grants and pledges to Bank a continuing security interest in the Collateral to secure prompt repayment of any and all Obligations and to secure prompt performance by Borrower of each of its covenants and duties under the Loan Documents.

4.2 Intellectual Property. Upon the request of Bank in the event Borrower develops or obtains intellectual property, an intellectual property agreement in substantially the form of Exhibit F whereby Borrower pledges to Bank a first priority security interest in and to all of Borrower's intellectual property.

4.3 Account Pledge Agreements. Notwithstanding anything to the contrary contained herein or in those certain deposit account control agreements and account pledge agreements referenced in Section 3.1(e), (f) and (g), (the "Account Agreements") the amount of monies in such accounts that shall be subject to the exclusive control (i.e., a "Notice and Exclusive Control" has been delivered) of the Bank shall not exceed, in the aggregate, $12,000,000. In that regard, to the extent of any inconsistencies between the terms of this section and the Account Agreements, upon the reasonable request of Borrower and the Deposit Bank(s) referenced in the Account Agreements Bank shall execute and deliver such further notices or directions to effect the purpose of this Section.

5. REPRESENTATIONS AND WARRANTIES.

Borrower represents and warrants as follows:

5.1 Due Organization and Qualification. Borrower is a corporation duly existing under the laws of the province in which it is incorporated and qualified and licensed to do business in any province in which the conduct of its business or its ownership of property requires that it be so qualified, except where the failure to do so would not reasonably be expected to cause a Material Adverse Effect.

5.2 Due Authorization; No Conflict. The execution, delivery, and performance of the Loan Documents are within Borrower's powers, have been duly authorized, and are not in conflict with nor constitute a breach of any provision contained in Borrower's Memorandum of Association, nor will they constitute an event of default under any material agreement by which Borrower is bound. Borrower is not in default under any material

agreement by which it is bound, except to the extent such default would not reasonably be expected to cause a Material Adverse Effect.

5.3 Collateral. Borrower has rights in or the power to transfer the Collateral, and its title to the Collateral is free and clear of Liens, adverse claims, and restrictions on transfer or pledge except for Permitted Liens. All Collateral is located solely in the Collateral Province. All Inventory is in all material respects of good and merchantable quality, free from all material defects, except for Inventory for which adequate reserves have been made. Except as set forth in the Schedule, none of the Collateral is maintained or invested with a Person other than Bank or Bank's Affiliates.

5.4 Intellectual Property Collateral. Intentionally omitted.

5.5 Name; Location of Headquarters Office. Except as disclosed in the Schedule, Borrower has not done business under any name other than that specified on the signature page hereof, and its exact legal name is as set forth in the first paragraph of this Agreement. Upon completion of the Project, the address of the Project shall be Borrower's headquarters.

5.6 Litigation. Except as set forth in the Schedule, there are no actions or proceedings pending by or against Borrower before any court or administrative agency in which a likely adverse decision would reasonably be expected to have a Material Adverse Effect, including but not limited to any action to assert, foreclose or enforce mechanics or other involuntary liens, the outcome of which could materially impair Borrower's financial condition or its ability to carry on its business.

5.7 No Material Adverse Change in Financial Statements. All consolidated and consolidating financial statements related to Borrower and the Consolidated Company that are delivered by Borrower to Bank fairly present in all material respects Borrower's and the Consolidated Company's consolidated and consolidating financial condition as of the date thereof and Borrower's and the Consolidated Company's consolidated and consolidating results of operations for the period then ended. There has not been a material adverse change in the consolidated or in the consolidating financial condition of Borrower or the Consolidated Company since the date of the most recent of such financial statements submitted to Bank.

5.8 Solvency, Payment of Debts. Borrower is able to pay its debts (including trade debts) as they mature; the fair saleable value of Borrower's assets (including goodwill minus disposition costs) exceeds the fair value of its liabilities; and Borrower is not left with unreasonably small capital after the transactions contemplated by this Agreement.

5.9 Subsidiaries. Borrower does not own any stock, partnership interest or other equity securities of any Person, except for Permitted Investments and has no Subsidiaries.

5.10 Government Consents. To the best of Borrower's knowledge, Borrower has obtained (or will have obtained when required) all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all governmental authorities that are necessary for the continued operation of Borrower's business as currently conducted, except where the failure to do so would not reasonably be expected to cause a Material Adverse Effect.

5.11 Inbound Licenses. Except as disclosed on the Schedule, Borrower is not a party to, nor is bound by, any license or other agreement that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or any other property.

5.12 Environmental Laws. To the best of Borrower's knowledge, there are no conditions existing currently or likely to exist during the term of this Agreement which would subject a Borrower to damages, penalties, injunctive relief or cleanup costs under any applicable Environmental Laws or which require or are likely to require cleanup, removal, remedial action or other response pursuant to applicable Environmental Laws by Borrower and Borrower is neither subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Laws nor has Borrower been named or listed as a potentially responsible party by any governmental

body or agency in a matter arising under any applicable Environmental Laws. Borrower has obtained all Environmental Permits, licenses and approvals required under applicable Environmental Laws.

5.13 Title to Premises. Prior to the Initial Construction Advance, it will have good and marketable title to all of the real property comprising the Premises, subject to the Permitted Encumbrances.

5.14 Governmental Requirements. Borrower or its representatives have obtained, or will obtain when required, all licenses, permits, authorizations, consents or approvals from each Governmental Authority necessary for the construction of the Project; and all such licenses, permits, authorizations, consents or approvals are, or will be when required, in full force and effect.

5.15 Utilities. To the best of Borrower's knowledge and according to the plans and specifications for the Project, the Premises shall once completed, have adequate rights of access to public utilities and/or private water, sanitary sewer and storm drain facilities. To the best of Borrower's knowledge and according to the plans and specifications for the Project, all such utilities necessary to the full use and enjoyment of the Project are available at the boundaries of the Premises, and shall be constructed and installed to service the Project prior to the Completion Date.

5.16 Roads. The Premises have adequate rights of access to public ways and all roads necessary for the full utilization of the Project for its intended purposes have either been completed or the necessary rights of way therefor have either been acquired by the appropriate Governmental Authority or have been dedicated to public use and accepted by said Governmental Authority, and all necessary steps have been taken by Borrower and said Governmental Authority to assure the complete construction and installation thereof. Lender acknowledges that ingress and egress to and from the Premises may be pursuant to a certain access easement or agreement with the adjoining property owner (the "Access Agreement").

5.17 Full Disclosure. No representation, warranty or other statement made by Borrower herein and the documents specified herein contains any untrue statement of a material fact or omits to state a material fact necessary in order to make such statements not misleading, it being recognized by Bank that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not to be viewed as facts and that actual results during the period or periods covered by any such projections and forecasts may differ from the projected or forecasted results.

6. AFFIRMATIVE COVENANTS.

Borrower covenants that, until payment in full of all outstanding Obligations, and for so long as Bank may have any commitment to make a Credit Extension hereunder, Borrower shall do all of the following:

6.1 Good Standing and Government Compliance. Borrower shall maintain its and each of its Subsidiaries' corporate existence and good standing in the Borrower Province, shall maintain qualification and good standing in each other jurisdiction in which the failure to so qualify could have a Material Adverse Effect, and shall furnish to Bank the organizational identification number issued to Borrower by the authorities of the province in which Borrower is organized, if applicable. Borrower shall comply in all material respects with all applicable Environmental Laws, and maintain all material permits, licenses and approvals required thereunder where the failure to do so could have a Material Adverse Effect. Borrower shall comply, and shall cause each Subsidiary to comply, with all statutes, laws, ordinances and government rules and regulations to which it is subject, and shall maintain, and shall cause each of its Subsidiaries to maintain, in force all licenses, approvals and agreements, the loss of which or failure to comply with which would reasonably be expected to have a Material Adverse Effect.

6.2 Financial Statements, Reports, Certificates. Borrower shall deliver to Bank: (i) as soon as available, but in any event within 30 days after the end of each calendar month, a company prepared consolidated and consolidating balance sheet and income statement covering Borrower's operations during such period, in a form reasonably acceptable to Bank and certified by a Responsible Officer; (ii) as soon as available, but in any event within 120 days after the end of VistaPrint Limited's fiscal year, audited consolidated and consolidating financial statements of the Consolidated Company prepared in accordance with GAAP, consistently applied, together with an

opinion which is unqualified or otherwise consented to in writing by Bank on such financial statements of an independent certified public accounting firm; (iii) if applicable, copies of all statements, reports and notices sent or made available generally by Borrower to its security holders or to any holders of Subordinated Debt; (iv) promptly upon receipt of notice thereof, a report of any legal actions pending or threatened against Borrower that could result in damages or costs to Borrower of $100,000 or more, including but not limited to, any proceedings to assert or to enforce construction liens or other involuntary liens, including any lien arising under the Construction Lien Act (Ontario); (v) promptly upon receipt, each management letter prepared by Borrower's independent certified public accounting firm regarding Borrower's management control systems; (vi) annual budget and forecast no later than June 30 of each year, (vii) such sales projections, operating plans or other financial information generally prepared by Borrower in the ordinary course of business as Bank may reasonably request from time to time; and (viii) within 30 days of the last day of each fiscal quarter, a report signed by Borrower, in form reasonably acceptable to Bank, listing any applications or registrations that Borrower has made or filed in respect of any Patents, Copyrights or Trademarks and the status of any outstanding applications or registrations, as well as any material change in Borrower's Intellectual Property Collateral, including but not limited to any subsequent ownership right of Borrower in or to any Trademark, Patent or Copyright not specified in Exhibits A, B, and C of any Intellectual Property Security Agreement delivered to Bank by Borrower in connection with this Agreement.

(a) Within 30 days after the last day of each month, Borrower shall deliver to Bank with the monthly financial statements a Compliance Certificate certified as of the last day of the applicable month and signed by a Responsible Officer in substantially the form of Exhibit D hereto.

(b) As soon as possible and in any event within 3 calendar days after becoming aware of the occurrence or existence of an Event of Default hereunder, a written statement of a Responsible Officer setting forth details of the Event of Default, and the action which Borrower has taken or proposes to take with respect thereto.

(c) Bank shall have a right from time to time hereafter to audit Borrower's Accounts and appraise Collateral at Borrower's expense, provided that such audits will be conducted no more often than every 12 months unless an Event of Default has occurred and is continuing.

Borrower may deliver to Bank on an electronic basis any certificates, reports or information required pursuant to this Section 6.2, and Bank shall be entitled to rely on the information contained in the electronic files, provided that Bank in good faith believes that the files were delivered by a Responsible Officer. If Borrower delivers this information electronically, it shall also deliver to Bank by U.S. Mail, reputable overnight courier service, hand delivery, facsimile or .pdf file within 5 Business Days of submission of the unsigned electronic copy the certification of monthly financial statements, the intellectual property report, the Borrowing Base Certificate and the Compliance Certificate, each bearing the physical signature of the Responsible Officer.

6.3 Inventory; Returns. Borrower shall keep all Inventory in good and merchantable condition, free from all material defects except for Inventory for which adequate reserves have been made. Returns and allowances, if any, as between Borrower and its account debtors shall be on the same basis and in accordance with the usual customary practices of Borrower, as they exist on the Closing Date. Borrower shall promptly notify Bank of all returns and recoveries and of all disputes and claims involving more than $100,000.

6.4 Taxes. Borrower shall make, and cause each Subsidiary to make, due and timely payment or deposit of all material federal, provincial, and local taxes, assessments, or contributions required of it by law, including, but not limited to, those laws concerning income taxes, provincial and federal social security taxes and disability, and will execute and deliver to Bank, on demand, proof satisfactory to Bank indicating that Borrower or a Subsidiary has made such payments or deposits and any appropriate certificates attesting to the payment or deposit thereof; provided that Borrower or a Subsidiary need not make any payment if the amount or validity of such payment is contested in good faith by appropriate proceedings and is reserved against (to the extent required by GAAP) by Borrower.

6.5 Insurance.

(a) Borrower, at its expense, shall keep the Collateral insured against loss or damage by fire, theft, explosion, fire suppression system, and all other hazards and risks, and in such amounts, as ordinarily insured

against by other owners in similar businesses conducted in the locations where Borrower's business is conducted on the date hereof. Borrower shall also maintain liability and other insurance in amounts and of a type that are customary to businesses similar to Borrower's.

(b) All such policies of insurance shall be in such form, with such companies, and in such amounts as reasonably satisfactory to Bank. All policies of property insurance shall contain a lender's loss payable endorsement, in a form satisfactory to Bank, showing Bank as an additional loss payee, and all liability insurance policies shall show Bank as an additional insured and specify that the insurer must give at least 30 days notice to Bank before canceling its policy for any reason. Upon Bank's request, Borrower shall deliver to Bank certified copies of the policies of insurance and evidence of all premium payments. If no Event of Default has occurred and is continuing, proceeds payable under any casualty policy will, at Borrower's option, be payable to Borrower to replace the property subject to the claim, provided that any such replacement property shall be deemed Collateral in which Bank has been granted a first priority security interest. If an Event of Default has occurred and is continuing, all proceeds payable under any such policy shall, at Bank's option, be payable to Bank to be applied on account of the Obligations.

6.6 Primary Depository. Borrower shall maintain all its depository and operating accounts with Bank and its primary investment accounts with Bank or Bank's Affiliates.

6.7 Financial Covenants. Borrower shall at all times maintain the following financial ratios and covenants:

(a) Funded Debt to Cash Flow. Commencing September 30, 2005, the Consolidated Company shall have a ratio of all outstanding funded debt to Annualized Cash Flow of no more than 2.50 to 1.00, measured on a quarterly basis. "Annualized Cash Flow" is defined as (i) annualized trailing two quarters Cash Flow for the period ending September 30, 2005, (ii) annualized three-quarters Cash Flow for the period ending December 31, 2005, and (iii) the trailing four-quarter Cash Flow for the period ending March 31, 2006 and each quarter thereafter.

(b) Maximum Non-financed Capital Expenditures. As measured monthly, on a year to date basis, the Consolidated Company shall not incur non-financed Capital Expenditures in excess of (i) for the year ending June 30, 2005, $9,300,000 in the aggregate; or (ii) for the year ending June 30, 2006, $8,000,000 in the aggregate.

(c) Debt Service Coverage. Commencing September 30, 2005, Borrower shall maintain a Debt Service Coverage of at least 1.40 to 1.00, measured on a quarterly basis.

6.8 Registration of Intellectual Property Rights.

(a) Borrower shall register or cause to be registered on an expedited basis (to the extent not already registered) with the appropriate branch of the Canadian Intellectual Property Office, as the case may be, those registrable intellectual property rights now owned or hereafter developed or acquired by Borrower, to the extent that Borrower, in its reasonable business judgment, deems it appropriate to so protect such intellectual property rights.

(b) Borrower shall promptly give Bank written notice of any applications or registrations of intellectual property rights filed with the appropriate branch of the Canadian Intellectual Property Office, as the case may be, including the date of such filing and the registration or application numbers, if any.

(c) Borrower shall (i) give Bank not less than 30 days prior written notice of the filing of any applications or registrations with the appropriate branch of the Canadian Intellectual Property Office, as the case may be, including the title of such intellectual property rights to be registered, as such title will appear on such applications or registrations, and the date such applications or registrations will be filed; (ii) prior to the filing of any such applications or registrations, execute such documents as Bank may reasonably request for Bank to maintain its perfection in such intellectual property rights to be registered by Borrower; (iii) upon the request of Bank, either

deliver to Bank or file such documents simultaneously with the filing of any such applications or registrations; (iv) upon filing any such applications or registrations, promptly provide Bank with a copy of such applications or registrations together with any exhibits, evidence of the filing of any documents requested by Bank to be filed for Bank to maintain the perfection and priority of its security interest in such intellectual property rights, and the date of such filing.

(d) Borrower shall execute and deliver such additional instruments and documents from time to time as Bank shall reasonably request to perfect and maintain the perfection and priority of Bank's security interest in the Intellectual Property Collateral.

(e) Borrower shall (i) protect, defend and maintain the validity and enforceability of the trade secrets, Trademarks, Patents and Copyrights, (ii) use commercially reasonable efforts to detect infringements of the Trademarks, Patents and Copyrights and promptly advise Bank in writing of material infringements detected and (iii) not allow any material Trademarks, Patents or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Bank, which shall not be unreasonably withheld.

(f) Bank may audit Borrower's Intellectual Property Collateral to confirm compliance with this Section 6.8, provided such audit may not occur more often than twice per year, unless an Event of Default has occurred and is continuing. Bank shall have the right, but not the obligation, to take, at Borrower's sole expense, any actions that Borrower is required under this Section 6.8 to take but which Borrower fails to take, after 15 days' notice to Borrower. Borrower shall reimburse and indemnify Bank for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section 6.8.

6.9 Consent of Inbound Licensors. Prior to entering into or becoming bound by any license (other than software and licenses for equipment and "IT" Operations entered into in the normal course of business) or agreement relating to the license or use of technology ("IT Agreement"), Borrower shall: (i) provide written notice to Bank of the material terms of such IT Agreement with a description of its likely impact on Borrower's business or financial condition; and (ii) in good faith use commercially reasonable efforts to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for Borrower's interest in such licenses or contract rights to be deemed Collateral and for Bank to have a security interest in it that might otherwise be restricted by the terms of the applicable IT Agreement, whether now existing or entered into in the future, provided, however, that the failure to obtain any such consent or waiver shall not constitute a default under this Agreement.

6.10 Construction Covenants.

(a) In connection with advances under the Construction Loan or otherwise upon an Event of Default, permit Bank, through its authorized attorneys, accountants and representatives, to inspect the Project and the Premises and to examine Borrower's books, accounts, records, ledgers, plans, specifications and assets which relate to the Project and the Premises at all reasonable times upon advance oral or written request of Bank.

(b) With reasonable dispatch take all steps and pursue all actions required to complete the construction and improvements (by the Completion Date) in accordance with the plans and specifications submitted to and approved by Bank including any and all changes therein as may be authorized and approved in writing by Bank.

(c) Promptly correct all material construction defects and unapproved departures from the plans and specifications.

(d) Supply to Bank an "as built" survey of the Premises and the Project upon completion of the Project but prior to the conversion of the Construction Loan to the Mortgage Loan.

(e) Promptly notify Bank if the Budget as approved by Bank does not accurately estimate the cost to construct the Project.

(f) Comply with all applicable laws, licenses and permits.

(g) If Bank reasonably determines at anytime that there are insufficient undisbursed Construction Loan proceeds to complete the Project in accordance with the Budget and the plans and specifications submitted to and approved by Bank, then upon notice from Bank of such determination, Borrower shall provide, at Bank's option, either additional paid-in equity or funds deposited with Bank sufficient to assure Bank that the cost to complete the Project will not exceed the amount of undisbursed Construction Loan proceeds.

6.11 Further Assurances. At any time and from time to time Borrower shall execute and deliver such further instruments and take such further action as may reasonably be requested by Bank to effect the purposes of this Agreement. Any reference to Subsidiaries, shall mean Subsidiaries subsequently formed or acquired, in accordance with Section 7.7.

7. NEGATIVE COVENANTS.

Borrower covenants and agrees that, so long as any credit hereunder shall be available and until the outstanding Obligations are paid in full or for so long as Bank may have any commitment to make any Credit Extensions, Borrower will not do any of the following without Bank's prior written consent:

7.1 Dispositions. Convey, sell, lease, license, transfer or otherwise dispose of (collectively, to "Transfer"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, other than Permitted Transfers.

7.2 Change in Name, Location, Executive Office, or Executive Management; Change in Business; Change in Fiscal Year; Change in Control. Change its name or the Borrower Province or relocate its headquarters office without 30 days prior written notification to Bank; replace its chief executive officer or chief financial officer without 5 days prior written notification to Bank; engage in any business, or permit any of its Subsidiaries to engage in any business, other than or reasonably related or incidental to the businesses currently engaged in by Borrower; change its fiscal year end without prior notice to Bank; have a Change in Control.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with or into any other business organization (other than mergers or consolidations of a Subsidiary into another Subsidiary or into Borrower), or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person except where (i) such transactions do not in the aggregate exceed $100,000 during any fiscal year, (ii) no Event of Default has occurred, is continuing or would exist after giving effect to such transactions, (iii) such transactions do not result in a Change in Control, and (iv) Borrower is the surviving entity.

7.4 Indebtedness. Create, incur, assume, guarantee or be or remain liable with respect to any Indebtedness, or permit any Subsidiary so to do, other than Permitted Indebtedness, or prepay any Indebtedness or take any actions which impose on Borrower an obligation to prepay any Indebtedness, except Indebtedness to Bank.

7.5 Encumbrances. Create, incur, assume or allow any Lien with respect to any of its property, or assign or otherwise convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries so to do, except for Permitted Liens, or covenant to any other Person that Borrower in the future will refrain from creating, incurring, assuming or allowing any Lien with respect to any of Borrower's property.

7.6 Distributions. Pay any dividends or make any other distribution or payment on account of or in redemption, retirement or purchase of any capital stock.

7.7 Investments. Directly or indirectly acquire or own, or make any Investment in or to any Person, or permit any of its Subsidiaries so to do, other than Permitted Investments, or maintain or invest any of its property with a Person other than Bank or Bank's Affiliates or permit any Subsidiary to do so unless such Person has entered into a control agreement with Bank, in form and substance satisfactory to Bank, or suffer or permit any Subsidiary to be a party to, or be bound by, an agreement that restricts such Subsidiary from paying dividends or otherwise distributing property to Borrower, or, without the consent of Bank create or invest in a Subsidiary.

7.8 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower except for transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person. The Bank specifically acknowledges that the Contract Printing Supply Agreement between Borrower and VistaPrint Limited (the "Supply Agreement") is permissible under this provision.

7.9 Subordinated Debt. Make any payment in respect of any Subordinated Debt, or permit any of its Subsidiaries to make any such payment, except in compliance with the terms of such Subordinated Debt, or amend any provision affecting Bank's rights contained in any documentation relating to the Subordinated Debt without Bank's prior written consent.

7.10 Inventory and Equipment. Store the Inventory or the Equipment with a bailee, warehouseman, or similar third party unless the third party has been notified of Bank's security interest and Bank (a) has received an acknowledgment from the third party that it is holding or will hold the Inventory or Equipment for Bank's benefit or (b) is in possession of the warehouse receipt, where negotiable, covering such Inventory or Equipment. Except for Inventory sold in the ordinary course of business and except for such other locations as Bank may approve in writing, Borrower shall keep the Inventory and Equipment only at the location set forth in Section 11 and such other locations of which Borrower gives Bank prior written notice and as to which Bank files a financing statement where needed to perfect its security interest.

7.11 No Investment Company; Margin Regulation. Become or be controlled by an "investment company", or become principally engaged in, or undertake as one of its important activities, the business of extending credit for the purpose of purchasing or carrying margin stock, or use the proceeds of any Credit Extension for such purpose.

7.12 Supply Agreement. Make or permit any material changes to the Supply Agreement between Borrower and VistaPrint Limited without the written consent of Bank.

7.13 Construction Project.

(a) Remove or change the general contractor or architect of the Project or materially amend the construction or architect contract.

(b) Make, cause to be made or allow any material changes to the Project's final plans and specifications.

(c) Permit any liens to attach to the Project, or create any easement, restriction or encumbrance affecting the Project, except for normal utility easements and building and use restrictions, or transfer any interest in the Project.

8. EVENTS OF DEFAULT.

Any one or more of the following events shall constitute an Event of Default by Borrower under this Agreement:

8.1 Payment Default. If Borrower fails to pay any of the Obligations when due;

8.2 Covenant Default.

(a) If Borrower fails to perform any obligation under Article 6 or violates any of the covenants contained in Article 7 of this Agreement; or

(b) If Borrower fails or neglects to perform or observe any other material term, provision, condition, covenant contained in this Agreement, in any of the Loan Documents, or in any other present or future

agreement between Borrower and Bank and as to any default under such other term, provision, condition or covenant that can be cured, has failed to cure such default within 10 days after Borrower receives notice thereof or any officer of Borrower becomes aware thereof; provided, however, that if the default cannot by its nature be cured within the 10 day period or cannot after diligent attempts by Borrower be cured within such 10 day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional reasonable period (which shall not in any case exceed 30 days) to attempt to cure such default, and within such reasonable time period the failure to have cured such default shall not be deemed an Event of Default but no Credit Extensions will be made;

8.3 Defective Perfection. If Bank shall receive at any time following the Closing Date an PPSA Report indicating that except for Permitted Liens, Bank's security interest in the Collateral is not prior to all other security interests or Liens of record reflected in the report;

8.4 Material Adverse Effect. If there occurs a Material Adverse Effect;

8.5 Attachment. If any material portion of Borrower's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity and such attachment, seizure, writ or distress warrant or levy has not been removed, discharged or rescinded within 10 days, or if Borrower is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its business affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of Borrower's assets, or if a notice of lien, levy, or assessment is filed of record with respect to any of Borrower's assets by the Federal or Provincial Government, or any department, agency, or instrumentality thereof, or by any province, county, municipal, or governmental agency, and the same is not paid within ten days after Borrower receives notice thereof, provided that none of the foregoing shall constitute an Event of Default where such action or event is stayed or an adequate bond has been posted pending a good faith contest by Borrower (provided that no Credit Extensions will be made during such cure period);

8.6 Insolvency. If Borrower becomes insolvent, or if a creditors' committee shall have been appointed for the business of Borrower, or any Guarantor; or if Borrower, or any Guarantor shall have made a general assignment for the benefit of creditors or shall have been adjudicated bankrupt, or shall have filed a voluntary petition in bankruptcy or for reorganization or to effect a plan or arrangement with creditors or shall file an answer to a creditor's petition or other petition filed against it, admitting the material allegations thereof for an adjudication in bankruptcy or for a reorganization; or shall have applied for or permitted the appointment of a receiver or trustee or custodian for any of its property or assets; or such receiver, trustee or custodian shall have been appointed for any of its property or assets (otherwise than upon application or consent of Borrower, or any Guarantor) and such receiver, trustee or custodian so appointed shall not have been discharged within thirty (30) days after the date of his appointment; or if an order shall be entered and shall not be dismissed or stayed within thirty (30) days from its entry, approving any petition for reorganization of Borrower, or any Guarantor (without limitation to the foregoing, any proceedings under the Bankruptcy and Insolvency Act (Canada), the Winding-up and Restructuring Act (Canada), the Companies' Creditors Arrangement Act (Canada) or other similar federal, provincial or foreign legislation shall constitute an Event of Default hereunder);

8.7 Other Agreements. If there is a default or other failure to perform in any agreement to which Borrower is a party with a third party or parties resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount in excess of $250,000 or that could have a Material Adverse Effect;

8.8 Intentionally omitted.

8.9 Judgments. If a judgment or judgments for the payment of money in an amount, individually or in the aggregate, of at least $100,000 shall be rendered against Borrower and shall remain unsatisfied and unstayed for a period of 10 days (provided that no Credit Extensions will be made prior to the satisfaction or stay of the judgment); or

8.10 Misrepresentations. If any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth herein or in any certificate delivered to Bank by any

Responsible Officer pursuant to this Agreement or to induce Bank to enter into this Agreement or any other Loan Document.

8.11 Guaranty. If any guaranty of all or a portion of the Obligations (a "Guaranty) ceases for any reason to be in full force and effect, or any guarantor fails to perform any obligation under any Guaranty or a security agreement securing any Guaranty (collectively, the "Guaranty Documents"), or any event of default occurs under any Guaranty Document or any guarantor revokes or purports to revoke a Guaranty, or any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth in any Guaranty Document or in any certificate delivered to Bank in connection with any Guaranty Document, or if any of the circumstances described in Sections 8.3 through 8.9 occur with respect to any guarantor.

8.12 If there shall be any change for any reason whatsoever in the control of Borrower or if any portion of the Premises is sold or otherwise encumbered or disposed of;

8.13 If title to the Premises is or becomes unsatisfactory to Bank by reason of any lien, charge, encumbrance, title condition or exception (including without limitation, any mechanic's, materialman's or similar statutory common law lien or notice thereof) to the extent same impairs the security granted Bank under the Mortgage, and such matter causing title to be or become unsatisfactory is not cured or removed (including by bonding) within fifteen (15) days after notice thereof from Bank to the Borrower;

8.14 Intentionally omitted.

8.15 Anything contained herein to the contrary notwithstanding, if the Project is not completed by the Completion Date or, in the reasonable judgment of the Bank, construction of the Project will not be completed by the Completion Date;

8.16 If the Project or the Premises or any part thereof is injured by fire, explosion, accident, flood or other casualty, unless Bank shall have received insurance proceeds sufficient in the reasonable judgment of Bank to effect the satisfactory restoration of the Project and the Premises and the completion of the Project on or prior to the Completion Date;

8.17 Anything contained herein to the contrary notwithstanding, any cessation at any time in construction of the improvements comprising the Project for more than ten (10) consecutive days except for strikes, acts of God, fire or other casualty, or other causes entirely beyond the Borrower's control, or any cessation at any time in construction of the improvements comprising the Project for more than thirty (30) consecutive days, regardless of the cause thereof;

8.18 The revocation or other invalidation of any permit, license or authorization for the Project that materially adversely affects Borrower's ability to complete the Project;

9. BANK'S RIGHTS AND REMEDIES.

9.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Bank may, at its election, without notice of its election and without demand, do any one or more of the following, all of which are authorized by Borrower:

(a) Declare all Obligations, whether evidenced by this Agreement, by any of the other Loan Documents, or otherwise, immediately due and payable (provided that upon the occurrence of an Event of Default described in Section 8.6, all Obligations shall become immediately due and payable without any action by Bank);

(b) Cease advancing money or extending credit to or for the benefit of Borrower under this Agreement or under any other agreement between Borrower and Bank;

(c) Settle or adjust disputes and claims directly with account debtors for amounts, upon terms and in whatever order that Bank reasonably considers advisable;

(d) Withhold Advances of all or any part of the Construction Loan Amount available under this Agreement (Advances may also be withheld if Borrower or any Guarantor files or has filed against it a petition in bankruptcy or for reorganization or arrangement, whether such filing is an event of default or not);

(e) Order the work stopped, in which event no further work shall be performed without the consent of Bank until the default has been cured;

(f) Take all or any action necessary or appropriate to preserve and protect the Project and the Premises and any other security, including employment of watchmen and the erection of fences and barricades, all at Borrower's expense;

(g) Exercise any and all rights and remedies provided herein or in the Mortgage or in any other Loan Document or provided by law, including appointment of a receiver;

(h) Whether or not the Construction Loan Amount is due and payable or Bank has instituted any foreclosure or other action for the enforcement of its rights under the Loan Documents, Bank may (i) enter upon and complete the Project in accordance with the Project's plans and specifications with such changes therein as Bank may deem reasonably appropriate: (ii) at any time discontinue any work commenced in respect of the Project or change any course of action undertaken by it and not be bound by any limitations or requirements of time, whether set forth herein or otherwise; (iii) assume any contract made by Borrower in any way relating to the Project and take over and use all or any part of the labor, materials, supplies and equipment contracted for by Borrower, whether or not previously incorporated into the Project; and (iv) in connection with any construction undertaken by Bank to complete the Project pursuant to the provisions of this subsection:

a) engage builders, contractors, architects, engineers and others for the purpose of furnishing labor, materials and equipment and services in connection with completion of the Project, (2) pay, settle or compromise all bills or claims which may become liens against the Project and the Premises, or which have been or may be incurred in any manner in connection with completing the Project or for the discharge of liens, encumbrances or defects in the title of the Project and the Premises, and (3) take or refrain from taking such action hereunder as Bank may from time to time determine. Borrower shall be liable to Bank for all costs paid or incurred hereunder or paid or incurred to construct and equip the Project, whether the same are paid or incurred pursuant to the provisions of this subsection or otherwise, and all payments made or liabilities incurred by Bank hereunder of any kind whatever shall be paid by Borrower to Bank upon demand with interest at the default rate set forth herein from the date of payment by Bank to the date of payment to Bank and shall be secured by the Mortgage. The powers granted herein are for security and are irrevocable, and Borrower irrevocably constitutes and appoints Bank its attorney-in-fact to execute, acknowledge and deliver any instruments and to do and perform any acts in the name and on behalf of Borrower in connection herewith.

(i) Make such payments and do such acts as Bank considers necessary or reasonable to protect its security interest in the Collateral. Borrower agrees to assemble the Collateral if Bank so requires, and to make the Collateral available to Bank as Bank may designate. Borrower authorizes Bank to enter the premises where the Collateral is located, to take and maintain possession of the Collateral, or any part of it, and to pay, purchase, contest, or compromise any encumbrance, charge, or lien which in Bank's determination appears to be prior or superior to its security interest and to pay all expenses incurred in connection therewith. With respect to any of Borrower's owned premises, Borrower hereby grants Bank a license to enter into possession of such premises and to occupy the same, without charge, in order to exercise any of Bank's rights or remedies provided herein, at law, in equity, or otherwise;

(j) Set off and apply to the Obligations any and all (i) balances and deposits of Borrower held by Bank, and (ii) indebtedness at any time owing to or for the credit or the account of Borrower held by Bank;

(k) Ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell (in the manner provided for herein) the Collateral. Bank is hereby granted a license or other right, solely pursuant to the provisions of this Section 9.1, to use, without charge, Borrower's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any

Collateral and, in connection with Bank's exercise of its rights under this Section 9.1, Borrower's rights under all licenses and all franchise agreements shall inure to Bank's benefit;

(l) Sell the Collateral at either a public or private sale, or both, by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including Borrower's premises) as Bank determines is commercially reasonable, and apply any proceeds to the Obligations in whatever manner or order Bank deems appropriate. Bank may sell the Collateral without giving any warranties as to the Collateral. Bank may specifically disclaim any warranties of title or the like. This procedure will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. If Bank sells any of the Collateral upon credit, Borrower will be credited only with payments actually made by the purchaser, received by Bank, and applied to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Bank may resell the Collateral and Borrower shall be credited with the proceeds of the sale;

(m) Bank may credit bid and purchase at any public sale;

(n) Apply for the appointment of a receiver, trustee, liquidator or conservator of the Collateral, without notice and without regard to the adequacy of the security for the Obligations and without regard to the solvency of Borrower, any guarantor or any other Person liable for any of the Obligations; and

(o) Any deficiency that exists after disposition of the Collateral as provided above will be paid immediately by Borrower.

Bank may comply with any applicable provincial or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.

9.2 Power of Attorney. Effective only upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably appoints Bank (and any of Bank's designated officers, or employees) as Borrower's true and lawful attorney to: (a) send requests for verification of Accounts or notify account debtors of Bank's security interest in the Accounts; (b) endorse Borrower's name on any checks or other forms of payment or security that may come into Bank's possession; (c) sign Borrower's name on any invoice or bill of lading relating to any Account, drafts against account debtors, schedules and assignments of Accounts, verifications of Accounts, and notices to account debtors; (d) dispose of any Collateral; (e) make, settle, and adjust all claims under and decisions with respect to Borrower's policies of insurance; (f) settle and adjust disputes and claims respecting the accounts directly with account debtors, for amounts and upon terms which Bank determines to be reasonable; (g) to modify, in its sole discretion, any intellectual property security agreement entered into between Borrower and Bank without first obtaining Borrower's approval of or signature to such modification by amending Exhibits A, B, and C, thereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by Borrower after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents or Trademarks in which Borrower no longer has or claims to have any right, title or interest; and (h) to file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Borrower where permitted by law; provided Bank may exercise such power of attorney to sign the name of Borrower on any of the documents described in clauses (g) and (h) above, regardless of whether an Event of Default has occurred. The appointment of Bank as Borrower's attorney in fact, and each and every one of Bank's rights and powers, being coupled with an interest, is irrevocable until all of the Obligations have been fully repaid and performed and Bank's obligation to provide advances hereunder is terminated.

9.3 Accounts Collection. At any time after the occurrence and during the continuation of an Event of Default, Bank may notify any Person owing funds to Borrower of Bank's security interest in such funds and verify the amount of such Account. Borrower shall collect all amounts owing to Borrower for Bank, receive in trust all payments as Bank's trustee, and immediately deliver such payments to Bank in their original form as received from the account debtor, with proper endorsements for deposit.

9.4 Bank Expenses. If Borrower fails to pay any amounts or furnish any required proof of payment due to third persons or entities, as required under the terms of this Agreement, then Bank may do any or all of the following after reasonable notice to Borrower: (a) make payment of the same or any part thereof; (b) set up such

reserves under the Revolving Line as Bank deems necessary to protect Bank from the exposure created by such failure; or (c) obtain and maintain insurance policies of the type discussed in Section 6.5 of this Agreement, and take any action with respect to such policies as Bank deems prudent. Any amounts so paid or deposited by Bank shall constitute Bank Expenses, shall be immediately due and payable, and shall bear interest at the then applicable rate hereinabove provided, and shall be secured by the Collateral. Any payments made by Bank shall not constitute an agreement by Bank to make similar payments in the future or a waiver by Bank of any Event of Default under this Agreement.

9.5 Bank's Liability for Collateral. Bank has no obligation to clean up or otherwise prepare the Collateral for sale. All risk of loss, damage or destruction of the Collateral shall be borne by Borrower.

9.6 No Obligation to Pursue Others. Bank has no obligation to attempt to satisfy the Obligations by collecting them from any other person liable for them and Bank may release, modify or waive any collateral provided by any other Person to secure any of the Obligations, all without affecting Bank's rights against Borrower. Borrower waives any right it may have to require Bank to pursue any other Person for any of the Obligations.

9.7 Remedies Cumulative. Bank's rights and remedies under this Agreement, the Loan Documents, and all other agreements shall be cumulative. Bank shall have all other rights and remedies not inconsistent herewith as provided under the Act, by law, or in equity. No exercise by Bank of one right or remedy shall be deemed an election, and no waiver by Bank of any Event of Default on Borrower's part shall be deemed a continuing waiver. No delay by Bank shall constitute a waiver, election, or acquiescence by it. No waiver by Bank shall be effective unless made in a written document signed on behalf of Bank and then shall be effective only in the specific instance and for the specific purpose for which it was given. Borrower expressly agrees that this Section 9.7 may not be waived or modified by Bank by course of performance, conduct, estoppel or otherwise.

9.8 Demand; Protest. Except as otherwise provided in this Agreement, Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment and any other notices relating to the Obligations.

10. ADDITIONAL ENVIRONMENTAL PROVISIONS.

10.1 Without in any manner limiting any other environmental provisions contained herein or in any of the other Loan Documents, the following environmental provisions shall apply to Borrower, the Project and the Premises:

10.2 Borrower shall comply with all applicable Environmental Laws in a timely manner.

10.3 Borrower shall provide to the Bank, promptly upon receipt, copies of any correspondence, notice, pleading, citation, indictment, complaint, order, decree or other document from any source asserting or alleging a circumstance or condition which requires or may require a financial contribution by Borrower or any person or a cleanup, removal, remedial action or other response by or on the part of Borrower or any other person under applicable Environmental Laws or which seeks damages or civil, criminal or punitive penalties from Borrower or any other person for an alleged violation of Environmental Laws.

10.4 Borrower shall promptly notify the Bank in writing as soon as Borrower becomes aware of any condition or circumstance which makes the environmental warranties or representations in this Agreement incomplete or inaccurate as of any date.

10.5 In the event of any condition or circumstance that makes any environmental warranty, representation and/or agreement materially incomplete or materially inaccurate as of any date, Borrower shall, at its sole expense, retain an environmental professional consultant, reasonably acceptable to the Bank, to conduct a thorough and complete environmental audit regarding the changed condition and/or circumstance and any environmental concerns arising from that changed condition and/or circumstance. A copy of the environmental consultant's report will be promptly delivered to the Bank upon completion.

10.6 At any time Borrower, directly or indirectly through any professional consultant or other representative, determines to undertake an environmental audit, assessment or investigation, Borrower, shall promptly provide the Bank with written notice of the initiation of the environmental audit, fully describing the purpose and intended scope. Upon receipt, Borrower, will promptly provide to the Bank copies of all final findings and conclusions of any such environmental investigation. Preliminary findings and conclusions shall be provided if final reports have not been completed and delivered to the Bank within sixty (60) days following completion of the preliminary findings and conclusions.

10.7 Borrower hereby indemnifies and holds the Bank, its agents and any of its past, present and future officers, directors, shareholders and employees harmless from any and all loss, damages, suits, penalties, costs, liabilities and expenses (including but not limited to reasonable investigation, environmental audit and legal expenses) arising out of any claim, loss or damage of any property, injuries to or death of persons, contamination of or adverse affects on the environment, or any violation of any applicable Environmental Laws. In no event shall Borrower be liable hereunder for any loss, damages, suits, penalties, costs, liabilities or expenses arising from any act of gross negligence or willful misconduct of the Bank or its agents or employees. It is expressly understood and agreed that (A) the indemnifications granted herein are intended to protect the Bank and its past, present and future officers, directors, shareholders, employees, agents, consultants and representatives from any claims that may arise by reason of the security interest, liens and/or mortgages granted to the Bank, or under any other document or agreement given to secure repayment of any indebtedness from Borrower, whether or not such claims arise before or after the Bank has foreclosed upon and/or otherwise become the owner of any such property; (B) all obligations of indemnity as provided hereunder shall be secured by the Loan Documents; and (C) the provisions hereof shall be continuing and shall survive the repayment of any indebtedness from Borrower to the Bank.

10.8 Borrower shall maintain all permits, licenses and approvals required under applicable Environmental Laws.

11. NOTICES.

Unless otherwise provided in this Agreement, all notices or demands by any party relating to this Agreement or any other agreement entered into in connection herewith shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by a recognized overnight delivery service, certified mail, postage prepaid, return receipt requested, or by telefacsimile to Borrower or to Bank, as the case may be, at its addresses set forth below:

If to Borrower:
Vista Print North American Services Corp.
c/o VistaPrint USA, Incorporated
100 Hayden Ave.
Lexington, MA 02421
Attn: Vice President of Finance
FAX: (781) 577-7208

With copies to:
VistaPrint USA, Incorporated
100 Hayden Ave.
Lexington, MA 02421
Attn: Vice President of Finance
FAX: (781) 577-7208

and

Jonathan Gitlin, Esq.
McCarthy Tetrault LLP
Box 48, Suite 4700
Toronto Dominion Bank Tower
Toronto, Ontario M5K 1E5

If to Bank:	Comerica Bank 2321 Rosecrans Ave., Suite 5000 El Segundo, CA 90245 Attn: Manager FAX: (310) 297-2290
with a copy to:	Comerica Bank 100 Federal Street, 28th Floor Boston, MA 02110 Attn: James Demoy FAX: (617) 757-6310

The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other.

12. GENERAL PROVISIONS.

12.1 Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties and shall bind all persons who become bound as a debtor to this Agreement; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Borrower without Bank's prior written consent, which consent may be granted or withheld in Bank's sole discretion. Bank shall have the right without the consent of or notice to Borrower to sell, transfer, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights and benefits hereunder.

12.2 Indemnification. Borrower shall defend, indemnify and hold harmless Bank and its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement; and (b) all losses or Bank Expenses in any way suffered, incurred, or paid by Bank, its officers, employees and agents as a result of or in any way arising out of, following, or consequential to transactions between Bank and Borrower whether under this Agreement, or otherwise (including without limitation reasonable attorneys fees and expenses), except for losses caused by Bank's gross negligence or willful misconduct.

12.3 Time of Essence. Time is of the essence for the performance of all obligations set forth in this Agreement.

12.4 Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

12.5 Amendments in Writing, Integration. All amendments to or terminations of this Agreement or the other Loan Documents must be in writing. All prior agreements, understandings, representations, warranties, and negotiations between the parties hereto with respect to the subject matter of this Agreement and the other Loan Documents, if any, are merged into this Agreement and the Loan Documents.

12.6 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement.

12.7 Survival. All covenants, representations and warranties made in this Agreement shall continue in full force and effect so long as any Obligations remain outstanding or Bank has any obligation to make any Credit Extension to Borrower. The obligations of Borrower to indemnify Bank with respect to the expenses, damages, losses, costs and liabilities described in Section 12.2 shall survive until all applicable statute of limitations periods with respect to actions that may be brought against Bank have run.

12.8 Confidentiality. In handling any confidential information, Bank and all employees and agents of Bank shall exercise the same degree of care that Bank exercises with respect to its own proprietary information of

the same types to maintain the confidentiality of any non-public information thereby received or received pursuant to this Agreement except that disclosure of such information may be made (i) to the subsidiaries or Affiliates of Bank in connection with their present or prospective business relations with Borrower, (ii) to prospective transferees or purchasers of any interest in the Credit Extensions, provided that they have entered into a comparable confidentiality agreement in favor of Borrower and have delivered a copy to Borrower, (iii) as required by law, regulations, rule or order, subpoena, judicial order or similar order, (iv) as may be required in connection with the examination, audit or similar investigation of Bank and (v) as Bank may determine in connection with the enforcement of any remedies hereunder. Confidential information hereunder shall not include information that either: (a) is in the public domain or in the knowledge or possession of Bank when disclosed to Bank, or becomes part of the public domain after disclosure to Bank through no fault of Bank; or (b) is disclosed to Bank by a third party, provided Bank does not have actual knowledge that such third party is prohibited from disclosing such information.

12.9 Interest Rate Savings Clause. For purposes of the Interest Act (Canada), where in this Agreement a rate of interest is to be calculated on the basis of a year of 360 or 365 days, the yearly rate of interest to which the rate is equivalent is the rate multiplied by the number of days in the year for which the calculation is made and divided by 360 or 365, as applicable. If any provision of this Agreement or any of the other Loan Documents would obligate the Borrower to make any payment of interest or other amount payable to Bank in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by Bank of interest at a criminal rate (as construed under the Criminal Code (Canada)), then notwithstanding that provision, that amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or result in a receipt by Bank of interest at a criminal rate, the adjustment to be effected, to the extent necessary, as follows:

(a) firstly, by reducing the amount or rate of interest required to be paid to the Bank under the evidence of the indebtedness; and

(b) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to the Bank which would constitute interest for purposes of Section 347 of the Criminal Code (Canada).

Anything contained in this Section 12.9 to the contrary notwithstanding, if after giving effect to all adjustments contemplated in this Section, if Bank shall have received an amount in excess of the maximum permitted by the Criminal Code (Canada), then the Borrower shall be entitled, by notice in writing to the Bank, to obtain reimbursement from Bank in an amount equal to the excess, and pending reimbursement, the amount of the excess shall be deemed to be an amount payable by Bank to the Borrower.

12.10 Net Payments. All payments by Borrower under this Agreement or any other Loan Document shall be made in such amounts as may be necessary in order that all such payments, after deduction or withholding for or on account of any present or future taxes, levies, imposts, duties or other charges of whatsoever nature imposed by any government or any political subdivision or taxing authority thereof (excluding net income taxes and franchise taxes imposed on (or assessed on the basis of) the net income of Bank by the jurisdiction or taxing authority of the jurisdiction of Bank's organization), (all such non-excluded taxes, levies, imposts, duties or other charges referred to herein, collectively, as "Taxes"), shall not be less than the amounts otherwise specified to be paid under this Agreement and/or the other Loan Documents. A certificate as to the calculation of any additional amounts payable under this Section 12.10 submitted to the Borrower by Bank shall, absent manifest error, be final, conclusive and binding for all purposes upon all parties hereto.

12.11 Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada to the extent applicable. Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. Any legal action or proceeding with respect to this Agreement or any other Document may be brought in the courts of the Province of Ontario and any federal court of Canada having jurisdiction, and, by execution and delivery of this Agreement, each party hereto hereby irrevocably accepts for itself and in respect of its property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid

courts. Borrower further irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to its address for notices pursuant to Section 11 hereof, such service to become effective five (5) Business Days after such mailing or two (2) Business Days after deposit with an express courier service. Nothing herein shall affect the rights of Bank to serve process in any other manner permitted by law. Borrower hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any proceedings arising out of or in connection with this Agreement or any Document brought in the courts referred to above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

12.12 WAIVER OF JURY TRIAL. THE BANK AND THE BORROWER, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY RELATED INSTRUMENT OR AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTION OF ANY OF THEM. NONE OF THE LENDER AND THE LOAN PARTIES SHALL SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY THE LENDER AND THE LOAN PARTIES EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ALL OF THEM.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

VISTAPRINT NORTH AMERICAN SERVICES CORP., a Nova Scotia corporation

By: /s/ PAUL C. FLANAGAN
Title: **Vice President**

COMERICA BANK

By: /s/ ROBERT C. ROSEN
Robert C. Rosen
Title: **Vice President**

Exhibit 10.12

100 HAYDEN AVENUE
LEXINGTON, MASSACHUSETTS
LEASE DATED April 24, 2003

THIS INSTRUMENT IS AN INDENTURE OF LEASE in which the Landlord and the Tenant are the parties hereinafter named, and which relates to space in a certain building (the "Building") known as, and with an address at, 100 Hayden Avenue, Lexington, Massachusetts.

The parties to this Indenture of Lease hereby agree with each other as follows:

ARTICLE I

REFERENCE DATA

1.1 SUBJECTS REFERRED TO:

Each reference in this Lease to any of the following subjects shall be construed to incorporate the data stated for that subject in this Article:

LANDLORD:	Mortimer B. Zuckerman and Edward H. Linde, Trustees of 92 Hayden Avenue Trust under Declaration of Trust dated August 18, 1983, recorded with the Middlesex South District Registry of Deeds in Book 15218, Page 425 as amended by instrument dated October 30, 1997 recorded with said Registry in Book 27863, Page 347, but not individually.
LANDLORD'S ORIGINAL ADDRESS:	c/o Boston Properties Limited Partnership 111 Huntington Avenue, Suite 300 Boston, Massachusetts 02199-7610
LANDLORD'S CONSTRUCTION REPRESENTATIVE:	Mark Denman
TENANT:	Vistaprint USA, Incorporated, a Delaware corporation.
TENANT'S ORIGINAL ADDRESS:	204 Second Avenue Waltham, Massachusetts 02451
TENANT'S CONSTRUCTION REPRESENTATIVE:	Veronica French
COMMENCEMENT DATE:	May 1, 2003
TERM (SOMETIMES CALLED THE "ORIGINAL TERM"):	Forty-eight (48) calendar months (plus the partial month, if any, immediately following the Commencement Date), unless extended or sooner terminated as provided in this Lease.
EXTENSION OPTION:	One (1) period of three (3) years as provided in and on the terms set forth in Section 8.20 hereof.

THE SITE:	That certain parcel of land known as and numbered 92-100 Hayden Avenue, Lexington, Middlesex County, Massachusetts, being more particularly described in Exhibit A attached hereto.
THE BUILDING:	The three (3) story building on the Site known as and numbered 100 Hayden Avenue, Lexington, Massachusetts. The Building is appropriately labeled on Exhibit A-1.
THE ADDITIONAL BUILDING:	The two (2) story Building on the Site known as and numbered 92 Hayden Avenue, Lexington, Massachusetts. The Additional Building is appropriately labeled on Exhibit A-1 attached hereto and hereby made a part hereof.
THE BUILDINGS:	The Building and the Additional Building. The Buildings are herein identified by street number and are labeled as such on the Site Plan attached hereto as Exhibit A-1.
THE COMPLEX:	The Building and the Additional Building together with all parking areas, the Site and all improvements (including landscaping) thereon and thereto.
TENANT'S SPACE:	The entire Building consisting of 55,924 square feet of rentable floor area in accordance with the floor plan attached hereto as Exhibit D and incorporated herein by reference.
NUMBER OF PARKING SPACES:	196
ANNUAL FIXED RENT:	(a) From May 1, 2003 to October 31, 2003, at the annual rate of $498,750.00 (b) From November 1, 2003 to February 29, 2004, at the annual rate of $698,250.00. (c) From March 1, 2004 to June 30, 2004, at the annual rate of $897,750.00 (d) From July 1, 2004 through the expiration of the Original Term, at the annual rate of $1,115,683.80. (e) During the extension option period (if exercised), as determined pursuant to Section 8.20.
BASE OPERATING EXPENSES:	Landlord's Operating Expenses (as hereinafter defined in Section 2.6) for calendar year 2004, being January 1, 2004 through December 31, 2004.
BASE TAXES:	Landlord's Tax Expenses (as hereinafter defined in Section 2.7) for fiscal tax year 2004, being July 1, 2003 through June 30, 2004.
TENANT ELECTRICITY:	As provided in Section 2.8.

ADDITIONAL RENT:	All charges and other sums payable by Tenant as set forth in this Lease, in addition to Annual Fixed Rent.
RENTABLE FLOOR AREA OF TENANT'S SPACE (SOMETIMES ALSO CALLED RENTABLE FLOOR AREA OF THE PREMISES):	55,924 square feet.
TOTAL RENTABLE FLOOR AREA OF THE BUILDING:	55,924 square feet.
TOTAL RENTABLE FLOOR AREA OF THE ADDITIONAL BUILDING:	31,100 square feet.
TOTAL RENTABLE FLOOR AREA OF THE BUILDINGS:	87,024 square feet.
PERMITTED USE:	General office purposes and all uses incidental and ancillary thereto, including, without limitation, printing operations (provided that no more than 20% of the Premises shall be utilized for printing operations and that all such incidental and ancillary uses are in compliance with applicable laws and are limited to the first floor of the Building, exclusive of the Café (as hereinafter defined)).
INITIAL MINIMUM LIMITS OF TENANT'S COMMERCIAL GENERAL LIABILITY INSURANCE:	$5,000,000.00 combined single limit per occurrence on a per location basis
BROKERS:	Cushman & Wakefield 125 Summer Street, 15th floor Boston, Massachusetts 02110 and Meredith & Grew, Inc. 160 Federal Street Boston, Massachusetts 02110
SECURITY DEPOSIT:	$279,000.00

1.2 EXHIBITS. There are incorporated as part of this Lease:

EXHIBIT A	Description of Site
EXHIBIT A-1	Site Plan of Complex
EXHIBIT B	List of Landlord's Furniture, Fixtures and Equipment
EXHIBIT C	Landlord's Services
EXHIBIT D	Floor Plan
EXHIBIT E	Broker Determination of Prevailing Market Rent

1.3 TABLE OF ARTICLES AND SECTIONS

ARTICLE II

THE BUILDINGS, PREMISES, TERM AND RENT

2.1 THE PREMISES. Landlord hereby demises and leases to Tenant, and Tenant hereby hires and accepts from Landlord, Tenant's Space in the Building excluding the roof, and if Tenant's Space is less than the entire Building excluding exterior faces of exterior walls, the common stairways and stairwells, elevators and elevator wells, fan rooms, electric and telephone closets, janitor closets, and pipes, ducts, conduits, wires and appurtenant fixtures serving exclusively, or in common, other parts of the Building, and if Tenant's Space includes less than the entire rentable area of any floor, excluding the common corridors, elevator lobbies and toilets located on such floor.

Tenant's Space with such exclusions, if applicable, is hereinafter referred to as the "Premises". The term "Building" means the Building identified on the first page, and which is the subject of this Lease and being one of the two (2) Buildings erected on the Site by the Landlord; the term "Site" means all, and also any part of the Land described in Exhibit A, plus any additions or reductions thereto resulting from the change of any abutting street line and all parking areas and structures. The term "Property" means the two (2) Buildings and the Site.

2.1.1 FURNITURE, FIXTURES AND EQUIPMENT. Landlord and Tenant acknowledge that as of the date of this Lease, the furniture, fixtures and equipment listed on Exhibit B attached hereto (the "FFE") are in the Premises. Landlord represents that it holds title to the FFE and, in consideration for the terms set forth in this Lease, Landlord agrees to allow Tenant to utilize the FEE during the Lease Term. Tenant may, as it deems appropriate or necessary, reconfigure the furniture and petitions included in the FFE to combine with any of Tenant's furniture, fixtures and equipment, however, Tenant may not remove any FFE from the Premises without Landlord's prior consent. With respect to the HVAC and back-up generator systems and accompanying equipment, Tenant agrees to maintain at all times a service contract satisfactory to Landlord with respect thereto, furnishing evidence thereof (including renewals) to Landlord. Such contracts shall provide, at a minimum, for at least quarterly servicing. Landlord makes no representation as to the fitness or suitability of the FFE for Tenant's purposes. Tenant agrees to maintain the FFE in good order and condition reasonable wear and tear and damage by fire and other casualty excepted and Landlord shall have no obligation for the maintenance, repair or replacement of any such FFE. Upon the expiration of earlier termination of the Lease term, Tenant shall yield up such FFE to Landlord in the condition required herein.

2.2 RIGHTS TO USE COMMON FACILITIES. Subject to Landlord's right to change or alter any of the following in Landlord's discretion as herein provided, Tenant shall have, as appurtenant to the Premises, the non- exclusive right to use in common with others, subject to reasonable rules of general applicability (uniformly applied) to tenants of the Complex from time to time made by Landlord of which Tenant is given notice, common walkways and driveways necessary for access to the Building.

2.2.1 TENANT'S PARKING. In addition, Tenant shall have the right to use in the parking area the Number of Parking Spaces (referred to in Section 1.1) for the parking of automobiles, in common with use by other tenants from time to time of the Complex, provided, however, that Landlord shall not be obligated to furnish stalls or spaces in any parking area specifically designated for Tenant's use. Tenant covenants and agrees that it and all persons claiming by, through and under it, shall at all times abide by all reasonable rules and regulations promulgated by Landlord of general applicability (uniformly applied) with respect to the use of the parking areas on the Site. The parking privileges granted herein are non-transferable except to a permitted assignee or subtenant as provided in Section 5.6 through Section 5.6.5. Further, Landlord assumes no responsibility whatsoever for loss or damage due to fire, theft or otherwise to any automobile(s) parked on the Site or to any personal property therein, however caused, except to the extent of any such loss caused by the gross negligence or willful misconduct of Landlord or Landlord's agents, contractors, or employees. Tenant covenants and agrees, upon request from Landlord from time to time, to notify its officers, employees, agents and invitees of such limitation of liability. Tenant acknowledges and agrees that a license only is hereby granted, and no bailment is intended or shall be created.

2.2.2 EXISTING CAFÉ. Tenant acknowledges that as of the date of this Lease a café is located within the Premises (the "Café") in order to provide food service to occupants of the Building. Tenant acknowledges that it will not remove such Café (or any of the equipment or fixtures therein) or make any alterations thereto without Landlord's prior written consent which shall not be unreasonably withheld or delayed with respect to non-material alterations. In the event that Tenant utilizes the Café to provide food service to its employees, Tenant agrees that (i) the Café shall be operated at Tenant's sole cost and expense, (ii) Landlord shall have no obligation or liability with respect to such Café or the equipment contained therein except that Landlord shall provide cleaning to the Café in accordance with the standards set forth herein with respect to cleaning of the Premises and the cost thereof shall be charged to Tenant as Additional Rent, (iii) the Café shall be operated and maintained by Tenant in accordance with all applicable laws, including, without limitation, obtaining all permits for opening and operating the Café and (iv) the Café may be utilized by Tenant, other tenants or permitted occupants of the Building and their employees and guests but shall not be open to the general public.

2.3 LANDLORD'S RESERVATIONS. Landlord reserves the right from time to time, without unreasonable interference with Tenant's use: (a) to install, use, maintain, repair, replace and relocate for service to the Premises and other parts of the Building, or either, pipes, ducts, conduits, wires and appurtenant fixtures, wherever located in the Premises or Building, and (b) to alter or relocate any other common facility, provided that substitutions are substantially equivalent or better. Installations, replacements and relocations referred to in clause (a) above shall be located so far as practicable in the central core area of the Building, above ceiling surfaces, below floor surfaces or within perimeter walls of the Premises.

2.4 HABENDUM. Subject to the provisions of Section 3.3 below, Tenant shall have and hold the Premises for a period commencing on the Commencement Date and continuing for the Term unless sooner terminated as provided in Article VI or Article VII or unless extended as provided in Section 8.20.

2.5 FIXED RENT PAYMENTS. Tenant agrees to pay to Landlord, or as directed by Landlord, at Landlord's Original Address specified in Section 1.1 hereof, or at such other place as Landlord shall from time to time designate by notice, (1) on the Commencement Date (defined in Section 1.1 hereof) and thereafter monthly, in advance, on the first day of each and every calendar month during the Original Term, a sum equal to one twelfth (1/12th) of the Annual Fixed Rent (sometimes hereinafter referred to as "fixed rent") and (2) on the first day of each and every calendar month during each extension option period (if exercised), a sum equal to (a) one twelfth (1/12th) of the Annual Fixed Rent as determined in Section 8.20 for the extension option period. Until notice of some other designation is given, fixed rent and all other charges for which provision is herein made shall be paid by remittance to or for the order of Boston Properties Limited Partnership at P.O. Box 3557, Boston, Massachusetts 02241-3557, and all remittances received by Boston Properties Limited Partnership, as Agents as aforesaid, or by any subsequently designated recipient, shall be treated as payment to Landlord.

Annual Fixed Rent for any partial month shall be paid by Tenant to Landlord at such rate on a pro rata basis, and, if the Commencement Date is a day other than the first day of a calendar month, the first payment of Annual Fixed Rent which Tenant shall make to Landlord shall be a payment equal to a proportionate part of such monthly Annual Fixed Rent for the partial month from the Commencement Date to the first day of the succeeding calendar month.

Additional Rent payable by Tenant on a monthly basis, as hereinafter provided, likewise shall be prorated, and the first payment on account thereof shall be determined in similar fashion but shall commence on the Commencement Date; and other provisions of this Lease calling for monthly payments shall be read as incorporating this undertaking by Tenant.

The Annual Fixed Rent and all other charges for which provision is herein made shall be paid by Tenant to Landlord, without offset, deduction or abatement except as otherwise specifically set forth in this Lease.

2.6 OPERATING EXPENSES. "Landlord's Operating Expenses" means the cost of operation of the Building and the Site which (i) shall exclude costs of special services rendered to tenants (including Tenant) for which a separate charge is made; all costs incurred exclusively as a result of owning, operating and maintaining the

Additional Building; all capital expenditures and depreciation (for items purchased or leased), except as otherwise explicitly provided in this Section 2.6; leasing fees or commissions, advertising and promotional expenses, legal fees, the cost of tenant improvements, build out allowances, moving expenses, assumption of rent under existing leases and other concessions incurred in connection with leasing space in the Building; interest on indebtedness, debt amortization, ground rent, and refinancing costs for any mortgage or ground lease of the Building or the Site; the cost of any item or service to the extent to which Landlord is actually reimbursed or compensated by insurance, any tenant, or any third party; legal fees or other expenses incurred in connection with negotiating and enforcing leases, subleases, assignments or other occupancy agreements for the Building; or depreciation or amortization except as otherwise expressly provided in this Lease but (ii) shall include, without limitation, the following: premiums for insurance carried with respect to the Building and the Site (including, without limitation, liability insurance, insurance against loss in case of fire or casualty and insurance of monthly installments of fixed rent and any Additional Rent which may be due under this Lease and other leases of space in the Building for not more than 12 months in the case of both fixed rent and Additional Rent and if there be any first mortgage of the Property, including such insurance as may be required by the holder of such first mortgage); compensation and all fringe benefits, worker's compensation insurance premiums and payroll taxes paid to, for or with respect to all persons engaged in the operating, maintaining or cleaning of the Building or Site, water, sewer, gas, oil and telephone charges (excluding utility charges separately chargeable to tenants, including without limitation, those for additional or special services); cost of building and cleaning supplies and equipment; cost of maintenance, cleaning and repairs (other than repairs not properly chargeable against income or reimbursed from contractors under guarantees); cost of snow removal and care of landscaping; payments under service contracts with independent contractors (at market rates); management fees at reasonable rates consistent with the type of occupancy and the service rendered; and all other reasonable and necessary expenses paid in connection with the operation, cleaning and maintenance of the Building and the Site and properly chargeable against income, provided, however, there shall be included (a) depreciation for capital expenditures (whether purchased or leased) made by Landlord (i) to reduce Landlord's Operating Expenses if Landlord shall have reasonably determined that the annual reduction in Landlord's Operating Expenses shall exceed depreciation therefor or (ii) to comply with applicable laws, rules, regulations, requirements, statutes, ordinances, by-laws and court decisions of all public authorities which are now or hereafter in force; plus (b) in the case of both (i) and (ii) an interest factor, reasonably determined by Landlord, as being the interest rate then charged for long term mortgages by institutional lenders on like properties within the locality in which the Building is located; depreciation in the case of both (i) and (ii) shall be determined by dividing the original cost of such capital expenditure by the number of years of useful life of the capital item acquired and the useful life shall be reasonably determined by Landlord in accordance with generally accepted accounting principles and practices in effect at the time of acquisition of the capital item.

"Operating Expenses Allocable to the Premises" shall mean (a) the same proportion of Landlord's Operating Expenses for and pertaining to the Building as the Rentable Floor Area of Tenant's Space bears to the Total Rentable Floor Area of the Building (which proportion as of the Commencement Date is 100%) plus (b) the same proportion of Landlord's Operating Expenses for and pertaining to the Site as the Rentable Floor Area of Tenant's Space bears to the Total Rentable Floor Area of the Buildings (which proportion as of the Commencement Date is 64.24%).

"Base Operating Expenses" is hereinbefore defined in Section 1.1. Base Operating Expenses shall not include market-wide cost increases due to extraordinary circumstances, including but not limited to Force Majeure (as defined in Section 6.1), conservation surcharges, boycotts, strikes, embargoes or shortages.

"Base Operating Expenses Allocable to the Premises" means (i) the same proportion of Base Operating Expenses for and pertaining to the Building as the Rentable Floor Area of Tenant's Space bears to the Rentable Floor Area of the Building plus (ii) the same proportion of Base Operating Expenses for and pertaining to the Site as the Rentable Floor Area of Tenant's Space bears to the Rentable Floor Area of the Buildings.

If with respect to any calendar year falling within the Term, or fraction of a calendar year falling within the Term at the beginning or end thereof, the Operating Expenses Allocable to the Premises for a full calendar year exceed Base Operating Expenses Allocable to the Premises, or for any such fraction of a calendar year exceed the corresponding fraction of Base Operating Expenses Allocable to the Premises then, Tenant shall pay to Landlord, as Additional Rent, the amount of such excess. Such payments shall be made at the times and in the manner hereinafter provided in this Section 2.6.

Not later than one hundred and twenty (120) days after the end of the first calendar year or fraction thereof ending December 31 and of each succeeding calendar year during the Term or fraction thereof at the end of the Term, Landlord shall render Tenant a statement in reasonable detail and according to usual accounting practices certified by a representative of Landlord, showing for the preceding calendar year or fraction thereof, as the case may be, Landlord's Operating Expenses and Operating Expenses Allocable to the Premises (identifying in detail those expenses solely attributable to the Building and those attributable to the Complex). Said statement to be rendered to Tenant shall also show for the preceding year or fraction thereof as the case may be the amounts of operating expenses already paid by Tenant as Additional Rent, and the amount of operating expenses remaining due from, or overpaid by, Tenant for the year or other period covered by the statement. Within thirty (30) days after the date of delivery of such statement, Tenant shall pay to Landlord the balance of the amounts, if any, required to be paid pursuant to the above provisions of this Section 2.6 with respect to the preceding year or fraction thereof, or Landlord shall credit any amounts due from it to Tenant pursuant to the above provisions of this Section 2.6 against (i) monthly installments of fixed rent next thereafter coming due or (ii) any sums then due from Tenant to Landlord under this Lease (or refund such portion of the overpayment as aforesaid if the Term has ended and Tenant has no further obligation to Landlord). Upon no less than three (3) business days prior notice to Landlord (given within thirty (30) days after Tenant's receipt of such annual statement) ("Tenant's Audit Notice"), Tenant, at Tenant's expense, may examine Landlord's books and records regarding such statement at any reasonable time specified by Landlord during Landlord's business hours at a place designated by Landlord. Such audit must be completed within sixty (60) days of the effective date of Tenant's Audit Notice. Tenant shall hold such books and records in confidence and not disclose the same to any other party, including, without limitation, any other tenant in the Complex. If such examination reveals that Landlord's Operating Expenses for such calendar year have been (a) overstated by Landlord, then an equitable adjustment shall be made in the amount paid or payable pursuant to this Section 2.6 for such calendar year, and appropriate credit shall be made against (i) monthly installments of Annual Fixed Rent or Additional Rent next thereafter coming due or (ii) any other sums due from Tenant to Landlord under this Lease (or refund such amount if the Term has ended and Tenant has no further obligation to Landlord other than an indemnification obligation for which no claim has been made) or (b) understated by Landlord, then an equitable adjustment shall be made in the amount paid or payable pursuant to this Section 2.6 for such calendar year and an appropriate payment shall be made by Tenant to Landlord within thirty (30) days after Landlord bills Tenant therefor. In addition, if Tenant's examination determines that Landlord has overcharged Tenant on account of the Landlord's Operating Expenses by more than five percent (5%), Landlord shall reimburse Tenant for the reasonable, out-of-pocket expenses incurred by Tenant in performing such examination.

In addition, Tenant shall make payments monthly on account of Tenant's share of increases in Landlord's Operating Expenses anticipated for the then current year at the time and in the fashion herein provided for the payment of fixed rent. The amount to be paid to Landlord shall be an amount reasonably estimated annually by Landlord to be sufficient to cover, in the aggregate, a sum equal to Tenant's share of such increases in operating expenses for each calendar year during the Term.

Notwithstanding the foregoing provisions, no decrease in Landlord's Operating Expenses shall result in a reduction of the amount otherwise payable by Tenant if and to the extent said decrease is attributable to vacancies in the Buildings rather than to any other causes.

2.7 REAL ESTATE TAXES. If with respect to any full Tax Year or fraction of a Tax Year falling within the Term, Landlord's Tax Expenses Allocable to the Premises as hereinafter defined for a full Tax Year exceed Base Taxes Allocable to the Premises, or for any such fraction of a Tax Year exceed the corresponding fraction of Base Taxes Allocable to the Premises then, on or before the thirtieth (30th) day following receipt by Tenant of the certified statement referred to below in this Section 2.7, Tenant shall pay to Landlord, as Additional Rent, the amount of such excess. Not later than ninety (90) days after Landlord's Tax Expenses Allocable to the Premises are determined for the first such Tax Year or fraction thereof and for each succeeding Tax Year or fraction thereof during the Term, Landlord shall render Tenant a statement in reasonable detail certified by a representative of Landlord showing for the preceding year or fraction thereof, as the case may be, real estate taxes on the Building and the Site and abatements and refunds of any taxes and assessments. Expenditures for legal fees and for other expenses incurred in obtaining the tax refund or abatement may be charged against the tax refund or abatement before the adjustments are made for the Tax Year. Said statement to be rendered to Tenant shall also show for the

preceding year or fraction thereof as the case may be the amounts of real estate taxes already paid by Tenant as Additional Rent, and the amount of real estate taxes remaining due from, or overpaid by, Tenant for the year or other period covered by the statement. Within thirty (30) days after the date of delivery of the foregoing statement, Tenant shall pay to Landlord the balance of the amounts, if any, required to be paid pursuant to the above provisions of this Section 2.7 with respect to the preceding year or fraction thereof, or Landlord shall credit any amounts due from it to Tenant pursuant to the provisions of this Section 2.7 against (i) monthly installments of fixed rent next thereafter coming due or (ii) any sums then due from Tenant to Landlord under this Lease (or refund such portion of the over-payment as aforesaid if the Term has ended and Tenant has no further obligation to Landlord).

To the extent permitted by applicable law and provided there shall not then be existing an Event of Default, there is a minimum of twelve (12) full calendar months remaining in the Term (as it may have been extended) and Tenant has given prior written notice to Landlord, Tenant shall have the right to contest the amount or validity, in whole or in part, of any of the real estate taxes by appropriate proceedings diligently conducted in good faith; provided, however, that as a continuing condition to such right, Tenant shall be required to make those payments respecting real state taxes as and at the times required by law notwithstanding any such contest. Tenant further agrees that each such contest shall be promptly and diligently prosecuted in good faith to a final conclusion except only as provided herein. Landlord agrees to cooperate with Tenant in any such proceeding provided that the same shall be at the sole cost and expense of Tenant. Tenant will pay and save Landlord harmless against any and all losses, judgments, decrees and costs incurred by Landlord (including reasonable attorneys' fees) relating to the Premises and the Term hereof and being the direct or proximate result of Tenant's initiation of such contest and will, promptly after the final settlement, compromise or determination of such contest, fully pay and discharge Tenant's obligations under this Section 2.7, together with all penalties, fines, interests, costs and expenses. Further, any such contest by Tenant shall not be discontinued unless and until Tenant has given to Landlord written notice of Tenant's intent to so discontinue and if Landlord shall not by notice to Tenant (the "Assumption Notice") within thirty (30) days after receipt of Tenant's notice elect to assume, at Landlord's sole cost and expense, the continued prosecution and conduct of such contest. In the event Landlord shall give such Assumption Notice, Tenant shall cooperate with Landlord in all respects as may be necessary for Landlord's continuation of such contest, but Tenant shall have no other obligation for the prosecution and conduct of such contest.

In addition, payments by Tenant on account of increases in real estate taxes anticipated for the then current year shall be made monthly at the time and in the fashion herein provided for the payment of fixed rent. The amount so to be paid to Landlord shall be an amount reasonably estimated by Landlord to be sufficient to provide Landlord, in the aggregate, a sum equal to Tenant's share of such increases, at least ten (10) days before the day on which such payments by Landlord would become delinquent.

To the extent that real estate taxes shall be payable to the taxing authority in installments with respect to periods less than a Tax Year, the foregoing statement shall be rendered and payments made on account of such installments. Notwithstanding the foregoing provisions, no decrease in Landlord's Tax Expenses with respect to any Tax Year shall result in a reduction of the amount otherwise payable by Tenant if and to the extent said decrease is attributable to vacancies in the Building or partial completion of the Building rather than to any other causes.

Terms used herein are defined as follows:

(i) "Tax Year" means the twelve-month period beginning July 1 each year during the Term or if the appropriate governmental tax fiscal period shall begin on any date other than July 1, such other date.

(ii) "Landlord's Tax Expenses Allocable to the Premises" shall mean (a) the same proportion of Landlord's Tax Expenses for and pertaining to the Building as the Rentable Floor Area of Tenant's Space bears to the Total Rentable Floor Area of the Building plus (b) the same proportion of Landlord's Tax Expenses for and pertaining to the Site as the Rentable Floor Area of Tenant's Space bears to the Total Rentable Floor Area of the Buildings.

(iii) "Landlord's Tax Expenses" with respect to any Tax Year means the aggregate real estate taxes on the Building and Site with respect to that Tax Year, reduced by any abatement receipts with respect to that Tax Year.

(iv) “Base Taxes” is hereinbefore defined in Section 1.1. Notwithstanding anything to the contrary herein, Bases Taxes shall not be subject to any reduction resulting from any tax abatement.

(v) “Base Taxes Allocable to the Premises” means (i) the same proportion of Base Taxes for and pertaining to the Building as the Rentable Floor Area of Tenant’s Space bears to the Total Rentable Floor Area of the Building, plus (ii) the same proportion of Base Taxes for and pertaining to the Site as the Rentable Floor Area of Tenant’s Space bears to the Total Rentable Floor Area of the Buildings.

(vi) “Real estate taxes” means all taxes and special assessments of every kind and nature and user fees and other like fees assessed by any governmental authority on the Building or Site which the Landlord shall become obligated to pay because of or in connection with the ownership, leasing and operation of the Site, the Building and the Property and reasonable expenses and fees for any formal or informal proceedings for negotiation or abatement of taxes (collectively, “Abatement Expenses”), which Abatement Expenses shall be excluded from Base Taxes. The amount of special taxes or special assessments to be included shall be limited to the amount of the installment (plus any interest, other than penalty interest, payable thereon) of such special tax or special assessment required to be paid during the year in respect of which such taxes are being determined. There shall be excluded from such taxes all income, estate, succession, inheritance, transfer, gift, and capital stock, taxes, and assessments, charges, taxes, rents, fees, other authorizations or charges to the extent allocable or caused by the development or installation of on or off-site improvements or utilities (including, without limitation, street and intersection improvements, roads, rights or way and signalization) necessary for the initial development or construction of the Building or other improvements on the site, or any past, present or future system development reimbursement schedule or sinking fund related to any of the foregoing; provided, however, that if at any time during the Term the present system of ad valorem taxation of real property shall be changed so that in lieu of the whole or any part of the ad valorem tax on real property there shall be assessed on Landlord a capital levy or other tax on the gross rents received with respect to the Site or Building or Property, or a federal, state, county, municipal, or other local income, franchise, excise or similar tax, assessment, levy or charge distinct from any now in effect in the jurisdiction in which the Property is located) measured by or based, in whole or in part, upon any such gross rents, then any and all of such taxes, assessments, levies or charges, to the extent so measured or based, shall be deemed to be included within the term “real estate taxes” but only to the extent that the same would be payable if the Site and Buildings were the only property of Landlord.

(vii) If during the Lease Term the Tax Year is changed by applicable law to less than a full 12-month period, the Base Taxes and Base Taxes Allocable to the Premises shall each be proportionately reduced.

2.8 TENANT ELECTRICITY. Commencing on the Commencement Date and continuing throughout the Term (as it may be extended), Tenant covenants and agrees to pay directly to the appropriate utility company providing electricity to the Site, as Additional Rent, all electricity charges for lights, power and heating, ventilating and air conditioning consumed at the Premises (“Tenant Electricity”) and all electricity for exterior lighting of the Building (and not the exterior of the Additional Building) (“Exterior Electricity”). There are presently two (2) electric meters, one of which reads the electricity to power heating, ventilating and air-conditioning to the Premises and the other reads both the Exterior Electricity and the Tenant Electricity and Tenant shall be responsible for the full payment of all electrical charges associated with both meters.

Tenant covenants and agrees to take all steps required by the appropriate utility company to provide for the direct billing to Tenant of the Tenant Electricity and the Exterior Electricity including, without limitation, making application(s) to such utility company in connection therewith and making any deposits (including, but not limited to, such letters of credit) as such utility company shall require. Tenant covenants and agrees to pay, before delinquency, all electricity charges and rates for and relating to the Tenant Electricity and the Exterior Electricity and from time to time if requested by Landlord to provide Landlord with evidence of payment to, and good standing with, such utility company as Landlord may reasonably require.

ARTICLE III

CONDITION OF PREMISES

3.1 CONDITION OF PREMISES. Tenant shall accept the Premises in their AS-IS condition without any obligation on the Landlord's part to perform any additions, alterations, improvements, demolition or other work therein or pertaining thereto.

Landlord represents that as of the Commencement Date to the best of Landlord's actual knowledge (i) there is no damage to the roof structure of the Building that compromises the integrity thereof, (ii) the Building was constructed in accordance with the provisions of the Zoning By-Law for the Town of Lexington and other laws, ordinances, rules and regulations applicable to the Building as of the construction of the Building and (iii) the base building, HVAC, mechanical, plumbing, electrical, life safety, sprinkler and sewer systems are in reasonably good working order and condition.

3.2 QUALITY AND PERFORMANCE OF WORK. All construction work required or permitted by this Lease shall be done in a good and workmanlike manner and in compliance with all applicable laws, ordinances, rules, regulations, statutes, by-laws, court decisions, and orders and requirements of all public authorities with jurisdiction ("Legal Requirements") and all Insurance Requirements (as defined in Section 5.14 hereof). All of Tenant's or Landlord's work shall be coordinated with any work being performed by or for the other party and in such manner as to maintain harmonious labor relations. Each party may inspect the work of the other at reasonable times and shall promptly give notice of observed defects. Each party authorizes the other to rely in connection with design and construction upon approval and other actions on the party's behalf by any Construction Representative of the party named in Section 1.1 or any person hereafter designated in substitution or addition by notice to the party relying.

3.3 EARLY ACCESS BY TENANT. Landlord shall permit Tenant access for installing Tenant's telecommunications equipment and trade fixtures in portions of the Premises prior to the Commencement Date. Any such access by Tenant shall be upon all of the terms and conditions of the Lease (other than the payment of Annual Fixed Rent and Tenant's payments for Operating Expenses, real estate taxes and electricity) and shall be at Tenant's sole risk, and Landlord shall not be responsible for any injury to persons or damage to property resulting from such early access by Tenant, except for any injury or damage resulting from the gross negligence or willful misconduct of Landlord or Landlord's agents, contractors, employees or invitees (excluding Tenant or its agents, contractors, employees or invitees).

ARTICLE IV

LANDLORD'S COVENANTS; INTERRUPTIONS AND DELAYS

4.1 LANDLORD COVENANTS: Landlord covenants, at Landlord's cost and expense (except as otherwise specified), during the Term:

4.1.1 SERVICES FURNISHED BY LANDLORD. To furnish services, utilities, facilities and supplies set forth in Exhibit C equal to those customarily provided by landlords in high quality buildings in the Boston West Suburban Market subject to escalation reimbursement in accordance with Section 2.6.

4.1.2 ADDITIONAL SERVICES AVAILABLE TO TENANT. To furnish, at Tenant's expense, reasonable additional Building operation services which are usual and customary in similar office buildings in the Boston West Suburban Market upon reasonable advance request of Tenant at reasonable and equitable rates from time to time established by Landlord. Tenant agrees to pay to Landlord, as Additional Rent, the cost of any such additional Building services requested by Tenant and for the reasonable cost of any additions, alterations, improvements or other work performed by Landlord in the Premises at the request of Tenant within thirty (30) days after being billed, therefore together with reasonable evidence of the cost thereof.

4.1.3 ROOF, EXTERIOR WALL, FLOOR SLAB AND COMMON FACILITY REPAIRS. Except for (a) normal and reasonable wear and use and (b) damage caused by fire and casualty and by eminent domain, and except as otherwise provided in Article VI and subject to the escalation provisions of Section 2.6, (i) to make such repairs to the roof, exterior walls, floor slabs and common areas and facilities as may be necessary to keep them in reasonably good order, condition and repair and (ii) to maintain the Building and the base building systems including, without limitation, the HVAC, mechanical, plumbing, electrical, life safety, sprinkler and sewer systems and elevators (exclusive of Tenant's responsibilities under this Lease and for any equipment or systems installed by

Tenant) in a first class manner comparable to the maintenance of similar properties in the Boston West Suburban Market.

4.1.4 LANDLORD'S INSURANCE. Landlord shall carry at all times during the Term of this Lease (i) commercial general liability insurance with respect to the Building in an amount not less than $5,000,000.00 combined single limit per occurrence, (ii) insurance against loss or damage with respect to the Buildings covered by the so-called "all risk" type insurance coverage in an amount equal to at least the replacement value of the Building. Landlord may also maintain such other insurance as may from time to time be required by a mortgagee holding a mortgage lien on the Building. Further, Landlord may also maintain such insurance against loss of annual fixed rent and additional rent and such other risks and perils as Landlord deems proper. Any and all such insurance (i) may be maintained under a blanket policy affecting other properties of Landlord and/or its affiliated business organizations, (ii) may be written with deductibles as determined by Landlord and (iii) shall be subject to escalation reimbursement in accordance with Section 2.6.

4.1.5 LANDLORD'S INDEMNITY. Subject to the limitations of Section 8.4 hereof, to the maximum extent this agreement is effective according to law and to the extent not resulting from any act, omission, fault, negligence or misconduct of Tenant or its contractors, agents, licensees, invitees, servants or employees, Landlord agrees to indemnify and save harmless Tenant from and against any claim arising from any injury to any person occurring in the Premises, in the Building or on the Site after the date that possession of the Premises is first delivered to Tenant and until the expiration or earlier termination of the Lease Term, to the extent such injury results from the gross negligence of Landlord or Landlord's employees or the breach by Landlord of its obligations under this Lease (to the extent not covered by the forms of insurance required to be maintained by Tenant under this Lease) provided, however that in no event shall the aforesaid indemnity render Landlord responsible or liable for any loss or damage to fixtures or personal property of Tenant and Landlord shall in no event be liable for any indirect or consequential damages; and provided, further, that the provisions of this Section shall not be applicable (i) to the holder of any mortgage now or hereafter on the Site or the Building (whether or not such holder shall be a mortgagee in possession of or shall have exercised any rights under a conditional, collateral or other assignment of leases and/or rents respecting, the Site and/or Building) or (ii) any person acquiring title as a result of, or subsequent to, a foreclosure of any such mortgage or a deed in lieu of foreclosure, except to the extent of liability insurance maintained by the foregoing.

4.2 INTERRUPTIONS AND DELAYS IN SERVICES AND REPAIRS, ETC. (A) Landlord shall not be liable to Tenant for any compensation or reduction of rent by reason of inconvenience or annoyance or for loss of business arising from the necessity of Landlord or its agents entering the Premises for any of the purposes in this Lease authorized, or for repairing the Premises or any portion of the Building however the necessity may occur. In case Landlord is prevented or delayed from making any repairs, alterations or improvements, or furnishing any services or performing any other covenant or duty to be performed on Landlord's part, by reason of any cause reasonably beyond Landlord's control, including without limitation the causes set forth in Section 3.2 hereof as being reasonably beyond Landlord's control, Landlord shall not be liable to Tenant therefor, nor, except as expressly otherwise provided in Article VI, shall Tenant be entitled to any abatement or reduction of rent by reason thereof, or right to terminate this Lease, nor shall the same give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial, eviction from the Premises.

Landlord reserves the right to stop any service or utility system, when necessary by reason of accident or emergency, or until necessary repairs have been completed; provided, however, that in each instance of stoppage, Landlord shall exercise reasonable diligence to eliminate the cause thereof. Except in case of emergency repairs, Landlord will give Tenant reasonable advance notice of any contemplated stoppage and will use reasonable efforts to avoid unnecessary inconvenience to Tenant by reason thereof.

(B) In the event that the electrical, heating, ventilating, air conditioning, or all elevator service to the Premises shall be shut down for more than five (5) full and consecutive business days, but only as a result of causes which are covered by Landlord's loss of rentals insurance, then, Tenant shall be entitled to an abatement of Annual Fixed Rent equal to the "Insurance Amount" (hereinafter defined). The "Insurance Amount" shall be an amount equal to the payment actually received by Landlord (but only allocable to and on account of the Premises) for such shut down of electricity service to the Premises from Landlord's insurance carrier providing such loss of rents

insurance less the amount of any deductible contained in such loss of rents insurance coverage. Notwithstanding anything herein contained to the contrary, in no event shall any of the events referred to in this Section give rise to a claim in Tenant's favor that such failure constitutes actual or constructive, total or partial, eviction from the Premises.

ARTICLE V

TENANT'S COVENANTS

Tenant covenants during the Term and such further time as Tenant occupies any part of the Premises:

5.1 PAYMENTS. To pay when due all fixed rent and Additional Rent and all charges for utility services rendered to the Premises (except as otherwise provided in Exhibit C) and, as further Additional Rent, all charges for additional services rendered pursuant to Section 4.1.2.

5.2 REPAIR AND YIELD UP. Except as otherwise provided in Article VI and Section 4.1.3 to keep the Premises (and the FFE, as set forth in Section 2.1.1 hereof) in good order, repair and condition, reasonable wear and tear and damage by fire or casualty, or taking under the power of eminent domain only excepted, and all glass in windows (except glass in exterior walls unless the damage thereto is attributable to Tenant's negligence or misuse) and doors of the Premises whole and in good condition with glass of the same type and quality as that injured or broken, and at the expiration or termination of this Lease peaceably to yield up the Premises all construction, work, improvements, and all alterations and additions thereto in good order, repair and condition, reasonable wear and tear and damage by fire or casualty, or taking under the power of eminent domain only excepted, first removing all goods and effects of Tenant and, to the extent specified by Landlord by notice to Tenant given at least ten (10) days before such expiration or termination (unless otherwise specified by Landlord as set forth in Section 5.14), the wiring for Tenant's computer, telephone and other communication systems and equipment whether located in the Premises or in any other portion of the Building and all alterations, additions and partitions made by Tenant (including, but not limited to, any installations on the roof the Building or elsewhere on the Site), and repairing any damage caused by such removal and restoring the Premises and leaving them clean and neat. Tenant shall not permit or commit any waste, and Tenant shall be responsible for the cost of repairs which may be made necessary by reason of damage to common areas in the Building, to the Site or to the Additional Building to the extent caused by Tenant, Tenant's agents, contractors, employees, sublessees, licensees, concessionaires or invitees.

5.3 USE. To use and occupy the Premises for the Permitted Use only, and not to injure or deface the Premises, Building, the Additional Building, the Site or any other part of the Complex nor to permit in the Premises or on the Site any auction sale or inflammable fluids or chemicals in violation of Legal Requirements or Hazardous Materials Laws, or nuisance, or the emission from the Premises of any objectionable noise or odor, and not to use or devote the Premises or any part thereof for any purpose other than the Permitted Uses, nor any use thereof which is inconsistent with the maintenance of the Building as an office building of the first class in the quality of its maintenance, use and occupancy, or which is improper, offensive, contrary to law or ordinance or liable to invalidate or increase the premiums for any insurance on the Building or its contents or liable to render necessary any alteration or addition to the Building. Further, (i) Tenant shall not, nor shall Tenant permit its employees, invitees, agents, independent contractors, contractors, assignees or subtenants to, keep, maintain, store or dispose of (into the sewage or waste disposal system or otherwise) or engage in any activity which might produce or generate any substance which is or may hereafter be classified as a hazardous material, waste or substance (collectively "Hazardous Materials"), under federal, state or local laws, rules and regulations, including, without limitation, 42 U.S.C. Section 6901 et seq., 42 U.S.C. Section 9601 et seq., 42 U.S.C. Section 2601 et seq., 49 U.S.C. Section 1802 et seq. and Massachusetts General Laws, Chapter 21E and the rules and regulations promulgated under any of the foregoing, as such laws, rules and regulations may be amended from time to time (collectively "Hazardous Materials Laws"), (ii) Tenant shall immediately notify Landlord of any incident in, on or about the Premises, the Building or the Site that would require the filing of a notice under any Hazardous Materials Laws, (iii) Tenant shall comply and shall use reasonable efforts to cause its employees, invitees, agents, independent contractors, contractors, assignees and subtenants to comply with each of the foregoing and (iv) Landlord shall have the right to make such inspections (including testing) as Landlord shall elect from time to time to determine that Tenant is complying with the foregoing. Notwithstanding the foregoing, Tenant may use normal amounts and types of substances typically used for office uses, provided that Tenant uses such substances in the manner which they are normally used, and in compliance with all Hazardous Materials Laws and other applicable laws, ordinances, bylaws, rules and regulations, and Tenant obtains and

complies with all permits required by Hazardous Materials Laws or any other laws, ordinances, bylaws, rules or regulations prior to the use or presence of any such substances in the Premises.

5.4 OBSTRUCTIONS; ITEMS VISIBLE FROM EXTERIOR; RULES AND REGULATIONS. Not to obstruct in any manner any portion of the Building not hereby leased or any portion thereof or of the Additional Building or of the Site used by Tenant in common with others; except as otherwise provided in this Lease, not without prior consent of Landlord to permit the painting or placing of any signs, curtains, blinds, shades, awnings, aerials or flagpoles, or the like, visible from outside the Premises; and to comply with all reasonable Rules and Regulations of general applicability to tenants of the Complex (uniformly applied) now or hereafter made by Landlord, of which Tenant has been given notice, for the care and use of the Building and Site and their facilities and approaches; Landlord shall not be liable to Tenant for the failure of other occupants of the Buildings to conform to such Rules and Regulations.

5.5 SAFETY APPLIANCES. To keep the Premises equipped with all safety appliances required by any public authority because of any use made by Tenant other than normal office use, and to procure all licenses and permits so required because of such use and, if requested by Landlord, to do any work so required because of such use, it being understood that the foregoing provisions shall not be construed to broaden in any way Tenant's Permitted Use.

5.6 ASSIGNMENT; SUBLEASE. Except as otherwise expressly provided herein, Tenant covenants and agrees that it shall not assign, mortgage, pledge, hypothecate or otherwise transfer this Lease and/or Tenant's interest in this Lease or sublet (which term, without limitation, shall include granting of concessions, licenses or the like) the whole or any part of the Premises. Any assignment, mortgage, pledge, hypothecation, transfer or subletting not expressly permitted in or consented to by Landlord under Sections 5.6.1-5.6.5 shall be void, ab initio; shall be of no force and effect; and shall confer no rights on or in favor of third parties. In addition, Landlord shall be entitled to seek specific performance of or other equitable relief with respect to the provisions hereof.

5.6.1 Notwithstanding the foregoing provisions of Section 5.6 above and the provisions of Section 5.6.2 below, but subject to the provisions of Sections 5.6.3, 5.6.4 and 5.6.5, below Tenant shall have the right, without Landlord's prior consent, to assign this Lease or to sublet the Premises (in whole or in part) to (i) any parent, subsidiary or affiliate of Tenant, (ii) any successor entity into which Tenant may be converted, consolidated or merged or (iii) a purchaser of all or substantially all of Tenant's stock or assets, provided that the entity to which this Lease is so assigned or which so sublets the Premises has a credit worthiness (e.g. assets on a pro forma basis using generally accepted accounting principles consistently applied and using the most recent financial statements) which is sufficient, in Landlord's sole determination, to perform the obligations under this Lease.

5.6.1.1 Except for assignments or subleases pursuant to Section 5.6.1 and notwithstanding the provisions of Section 5.6 above but subject to the provisions of this Section 5.6.1.1 and the provisions of Sections 5.6.3, 5.6.4 and 5.6.5, Tenant may sublease less than twenty percent (20%) of the Rentable Floor Area of the Premises in the aggregate provided that in each instance Tenant first obtains the express prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Landlord shall not be deemed to be unreasonably withholding its consent to such a proposed subleasing if:

(a) the proposed subtenant is a tenant on the Site (exclusive of the Building) or is in active negotiation with Landlord of an affiliate of Landlord for premises in the Boston West Suburban Market or is not of a character consistent with the operation of a first class office building (by way of example, Landlord shall not be deemed to be unreasonably withholding its consent to an assignment or subleasing to any governmental or quasi-governmental agency), or

(b) the proposed subtenant is not of good character or reputation in Landlord's reasonable determination, or

(c) the proposed subtenant does not possess adequate financial capability to perform the obligations of Tenant as and when due relating to the premises proposed to be sublet (except, however, that this condition shall be waived for the initial sublettings of up to twenty percent (20%) of the Rentable Floor Area of the Premises in the aggregate), or

(d) the subtenant proposes to use the Premises (or part thereof) for a purpose other than the purpose for which the Premises may be used as stated in Section 1.1 hereof, or

(e) the character of the business to be conducted or the proposed use of the Premises by the proposed subtenant or assignee shall violate or be likely to violate any provisions or restrictions contained herein relating to the use or occupancy of the Premises, or

(f) there shall be existing an Event of Default (defined in Section 7.1), or

(g) any part of the rent payable under the proposed sublease shall be based in whole or in part on the income or profits derived from the Premises or if any proposed sublease shall potentially have any adverse effect on the real estate investment rust qualification requirements applicable to Landlord and its affiliates, or

(h) the holder of any mortgage or ground lease on the property which includes the Premises does not approve of the proposed sublease (provided such mortgagee or ground lessor has the right to consent).

5.6.2 Except for assignments or subleases pursuant to Section 5.6.1 and notwithstanding the provisions of Section 5.6 above, but subject to the provisions of this Section 5.6.2 and the provisions of Sections 5.6.3, 5.6.4 and 5.6.5 below, Tenant covenants and agrees not to assign this Lease or to sublet twenty percent (20%) or more of the Rentable Floor Area of the Premises (which shall be deemed to include, without limitation, any proposed subleasing which together with prior subleasings, other than any subleases pursuant to Section 5.6.1, would result in an area equal to or greater than twenty percent (20%) of the Rentable Floor Area of the Premises in the aggregate being the subject of one or more subleases) without, in each instance, having first obtained the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Landlord shall not be deemed to be unreasonably withholding its consent to such a proposed assignment or subleasing if:

(a) the proposed assignee or subtenant is a tenant on the Site (exclusive of the Building) or is in active negotiation with Landlord of an affiliate of Landlord for premises in the Boston West Suburban Market or is not of a character consistent with the operation of a first class office building (by way of example, Landlord shall not be deemed to be unreasonably withholding its consent to an assignment or subleasing to any governmental or quasi-governmental agency), or

(b) the proposed assignee or subtenant is not of good character or reputation in Landlord's reasonable determination, or

(c) the proposed assignee or subtenant does not possess adequate financial capability to perform the obligations of Tenant as and when due relating to the premises proposed to be assigned or sublet, or

(d) the assignee or subtenant proposes to use the Premises (or part thereof) for a purpose other than the purpose for which the Premises may be used as stated in Section 1.1 hereof, or

(e) the character of the business to be conducted or the proposed use of the Premises by the proposed assignee or subtenant shall violate or be likely to violate any provisions or restrictions contained herein relating to the use or occupancy of the Premises, or

(f) there shall be existing an Event of Default (defined in Section 7.1), or

(g) any part of the rent payable under the proposed sublease shall be based in whole or in part on the income or profits derived from the Premises or if any proposed assignment or sublease shall potentially have any adverse effect on the real estate investment rust qualification requirements applicable to Landlord

(h) the holder of any mortgage or ground lease on property which includes the Premises does not

approve of the proposed assignment or sublease (provided such mortgagee or ground lessor has the right to consent).

(i) in the case of a proposed assignment, Landlord elects, at its option, by notice given within thirty (30) days after receipt of Tenant's notice given pursuant to Section 5.6.3 below, to terminate this Lease as of a date which shall be not earlier than sixty (60) days nor later than one hundred twenty (120) days after landlord's notice to Tenant; provided, however, that upon the termination date as set forth in Landlord's notice, all of Landlord's and Tenant's obligations relating to the period after such termination date (but not those relating to the period before such termination date) shall cease).

(j) In the case of a proposed subleasing which together with prior subleasings would result in an area equal to twenty percent (20%) or more of the Rentable Floor Area of the Premises being the subject of one or more subleases (not including any subleases pursuant to Section 5.6.1), Landlord elects, at its option, by notice given within thirty (30) days after receipt of Tenant's notice given pursuant to Section 5.6.3 below, to terminate this Lease as to such portions of the Premises proposed to be sublet which would if made, result in an area greater than twenty percent (20%) of the Rentable Floor Area of the Premises being sublet (herein called the "Terminated Portion of the Premises") as of a date which shall be not earlier than sixty (60) days nor later than one hundred twenty (120) days after Landlord's notice to Tenant; provided, however that upon the termination date as set forth in Landlord's notice, all of Landlord's and Tenant's obligations as to the Terminated Portion of the Premises relating to the period after such termination date (but not those relating to the period before such termination date) shall cease and provided, further, that this Lease shall remain in full force and effect as to the remainder of the Premises, except that from and after the termination date the Rentable Floor Area of the premises shall be reduced to the rentable floor area of the remainder of the Premises and the definition of Rentable Floor Area of the Premises shall be so amended and after such termination all references in this Lease to the "Premises" or the "Rentable Floor Area of the Premises" shall be deemed to be references to the remainder of the Premises and accordingly Tenant's payments for Annual Fixed Rent, operating costs, real estate taxes and electricity shall be reduced on a pro rata basis to reflect the size of the remainder of the Premises, and provided further that Landlord shall have the right to make such alterations and improvements as may be required to separately demise the Terminated Portion of the Premises.

5.6.3 Tenant shall give Landlord notice of any proposed sublease or assignment, and said notice shall specify the provisions of the proposed assignment or subletting, including (a) the name and address of the proposed assignee or subtenant, (b) in the case of a proposed assignment or subletting pursuant to Section 5.6.2, such information as to the proposed assignee's or proposed subtenant's net worth and financial capability and standing as may reasonably be required for Landlord to make the determination referred to in Section 5.6.2 above (provided, however, that Landlord shall hold such information confidential having the right to release same to its officers, accountants, attorneys and mortgage lenders on a confidential basis), (c) all of the material and financial terms and provisions upon which the proposed assignment or subletting pursuant to Section 5.6.2 is to be made, (d) in the case of a proposed assignment or subletting pursuant to Section 5.6.2, all other information reasonably necessary to make the determination referred to in Section 5.6.2 above and (e) in the case of a proposed assignment or subletting pursuant to Section 5.6.1 above, such information as may be reasonably required by Landlord to determine that such proposed assignment or subletting complies with the requirements of said Section 5.6.1.

If Landlord shall consent to the proposed assignment or subletting, as the case may be, then, in such event, Tenant may thereafter sublease or assign pursuant to Tenant's notice, as given hereunder; provided, however, that if such assignment or sublease shall not be executed and delivered to Landlord within ninety (90) days after the date of Landlord's consent, the consent shall be deemed null and void and the provisions of Section 5.6.1.1 shall be applicable.

5.6.4 In addition, in the case of any assignment or subleasing as to which Landlord may consent (other than an assignment or subletting permitted under Section 5.6.1 hereof) such consent shall be upon the express and further condition, covenant and agreement, and Tenant hereby covenants and agrees that, in addition to the Annual Fixed Rent, Additional Rent and other charges to be paid pursuant to this Lease, fifty percent (50%) of the "Assignment/Sublease Profits" (hereinafter defined), if any, shall be paid to Landlord. The "Assignment/Sublease

Profits" shall be the excess, if any, of (a) the "Assignment/Sublease Net Revenues" as hereinafter defined over (b) the Annual Fixed Rent and Additional Rent and other charges provided in this Lease (provided, however, that for the purpose of calculating the Assignment/Sublease Profits in the case of a sublease, appropriate proportions in the applicable Annual Fixed Rent, Additional Rent and other charges under this Lease shall be made based on the percentage of the Premises subleased and on the terms of the sublease). The "Assignment/Sublease Net Revenues" shall be the fixed rent, additional rent and all other charges and sums payable either initially or over the term of the sublease or assignment plus all other profits and increases to be derived by Tenant as a result of such subletting or assignment, less the reasonable costs of Tenant incurred in such subleasing or assignment (the definition of which shall be limited to rent concessions, brokerage commissions, alteration allowances, marketing costs and attorneys fees in each case reasonable and actually paid), as set forth in a statement certified by an appropriate officer of Tenant and delivered to Landlord within thirty (30) days of the full execution of the sublease or assignment document, amortized over the term of the sublease or assignment. All payments of the Assignment/Sublease Profits due Landlord shall be made within ten (10) days of receipt of same by Tenant.

5.6.5 (A) It shall be a condition of the validity of any assignment or subletting of right under Section 5.6.1 above, or consented to under Section 5.6.2 above, that both Tenant and the assignee or sublessee enter into a separate written instrument directly with Landlord in a form and containing terms and provisions reasonably required by Landlord, including, without limitation, the agreement of the assignee or sublessee to be bound directly to Landlord for all the obligations of the Tenant hereunder, including, without limitation, the obligation (a) to pay the rent and other amounts provided for under this Lease (but in the case of a partial subletting, such subtenant shall agree on a pro rata basis to be so bound) and (b) to comply with the provisions of Sections 5.6 through 5.6.5 hereof. Such assignment or subletting shall not relieve the Tenant named herein of any of the obligations of the Tenant hereunder and Tenant shall remain fully and primarily liable therefor and the liability of Tenant and such assignee (or subtenant, as the case may be) shall be joint and several. Further, and notwithstanding the foregoing, the provisions hereof shall not constitute a recognition of the assignment or the assignee thereunder or the sublease or the subtenant thereunder, as the case may be, and at Landlord's option, upon the termination or expiration of the Lease (whether such termination is based upon a cause beyond Tenant's control, a default of Tenant, the agreement of Tenant and Landlord or any other reason), the assignment or sublease shall be terminated.

(B) As Additional Rent, Tenant shall reimburse Landlord promptly for reasonable out of pocket legal and other expenses incurred by Landlord in connection with any request by Tenant for consent to assignment or subletting which shall not exceed $1,500 for each request.

(C) If this Lease be assigned, or if the Premises or any part thereof be sublet or occupied by anyone other than Tenant, Landlord may upon prior notice to Tenant, on or after the occurrence of an Event of Default, collect rent and other charges from the assignee, sublessee or occupant and apply the net amount collected to the rent and other charges herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or a waiver of the provisions of Sections 5.6 through 5.6.5 hereof, or the acceptance of the assignee, sublessee or occupant as a tenant or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained, the Tenant herein named to remain primarily liable under this Lease.

(D) The consent by Landlord to an assignment or subletting under any of the provisions of Sections 5.6.1 or 5.6.2 shall in no way be construed to relieve Tenant from obtaining the express consent in writing of Landlord to any further assignment or subletting.

(E) On or after the occurrence of an "Event of Default" (defined in Section 7.1), Landlord shall be entitled to one hundred percent (100%) of any Assignment/Sublease Profits.

(F) Without limiting Tenant's obligations under Section 5.14, Tenant shall be responsible, at Tenant's sole cost and expense, for performing all work necessary to comply with Legal Requirements and Insurance Requirements in connection with any assignment or subletting hereunder including, without limitation, any work in connection with such assignment or subletting.

(G) In addition to the other requirements set forth in this Lease and notwithstanding any other provision of this Lease, partial sublettings of the Premises shall only be permitted under the following terms and conditions: (i) the layout of both the subleased premises and the remainder of the Premises must comply with applicable laws, ordinances, rules and/or regulations and be approved by Landlord, including, without limitation, all requirements concerning access and egress; and (ii), in the event the subleased premises are separately physically demised from the remainder of the Premises, Tenant shall pay all costs of separately physically demising the subleased premises.

5.7 INDEMNITY; INSURANCE. (A) To defend with counsel first approved by Landlord (which approval shall not be unreasonably withheld or delayed, it being agreed, however, that counsel selected by Tenant's insurance carrier shall be deemed approved by Landlord), save harmless, and indemnify Landlord from any liability for injury, loss, accident or damage to any person or property, and from any claims, actions, proceedings and expenses and costs in connection therewith (including without limitation reasonable counsel fees) to the extent (i) arising from or claimed to have arisen from (a) the omission, fault, willful act, negligence or other misconduct of Tenant or Tenant's contractors, licensees, invitees, agents, servants, independent contractors or employees or (b) any use made or thing done or occurring on the Premises not due to the omission, fault, willful act, negligence or other misconduct of Landlord, or (ii) resulting from the failure of Tenant to perform and discharge its covenants and obligations under this Lease, except to the extent caused by the gross negligence or willful misconduct of Landlord or Landlord's contractors, licensees, invitees (excluding Tenant and its parties referred above), independent contractors or employees. Notwithstanding anything to the contrary herein and except for the obligations of Tenant pursuant to Section 8.18, Tenant shall not be liable to Landlord for indirect or consequential damages.

(B) To maintain in full force from the date upon which Tenant first enters the Premises for any reason, throughout the Term of this Lease, and thereafter, so long as Tenant is in occupancy of any part of the Premises, commercial general liability insurance or comprehensive general liability insurance written on an occurrence basis with a broad form comprehensive liability endorsement under which Tenant is the named insured and Landlord and Landlord's managing agent (and such persons as are in privity of estate with Landlord and Landlord's managing agent as may be set out in notice from time to time) are named as additional insureds with limits which shall, at the commencement of the Term, be at least equal to those stated in Section 1.1 and from time to time during the Term shall be for such higher limits, if any, as are customarily carried in the Boston West Suburban Market with respect to similar properties to the Building and Complex or which may reasonably be required by Landlord, and worker's compensation insurance with statutory limits covering all of Tenant's employees working in the Premises, and to deposit with Landlord on or before the Commencement Date and concurrent with all renewals thereof, certificates for such insurance bearing the endorsement that the policies will not be canceled until after thirty (30) days' written notice to Landlord. In addition, in the event Tenant hosts a function in the Premises, Tenant agrees to obtain and maintain, and cause any persons or parties providing services for such function to obtain, the appropriate insurance coverages as determined by Landlord (including liquor liability, if applicable) and provide Landlord with evidence of the same. All insurance required to be maintained by Tenant pursuant to this Lease shall be maintained with responsible companies qualified to do business, and in good standing, in the Commonwealth of Massachusetts and which have a rating of at least "A-" and are within a financial size category of not less than "Class VIII" in the most current Best's Key Rating Guide or such similar rating as may be reasonably selected by Landlord if such Guide is no longer published.

5.8 PERSONAL PROPERTY AT TENANT'S RISK. That all of the furnishings, fixtures, equipment, effects and property of every kind, nature and description of Tenant and of all persons claiming by, through or under Tenant which, during the continuance of this Lease or any occupancy of the Premises by Tenant or anyone claiming under Tenant, may be on the Premises or elsewhere in the Building or on the Site, shall be at the sole risk and hazard of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes, steam pipes, or other pipes, by theft or from any other cause, no part of said loss or damage is to be charged to or be borne by Landlord, except that Landlord shall in no event be indemnified or held harmless or exonerated from any liability to Tenant or to any other person, for any injury, loss, damage or liability to the extent such indemnity, hold harmless or exoneration is prohibited by law. Further, Tenant, at Tenant's expense, shall maintain at all times during the Term of this Lease business interruption insurance and insurance against loss or damage covered by so-called "all risk" type insurance coverage with respect to Tenant's fixtures, equipment, goods, wares and merchandise, tenant improvements made by or paid for by Tenant, and other property of Tenant

(collectively "Tenant's Property"). Such insurance shall be in an amount at least equal to the full replacement cost of Tenant's Property. In addition, during such time as Tenant is performing work in or to the Premises, Tenant, at Tenant's expense, shall also maintain builder's risk insurance (or equivalent insurance) for the full insurable value of such work.

5.9 RIGHT OF ENTRY. To permit Landlord and its agents to examine the Premises at (i) reasonable times and upon reasonable notice (which shall be at least 24 hours notice), (ii) accompanied by a representative of Tenant if Tenant so elects, and (iii) in compliance with Tenant's security requirements (established from time to time) (clauses (i) through (iii) collectively, the "Entry Requirements") and, if Landlord shall so elects, in compliance the Entry Requirements, (x) to make any repairs or replacements required of Landlord under this Lease or which Landlord may deem reasonably necessary, (y) to remove, at Tenant's expense, to the extent any such item requires the consent of Landlord under this Lease, any alterations, addition, signs, curtains, blinds, shades, awnings, aerials, flagpoles, or the like not consented to in writing, or (z) to show the Premises to prospective tenants during the eleven (11) months preceding expiration of the Term and to prospective purchasers. Notwithstanding the foregoing, the building superintendent and those individuals involved in the cleaning and regular daily maintenance of the Building shall not be subject to the Entry Requirements (except when entering the "Engineering Area" as shown on Exhibit D attached hereto when such Entry Requirements shall apply). Further notwithstanding anything in the foregoing to the contrary, in the event of an emergency that could cause damage to health, safety or property, Landlord shall use good faith efforts to follow Tenant's security requirements and in such event Landlord will be required to give only such notice that it in good faith believes is feasible under the circumstances and need not wait to be accompanied by Tenant or its employees or representatives (although these parties may still accompany Landlord if they are available and wish to do so).

5.10 FLOOR LOAD; PREVENTION OF VIBRATION AND NOISE. Not to place a load upon the Premises exceeding an average rate of 70 pounds of live load per square foot of floor area (partitions shall be considered as part of the live load); and not to move any safe, vault or other heavy equipment in, about or out of the Premises except in such manner and at such time as Landlord shall in each instance authorize; Tenant's business machines and mechanical equipment which cause vibration or noise that may be transmitted to the Building structure or to any other space in the Building shall be so installed, maintained and used by Tenant so as to eliminate such vibration or noise.

5.11 PERSONAL PROPERTY TAXES. To pay promptly when due all taxes which may be imposed upon Tenant's Property in the Premises to whomever assessed.

5.12 COMPLIANCE WITH LAWS. To comply with all applicable Legal Requirements now or hereafter in force which shall impose a duty on Landlord or Tenant relating to or as a result of the use or occupancy of the Premises; provided that, in connection therewith, Tenant shall not be required to make any alterations or additions concerning (i) the structure, roof, exterior and load bearing walls, foundation, structural floor slabs and other structural elements of the Building or (ii) the HVAC, mechanical, plumbing, electrical, life safety, sprinkler and sewer systems servicing the base Building unless the same are required by such Legal Requirements as a result of or in connection with Tenant's particular use or occupancy of the Premises beyond normal use of space of this kind (as opposed to office use generally) except that if Tenant's printing operations triggers compliance, Tenant shall be responsible for the same. Tenant shall promptly pay all fines, penalties and damages that may arise out of or be imposed because of its failure to comply with the provisions of this Section 5.12.

5.13 Intentionally Omitted.

5.14 ALTERATIONS. (A) Tenant shall not make alterations and additions to Tenant's space except in accordance with plans and specifications therefor first approved by Landlord, which approval shall not be unreasonably withheld. However, Landlord's determination of matters relating to aesthetic issues relating to alterations, additions or improvements which are visible outside the Premises shall be in Landlord's sole discretion. Without limiting such standard Landlord shall not be deemed unreasonable for withholding approval of any alterations or additions which (a) in Landlord's opinion might adversely affect any structural or exterior element of the Building, any area or element outside of the Premises, or any facility or base building mechanical system serving any area of the Building outside of the Premises, or (b) involve or affect the exterior design, size, height, or other

exterior dimensions of the Building or (c) will require unusual expense to readapt the Premises to normal office use on Lease termination or expiration or increase the cost of insurance or taxes on the Building unless Tenant first gives assurance acceptable to Landlord for payment of such increased cost and that such readaptation will be made prior to such termination or expiration without expense to Landlord, or (d) enlarge the Rentable Floor Area of the Premises. Landlord's review and approval of any such plans and specifications and consent to perform work described therein shall not be deemed an agreement by Landlord that such plans, specifications and work conform with applicable Legal Requirements and requirements of insurers of the Building and the other requirements of this Lease with respect to Tenant's insurance obligations (herein called "Insurance Requirements") nor deemed a waiver of Tenant's obligations under this Lease with respect to applicable Legal Requirements and Insurance Requirements nor impose any liability or obligation upon Landlord with respect to the completeness, design sufficiency or compliance of such plans, specifications and work with applicable Legal Requirements and Insurance Requirements. Within thirty (30) days after receipt of an invoice from Landlord, Tenant shall pay to Landlord as a fee for Landlord's review of any work or plans (excluding any review respecting additions, alterations or improvements which do not require Landlord's consent), as Additional Rent, an amount equal to the sum of: (i) $150.00 per hour for senior staff and $100.00 per hour for junior staff (not to exceed $2,000 in any instance), plus (ii) reasonable, actual third party expenses incurred by Landlord to review Tenant's plans and Tenant's work. All alterations and additions shall be part of the Building unless and until Landlord shall specify the same for removal pursuant to Section 5.2. Except for any additions or alterations which Tenant requests to remain in the Premises in Tenant's notice seeking Landlord's consent for the installation thereof (which notice shall specifically refer to this Section 5.14) and for which Landlord specifically agrees in writing may remain, all of Tenant's alterations and additions and installation of furnishings shall be coordinated with any work being performed by Landlord and in such manner as to maintain harmonious labor relations and not to damage the Buildings or Site or interfere with construction or operation of the Additional Building and other improvements to the Site and, except for installation of furnishings, shall be performed by contractors or workers first approved by Landlord, such approval not to be unreasonably withheld or delayed. Except for work by Landlord's general contractor, Tenant, before its work is started, shall secure all licenses and permits necessary therefor; deliver to Landlord a statement of the names of all its contractors and subcontractors and the estimated cost of all labor and material to be furnished by them and security satisfactory to Landlord protecting Landlord against liens arising out of the furnishing of such labor and material; and cause each contractor to carry worker's compensation insurance in statutory amounts covering all the contractor's and subcontractor's employees and commercial general liability insurance or comprehensive general liability insurance with a broad form comprehensive liability endorsement with such limits as Landlord may reasonably require, but in no event less than $2,000,000.00 combined single limit per occurrence on a per location basis (all such insurance to be written in companies approved by Landlord and naming and insuring Landlord and Landlord's managing agent as additional insureds and insuring Tenant as well as the contractors), and to deliver to Landlord certificates of all such insurance. Tenant shall also prepare and submit to Landlord a set of as-built plans, in both print and electronic forms, showing such work performed by Tenant to the Premises promptly after any such alterations, improvements or installations are substantially complete and promptly after any wiring or cabling for Tenant's computer, telephone and other communications systems is installed by Tenant or Tenant's contractor. Without limiting any of Tenant's obligations hereunder, Tenant shall be responsible, as Additional Rent, for the costs of any alterations, additions or improvements in or to the Building that are required in order to comply with Legal Requirements as a result of any work performed by Tenant. Landlord shall have the right to provide such rules and regulations relative to the performance of any alterations, additions, improvements and installations by Tenant hereunder and Tenant shall abide by all such reasonable rules and regulations and shall cause all of its contractors to so abide including, without limitation, payment for the costs of using Building services. Tenant agrees to pay promptly when due the entire cost of any work done on the Premises by Tenant, its agents, employees, or independent contractors, and not to cause or permit any liens for labor or materials performed or furnished in connection therewith to attach to the Premises or the Buildings or the Site and immediately to discharge any such liens which may so attach by payment, bond or otherwise. Notwithstanding the foregoing to the contrary, Tenant may contest, and need not discharge or bond any such lien while so doing, provided that: (i) no action to foreclose any such lien has been brought in any judicial or quasi-judicial action, (ii) such contest shall be at Tenant's sole cost and expense, (iii) such contest shall be by appropriate legal proceedings conducted in good faith and with due diligence, (iv) such contest will not materially and adversely interfere with the possession, use or occupancy or sale or financing of the Building or Complex, (v) such contest will not subject Landlord to any civil or criminal liability (other than for the amounts being contested), (vi) no Event of Default is then continuing and (vii) such contest will not cause Landlord or any affiliate of Landlord to be in violation of any agreement to which it is bound, including, without limitation, any loan document.

(B) Notwithstanding the terms of Section 5.14(A), Tenant shall have the right, without obtaining the prior consent of Landlord, to make alterations, additions or improvements to the Premises where:

(i) the same are within the interior of the Premises within the Building, and do not affect the exterior of the Premises and the Building (including no signs on windows);

(ii) the same do not affect the roof, any structural element of the Building, the mechanical, electrical, plumbing, heating, ventilating, air-conditioning and fire protection systems of the Building;

(iii) the cost of any individual alteration, addition or improvement shall not exceed $15,000.00 and the aggregate cost of said alterations, additions or improvements made by Tenant during the Lease Term shall not exceed $70,000.00 in cost; and

(iv) Tenant shall comply with the provisions of this Lease and if such work increases the cost of insurance or taxes or of services, Tenant shall pay for any such increase in cost;

provided, however, that Tenant shall, within fifteen (15) days prior to the making of such changes, send to Landlord plans and specifications describing the same in reasonable detail and provided further that Landlord, by notice to Tenant given at least thirty (30) days prior to the expiration or earlier termination of the Lease Term, may require Tenant to restore the Premises to its condition prior to such alteration, addition or improvement at the expiration or earlier termination of the Lease Term. Landlord and Tenant acknowledge and agree that carpeting and painting of the interior of the Premises are not alterations or additions, and do not require Landlord's consent.

5.15 VENDORS. Any vendors engaged by Tenant to perform services in or to the Premises including, without limitation, janitorial contractors and moving contractors shall be coordinated with any work being performed by or for Landlord and in such manner as to maintain harmonious labor relations and not to damage the Building or the Property (unless such damage is promptly repaired by Tenant) or unreasonably interfere with Building construction or operation and shall be performed by vendors first approved by Landlord.

5.16 ROOF INSTALLATIONS. Notwithstanding anything contained in this Lease to the contrary, Tenant shall be permitted to install antennas and other telecommunications equipment ("Telecom Equipment") on the rooftop of the Building only: (i) with Landlord's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), (ii) if Tenant has obtained all necessary permits and approvals required therefor, (iii) for the purpose of Tenant's conduct of the Permitted Uses within the Premises, (iv) such installation and the operation thereof shall not interfere with any existing communication equipment on the Building or any neighboring property and (v) such installation does not adversely affect the structural element of the Building or the visual aesthetic of the Building in Landlord's sole discretion. Upon the earlier of (x) the date upon which Tenant discontinues all use of such Telecom Equipment or (y) the expiration or earlier termination of the Lease Term, Tenant shall remove the Telecom Equipment and repair any damage to the roof caused by any such installation or removal. The indemnification provisions of Section 5.7 of this Lease shall be deemed to include any claims, liabilities, damages and expenses, including reasonable attorneys fees, relating to, or claimed to relate to, the installation, maintenance, operation or use of the Telecom Equipment installed by Tenant. Tenant shall have no right to license, sublease, assign or otherwise transfer its rights to install and use Telecom Equipment on the Site (other than to an assignee or subtenant permitted under Section 5.6.1 above). Landlord hereby reserves the right (at its sole discretion) to install and to permit others to install, use and maintain telecommunications equipment, antennas and similar installations on the rooftop of the Building and elsewhere on the Site provided that any agreement with a third party granting the right to install telecommunication equipment subsequent to the Commencement Date hereof shall contain language prohibiting interference with Tenant's Telecom Equipment then existing and shall provide Landlord with a termination right if such interference is not remedied after a reasonable period of time. If measurable interference shall occur, Tenant shall provide notice thereof to Landlord and Landlord shall use reasonable efforts to cause the same to be remedied, however, if despite such efforts the same are not remedied within a period reasonably necessary to cure such interference), Landlord shall exercise the termination right set forth in its agreement with such interfering party. Further, Landlord shall at all times during the Term reserve a minimum of 20 square feet of cumulative and not necessarily contiguous space on the roof for Tenant's Telecom Equipment.

ARTICLE VI

CASUALTY AND TAKING

6.1 DAMAGE RESULTING FROM CASUALTY. In case during the Lease Term the Building or the Site are damaged by fire or casualty and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within one hundred twenty (120) days from the time that repair work would commence, Landlord may, at its election, terminate this Lease by notice given to Tenant within forty-five (45) days after the date of such fire or other casualty, specifying the effective date of termination. The effective date of termination specified by Landlord shall not be less than thirty (30) days nor more than forty-five (45) days after the date of notice of such termination.

In case during the last year of the Lease Term, the Premises are damaged by fire or casualty and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within one hundred eighty (180) days from the date of such fire, casualty or damage, Tenant may, at its election, terminate this Lease by notice given to Landlord within thirty (30) days after the date of such fire or other casualty, specifying the effective date of termination. The effective date of termination specified by Tenant shall be not less than thirty (30) days nor more than forty-five (45) days after the date of notice of such termination.

Unless terminated pursuant to the foregoing provisions, this Lease shall remain in full force and effect following any such damage subject, however, to the following provisions.

If the Building or the Site or any part thereof are damaged by fire or other casualty and this Lease is not so terminated, or Landlord or Tenant have no right to terminate this Lease, and in any such case the holder of any mortgage which includes the Building as a part of the mortgaged premises or any ground lessor of any ground lease which includes the Site as part of the demised premises allows the net insurance proceeds to be applied to the restoration of the Building (and/or the Site), Landlord promptly after such damage and the determination of the net amount of insurance proceeds available shall use due diligence to restore the Premises and the Building in the event of damage thereto (excluding Tenant's Property) into proper condition for use and occupation and a just proportion of the Annual Fixed Rent, Tenant's share of Operating Expenses and Tenant's share of real estate taxes according to the nature and extent of the injury to the Premises shall be abated until the Premises shall have been put by Landlord substantially into such condition except for punch list items and long lead items. Notwithstanding anything herein contained to the contrary, Landlord shall not be obligated to expend for such repair and restoration any amount in excess of the net insurance proceeds.

Unless such restoration is completed within nine (9) months from the date of the casualty (whether or not the casualty is the result of a risk covered by the forms of insurance at the time maintained by Landlord) or taking, such period to be subject, however, to extension where the delay in completion of such work is due to Force Majeure, as defined hereinbelow, (but in no event beyond fifteen (15) months from the date of the casualty or taking), Tenant, as its sole and exclusive remedy, shall have the right to terminate this Lease at any time after the expiration of such nine-month (as extended) period until the restoration is substantially completed, such termination to take effect as of the thirtieth (30th) day after the date of receipt by Landlord of Tenant's notice, with the same force and effect as if such date were the date originally established as the expiration date hereof unless, within thirty (30) days after Landlord's receipt of Tenant's notice, such restoration is substantially completed, in which case Tenant's notice of termination shall be of no force and effect and this Lease and the Lease Term shall continue in full force and effect. When used herein, "Force Majeure" shall mean any prevention, delay or stoppage due to governmental regulation, strikes, lockouts, acts of God, acts of war, terrorists acts, civil commotions, unusual scarcity of or inability to obtain labor or materials, labor difficulties, casualty or other causes reasonably beyond Landlord's control or attributable to Tenant's action or inaction.

6.2 UNINSURED CASUALTY. Notwithstanding anything to the contrary contained in this Lease, if the Building or the Premises shall be substantially damaged by fire or casualty as the result of a risk not covered by the forms of casualty insurance at the time maintained by Landlord and such fire or casualty damage cannot, in the ordinary course, reasonably be expected to be repaired within ninety (90) days from the time that repair work would commence, Landlord may, at its election, terminate the Term of this Lease by notice to the Tenant given within sixty

(60) days after such loss. If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

6.3 RIGHTS OF TERMINATION FOR TAKING. If the entire Building, or such portion of the Premises as to render the balance (if reconstructed to the maximum extent practicable in the circumstances) unsuitable for Tenant's purposes, shall be taken by condemnation or right of eminent domain, Landlord or Tenant shall have the right to terminate this Lease by notice to the other of its desire to do so, provided that such notice is given not later than thirty (30) days after Tenant has been deprived of possession. If either party shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Further, if so much of the Building shall be so taken that continued operation of the Building would be uneconomic as a result of the taking, Landlord shall have the right to terminate this Lease by giving notice to Tenant of Landlord's desire to do so not later than thirty (30) days after Tenant has been deprived of possession of the Premises (or such portion thereof as may be taken). If Landlord shall give such notice, then this Lease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Should any part of the Premises be so taken or condemned during the Lease Term hereof, and should this Lease not be terminated in accordance with the foregoing provisions, and the holder of any mortgage which includes the Premises as part of the mortgaged premises or any ground lessor of any ground lease which includes the Site as part of the demised premises allows the net condemnation proceeds to be applied to the restoration of the Building, Landlord agrees that after the determination of the net amount of condemnation proceeds available to Landlord, Landlord shall use due diligence to put what may remain of the Premises into proper condition for use and occupation as nearly like the condition of the Premises prior to such taking as shall be practicable (excluding Tenant's Property). Notwithstanding the foregoing, Landlord shall not be obligated to expend for such repair and restoration any amount in excess of the net condemnation proceeds made available to it.

If the Premises shall be affected by any exercise of the power of eminent domain, then the Annual Fixed Rent, Tenant's share of operating costs and Tenant's share of real estate taxes shall be justly and equitably abated and reduced according to the nature and extent of the loss of use thereof suffered by Tenant; and in case of a taking which permanently reduces the Rentable Floor Area of the Premises, a just proportion of the Annual Fixed Rent, Tenant's share of operating costs and Tenant's share of real estate taxes shall be abated for the remainder of the Lease Term.

6.4 AWARD. Landlord shall have and hereby reserves to itself any and all rights to receive awards made for damages to the Premises, the Buildings, the Complex and the Site and the leasehold hereby created, or any one or more of them, accruing by reason of exercise of eminent domain or by reason of anything lawfully done in pursuance of public or other authority. Tenant hereby grants, releases and assigns to Landlord all Tenant's rights to such awards, and covenants to execute and deliver such further assignments and assurances thereof as Landlord may from time to time request, and if Tenant shall fail to execute and deliver the same within fifteen (15) days after notice from Landlord, Tenant hereby covenants and agrees that Landlord shall be irrevocably designated and appointed as its attorney-in-fact to execute and deliver in Tenant's name and behalf all such further assignments thereof which conform with the provisions hereof.

Nothing contained herein shall be construed to prevent Tenant from prosecuting in any condemnation proceeding a claim for the value of any of Tenant's trade fixtures installed in the Premises by Tenant at Tenant's expense and for relocation and moving expenses, provided that such action and any resulting award shall not affect or diminish the amount of compensation otherwise recoverable by Landlord from the taking authority.

ARTICLE VII

DEFAULT

7.1 TENANT'S DEFAULT. (a) If at any time subsequent to the date of this Lease any one or more of the following events (herein sometimes called an "Event of Default") shall occur:

(i) Tenant shall fail to pay the fixed rent and regularly scheduled payments of Additional Rent on or before the date on which the same become due and payable, and the same continues for five (5) days after notice from Landlord thereof; or

(ii) Landlord having rightfully given the notice specified in subdivision (a) above twice in any calendar year, Tenant shall thereafter in the same calendar year fail to pay the fixed rent or regularly scheduled payments of Additional Rent on or before the date on which the same become due and payable; or

(iii) Tenant shall fail to pay any Additional Rent not specified in subdivision (i) above within thirty (30) days when due; or

(iv) Tenant shall assign its interest in this Lease or sublet any portion of the Premises in violation of the requirements of Section 5.6 through 5.6.5 of this Lease; or

(v) Tenant shall neglect or fail to perform or observe any other covenant herein contained on Tenant's part to be performed or observed and Tenant shall fail to remedy the same within thirty (30) days after notice to Tenant specifying such neglect or failure, or if such failure is of such a nature that Tenant cannot reasonably remedy the same within such thirty (30) day period, Tenant shall fail to commence promptly to remedy the same and to prosecute such remedy to completion with diligence and continuity; or

(vi) Tenant's leasehold interest in the Premises shall be taken on execution or by other process of law directed against Tenant; or

(vii) Tenant shall make an assignment for the benefit of creditors or shall file a voluntary petition in bankruptcy or shall be adjudicated bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future Federal, State or other statute, law or regulation for the relief of debtors, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties, or shall admit in writing its inability to pay its debts generally as they become due; or

(viii) A petition shall be filed against Tenant in bankruptcy or under any other law seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future Federal, State or other statute, law or regulation and shall remain undismissed or unstayed for an aggregate of sixty (60) days, or if any debtor in possession (whether or not Tenant) trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the Premises shall be appointed without the consent or acquiescence of Tenant and such appointment shall remain unvacated or unstayed for an aggregate of sixty (60) days then, and in any of said cases (notwithstanding any license of a former breach of covenant or waiver of the benefit hereof or consent in a former instance), Landlord lawfully may, immediately or at any time thereafter, and without demand or further notice terminate this Lease by notice to Tenant, specifying a date not less than ten (10) days after the giving of such notice on which this Lease shall terminate, and this Lease shall come to an end on the date specified therein as fully and completely as if such date were the date herein originally fixed for the expiration of the Lease Term (Tenant hereby waiving any rights of redemption), and Tenant will then quit and surrender the Premises to Landlord, but Tenant shall remain liable as hereinafter provided.

(b) If this Lease shall have been terminated as provided in this Article, then Landlord may, without notice, re- enter the Premises, either by force, summary proceedings, ejectment or otherwise, and remove and dispossess Tenant and all other persons and any and all property from the same, as if this Lease had not been made, and Tenant hereby waives the service of notice of intention to re-enter or to institute legal proceedings to that end.

(c) In the event that this Lease is terminated under any of the provisions contained in Section 7.1 (a) or shall be otherwise terminated by breach of any obligation of Tenant, Tenant covenants and agrees forthwith to pay and be liable for, on the days originally fixed herein for the payment thereof, amounts equal to the several installments of

rent and other charges reserved as they would, under the terms of this Lease, become due if this Lease had not been terminated or if Landlord had not entered or re-entered, as aforesaid, and whether the Premises be relet or remain vacant, in whole or in part, or for a period less than the remainder of the Term, and for the whole thereof, but in the event the Premises be relet by Landlord, Tenant shall be entitled to a credit in the net amount of rent and other charges received by Landlord in reletting, after deduction of all reasonable expenses incurred in reletting the Premises (including, without limitation, remodeling costs, brokerage fees and the like (at market rates)), and in collecting the rent in connection therewith, in the following manner:

Amounts received by Landlord after reletting shall first be applied against such Landlord's expenses, until the same are recovered, and until such recovery, Tenant shall pay, as of each day when a payment would fall due under this Lease, the amount which Tenant is obligated to pay under the terms of this Lease (Tenant's liability prior to any such reletting and such recovery not in any way to be diminished as a result of the fact that such reletting might be for a rent higher than the rent provided for in this Lease); when and if such expenses have been completely recovered, the amounts received from reletting by Landlord as have not previously been applied shall be credited against Tenant's obligations as of each day when a payment would fall due under this Lease, and only the net amount thereof shall be payable by Tenant. Further, amounts received by Landlord from such reletting for any period shall be credited only against obligations of Tenant allocable to such period, and shall not be credited against obligations of Tenant hereunder accruing subsequent or prior to such period; nor shall any credit of any kind be due for any period after the date when the term of this Lease is scheduled to expire according to its terms.

(d) (i) At any time after such termination and whether or not Landlord shall have collected any damages as aforesaid, as liquidated final damages and in lieu of all other damages beyond the date of notice from Landlord to Tenant, at Landlord's election, Tenant shall promptly pay to Landlord (in addition to any damages collected or due from Tenant from any period prior to such notice and all expenses which Landlord may have incurred with respect to the collection of such damages), such a sum as at the time of such notice represents the amount of the excess, if any, of (a) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges which would have been payable by Tenant under this Lease for the remainder of the Lease Term if the Lease terms had been fully complied with by Tenant, over and above (b) the discounted present value, at a discount rate of 6%, of the Annual Fixed Rent, Additional Rent and other charges that would be received by Landlord if the Premises were re- leased at the time of such notice for the remainder of the Lease Term at the fair market value (including provisions regarding periodic increases in Annual Fixed Rent if such are applicable) prevailing at the time of such notice as reasonably determined by Landlord.

(d) (ii) For the purposes of this Article, if Landlord elects to require Tenant to pay damages in accordance with the immediately preceding paragraph, the total fixed rent and regularly scheduled payments of Additional Rent shall be computed by assuming that Tenant's share of excess taxes, Tenant's share of excess operating costs and Tenant's share of excess electrical costs would be, for the balance of the unexpired Term from the date of such notice, the amount thereof (if any) for the immediately preceding annual period payable by Tenant to Landlord.

(e) In case of any Event of Default, re-entry, dispossession by summary proceedings or otherwise, Landlord may (i) re-let the Premises or any part or parts thereof, either in the name of Landlord or otherwise, for a term or terms which may at Landlord's option be equal to or less than or exceed the period which would otherwise have constituted the balance of the Term of this Lease and may grant concessions or free rent to the extent that Landlord considers advisable or necessary to re-let the same and (ii) may make such alterations, repairs and decorations in the Premises as Landlord in its sole judgment considers advisable or necessary for the purpose of reletting the Premises; and the making of such alterations, repairs and decorations shall not operate or be construed to release Tenant from liability hereunder as aforesaid. Landlord shall in no event be liable in any way whatsoever for failure to re-let the Premises, or, in the event that the Premises are re-let, for failure to collect the rent under re-letting. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any of the covenants and conditions of this Lease.

(f) The specified remedies to which Landlord may resort hereunder are not intended to be exclusive of any remedies or means of redress to which Landlord may at any time be entitled lawfully, and Landlord may invoke any remedy (including the remedy of specific performance) allowed at law or in equity as if specific remedies were not

herein provided for. Further, nothing contained in this Lease shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency by reason of the termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

(g) In lieu of any other damages or indemnity and in lieu of the recovery by Landlord of all sums payable under all the foregoing provisions of this Section 7.1, Landlord may elect to collect from Tenant, by notice to Tenant, at any time after this Lease is terminated under any of the provisions contained in this Article VII or otherwise terminated by breach of any obligation of Tenant and before full recovery under such foregoing provisions, and Tenant shall thereupon pay, as liquidated damages, an amount equal to the sum of the Annual Fixed Rent and all Additional Rent payable for the twelve (12) months ended next prior to such termination plus the amount of Annual Fixed Rent and Additional Rent of any kind accrued and unpaid at the time of such election plus any and all expenses which the Landlord may have incurred for and with respect of the collection of any of such rent.

7.2 LANDLORD'S DEFAULT. Landlord shall in no event be in default in the performance of any of Landlord's obligations hereunder unless and until Landlord shall have failed to (i) make any payments to Tenant within the time period set forth under this Lease and such failure continues for ten (10) days after notice thereof from Tenant to Landlord, or (ii) perform such non-monetary obligations within thirty (30) days after notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation; provided, however, that if such failure is of such a nature that Landlord cannot reasonably remedy the same within such thirty (30) day period and Landlord has commenced such cure within such thirty (30) day period, Landlord shall have such additional time as is reasonably required to cure any such default provided Landlord diligently and continually prosecutes such cure to completion. Except as specifically set forth in Section 8.17(B), the Tenant shall not assert any right to deduct the cost of repairs or any monetary claim against the Landlord from rent thereafter due and payable, but shall look solely to the Landlord for satisfaction of such claim.

ARTICLE VIII

8.1 EXTRA HAZARDOUS USE. Tenant covenants and agrees that Tenant will not do or permit anything to be done in or upon the Premises, or bring in anything or keep anything therein, which shall increase the rate of insurance on the Premises or on the Building above the standard rate applicable to premises being occupied for the use to which Tenant has agreed to devote the Premises; and Tenant further agrees that, in the event that Tenant shall do any of the foregoing, Tenant will promptly pay to Landlord, within thirty (30) days of notice thereof together with reasonable evidence of any such increase, any such increase resulting therefrom, which shall be due and payable as Additional Rent thereunder.

8.2 WAIVER. Failure on the part of Landlord or Tenant to complain of any action or non-action on the part of the other, no matter how long the same may continue, shall never be a waiver by Tenant or Landlord, respectively, of any of its rights hereunder. Further, no waiver at any time of any of the provisions hereof by Landlord or Tenant shall be construed as a waiver of any of the other provisions hereof, and a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval of Landlord or Tenant to or of any action by the other requiring such consent or approval shall not be construed to waive or render unnecessary Landlord's or Tenant's consent or approval to or of subsequent similar act by the other.

No payment by Tenant or Landlord, or acceptance by Landlord or Tenant, of a lesser amount than shall be due from Tenant to Landlord, or Landlord to Tenant, as the case may be, shall be treated otherwise than as a payment on account. The acceptance by Landlord or Tenant of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord or Tenant may accept such check without prejudice to any other rights or remedies which Landlord or Tenant may have against the other.

8.3 CUMULATIVE REMEDIES. Except as expressly provided in this Lease, the specific remedies to which Landlord or Tenant may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which such party may be lawfully entitled in case of any breach or

threatened breach by Tenant or Landlord of any provisions of this Lease. In addition to the other remedies provided in this Lease, Landlord or Tenant shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the covenants, conditions or provisions of this Lease or to a decree compelling specific performance of any such covenants, conditions or provisions.

8.4 QUIET ENJOYMENT. Tenant, subject to the terms and provisions of this Lease on payment of the rent and observing, keeping and performing all of the terms and provisions of this Lease on Tenant's part to be observed, kept and performed, shall lawfully, peaceably and quietly have, hold, occupy and enjoy the Premises during the Term (exclusive of any period during which Tenant is holding over after the termination or expiration of this Lease without the consent of Landlord), without hindrance or ejection by Landlord or any persons lawfully claiming under Landlord to have title to the Premises superior to Tenant, subject, however, to the terms of this Lease; the foregoing covenant of quiet enjoyment is in lieu of any other covenant, express or implied; and it is understood and agreed that this covenant and any and all other covenants of Landlord contained in this Lease shall be binding upon Landlord and Landlord's successors, including ground or master lessees, only with respect to breaches occurring during Landlord's or Landlord's successors' respective ownership of Landlord's interest hereunder, as the case may be.

Further, Tenant specifically agrees to look solely to Landlord's then interest in the Building at the time owned, or in which Landlord holds an interest as ground lessee, for recovery of any judgment from Landlord; it being specifically agreed that neither Landlord (original or successor), nor any beneficiary of any trust of which any person holding Landlord's interest is trustee, nor any member, manager, partner, director or stockholder, nor Landlord's managing agent, shall ever be personally liable for any such judgment, or for the payment of any monetary obligation to Tenant. The provision contained in the foregoing sentence is not intended to, and shall not, limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or Landlord's successors in interest, or any action not involving the personal liability of Landlord (original or successor), any successor trustee to the persons named herein as Landlord, or any beneficiary of any trust of which any person holding Landlord's interest is trustee, or of any manager, member, partner, director or stockholder of Landlord or of Landlord's managing agent to respond in monetary damages from Landlord's assets other than Landlord's interest aforesaid in the Building, but in no event shall Tenant have the right to terminate or cancel this Lease or to withhold rent or to set-off any claim or damages against rent as a result of any default by Landlord or breach by Landlord of its covenants or any warranties or promises hereunder, except in the case of a wrongful eviction of Tenant from the demised premises (constructive or actual) by Landlord continuing after notice to Landlord thereof and a reasonable opportunity for Landlord to cure the same. In no event shall Landlord ever be liable to Tenant for any indirect or consequential damages or loss of profits or the like. In the event that Landlord shall be determined to have acted unreasonably in withholding any consent or approval under this Lease, the sole recourse and remedy of Tenant in respect thereof shall be to specifically enforce Landlord's obligation to grant such consent or approval, and in no event shall the Landlord be responsible for any damages of whatever nature in respect of its failure to give such consent or approval nor shall the same otherwise affect the obligations of Tenant under this Lease or act as any termination of this Lease.

8.5 NOTICE TO MORTGAGEE AND GROUND LESSOR. After receiving notice from any person, firm or other entity that it holds a mortgage which includes the Premises as part of the mortgaged premises, or that it is the ground lessor under a lease with Landlord, as ground lessee, which includes the Premises as a part of the demised premises, no notice from Tenant to Landlord shall be effective unless and until a copy of the same is given to such holder or ground lessor, and the curing of any of Landlord's defaults by such holder or ground lessor within a reasonable time thereafter shall be treated as performance by Landlord. For the purposes of this Section 8.5 or Section 8.15, the term "mortgage" includes a mortgage on a leasehold interest of Landlord (but not one on Tenant's leasehold interest). Landlord represents that as of the date of this Lease that there is no mortgage or ground lease affecting the Building.

8.6 ASSIGNMENT OF RENTS. With reference to any assignment by Landlord of Landlord's interest in this Lease, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of a mortgage or ground lease on property which includes the Premises, Tenant agrees:

(a) That the execution thereof by Landlord, and the acceptance thereof by the holder of such mortgage or the ground lessor, shall never be treated as an assumption by such holder or ground lessor of any of the

obligations of Landlord hereunder, unless such holder, or ground lessor, shall, by notice sent to Tenant, specifically otherwise elect; and

(b) That, except as aforesaid, such holder or ground lessor shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of such holder's mortgage and the taking of possession of the Premises, or, in the case of a ground lessor, the assumption of Landlord's position hereunder by such ground lessor.

In no event shall the acquisition of title to the Building and the land on which the same is located by a purchaser which, simultaneously therewith, leases the entire Building or such land back to the seller thereof be treated as an assumption by such purchaser-lessor, by operation of law or otherwise, of Landlord's obligations hereunder, but Tenant shall look solely to such seller-lessee, and its successors from time to time in title, for performance of Landlord's obligations hereunder subject to the provisions of Section 8.4 hereof. In any such event, this Lease shall be subject and subordinate to the lease to such purchaser provided that such purchaser agrees to recognize the right of Tenant to use and occupy the Premises upon the payment of rent and other charges payable by Tenant under this Lease and the performance by Tenant of Tenant's obligations hereunder and provided that Tenant agrees to attorn to such purchaser. For all purposes, such seller-lessee, and its successors in title, shall be the landlord hereunder unless and until Landlord's position shall have been assumed by such purchaser-lessor.

8.7 SURRENDER. No act or thing done by Landlord during the Lease Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid, unless in writing signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys of the Premises prior to the termination of this Lease. The delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of the Lease or a surrender of the Premises.

8.8 BROKERAGE. (A) Tenant warrants and represents that Tenant has not dealt with any broker in connection with the consummation of this Lease other than the broker, person or firm, if any, designated in Section 1.1 hereof; and in the event any claim is made against the Landlord relative to dealings by Tenant with brokers other than the Brokers, if any, designated in Section 1.1 hereof, Tenant shall defend the claim against Landlord with counsel of Tenant's selection first approved by Landlord (which approval will not be unreasonably withheld) and save harmless and indemnify Landlord on account of loss, cost or damage which may arise by reason of such claim.

(B) Landlord warrants and represents that Landlord has not dealt with any broker in connection with the consummation of this Lease other than the broker, person or firm, if any, designated in Section 1.1 hereof; and in the event any claim is made against the Tenant relative to dealings by Landlord with brokers other than the Brokers, if any, designated in Section 1.1 hereof, Landlord shall defend the claim against Tenant with counsel of Landlord's selection and save harmless and indemnify Tenant on account of loss, cost or damage which may arise by reason of such claim. Landlord agrees that it shall be solely responsible for the payment of brokerage commissions to the Broker for the Original Term of this Lease, if any, designated in Section 1.1 hereof.

8.9 INVALIDITY OF PARTICULAR PROVISIONS. If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

8.10 PROVISIONS BINDING, ETC. The obligations of this Lease shall run with the land, and except as herein otherwise provided, the terms hereof shall be binding upon and shall inure to the benefit of the successors and assigns, respectively, of Landlord and Tenant and, if Tenant shall be an individual, upon and to his heirs, executors, administrators, successors and assigns. Each term and each provision of this Lease to be performed by Tenant shall be construed to be both a covenant and a condition. The reference contained to successors and assigns of Tenant is not intended to constitute a consent to subletting or assignment by Tenant.

8.11 RECORDING. Tenant agrees not to record the within Lease, but each party hereto agrees, on the request of the other, to execute a so-called Notice of Lease or short form lease in form recordable and complying with applicable law and reasonably satisfactory to both Landlord's and Tenant's attorneys. In no event shall such

document set forth rent or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

8.12 NOTICES. Whenever, by the terms of this Lease, any (unless otherwise specified herein) notice, claim, demand, consent or other communication shall or may be given either to Landlord or to Tenant, such notice shall be in writing and shall be sent by overnight commercial courier or by registered or certified mail postage or delivery charges prepaid, as the case may be:

If intended for Landlord, addressed to Landlord at the address set forth on the first page of this Lease (or to such other address or addresses as may from time to time hereafter be designated by Landlord by like notice) with a copy to Landlord, Attention: General Counsel.

If intended for Tenant, addressed to Tenant at the address set forth on the second page of this Lease Attention : Controller except that from and after the Commencement Date the address of Tenant shall be the Premises (or to such other address or addresses as may from time to time hereafter be designated by Tenant by like notice) with a copy to Hale and Dorr LLP, 60 State Street, Boston, MA, Attention: Hal Leibowitz, Esq..

Except as otherwise provided herein, all such notices shall be effective when received; provided, that (i) if receipt is refused, notice shall be effective upon the first occasion that such receipt is refused or (ii) if the notice is unable to be delivered due to a change of address of which no notice was given, notice shall be effective upon the date such delivery was attempted.

Where provision is made for the attention of an individual or department, the notice shall be effective only if the wrapper in which such notice is sent is addressed to the attention of such individual or department.

Any notice given by an attorney on behalf of Landlord or Tenant or by Landlord's managing agent shall be considered as given by Landlord or Tenant and shall be fully effective.

Time is of the essence with respect to any and all notices and periods for giving notice or taking any action thereto under this Lease.

8.13 WHEN LEASE BECOMES BINDING. Employees or agents of Landlord have no authority to make or agree to make a lease or any other agreement or undertaking in connection herewith. The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document shall become effective and binding only upon the execution and delivery hereof by both Landlord and Tenant. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein and may be modified or altered only by written agreement between Landlord and Tenant, and no act or omission of any employee or agent of Landlord or Tenant shall alter, change or modify any of the provisions hereof.

8.14 SECTION HEADINGS. The titles of the Articles throughout this Lease are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Lease.

8.15 RIGHTS OF MORTGAGEE. This Lease shall be subject and subordinate to any mortgage now or hereafter on the Site or the Building, or both, and to each advance made or hereafter to be made under any mortgage, and to all renewals, modifications, consolidations, replacements and extensions thereof and all substitutions therefor provided that the holder of such mortgage agrees to recognize the rights of Tenant under this Lease (including the right to use and occupy the Premises) upon the payment of rent and other charges payable by Tenant under this Lease and the performance by Tenant of Tenant's obligations hereunder. In confirmation of such subordination and recognition, Tenant shall execute and deliver promptly such instruments of subordination and recognition as such mortgagee may reasonably request subject to receipt of such instruments of recognition from such mortgagee as Tenant may reasonably request. In the event that any mortgagee or its respective successor in title shall succeed to the interest of Landlord, then, this Lease shall nevertheless continue in full force and effect and Tenant shall and

does hereby agree to attorn to such mortgagee or successor and to recognize such mortgagee or successor as its landlord. If any holder of a mortgage which includes the Premises, executed and recorded prior to the date of this Lease, shall so elect, this Lease and the rights of Tenant hereunder, shall be superior in right to the rights of such holder, with the same force and effect as if this Lease had been executed, delivered and recorded, or a statutory Notice hereof recorded, prior to the execution, delivery and recording of any such mortgage. The election of any such holder shall become effective upon either notice from such holder to Tenant in the same fashion as notices from Landlord to Tenant are to be given hereunder or by the recording in the appropriate registry or recorder's office of an instrument in which such holder subordinates its rights under such mortgage to this Lease.

8.16 STATUS REPORTS AND FINANCIAL STATEMENTS. Recognizing that Landlord or Tenant may find it necessary to establish to potential or existing mortgagees, potential purchasers, ground lessors, permitted assignees or subtenants or the like, as applicable, or the like, the then current status of performance hereunder, Tenant or Landlord, on the request of the other made from time to time, will promptly furnish to Landlord, or any existing or potential holder of any mortgage encumbering the Premises, the Building, the Site and/or the Complex or any potential purchaser of the Premises, the Building, the Site and/or the Complex or to any permitted assignee or subtenant of the Premises or Building (each an "Interested Party"), a statement of the status of any matter pertaining to this Lease customarily provided in a so-called "estoppel certificate", including, without limitation, acknowledgments that (or the extent to which) each party is in compliance with its obligations under the terms of this Lease. In addition, not more than once in any calendar year, Tenant shall deliver to Landlord, or any Interested Party designated by Landlord, financial statements of Tenant, as reasonably requested by Landlord, including, but not limited to financial statements for the past three (3) years. Any such status statement or financial statement delivered by Tenant pursuant to this Section 8.16 may be relied upon by any Interested Party.

8.17 SELF-HELP. (A) If an Event of Default then exists, Landlord shall have the right, but shall not be obligated, to enter upon the Premises and to perform such obligation notwithstanding the fact that no specific provision for such substituted performance by Landlord is made in this Lease with respect to such default. In performing such obligation, Landlord may make any payment of money or perform any other act to the extent required to cure any such default. All sums so paid by Landlord (together with interest at the rate of two percentage points over the then prevailing prime rate in Boston as set by Fleet National Bank or its successor (but in no event greater than the maximum rate permitted by applicable law) and all costs and expenses in connection with the performance of any such act by Landlord, shall be deemed to be Additional Rent under this Lease and shall be payable to Landlord immediately on demand. Landlord may exercise the foregoing rights without waiving any other of its rights or releasing Tenant from any of its obligations under this Lease.

(B) Landlord shall never be liable for any failure to make repairs which, under the provisions of this Lease, Landlord has undertaken to make unless:

(a) Tenant has given notice to Landlord of the need to make such repairs, or of a condition in the Building or in the Premises requiring any repair for which Landlord is responsible; and

(b) Landlord has failed to commence to make such repairs within a reasonable time after receipt of such notice.

In the event Landlord fails to make such repairs as are required of Landlord within thirty (30) days after written notice from Tenant to Landlord and to the holder of any mortgage on the Premises of which Landlord has given Tenant notice or of which Tenant has actual notice, specifying the nature of such repairs (or if such repairs are of the type which cannot be completed within thirty (30) days, then if Landlord or the holder of any such mortgage (at the option of such mortgagee) fails to (i) commence making such repairs within thirty (30) days after such written notice from Tenant and (ii) thereafter prosecute such repairs to completion with due diligence given the nature of such repairs), then thereafter at any time prior to Landlord's or such mortgagee's commencing such repairs or subsequent to Landlord or such mortgagee commencing such repairs if Landlord or such mortgagee has not prosecuted such repairs to completion with due diligence given the nature of such repairs, Tenant may, but need not, make such repairs to the extent required to remedy any such situation and charge the reasonable cost thereof to Landlord; provided, however, that in the case of emergency repairs (i) such notice by Tenant to Landlord and such mortgagee need not be in writing, and (ii) Tenant may make such emergency repairs and charge the reasonable cost thereof to

Landlord if either Landlord or such mortgagee has not made such emergency repairs within a reasonable time after such notice. However, in no event shall Tenant have the right to offset against, withhold or deduct from Annual Fixed Rent or additional rent payable under this Lease for any reason relating to this Section.

8.18 HOLDING OVER. Any holding over by Tenant after the expiration of the term of this Lease shall be treated as a tenancy at sufferance and shall be on the terms and conditions as set forth in this Lease, as far as applicable except that Tenant shall pay as a use and occupancy charge an amount equal to the greater of (x) 150% of the Annual Fixed Rent and Additional Rent calculated (on a daily basis) at the highest rate payable under the terms of this Lease, or (y) the fair market rental value of the Premises, in each case for the period measured from the day on which Tenant's hold-over commences and terminating on the day on which Tenant vacates the Premises. In addition, Tenant shall save Landlord, its agents and employees harmless and will exonerate, defend and indemnify Landlord, its agents and employees from and against any and all damages which Landlord may suffer on account of Tenant's hold-over in the Premises after the expiration or prior termination of the term of this Lease. Nothing in the foregoing nor any other term or provision of this Lease shall be deemed to permit Tenant to retain possession of the Premises or hold over in the Premises after the expiration or earlier termination of the Lease Term. All property which remains in the Building or the Premises after the expiration or termination of this Lease shall be conclusively deemed to be abandoned and may either be retained by Landlord as its property or sold or otherwise disposed of in such manner as Landlord may see fit. If any part thereof shall be sold, then Landlord may receive the proceeds of such sale and apply the same, at its option against the expenses of the sale, the cost of moving and storage, any arrears of rent or other charges payable hereunder by Tenant to Landlord and any damages to which Landlord may be entitled under this Lease and at law and in equity, with the balance, if any, paid to Tenant.

8.19 NON-SUBROGATION. Any insurance carried by either party with respect to the Premises or property therein or occurrences thereon shall, if it can be so written without additional premium or with an additional premium which the other party agrees to pay, include a clause or endorsement denying to the insurer rights of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of injury or loss. Each party, notwithstanding any provisions of this Lease to the contrary, hereby waives any rights of recovery against the other for injury or loss due to hazards covered by such insurance (or which would have been covered had such party carried the insurance required to be carried by it under the Lease) to the extent of the indemnification received thereunder. This waiver of rights by Tenant shall apply to, and be for the benefit of, Landlord's managing agent.

8.20 EXTENSION OPTION. (A) On the conditions (which conditions Landlord may waive by written notice to Tenant) that at the time of exercise of the option to extend and at the commencement date of the extension option period (i) there exists no Event of Default (defined in Section 7.1), (ii) this Lease is still in full force and effect, and (iii) Tenant has neither assigned this Lease nor sublet the Premises (except for an assignment or subletting permitted under Section 5.6.1 hereof), Tenant shall have the right to extend the Term hereof upon all the same terms, conditions, covenants and agreements herein contained (except for the Annual Fixed Rent which shall be adjusted during the option period as herein below set forth) for one (1) period of three (3) years as hereinafter set forth. The option period is sometimes herein referred to as the "Extended Term". Notwithstanding any implication to the contrary Landlord has no obligation to make any additional payment to Tenant in respect of any construction allowance or the like or to perform any work to the Premises as a result of the exercise by Tenant of such option.

(B) If Tenant desires to exercise its option to extend the Term, then Tenant shall give notice ("Exercise Notice") to Landlord, not earlier than twelve (12) months nor later than nine (9) months prior to the expiration of the then Term, exercising such option to extend. Promptly after Landlord's receipt of the Exercise Notice, Landlord shall provide Landlord's quotation to Tenant of a proposed annual rent for the Extended Term ("Landlord's Rent Quotation"). If at the expiration of thirty (30) days after the date when Landlord provides such quotation to Tenant (the "Negotiation Period"), Landlord and Tenant have not reached agreement on a determination of an annual rental for the Extended Term and executed a written instrument extending the Term of this Lease pursuant to such agreement, then Tenant shall have the right, for thirty (30) days following the expiration of the Negotiation Period, to make a request to Landlord for a broker determination (the "Broker Determination") of the Prevailing Market Rent (as defined in Exhibit E) for the Extended Term, which Broker Determination shall be made in the manner set forth in Exhibit E. If Tenant timely shall have requested the Broker Determination, then the Annual Fixed Rent for the Extended Term shall be the greater of (a) 95% of the Prevailing Market Rent as determined by the Broker

Determination or (b) the Annual Fixed Rent in effect during the last twelve (12) month period of the Lease Term immediately prior to the Extended Term. If Tenant does not timely request the Broker Determination, then Annual Fixed Rent during the Extended Term shall be equal to the greater of (a) Landlord's Rent Quotation or (b) the Annual Fixed Rent in effect during the last twelve (12) month period of the Lease Term immediately prior to such Extended Term.

(C) Upon the giving of the Exercise Notice by Tenant to Landlord exercising Tenant's option to extend the Lease Term in accordance with the provisions of Section B above, then this Lease and the Lease Term hereof shall automatically be deemed extended, for the Extended Term, without the necessity for the execution of any additional documents, except that Landlord and Tenant agree to enter into an instrument in writing setting forth the Annual Fixed Rent for the Extended Term as determined in the relevant manner set forth in this Section 8.20; and in such event all references herein to the Lease Term or the term of this Lease shall be construed as referring to the Lease Term, as so extended, unless the context clearly otherwise requires, and except that there shall be no further option to extend the Lease Term. Notwithstanding anything contained herein to the contrary, in no event shall the Lease Term hereof be extended for more than three (3) years after the expiration of the Original Lease Term.

8.21 SECURITY DEPOSIT. (A) Concurrently with the execution of this Lease, Tenant shall pay to Landlord a security deposit in the amount of Two Hundred Seventy Nine Thousand Dollars ($279,000.00) and Landlord shall hold the same, throughout the Term of this Lease (including the Extended Term, if applicable), unless sooner returned to Tenant as provided in this Section 8.21, as security for the performance by Tenant of all obligations on the part of Tenant to be performed under this Lease. Such deposit shall be in the form of an irrevocable, unconditional, negotiable letter of credit (the "Letter of Credit"). The Letter of Credit shall (i) be issued by and drawn on a bank reasonably approved by Landlord and at a minimum having a corporate credit rating from Standard and Poor's Professional Rating Service of BBB- or a comparable minimum rating from Moody's Professional Rating Service as of the Commencement Date, (ii) be in a form reasonably acceptable to Landlord, (iii) permit one or more draws thereunder to be made accompanied only by certification by Landlord that pursuant to the terms of this Lease, Landlord is entitled to apply such Letter of Credit and the proceeds thereof to an Event of Default of Tenant under this Lease, (iv) permit transfers at any time with reasonable or no charge and (v) permit presentment in Boston, Massachusetts. Any such Letter of Credit shall be for a term of two (2) years (or for one (1) year if the issuer thereof regularly and customarily only issues letters of credit for a maximum term of one (1) year) and shall in either case provide for automatic renewals through the date which is thirty (30) days subsequent to the scheduled expiration of this Lease (as the same may be extended) or if the issuer will not grant automatic renewals, the Letter of Credit shall be renewed by Tenant each year and each such renewal shall be delivered to and received by Landlord not later than thirty (30) days before the expiration of the then current Letter of Credit (herein called a "Renewal Presentation Date"). In the event of a failure to so deliver any such renewal Letter of Credit on or before the applicable Renewal Presentation Date, Landlord shall be entitled to present the then existing Letter of Credit for payment and to receive the proceeds thereof, which proceeds shall be held as Tenant's security deposit, subject to the terms of this Section 8.21. Upon the occurrence of any Event of Default, Landlord shall have the right from time to time without prejudice to any other remedy Landlord may have on account thereof, to draw on all or any portion of such deposit held as a Letter of Credit and to apply the proceeds of such Letter of Credit or any cash held as such deposit (in lieu of the original Letter of Credit), or any part thereof, to Landlord's damages arising from such Event of Default on the part of Tenant under the terms of this Lease. If Landlord so applies all or any portion of such deposit, Tenant shall within seven (7) days after notice from Landlord deposit cash with Landlord or deliver a substitute Letter of Credit in an amount sufficient to restore such deposit or initial Letter of Credit to the full amount stated in this Section 8.21. While Landlord holds any cash deposit Landlord shall have no obligation to pay interest on the same and shall have the right to commingle the same with Landlord's other funds. Neither the holder of a mortgage nor the Landlord in a ground lease on property which includes the Premises shall ever be responsible to Tenant for the return or application of any such deposit, whether or not it succeeds to the position of Landlord hereunder, unless such deposit shall have been received in hand by such holder or ground Landlord.

(B) Landlord shall return a One Hundred Thirty Nine Thousand Five Hundred Dollars ($139,500.00) portion of such deposit to Tenant so that the remainder of such deposit shall be One Hundred Thirty Nine Thousand Five Hundred Dollars ($139,500.00) (or if such deposit is in the form of a Letter of Credit, Landlord shall exchange the Letter of Credit for a Letter of Credit delivered by Tenant which reduces the amount secured by the Letter of Credit by the amount stated hereinabove) on the first day of the twenty-fifth (25th) month of the Lease Term if (i) Tenant is not

then in default under the terms of this Lease without the benefit of notice or grace, and (ii) Landlord has not applied such deposit or any portion thereof to Landlord's damages arising from any default on the part of Tenant, whether or not Tenant has restored the amount so applied by Landlord.

(C) Tenant not then being in default and having performed all of its obligations under this Lease, including the payment of all Annual Fixed Rent, Landlord shall return the deposit, or so much thereof as shall not have theretofore been applied or returned in accordance with the terms of this Section 8.21, to Tenant on the expiration or earlier termination of the term of this Lease (as the same may have been extended) and Tenant's surrender possession of the Premises by Tenant to Landlord in the condition required in the Lease at such time.

8.22 LATE PAYMENT. If Landlord shall not have received any payment or installment of Annual Fixed Rent or Additional Rent (the "Outstanding Amount") on or before the date on which the same first becomes payable under this Lease (the "Due Date"), the amount of such payment or installment shall incur a late charge equal to the sum of: (a) five percent (5%) of the Outstanding Amount for administration and bookkeeping costs associated with the late payment and (b) interest on the Outstanding Amount from the Due Date through and including the date such payment or installment is received by Landlord, at a rate equal to the lesser of (i) the rate announced by Fleet National Bank (or its successor) from time to time as its prime or base rate (or if such rate is no longer available, a comparable rate reasonably selected by Landlord), plus two percent (2%), or (ii) the maximum applicable legal rate, if any (the "Late Charge Rate"). Such interest shall be deemed Additional Rent and shall be paid by Tenant to Landlord upon demand. If Tenant shall not have received any payment from Landlord when due, the amount of such payment shall incur a late charge equal to the Late Charge Rate.

8.23 LANDLORD'S AND TENANT'S PAYMENTS. (A) Each and every payment and expenditure, other than Annual Fixed Rent, shall be deemed to be Additional Rent hereunder, whether or not the provisions requiring payment of such amounts specifically so state, and shall be payable, unless otherwise provided in this Lease, within thirty (30) days after written demand by Landlord, and in the case of the non-payment of any such amount, Landlord shall have, in addition to all of its other rights and remedies, all the rights and remedies available to Landlord hereunder or by law in the case of non-payment of Annual Fixed Rent. Unless expressly otherwise provided in this Lease, the performance and observance by Tenant of all the terms, covenants and conditions of this Lease to be performed and observed by Tenant shall be at Tenant's sole cost and expense.

(B) Unless otherwise specifically set forth herein, all payments required to be made by Landlord to Tenant shall be paid within thirty (30) days after request from Tenant.

8.24 WAIVER OF TRIAL BY JURY. Tenant and Landlord hereby waive any right to trial by jury in any action, proceeding or counterclaim brought by either Landlord or Tenant on any matters whatsoever arising out of or any way connected with this Lease, the relationship of the Landlord and the Tenant, the Tenant's use or occupancy of the Premises and/or any claim of injury or damage, including but not limited to, any summary process eviction action.

8.25 TENANT'S SIGNAGE. Tenant shall have the right to (i) install a sign on the lobby level entrance to the Building to the right of the building entrance in the landscaped area immediately adjacent to the Building (the "Building Entrance Sign") which sign (exclusive of any monument or ballasts) shall not exceed 5' in width and 2' in height and shall fall below the window line of the Building (inclusive of any monument or ballasts) and (ii) erect an exterior sign on the Building (the "Building Signage") containing Tenant's name in a location first approved by Landlord provided that (a) Tenant complies with all applicable "Governmental Requirements" and obtains all permits, approvals, consents and the like required by the Governmental Requirements, (b) the graphics, design, proportions, lighting component and color of such signage shall be subject to the prior approval of Landlord and shall be further subject to the requirements of the Town of Lexington Zoning By-Law and any other applicable laws, and (c) Tenant shall be solely responsible for all costs and expenses regarding the Building Signage and the Building Entrance Sign including, without limitation, fabrication costs, design costs, installation costs and all application, permit and approval costs. Landlord shall, at its expense, install the VistaPrint name on the existing free standing sign located at the Hayden Avenue entrance to the Site (the "Hayden Avenue Entrance Sign"). Tenant acknowledges that rights to the Hayden Avenue Entrance Sign are non-exclusive. In addition, Landlord shall remove, at Landlord's sole cost and expense, the signs of any prior tenant on or before thirty (30) days after the Commencement Date. Landlord agrees to cooperate with Tenant regarding Tenant's obtaining approvals of the Building Entrance Sign and the Building Signage including without limitation, joining in any applications for any permits, approvals or

certificates from any governmental authorities required to be obtained by Tenant, and shall sign such applications reasonably promptly after request by Tenant provided that (i) the provisions of the Applicable Legal Requirement shall require that Landlord join in such application, and (ii) Landlord shall not be required to expend any monies, assume any costs or expenses or undertake any liability. The rights set forth in this Section 8.25 shall not be available to any subtenant and in no event shall any such signage identify more than one (1) occupant of the Building. Upon the expiration or earlier termination of the Lease Term, Tenant, at its expense shall remove the Building Signage and restore the affected area of the Building to the condition immediately prior to such installation.

8.26 RECIPROCAL LITIGATION COSTS. In the event of any litigation between Landlord and Tenant, the unsuccessful party as determined by a court of competent jurisdiction shall reimburse the successful party for all reasonable legal fees and expenses incurred by the successful party in prosecuting or defending any such action.

8.27 FORCE MAJEURE. Except for Landlord's or Tenant's payment obligations, or as otherwise provided under this Lease, if either party is delayed in performing its obligations hereunder, by reason of delay or stoppage due to governmental regulation; strikes, lockouts, acts of God, acts of war, terrorist acts, civil commotions, unusual scarcity of or inability to obtain labor or materials, labor difficulties, casualty or other causes beyond the reasonable control of Landlord or Tenant (as the case may be), or attributable to Landlord's or Tenant's action or inaction (as the case may be) the time for Landlord's or Tenant's performance shall be extended for the period of any such delay.

8.28 REPRESENTATION OF LANDLORD REGARDING CERTAIN ENCUMBRANCES. Landlord represents to Tenant that as of the date hereof there is no mortgage or ground lease encumbering the Complex and there are no space leases which effect the Premises. Landlord and Tenant acknowledge that as of the date hereof the following appear on the record title to the Complex: (i) mortgage with Connecticut General Life Insurance Company ("CIGNA"), (ii) Notice of Lease between Rath & Strong and Landlord, (iii) Notice of Lease between Highland Capital Partners and Landlord (the "Highland Lease") and (iv) Notice of Lease between Harvard Community Health Plan and Landlord (collectively, "Matters of Record"). Landlord agrees to use due diligence to obtain from CIGNA and record a discharge of (i) above and to record an affidavit from Landlord with respect to (ii), and (iv) above stating that such leases are no longer in effect. The Highland Lease relates to 92 Hayden Avenue and is still in full force and effect, however, Landlord represents that such tenant does not have any rights with respect to the Premises. Further, Landlord agrees to indemnify Tenant from and against all claims and liability arising from such Matters of Record (except for the Highland Lease).

8.29 GOVERNING LAW. This Lease shall be governed exclusively by the provisions hereof and by the law of the Commonwealth of Massachusetts, as the same may from time to time exist.

EXECUTED as a sealed instrument in two or more counterparts each of which shall be deemed to be an original.

WITNESS:

LANDLORD:

/s/ DAVID C. PROVOST

DAVID C. PROVOST, FOR THE TRUSTEES OF 92 HAYDEN AVENUE TRUST PURSUANT TO WRITTEN DELEGATION, BUT NOT INDIVIDUALLY

TENANT:

VISTAPRINT USA, INCORPORATED

By: /s/ ROBERT S. KEANE

Name: **Robert Keane**

Title: **President**

HERETO DULY AUTHORIZED

ATTEST:

By: /s/ ROBERT S. KEANE
Name: **Robert Keane**
Title: **Secretary**

By: /s/ ROBERT S. KEANE
Name: **Robert Keane**
Title: **Treasurer**
HERETO DULY AUTHORIZED

(CORPORATE SEAL)

Exhibit 10.14

Executive Retention Agreement

THIS EXECUTIVE RETENTION AGREEMENT by and among VistaPrint USA, Incorporated, a Delaware corporation (the "Company"), VistaPrint Limited, a Bermuda corporation and sole shareholder of the Company ("VistaPrint Limited"), and Robert S. Keane (the "Executive") is made as of December 1, 2004 (the "Effective Date").

WHEREAS, the Company and VistaPrint Limited desire to retain the services of the Executive and, in order to do so, are entering into this Agreement in order to provide compensation to the Executive in the event his employment with the Company is terminated under certain circumstances;

WHEREAS, the Company also recognizes that the possibility of a change in control of VistaPrint Limited exists and that such possibility, and the uncertainty and questions which it may raise among key personnel, may deter key potential personnel from joining the Company and may result in the departure or distraction of key personnel to the detriment of the Company and its stockholders, and

WHEREAS, the Board of Directors of VistaPrint Limited (the "Board") has determined that appropriate steps should be taken to retain the Executive and to reinforce and encourage the continued employment and dedication of the Company's key personnel without distraction from the possibility of a change in control of the Company and related events and circumstances.

NOW, THEREFORE, as an inducement for and in consideration of the Executive remaining in its employ, the Company and VistaPrint Limited agree that the Executive shall receive the benefits set forth herein in the event of a Change of Control and the severance and other benefits set forth in this Agreement in the event the Executive's employment with the Company is terminated under the circumstances described below.

1. Key Definitions.

See Annex A for a list of certain defined terms used herein.

2. Term of Agreement. This Agreement, and all rights and obligations of the parties hereunder, shall take effect upon the Effective Date and shall terminate upon the fulfillment by the Company and VistaPrint Limited of all of their respective obligations under this Agreement following a termination of the Executive's employment (the "Term").

3. Employment Status; Termination of Employment.

3.1 Not an Employment Contract. The Executive acknowledges that this Agreement does not constitute a contract of employment or impose on the Company or VistaPrint Limited any obligation to retain the Executive as an employee and that this Agreement does not prevent the Executive from terminating employment at any time.

3.2 Termination of Employment.

(a) Any termination of the Executive's employment by the Company or by the Executive (other than due to the death of the Executive) shall be communicated by a written notice to the other party hereto (the "Notice of Termination"), given in accordance with Section 7. Any Notice of Termination shall: (i) indicate the specific termination provision (if any) of this Agreement relied upon by the party giving such notice, (ii) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) specify the Date of Termination (as defined below). The effective date of an employment termination (the "Date of Termination") shall be the close of business on the date specified in the Notice of Termination (which date may not be less than 15 days or more than 120 days after the date of delivery of such Notice of Termination), in the case of a termination other than one due to the Executive's death, or the date of the Executive's death, as the case may be; provided, however that if the Executive is resigning the Executive's employment for other than Good Reason, the Company may elect to accept such resignation prior to the date specified in the Executive's notice and the Date of Termination shall be the date the Company notifies the Executive of such acceptance. In the event the Company fails to satisfy the requirements of Section 3.2(a) regarding a Notice of Termination, the purported termination of the Executive's employment pursuant to such Notice of Termination shall not be effective for purposes of this Agreement.

(b) The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting any such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(c) Any Notice of Termination for Cause given by the Company must be given within 30 days of the occurrence of the event(s) or circumstance(s), which constitute(s) Cause. Prior to any Notice of Termination for Cause being given (and prior to any termination for Cause being effective), the Executive shall be entitled to a hearing before the Board at which he may, at his election, be represented by counsel and at which he shall have a reasonable opportunity to be heard. Such hearing shall be held on not less than 30 days prior written notice to the Executive stating the Board's intention to terminate the Executive for Cause and stating in detail the particular event(s) or circumstance(s) which the Board believes constitutes Cause for termination. Any such Notice of Termination for Cause must be approved by an affirmative vote of two-thirds of the members of the Board.

(d) Any Notice of Termination for Good Reason given by the Executive must be given within 90 days of the occurrence of the event(s) or circumstance(s), which constitute(s) Good Reason.

4. Benefits to Executive.

4.1 Stock Acceleration.

(a) If the Change in Control Date occurs during the Term, then, effective upon the Change in Control Date, (a) each outstanding option to purchase shares of VistaPrint Limited (or any successor) held by the Executive (to the extent not then currently exercisable) shall become immediately exercisable in full and shares of VistaPrint Limited received upon exercise of any options will no longer be subject to a right of repurchase or first refusal by VistaPrint Limited, (b) each outstanding restricted stock award held by the Executive shall be deemed to be fully vested and such vested shares will no longer be subject to a right of repurchase or first refusal by VistaPrint Limited and (c) notwithstanding any provision in any applicable option agreement to the contrary, each such option shall continue to be exercisable by the Executive for a period of twelve months following the Date of Termination if the Executive is terminated without Cause or terminates employment for Good Reason following the Change of Control Date; provided that this Section 4.1(c) shall only apply to options that have an exercise price that is at least equal to the fair market value of VistaPrint Limited's common shares on the date of this Agreement ($4.11 per share as determined by the Board of Directors of VistaPrint Limited) and to options granted after the Effective Date.

4.2 Compensation. If the Executive's employment with the Company terminates during the Term, the Executive shall be entitled to the following benefits:

(a) Termination Without Cause or for Good Reason. If the Executive's employment with the Company is terminated by the Company (other than for Cause, Disability or Death) or by the Executive for Good Reason at any time, then the Executive shall be entitled to the following benefits:

(i) the Company shall pay to the Executive the following amounts:

(1) in a lump sum in cash in the next regularly scheduled pay cycle following the Date of Termination the aggregate of the lump sum of (A) the Executive's unpaid base salary through the Date of Termination, (B) the product of (w) the greater of any annual bonus paid or payable (including any bonus or portion thereof which has been earned but deferred or which the Executive forewent) for the most recently completed fiscal year or any annual bonus payable for the then current fiscal year and (x) a fraction, the numerator of which is the number of days in the current fiscal year through the Date of Termination, and the denominator of which is 365, (C) the product of (y) the greater of any quarterly bonus paid or payable (including any bonus or portion thereof which has been earned but deferred or which the Executive forewent) for the most recently completed fiscal quarter or any quarterly bonus payable for the then current fiscal quarter and (z) a fraction, the numerator of which is the number of days in the current fiscal quarter through the Date of Termination, and the denominator of which is 90 and (D) the amount of any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) and any accrued vacation pay, in each case to the extent not previously paid (the sum of the amounts described in clauses (A), (B), (C), and (D) shall be hereinafter referred to as the "Accrued Obligations");

(2) in a lump sum in cash in the next regularly scheduled pay cycle following the Date of Termination an amount equal to the sum of (i) 100% of the greater of (a) the Executive's highest aggregate bonus (including both annual and quarterly bonuses, if applicable) paid in any fiscal year during the five fiscal year period prior to the Date of Termination and (b) the sum of the maximum bonus (including both annual and quarterly bonuses, if applicable) payable to the Executive during the then current fiscal year; and (ii) the greater of (x) 100% of the Executive's highest annual base salary during the five fiscal year period prior to the Date of Termination and (y) 100% of the Executive's then current annual base salary.

(ii) for 12 months after the Date of Termination, or such longer period as may be provided by the terms of the appropriate plan, program, practice or policy, the Company shall continue to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them if the Executive's employment had not been terminated, in accordance with the applicable Benefit Plans in effect on the Effective Date or, if more favorable to the Executive and his family, in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies; provided, however, that if the Executive becomes reemployed with another employer and is eligible to receive a particular type of benefits (e.g., health insurance benefits) from such employer on terms at least as favorable to the Executive and his family as those being provided by the Company, then the Company shall no longer be required to provide those particular benefits to the Executive and his family;

(iii) to the extent not previously paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive following the Executive's termination of employment under any plan, program, policy, practice, contract or agreement of the Company and its affiliated companies (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits"); and

(iv) for purposes of determining eligibility (but not the time of commencement of benefits) of the Executive for retiree benefits to which the Executive is entitled, the Executive shall be considered to have remained employed by the Company until 12 months after the Date of Termination.

(b) Neither the Company, VistaPrint Limited, nor the Executive may elect to defer delivery of any of the payments to be made under Section 4.2(a). If any of the benefits payable under Section 4.2(a) (a "Severance Benefit") is considered "nonqualified deferred compensation" within the meaning of Internal Revenue Code Section 409A ("Section 409A"), and the Executive is considered a "specified employee" within the meaning of Section 409A, then not withstanding the provisions of Section 4.2(a), no such Severance Benefit shall be paid to the Executive during the 6-month period following his termination of employment, provided, however that that such Severance Benefits may be paid immediately following the death of the Executive and such Severance Benefits shall be paid in a lump sum immediately upon the expiration of such 6-month period.; and, provided, further, if not prohibited by Section 409A, such Severance Benefits shall, upon the Date of Termination, be paid into an escrow account with a third party acceptable to the Executive, such escrow account to be subject to the claims of creditors of the Company and such Severance Benefits to be paid to the Executive immediately upon the expiration of such 6-month period.

(c) Termination for Cause; Resignation without Good Reason; Termination for Death or Disability. If the Company terminates the Executive's employment with the Company for Cause at any time, the Executive voluntarily terminates his employment at any time for other than Good Reason, or if the Executive's employment with the Company is terminated by reason of the Executive's death or Disability, then the Company shall (i) pay the Executive (or his estate, if applicable), in a lump sum in cash within 30 days after the Date of Termination, the sum of (A) the Executive's unpaid base salary through the Date of Termination, and (B) the amount of any compensation previously deferred by the Executive to the extent not previously paid and (ii) timely pay or provide to the Executive the Other Benefits.

4.3 Taxes.

(a) In the event that VistaPrint Limited undergoes a "Change in Ownership or Control" (as defined in Annex A), the Company or VistaPrint Limited shall, within 15 days after each date on which the Executive becomes entitled to receive (whether or not then due) a Contingent Compensation Payment (as defined in Annex A) relating to such Change in Ownership or Control, determine and notify the Executive (with reasonable detail regarding the basis for its determinations) (i) which of the payments or benefits due to the Executive (under this

Agreement or otherwise) following such Change in Ownership or Control constitute Contingent Compensation Payments, (ii) the amount, if any, of the excise tax (the "Excise Tax") payable pursuant to Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), by the Executive with respect to such Contingent Compensation Payment and (iii) the amount of the Gross-Up Payment (as defined in Annex A) due to the Executive with respect to such Contingent Compensation Payment. Within 30 days after delivery of such notice to the Executive, the Executive shall deliver a response to the Company (the "Executive Response") stating either (A) that he agrees with the Company's determination pursuant to the preceding sentence or (B) that he disagrees with such determination, in which case he shall indicate which payment and/or benefits should be characterized as a Contingent Compensation Payment, the amount of the Excise Tax with respect to such Contingent Compensation Payment and the amount of the Gross-Up Payment due to the Executive with respect to such Contingent Compensation Payment. The amount and characterization of any item in the Executive Response shall be final; provided, however, that in the event that the Executive fails to deliver an Executive Response on or before the required date, the Company's initial determination shall be final. Within 60 days after the due date of each Contingent Compensation Payment to the Executive, the Company shall pay to the Executive, in cash, the Gross-Up Payment with respect to such Contingent Compensation Payment, in the amount determined pursuant to this Section 4.3(a).

(b) The provisions of this Section 4.3 are intended to apply to any and all payments or benefits available to the Executive under this Agreement or any other agreement or plan of the Company under which the Executive receives Contingent Compensation Payments.

4.4 Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefits provided for in this Section 4 by seeking other employment or otherwise. Further, except as provided in Sections 4.2 (a)(ii) and (b)(ii), the amount of any payment or benefits provided for in this Section 4 shall not be reduced by any compensation earned by the Executive as a result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company or otherwise.

5. Disputes.

5.1 Settlement of Disputes; Arbitration. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing in accordance with Section 7.1. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing in accordance with Section 7.1 and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim. Any further dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Boston, Massachusetts, in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction.

5.2 Expenses. The Company agrees to pay as incurred, to the full extent permitted by law, all legal, accounting and other fees and expenses which the Executive may reasonably incur as a result of any claim or contest (regardless of the outcome thereof) by the Company, the Executive or others regarding the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive regarding the amount of any payment or benefits pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code.

5.3 Compensation During a Dispute. If the right of the Executive to receive benefits under Section 4 (or the amount or nature of the benefits to which he is entitled to receive) are the subject of a dispute between the Company and the Executive, the Company shall continue (a) to pay to the Executive his base salary as of the Effective Date (or as the same was or may be increased thereafter from time to time) and (b) to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them, if the Executive's employment had not been terminated, in accordance with the applicable Benefit Plans in effect on the Effective Date (or as subsequently adopted or modified with the Executive's written consent), until such dispute is resolved either by mutual written agreement of the parties or by an arbitrator's award pursuant to Section 5.1. Following the resolution of such dispute, the sum of the payments (net of tax and other withholdings) made to the Executive under clause (a) of this Section 5.3 shall be deducted from any cash payment which the Executive is entitled to receive pursuant to Section 4; and if such sum exceeds the amount of the cash payment which the Executive is entitled to receive pursuant to Section 4, the excess of such net sum over the amount of such payment shall be repaid (without interest) by the Executive to the Company within 60 days of the resolution of such dispute.

6. Successors.

6.1 Successor to Company and VistaPrint Limited. The Company and VistaPrint Limited shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company or VistaPrint Limited to expressly assume and agree to perform this Agreement to the same extent that the Company and VistaPrint Limited would be required to perform it if no such succession had taken place. Failure of the Company and VistaPrint Limited to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall (a) be a breach of this Agreement and shall constitute Good Reason if the Executive elects to terminate employment, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination and (b) shall cause such succession to be deemed a Change of Control for purposes of Section 4 hereof regardless of the definition of Change of Control set forth in Annex A. As used in this Agreement, "Company" shall mean the Company as defined above and any successor to its business or assets as aforesaid which assumes and agrees to perform this Agreement, by operation of law or otherwise and "VistaPrint Limited" shall mean VistaPrint Limited as defined above and any successor to its business or assets as aforesaid which assumes and agrees to perform this Agreement, by operation of law or otherwise.

6.2 Successor to Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amount would still be payable to the Executive or his family hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the executors, personal representatives or administrators of the Executive's estate.

7. Notice.

7.1 All notices, instructions and other communications given hereunder or in connection herewith shall be in writing. Any such notice, instruction or communication shall be sent either (i) by registered or certified mail, return receipt requested, postage prepaid, or (ii) prepaid via a reputable nationwide overnight courier service, in each case addressed to:

the Company, at:

VistaPrint USA Incorporated
100 Hayden Avenue
Lexington, MA 02421
Attn: CEO

with a copy to:

Thomas S. Ward, Esq.
Wilmer Cutler Pickering Hale and Dorr LLP
60 State Street
Boston, MA 02109

to VistaPrint Limited, at:

VistaPrint Limited
Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

and to the Executive at the Executive's address indicated on the signature page of this Agreement (or to such other address as either the Company or the Executive may have furnished to the other in writing in accordance herewith).

7.2 Any such notice, instruction or communication shall be deemed to have been delivered five business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, or one business day after it is sent via a reputable nationwide overnight courier service. Either party may give any notice, instruction or other

communication hereunder using any other means, but no such notice, instruction or other communication shall be deemed to have been duly delivered unless and until it actually is received by the party for whom it is intended.

8. Miscellaneous.

8.1 Consideration. The Executive acknowledges that he has received adequate consideration from the Company and VistaPrint Limited for entering into this Agreement.

8.2 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

8.3 Injunctive Relief. The Company and the Executive agree that any breach of this Agreement by the Company is likely to cause the Executive substantial and irrevocable damage and therefore, in the event of any such breach, in addition to such other remedies which may be available, the Executive shall have the right to specific performance and injunctive relief.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the internal laws of the Commonwealth of Massachusetts, without regard to conflicts of law principles.

8.5 Guarantee. VistaPrint Limited hereby unconditionally guarantees all of the payment obligations of the Company to the Executive which may arise in connection with the terms and conditions of this Agreement.

8.6 Waivers. No waiver by the Executive at any time of any breach of, or compliance with, any provision of this Agreement to be performed by the Company shall be deemed a waiver of that or any other provision at any subsequent time.

8.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but both of which together shall constitute one and the same instrument.

8.8 Tax Withholding. Any payments provided for hereunder shall be paid net of any applicable tax withholding required under federal, state or local law.

8.9 Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto in respect of the subject matter contained herein; and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and cancelled, including specifically and without limitation the Executive Retention Agreement dated as of June 6, 2003 by and among the Executive, VistaPrint Limited and the Company. Except for the provisions of Section 4.1 hereof, nothing in this Agreement shall modify, amend or alter, in any manner, any stock option, stock restriction or other equity incentive arrangement or any non-disclosure, non-competition, non-solicitation, assignment of invention, or any similar agreement, to which the Executive is a party.

8.10 Amendments. This Agreement may be amended or modified only by a written instrument executed by the Company, VistaPrint Limited and the Executive. Notwithstanding anything herein to the contrary, to the extent future guidance is issued regarding Section 409A that the Company, Vistaprint Limited or the Executive reasonably believe will result in adverse tax consequences to the Executive as a result of this Agreement, then the Company, VistaPrint Limited and the Executive will renegotiate the terms of this Agreement in good faith in order to minimize or eliminate such tax treatment.

8.11 Executive's Acknowledgements. The Executive acknowledges that he (a) has read this Agreement; (b) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Executive's own choice or has voluntarily declined to seek such counsel; (c) understands the terms and consequences of this Agreement; and (d) understands that the Company's outside and in-house counsel are acting as counsel to the Company in connection with the transactions contemplated by this Agreement, and are not acting as counsel for the Executive.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

VISTAPRINT USA INCORPORATED

/s/ PAUL C. FLANAGAN

By: **Paul C. Flanagan**
Title: **EVP and CFO**

VISTAPRINT LIMITED

/s/ HELEN ANN CHISHOLM

By: **Helen Ann Chisholm**
Title: **Secretary**

ROBERT S. KEANE

/s/ ROBERT S. KEANE
Robert S. Keane

Address:

Annex A

As used herein, the following terms shall have the following respective meanings:

1.1 "Change in Control" means an event or occurrence set forth in any one or more of subsections (a) through (d) below:

(a) the acquisition by an individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership of any capital stock of VistaPrint Limited if, after such acquisition, such Person beneficially owns (within the meaning of Rule 13d-3 promulgated under the Exchange Act) 50% or more of either (x) the then-outstanding shares of common stock of VistaPrint Limited (the "Outstanding VistaPrint Limited Common Stock") or (y) the combined voting power of the then-outstanding securities of VistaPrint Limited entitled to vote generally in the election of directors (the "Outstanding VistaPrint Limited Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from VistaPrint Limited (excluding an acquisition pursuant to the exercise, conversion or exchange of any security exercisable for, convertible into or exchangeable for common stock or voting securities of VistaPrint Limited, unless the Person exercising, converting or exchanging such security acquired such security directly from VistaPrint Limited or an underwriter or agent of VistaPrint Limited), (ii) any acquisition by VistaPrint Limited, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by VistaPrint Limited or any corporation controlled by VistaPrint Limited, or (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (i) and (ii) of subsection (c) of this Section 1.1 of Annex A; or

(b) such time as the Continuing Directors (as defined below) do not constitute a majority of the Board (or, if applicable, the Board of Directors of a successor corporation to VistaPrint Limited), where the term "Continuing Director" means at any date a member of the Board (i) who was a member of the Board on the date of the execution of this Agreement or (ii) who was nominated or elected subsequent to such date by at least a majority of the directors who were Continuing Directors at the time of such nomination or election or whose election to the Board was recommended or endorsed by at least a majority of the directors who were Continuing Directors at the time of such nomination or election; provided, however, that there shall be excluded from this clause (ii) any individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents, by or on behalf of a person other than the Board; or

(c) the consummation of a merger, consolidation, reorganization, recapitalization or statutory share exchange involving VistaPrint Limited or a sale or other disposition of all or substantially all of the assets of VistaPrint Limited in one or a series of transactions (a "Business Combination"), unless, immediately following such Business Combination, each of the following two conditions is satisfied: (i) all or substantially all of the individuals and entities who were the beneficial owners of the Outstanding VistaPrint Limited Common Stock and Outstanding VistaPrint Limited Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding securities entitled to vote generally in the election of directors, respectively, of the resulting or acquiring corporation in such Business Combination (which shall include, without limitation, a corporation which as a result of such transaction owns VistaPrint Limited or substantially all of VistaPrint Limited's assets either directly or through one or more subsidiaries) (such resulting or acquiring corporation is referred to herein as the "Acquiring Corporation") in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding VistaPrint Limited Common Stock and Outstanding VistaPrint Limited Voting Securities, respectively; and (ii) no Person (excluding the Acquiring Corporation or any employee benefit plan (or related trust) maintained or sponsored by VistaPrint Limited or by the Acquiring Corporation) beneficially owns, directly or indirectly, 30% or more of the then outstanding shares of common stock of the Acquiring Corporation, or of the combined voting power of the then-outstanding securities of such corporation entitled to vote generally in the election of directors (except to the extent that such ownership existed prior to the Business Combination); or

(d) approval by the Board of a complete liquidation or dissolution of VistaPrint Limited or the Company.

1.2 "Change in Control Date" means the first date during the Term (as defined in Section 2) on which a Change in Control occurs. Anything in this Agreement to the contrary notwithstanding, if (a) a Change in Control occurs, (b) the Executive's employment with the Company is terminated less than 180 days prior to the date on which the Change in Control occurs, then for all purposes of this Agreement the "Change in Control Date" shall mean the date immediately prior to the date of such termination of employment.

1.3 "Cause" means:

(a) the Executive's willful and continued failure to substantially perform his reasonable assigned duties (other than any such failure resulting from incapacity due to physical or mental illness or any failure after the Executive gives notice of termination for Good Reason), which failure is not cured within 30 days after a written demand for substantial performance is received by the Executive from the Board which specifically identifies the manner in which the Board of Directors believes the Executive has not substantially performed the Executive's duties; or

(b) the Executive's willful engagement in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company.

For purposes of this Section 1.3 of Annex A, no act or failure to act by the Executive shall be considered "willful" unless it is done, or omitted to be done, in bad faith and without reasonable belief that the Executive's action or omission was in the best interests of the Company.

1.4 "Good Reason" means the occurrence, without the Executive's written consent, of any of the events or circumstances set forth in clauses (a) through (h) below. Notwithstanding the occurrence of any such event or circumstance, such occurrence shall not be deemed to constitute Good Reason if, prior to the Date of Termination specified in the Notice of Termination (each as defined in Section 3.2(a)) given by the Executive in respect thereof, such event or circumstance has been fully corrected and the Executive has been reasonably compensated for any losses or damages resulting therefrom (provided that such right of correction by the Company shall only apply to the first Notice of Termination for Good Reason given by the Executive).

(a) the assignment to the Executive of duties inconsistent in any material respect with the Executive's position (including status, offices, titles and reporting requirements), authority or responsibilities in effect as of the Effective Date, or any other action or omission by the Company or VistaPrint Limited which results in a material diminution in such position, authority or responsibilities;

(b) a reduction in the Executive's annual base salary as in effect on the Effective date or as the same was or may be increased thereafter from time to time except to the extent that such reduction affects all executive officers of VistaPrint Limited and its subsidiaries to a comparable extent;

(c) the failure by the Company or VistaPrint Limited to (i) continue in effect any material compensation or benefit plan or program (including without limitation any life insurance, medical, health and accident or disability plan and any vacation or automobile program or policy) (a "Benefit Plan") in which the Executive participates or which is applicable to the Executive immediately prior to the Effective Date or subsequently adopted, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made, with the Executive's written consent, with respect to such plan or program, (ii) continue the Executive's participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of the Executive's participation relative to other participants, than the basis existing immediately prior to the Effective Date or subsequent to such adoption or (iii) award cash bonuses to the Executive in amounts and in a manner substantially consistent with past practice in light of the Company's financial performance; except, in each event, to the extent such failure affects all executive officers of VistaPrint Limited and its subsidiaries to a comparable extent;

(d) a change by the Company in the location at which the Executive performs his principal duties for the Company to a new location that is both (i) outside a radius of 45 miles from the Executive's principal residence immediately prior to the Effective Date and (ii) more than 20 miles from the location at which the Executive performed his principal duties for the Company immediately prior to the Effective Date; or a requirement by

the Company that the Executive travel on Company business to a substantially greater extent than required immediately prior to the Effective Date;

(e) the failure of the Company to obtain the agreement from any successor to the Company to assume and agree to perform the Agreement, as required by Section 6.1 of the Agreement;

(f) a purported termination of the Executive's employment which is not effected pursuant to a Notice of Termination satisfying the requirements of Section 3.2(a) of the Agreement; or

(g) any failure of the Company to pay or provide to the Executive any portion of the Executive's compensation or benefits due under any Benefit Plan within seven days of the date such compensation or benefits are due, or any material breach by the Company of this Agreement or any employment agreement with the Executive.

For purposes of this Agreement, any good faith determination of "Good Reason" made by the Executive shall be conclusive, binding and final. The Executive's right to terminate his employment for Good Reason shall not be affected by his incapacity due to physical or mental illness.

1.5 "Disability" means the Executive's absence from the full-time performance of the Executive's duties with the Company for 180 consecutive calendar days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Executive or the Executive's legal representative.

1.6 For purposes of Section 4.3 of the Agreement, the following terms shall have the following respective meanings:

(i) "Change in Ownership or Control" shall mean a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company determined in accordance with Section 280G(b)(2) of the Code.

(ii) "Contingent Compensation Payment" shall mean any payment (or benefit) in the nature of compensation that is made or made available (under this Agreement or otherwise) to a "disqualified individual" (as defined in Section 280G(c) of the Code) and that is contingent (within the meaning of Section 280G(b)(2)(A)(i) of the Code) on a Change in Ownership or Control of the Company.

(iii) "Gross-Up Payment" shall mean an amount equal to the sum of (i) the amount of the Excise Tax payable with respect to a Contingent Compensation Payment and (ii) the amount necessary to pay all additional taxes imposed on (or economically borne by) the Executive (including the Excise Taxes, state and federal income taxes and all applicable employment taxes) attributable to the receipt of such Gross-Up Payment. For purposes of the preceding sentence, all taxes attributable to the receipt of the Gross-Up Payment shall be computed assuming the application of the maximum tax rates provided by law.

Exhibit 10.15

Executive Retention Agreement

THIS EXECUTIVE RETENTION AGREEMENT by and among VistaPrint USA, Incorporated, a Delaware corporation (the "Company"), VistaPrint Limited, a Bermuda corporation and sole shareholder of the Company ("VistaPrint Limited"), and _____ (the "Executive") is made as of December 1, 2004 (the "Effective Date").

WHEREAS, the Company and VistaPrint Limited desire to retain the services of the Executive and, in order to do so, are entering into this Agreement in order to provide compensation to the Executive in the event her employment with the Company is terminated under certain circumstances;

WHEREAS, the Company also recognizes that the possibility of a change in control of VistaPrint Limited exists and that such possibility, and the uncertainty and questions which it may raise among key personnel, may deter key potential personnel from joining the Company and may result in the departure or distraction of key personnel to the detriment of the Company and its stockholders, and

WHEREAS, the Board of Directors of VistaPrint Limited (the "Board") has determined that appropriate steps should be taken to retain the Executive and to reinforce and encourage the continued employment and dedication of the Company's key personnel without distraction from the possibility of a change in control of the Company and related events and circumstances.

NOW, THEREFORE, as an inducement for and in consideration of the Executive remaining in the Company's employ, the Company and VistaPrint Limited agree that the Executive shall receive the benefits set forth herein in the event of a Change of Control and the severance and other benefits set forth in this Agreement in the event the Executive's employment with the Company is terminated under the circumstances described below.

1. Key Definitions.

See Annex A for a list of certain defined terms used herein.

2. Term of Agreement. This Agreement, and all rights and obligations of the parties hereunder, shall take effect upon the Effective Date and shall terminate upon the fulfillment by the Company and VistaPrint Limited of all of their respective obligations under this Agreement following a termination of the Executive's employment (the "Term").

3. Employment Status; Termination of Employment.

3.1 Not an Employment Contract. The Executive acknowledges that this Agreement does not constitute a contract of employment or impose on the Company or VistaPrint Limited any obligation to retain the Executive as an employee and that this Agreement does not prevent the Executive from terminating employment at any time.

3.2 Termination of Employment.

(a) Any termination of the Executive's employment by the Company or by the Executive (other than due to the death of the Executive) shall be communicated by a written notice to the other party hereto (the "Notice of Termination"), given in accordance with Section 7. Any Notice of Termination shall: (i) indicate the specific termination provision (if any) of this Agreement relied upon by the party giving such notice, (ii) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) specify the Date of Termination (as defined below). The effective date of an employment termination (the "Date of Termination") shall be the close of business on the date specified in the Notice of Termination (which date may not be less than 15 days or more than 120 days after the date of delivery of such Notice of Termination), in the case of a termination other than one due to the Executive's death, or the date of the Executive's death, as the case may be; provided, however that if the Executive is resigning the Executive's employment for other than Good Reason, the Company may elect to accept such resignation prior to the date specified in the Executive's notice and the Date of Termination shall be the date the Company notifies the Executive of such acceptance. In the event the Company fails to satisfy the

requirements of Section 3.2(a) regarding a Notice of Termination, the purported termination of the Executive's employment pursuant to such Notice of Termination shall not be effective for purposes of this Agreement.

(b) The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting any such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(c) Any Notice of Termination for Cause given by the Company must be given within 30 days of the occurrence of the event(s) or circumstance(s), which constitute(s) Cause. Prior to any Notice of Termination for Cause being given (and prior to any termination for Cause being effective), the Executive shall be entitled to a hearing before the Board at which she may, at her election, be represented by counsel and at which she shall have a reasonable opportunity to be heard. Such hearing shall be held on not less than 30 days prior written notice to the Executive stating the Board's intention to terminate the Executive for Cause and stating in detail the particular event(s) or circumstance(s) which the Board believes constitutes Cause for termination. Any such Notice of Termination for Cause must be approved by an affirmative vote of two-thirds of the members of the Board.

(d) Any Notice of Termination for Good Reason given by the Executive must be given within 90 days of the occurrence of the event(s) or circumstance(s), which constitute(s) Good Reason.

4. Benefits to Executive.

4.1 Stock Acceleration.

(a) If the Change in Control Date occurs during the Term, then, effective upon the Change in Control Date, (a) each outstanding option to purchase shares of VistaPrint Limited (or any successor) held by the Executive (to the extent not then currently exercisable) shall become immediately exercisable in full and shares of VistaPrint Limited received upon exercise of any options will no longer be subject to a right of repurchase or first refusal by VistaPrint Limited, (b) each outstanding restricted stock award held by the Executive shall be deemed to be fully vested and such vested shares will no longer be subject to a right of repurchase or first refusal by VistaPrint Limited and (c) notwithstanding any provision in any applicable option agreement to the contrary, each such option shall continue to be exercisable by the Executive for a period of twelve months following the Date of Termination if the Executive is terminated without Cause or terminates employment for Good Reason following the Change of Control Date; provided that this Section 4.1(c) shall only apply to options that have an exercise price that is at least equal to the fair market value of VistaPrint Limited's common shares on the date of this Agreement ($4.11 per share as determined by the Board of Directors of VistaPrint Limited) and to options granted after the Effective Date.

4.2 Compensation. If the Executive's employment with the Company terminates during the Term, the Executive shall be entitled to the following benefits:

(a) Termination Without Cause or for Good Reason Prior to the Change of Control Date. If the Executive's employment with the Company is terminated by the Company (other than for Cause, Disability or Death) or by the Executive for Good Reason prior to the Change in Control Date, then the Executive shall be entitled to the following benefits:

(i) the Company shall pay to the Executive the following amounts:

(1) in a lump sum in cash in the next regularly scheduled pay cycle following the Date of Termination the aggregate of the lump sum of (A) the Executive's unpaid base salary through the Date of Termination, (B) the product of (w) the greater of any annual bonus paid or payable (including any bonus or portion thereof which has been earned but deferred or which the Executive forewent) for the most recently completed fiscal year or any annual bonus payable for the then current fiscal year and (x) a fraction, the numerator of which is the number of days in the current fiscal year through the Date of Termination, and the

denominator of which is 365, (C) the product of (y) the greater of any quarterly bonus paid or payable (including any bonus or portion thereof which has been earned but deferred or which the Executive forewent) for the most recently completed fiscal quarter or any quarterly bonus payable for the then current fiscal quarter and (z) a fraction, the numerator of which is the number of days in the current fiscal quarter through the Date of Termination, and the denominator of which is 90 and (D) the amount of any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) and any accrued vacation pay, in each case to the extent not previously paid (the sum of the amounts described in clauses (A), (B), (C), and (D) shall be hereinafter referred to as the "Accrued Obligations");

(2) in a lump sum in cash in the next regularly scheduled pay cycle following the Date of Termination an amount equal to the sum of (i) 50% of the greater of (a) the Executive's highest aggregate bonus (including both annual and quarterly bonuses, if applicable) paid in any fiscal year during the five fiscal year period prior to the Date of Termination and (b) the sum of the maximum bonus (including both annual and quarterly bonuses, if applicable) payable to the Executive during the then current fiscal year; and (ii) the greater of (x) 50% of the Executive's highest annual base salary during the five fiscal year period prior to the Date of Termination and (y) 50% of the Executive's then current annual base salary.

(ii) for 6 months after the Date of Termination, or such longer period as may be provided by the terms of the appropriate plan, program, practice or policy, the Company shall continue to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them if the Executive's employment had not been terminated, in accordance with the applicable Benefit Plans in effect on the Effective Date or, if more favorable to the Executive and her family, in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies; provided, however, that if the Executive becomes reemployed with another employer and is eligible to receive a particular type of benefits (e.g., health insurance benefits) from such employer on terms at least as favorable to the Executive and her family as those being provided by the Company, then the Company shall no longer be required to provide those particular benefits to the Executive and her family;

(iii) to the extent not previously paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive following the Executive's termination of employment under any plan, program, policy, practice, contract or agreement of the Company and its affiliated companies (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits"); and

(iv) for purposes of determining eligibility (but not the time of commencement of benefits) of the Executive for retiree benefits to which the Executive is entitled, the Executive shall be considered to have remained employed by the Company until 6 months after the Date of Termination.

(b) Termination Without Cause or for Good Reason on or after the Change of Control Date. If the Executive's employment with the Company is terminated by the Company (other than for Cause, Disability or Death) or by the Executive for Good Reason on or after the Change in Control Date, then the Executive shall be entitled to the following benefits:

(i) the Company shall pay to the Executive the following amounts:

(1) in a lump sum in cash in the next regularly scheduled pay cycle following the Date of Termination the Accrued Obligations;

(2) in a lump sum in cash in the next regularly scheduled pay cycle following the Date of Termination an amount equal to the sum of (i) 100% of the greater of (a) the Executive's highest aggregate bonus (including both annual and quarterly bonuses, if applicable) paid in any fiscal year during the five fiscal year period prior to the Date of Termination and (b) the sum of the maximum bonus (including both annual and quarterly bonuses, if applicable) payable to the Executive during the then current fiscal year; and (ii) the greater of (x) 100% of the Executive's highest annual base salary during the five fiscal year period prior to the Date of Termination and (y) 100% of the Executive's then current annual base salary.

(ii) for 12 months after the Date of Termination, or such longer period as may be provided by the terms of the appropriate plan, program, practice or policy, the Company shall continue to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them if the Executive's employment had not been terminated, in accordance with the applicable Benefit Plans in effect on the Effective Date or, if more favorable to the Executive and her family, in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies; provided, however, that if the Executive becomes reemployed with another employer and is eligible to receive a particular type of benefits (e.g., health insurance benefits) from such employer on terms at least as favorable to the Executive and her family as those being provided by the Company, then the Company shall no longer be required to provide those particular benefits to the Executive and her family;

(iii) the Other Benefits; and

(iv) for purposes of determining eligibility (but not the time of commencement of benefits) of the Executive for retiree benefits to which the Executive is entitled, the Executive shall be considered to have remained employed by the Company until 12 months after the Date of Termination.

(c) Neither the Company, VistaPrint Limited, nor the Executive may elect to defer delivery of any of the payments to be made under Section 4.2(a) or 4.2(b). If any of the benefits payable under Section 4.2(a) or 4.2(b) (each a "Severance Benefit") is considered "nonqualified deferred compensation" within the meaning of Internal Revenue Code Section 409A ("Section 409A"), and the Executive is considered a "specified employee" within the meaning of Section 409A, then not withstanding the provisions of Sections 4.2(a) and (b), no such Severance Benefit shall be paid to the Executive during the 6-month period following her termination of employment, provided, however that that such Severance Benefits may be paid immediately following the death of the Executive and such Severance Benefits shall be paid in a lump sum immediately upon the expiration of such 6-month period.; and, provided, further, if not prohibited by Section 409A, such Severance Benefits shall, upon the Date of Termination, be paid into an escrow account with a third party acceptable to the Executive, such escrow account to be subject to the claims of creditors of the Company and such Severance Benefits to be paid to the Executive immediately upon the expiration of such 6-month period.

(d) Termination for Cause; Resignation without Good Reason; Termination for Death or Disability. If the Company terminates the Executive's employment with the Company for Cause at any time, the Executive voluntarily terminates her employment at any time for other than Good Reason, or if the Executive's employment with the Company is terminated by reason of the Executive's death or Disability, then the Company shall (i) pay the Executive (or her estate, if applicable), in a lump sum in cash within 30 days after the Date of Termination, the sum of (A) the Executive's unpaid base salary through the Date of Termination, and (B) the amount of any compensation previously deferred by the Executive to the extent not previously paid and (ii) timely pay or provide to the Executive the Other Benefits.

4.3 Taxes.

(a) In the event that VistaPrint Limited undergoes a "Change in Ownership or Control" (as defined in Annex A), the Company or VistaPrint Limited shall, within 15 days after each date on which the Executive becomes entitled to receive (whether or not then due) a Contingent Compensation Payment (as defined in Annex A) relating to such Change in Ownership or Control, determine and notify the Executive (with reasonable detail regarding the basis for its determinations) (i) which of the payments or benefits due to the Executive (under this Agreement or otherwise) following such Change in Ownership or Control constitute Contingent Compensation Payments, (ii) the amount, if any, of the excise tax (the "Excise Tax") payable pursuant to Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), by the Executive with respect to such Contingent Compensation Payment and (iii) the amount of the Gross-Up Payment (as defined in Annex A) due to the Executive with respect to such Contingent Compensation Payment. Within 30 days after delivery of such notice to the Executive, the Executive shall deliver a response to the Company (the "Executive Response") stating either (A) that she agrees with the Company's determination pursuant to the preceding sentence or (B) that she disagrees with such determination, in which case she shall indicate which payment and/or benefits should be characterized as a Contingent Compensation Payment, the amount of the Excise Tax with respect to such Contingent Compensation Payment and the amount of the Gross-Up Payment due to the Executive with respect to such Contingent Compensation Payment. The amount and characterization of any item in the Executive Response shall be final;

provided, however, that in the event that the Executive fails to deliver an Executive Response on or before the required date, the Company's initial determination shall be final. Within 60 days after the due date of each Contingent Compensation Payment to the Executive, the Company shall pay to the Executive, in cash, the Gross-Up Payment with respect to such Contingent Compensation Payment, in the amount determined pursuant to this Section 4.3(a).

(b) The provisions of this Section 4.3 are intended to apply to any and all payments or benefits available to the Executive under this Agreement or any other agreement or plan of the Company under which the Executive receives Contingent Compensation Payments.

4.4 Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefits provided for in this Section 4 by seeking other employment or otherwise. Further, except as provided in Sections 4.2 (a)(ii) and (b)(ii), the amount of any payment or benefits provided for in this Section 4 shall not be reduced by any compensation earned by the Executive as a result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company or otherwise.

5. Disputes.

5.1 Settlement of Disputes; Arbitration. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing in accordance with Section 7.1. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing in accordance with Section 7.1 and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim. Any further dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Boston, Massachusetts, in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction.

5.2 Expenses. The Company agrees to pay as incurred, to the full extent permitted by law, all legal, accounting and other fees and expenses which the Executive may reasonably incur as a result of any claim or contest (regardless of the outcome thereof) by the Company, the Executive or others regarding the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive regarding the amount of any payment or benefits pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code.

5.3 Compensation During a Dispute. If the right of the Executive to receive benefits under Section 4 (or the amount or nature of the benefits to which she is entitled to receive) are the subject of a dispute between the Company and the Executive, the Company shall continue (a) to pay to the Executive her base salary as of the Effective Date (or as the same was or may be increased thereafter from time to time) and (b) to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them, if the Executive's employment had not been terminated, in accordance with the applicable Benefit Plans in effect on the Effective Date (or as subsequently adopted or modified with the Executive's written consent), until such dispute is resolved either by mutual written agreement of the parties or by an arbitrator's award pursuant to Section 5.1. Following the resolution of such dispute, the sum of the payments (net of tax and other withholdings) made to the Executive under clause (a) of this Section 5.3 shall be deducted from any cash payment which the Executive is entitled to receive pursuant to Section 4; and if such sum exceeds the amount of the cash payment which the Executive is entitled to receive pursuant to Section 4, the excess of such net sum over the amount of such payment shall be repaid (without interest) by the Executive to the Company within 60 days of the resolution of such dispute.

6. Successors.

6.1 Successor to Company and VistaPrint Limited. The Company and VistaPrint Limited shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company or VistaPrint Limited to expressly assume and agree to perform this Agreement to the same extent that the Company and VistaPrint Limited would be required to perform it

if no such succession had taken place. Failure of the Company and VistaPrint Limited to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall (a) be a breach of this Agreement and shall constitute Good Reason if the Executive elects to terminate employment, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination and (b) shall cause such succession to be deemed a Change of Control for purposes of Section 4 hereof regardless of the definition of Change of Control set forth in Annex A. As used in this Agreement, "Company" shall mean the Company as defined above and any successor to its business or assets as aforesaid which assumes and agrees to perform this Agreement, by operation of law or otherwise and "VistaPrint Limited" shall mean VistaPrint Limited as defined above and any successor to its business or assets as aforesaid which assumes and agrees to perform this Agreement, by operation of law or otherwise.

6.2 Successor to Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amount would still be payable to the Executive or her family hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the executors, personal representatives or administrators of the Executive's estate.

7. Notice.

7.1 All notices, instructions and other communications given hereunder or in connection herewith shall be in writing. Any such notice, instruction or communication shall be sent either (i) by registered or certified mail, return receipt requested, postage prepaid, or (ii) prepaid via a reputable nationwide overnight courier service, in each case addressed to:

the Company, at:

VistaPrint USA Incorporated
100 Hayden Avenue
Lexington, MA 02421
Attn: CEO

with a copy to:

Thomas S. Ward, Esq.
Wilmer Cutler Pickering Hale and Dorr LLP
60 State Street
Boston, MA 02109

to VistaPrint Limited, at:

VistaPrint Limited
Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

and to the Executive at the Executive's address indicated on the signature page of this Agreement (or to such other address as either the Company or the Executive may have furnished to the other in writing in accordance herewith).

7.2 Any such notice, instruction or communication shall be deemed to have been delivered five business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, or one business day after it is sent via a reputable nationwide overnight courier service. Either party may give any notice, instruction or other communication hereunder using any other means, but no such notice, instruction or other communication shall be deemed to have been duly delivered unless and until it actually is received by the party for whom it is intended.

8. Miscellaneous.

8.1 Consideration. The Executive acknowledges that she has received adequate consideration from the Company and VistaPrint Limited for entering into this Agreement.

8.2 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

8.3 Injunctive Relief. The Company and the Executive agree that any breach of this Agreement by the Company is likely to cause the Executive substantial and irrevocable damage and therefore, in the event of any such breach, in addition to such other remedies which may be available, the Executive shall have the right to specific performance and injunctive relief.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the internal laws of the Commonwealth of Massachusetts, without regard to conflicts of law principles.

8.5 Guarantee. VistaPrint Limited hereby unconditionally guarantees all of the payment obligations of the Company to the Executive which may arise in connection with the terms and conditions of this Agreement.

8.6 Waivers. No waiver by the Executive at any time of any breach of, or compliance with, any provision of this Agreement to be performed by the Company shall be deemed a waiver of that or any other provision at any subsequent time.

8.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but both of which together shall constitute one and the same instrument.

8.8 Tax Withholding. Any payments provided for hereunder shall be paid net of any applicable tax withholding required under federal, state or local law.

8.9 Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto in respect of the subject matter contained herein; and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and cancelled, including specifically and without limitation _____. Except for the provisions of Section 4.1 hereof, nothing in this Agreement shall modify, amend or alter, in any manner, any stock option, stock restriction or other equity incentive arrangement or any non-disclosure, non-competition, non-solicitation, assignment of invention, or any similar agreement, to which the Executive is a party.

8.10 Amendments. This Agreement may be amended or modified only by a written instrument executed by the Company, VistaPrint Limited and the Executive. Notwithstanding anything herein to the contrary, to the extent future guidance is issued regarding Section 409A that the Company, Vistaprint Limited or the Executive reasonably believe will result in adverse tax consequences to the Executive as a result of this Agreement, then the Company, VistaPrint Limited and the Executive will renegotiate the terms of this Agreement in good faith in order to minimize or eliminate such tax treatment.

8.11 Executive's Acknowledgements. The Executive acknowledges that she (a) has read this Agreement; (b) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Executive's own choice or has voluntarily declined to seek such counsel; (c) understands the terms and consequences of this Agreement; and (d) understands that the Company's outside and in-house counsel are acting as counsel to the Company in connection with the transactions contemplated by this Agreement, and are not acting as counsel for the Executive.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

VISTAPRINT USA INCORPORATED

By: **Robert S. Keane**
Title: **President and CEO**

VISTAPRINT LIMITED

By: **Helen Ann Chisholm**
Title: **Secretary**

[EXECUTIVE]

[Name]

Address:

_____
_____

Annex A

As used herein, the following terms shall have the following respective meanings:

1.1 "Change in Control" means an event or occurrence set forth in any one or more of subsections (a) through (d) below:

(a) the acquisition by an individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership of any capital stock of VistaPrint Limited if, after such acquisition, such Person beneficially owns (within the meaning of Rule 13d-3 promulgated under the Exchange Act) 50% or more of either (x) the then-outstanding shares of common stock of VistaPrint Limited (the "Outstanding VistaPrint Limited Common Stock") or (y) the combined voting power of the then-outstanding securities of VistaPrint Limited entitled to vote generally in the election of directors (the "Outstanding VistaPrint Limited Voting Securities"); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from VistaPrint Limited (excluding an acquisition pursuant to the exercise, conversion or exchange of any security exercisable for, convertible into or exchangeable for common stock or voting securities of VistaPrint Limited, unless the Person exercising, converting or exchanging such security acquired such security directly from VistaPrint Limited or an underwriter or agent of VistaPrint Limited), (ii) any acquisition by VistaPrint Limited, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by VistaPrint Limited or any corporation controlled by VistaPrint Limited, or (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (i) and (ii) of subsection (c) of this Section 1.1 of Annex A; or

(b) such time as the Continuing Directors (as defined below) do not constitute a majority of the Board (or, if applicable, the Board of Directors of a successor corporation to VistaPrint Limited), where the term "Continuing Director" means at any date a member of the Board (i) who was a member of the Board on the date of the execution of this Agreement or (ii) who was nominated or elected subsequent to such date by at least a majority of the directors who were Continuing Directors at the time of such nomination or election or whose election to the Board was recommended or endorsed by at least a majority of the directors who were Continuing Directors at the time of such nomination or election; provided, however, that there shall be excluded from this clause (ii) any individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents, by or on behalf of a person other than the Board; or

(c) the consummation of a merger, consolidation, reorganization, recapitalization or statutory share exchange involving VistaPrint Limited or a sale or other disposition of all or substantially all of the assets of VistaPrint Limited in one or a series of transactions (a "Business Combination"), unless, immediately following such Business Combination, each of the following two conditions is satisfied: (i) all or substantially all of the individuals and entities who were the beneficial owners of the Outstanding VistaPrint Limited Common Stock and Outstanding VistaPrint Limited Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding securities entitled to vote generally in the election of directors, respectively, of the resulting or acquiring corporation in such Business Combination (which shall include, without limitation, a corporation which as a result of such transaction owns VistaPrint Limited or substantially all of VistaPrint Limited's assets either directly or through one or more subsidiaries) (such resulting or acquiring corporation is referred to herein as the "Acquiring Corporation") in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding VistaPrint Limited Common Stock and Outstanding VistaPrint Limited Voting Securities, respectively; and (ii) no Person (excluding the Acquiring Corporation or any employee benefit plan (or related trust) maintained or sponsored by VistaPrint Limited or by the Acquiring Corporation) beneficially owns, directly or indirectly, 30% or more of the then outstanding shares of common stock of the Acquiring Corporation, or of the combined voting power of the then-outstanding securities of such corporation entitled to vote generally in the election of directors (except to the extent that such ownership existed prior to the Business Combination); or

(d) approval by the Board of a complete liquidation or dissolution of VistaPrint Limited or the Company.

1.2 "Change in Control Date" means the first date during the Term (as defined in Section 2) on which a Change in Control occurs. Anything in this Agreement to the contrary notwithstanding, if (a) a Change in Control occurs, (b) the Executive's employment with the Company is terminated less than 180 days prior to the date on which the Change in Control occurs, then for all purposes of this Agreement the "Change in Control Date" shall mean the date immediately prior to the date of such termination of employment.

1.3 "Cause" means:

(a) the Executive's willful and continued failure to substantially perform her reasonable assigned duties (other than any such failure resulting from incapacity due to physical or mental illness or any failure after the Executive gives notice of termination for Good Reason), which failure is not cured within 30 days after a written demand for substantial performance is received by the Executive from the Board which specifically identifies the manner in which the Board of Directors believes the Executive has not substantially performed the Executive's duties; or

(b) the Executive's willful engagement in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company.

For purposes of this Section 1.3 of Annex A, no act or failure to act by the Executive shall be considered "willful" unless it is done, or omitted to be done, in bad faith and without reasonable belief that the Executive's action or omission was in the best interests of the Company.

1.4 "Good Reason" means the occurrence, without the Executive's written consent, of any of the events or circumstances set forth in clauses (a) through (h) below. Notwithstanding the occurrence of any such event or circumstance, such occurrence shall not be deemed to constitute Good Reason if, prior to the Date of Termination specified in the Notice of Termination (each as defined in Section 3.2(a)) given by the Executive in respect thereof, such event or circumstance has been fully corrected and the Executive has been reasonably compensated for any losses or damages resulting therefrom (provided that such right of correction by the Company shall only apply to the first Notice of Termination for Good Reason given by the Executive).

(a) the assignment to the Executive of duties inconsistent in any material respect with the Executive's position (including status, offices, titles and reporting requirements), authority or responsibilities in effect as of the Effective Date, or any other action or omission by the Company or VistaPrint Limited which results in a material diminution in such position, authority or responsibilities;

(b) a reduction in the Executive's annual base salary as in effect on the Effective date or as the same was or may be increased thereafter from time to time except to the extent that such reduction affects all executive officers of VistaPrint Limited and its subsidiaries to a comparable extent;

(c) the failure by the Company or VistaPrint Limited to (i) continue in effect any material compensation or benefit plan or program (including without limitation any life insurance, medical, health and accident or disability plan and any vacation or automobile program or policy) (a "Benefit Plan") in which the Executive participates or which is applicable to the Executive immediately prior to the Effective Date or subsequently adopted, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made, with the Executive's written consent, with respect to such plan or program, (ii) continue the Executive's participation therein (or in such substitute or alternative plan) on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of the Executive's participation relative to other participants, than the basis existing immediately prior to the Effective Date or subsequent to such adoption or (iii) award cash bonuses to the Executive in amounts and in a manner substantially consistent with past practice in light of the Company's financial performance; except, in each event, to the extent such failure affects all executive officers of VistaPrint Limited and its subsidiaries to a comparable extent;

(d) a change by the Company in the location at which the Executive performs her principal duties for the Company to a new location that is both (i) outside a radius of 45 miles from the Executive's principal residence immediately prior to the Effective Date and (ii) more than 20 miles from the location at which the Executive performed her principal duties for the Company immediately prior to the Effective Date; or a requirement by the Company that the Executive travel on Company business to a substantially greater extent than required immediately prior to the Effective Date;

(e) the failure of the Company to obtain the agreement from any successor to the Company to assume and agree to perform the Agreement, as required by Section 6.1 of the Agreement;

(f) a purported termination of the Executive's employment which is not effected pursuant to a Notice of Termination satisfying the requirements of Section 3.2(a) of the Agreement; or

(g) any failure of the Company to pay or provide to the Executive any portion of the Executive's compensation or benefits due under any Benefit Plan within seven days of the date such compensation or benefits are due, or any material breach by the Company of this Agreement or any employment agreement with the Executive.

For purposes of this Agreement, any good faith determination of "Good Reason" made by the Executive shall be conclusive, binding and final. The Executive's right to terminate her employment for Good Reason shall not be affected by her incapacity due to physical or mental illness.

1.5 "Disability" means the Executive's absence from the full-time performance of the Executive's duties with the Company for 180 consecutive calendar days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Executive or the Executive's legal representative.

1.6 For purposes of Section 4.3 of the Agreement, the following terms shall have the following respective meanings:

(i) "Change in Ownership or Control" shall mean a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company determined in accordance with Section 280G(b)(2) of the Code.

(ii) "Contingent Compensation Payment" shall mean any payment (or benefit) in the nature of compensation that is made or made available (under this Agreement or otherwise) to a "disqualified individual" (as defined in Section 280G(c) of the Code) and that is contingent (within the meaning of Section 280G(b)(2)(A)(i) of the Code) on a Change in Ownership or Control of the Company.

(iii) "Gross-Up Payment" shall mean an amount equal to the sum of (i) the amount of the Excise Tax payable with respect to a Contingent Compensation Payment and (ii) the amount necessary to pay all additional taxes imposed on (or economically borne by) the Executive (including the Excise Taxes, state and federal income taxes and all applicable employment taxes) attributable to the receipt of such Gross-Up Payment. For purposes of the preceding sentence, all taxes attributable to the receipt of the Gross-Up Payment shall be computed assuming the application of the maximum tax rates provided by law.

Exhibit 10.16

Credit Agreement

The undersigned:

1. VistaPrint B.V., established in Venlo, hereinafter referred to as ‘the Borrower’,
2. ABN AMRO Bank N.V., having its registered office in Amsterdam, The Netherlands, hereinafter referred to as ‘ABN AMRO’

have agreed as follows:

On the basis of the information supplied to ABN AMRO, the Borrower is granted a loan on the terms and conditions and at the rates and charges stated in this agreement and the appendix hereto. The loan is granted to finance real estate.

Twenty-year roll-over loan EUR 5,000,000.—

Drawing

A first drawing of at least EUR 2,000,000.—and the remainder in tranches of at least EUR 1,000,000.—each as the investment progresses on the production of invoices, with the proviso that the loan will be drawn in full not later than 1 March 2004.

Repayment of Principal

In 80 successive three-monthly instalments of EUR 62,500.—each, the first instalment being due on 1 October 2004.

Rates and Charges

Interest

EURIBOR increased by a margin of 1,15% per annum.

ABN AMRO shall revise the individual margin on 1 March 2009 or, if such does not coincide with the final day of in Interest Period, on the final day of such Interest Period.

Fixed rate period 1, 2, 3, 6, or subject to the approval of ABN AMRO, 12 months.

Interest in respect of each Interest Period shall be paid on the final day of the relevant Interest Period. In the case of an Interest Period of longer than three months, interest shall also be payable three-monthly in arrears throughout the Interest Period.

The borrower will select the Interest Period(s) for each tranche such that the final day of (one of) the selected Interest Period(s) coincides with the date on which the loan must have been drawn in full (see above), so that the relevant tranches can be amalgamated into a single sum for one and the same Interest Period per the above date.

Commitment Fee 0,575% per annum.

Commitment fee will be charged over the average undrawn part per the month from the first full calendar month after signing of this Credit Agreement, and be payable on the fist day of the subsequent month.

Security and covenants

- Revolving mortgage of EUR 5,000,000.—plus 40% for interest and costs, on the property located at Venlo, Hudsonweg 8. Fuller details will be included in the mortgage deed.
- Net worth agreement, to be signed by VistaPrint Limited, the Borrower and ABN AMRO stating that the Borrower’s tangible net worth as defined in the agreement will be maintained at a minimum of 30% of the Borrower’s consolidated (adjusted) balance sheet total.
- Pursuant to article 18 of the ABN AMRO General Banking Conditions, ABN AMRO shall have a pledge on all goods, documents of title and securities, with are in the possession or will come into the possession of ABN AMRO or of a third party on behalf of ABN AMRO from or for the benefit of the Borrower on any account whatsoever, on all share forming part of a collective deposit within the meaning of the Securities Giro Administration and Transfer Act (“Wet giraal

efectenverkeer"), which are in the possession or will come into the possession of ABN AMRO, and on all the present and future debts owing ABN AMRO to the Borrower on any account whatsoever as security for all and any present and future debts owing by the Borrower to ABN AMRO on any account whatsoever. ABN AMRO hereby accepts this (right of) pledge. In as far as these assets have not yet been pledged in advance or otherwise, to ABN AMRO as security for the aforementioned obligations of the Borrower, this Credit Agreement shall be deemed to have been made, in so far as it is considered necessary.

Other provisions

- For the purpose of this credit arrangement
  - *tangible net worth* is understood to mean:

    issued and paid-up share capital plus reserves, deferred tax liabilities and loans, subordinated to the Borrowers' debts to ABN AMRO, minus tangible assets, deferred tax assets, participating interests, receivable from shareholders and/or directors, and shares the Borrower holds in his own company, as shown in the annual accounts.
  - *adjusted balance sheet total* is understood to mean:

    total assets, plus the off balance sheet commitments of the Borrower (such as the outstanding amount of operational leases), minus the sum of (a) intangible assets of the Borrower, (b) deferred tax assets of the Borrower, (c) participating interests of the Borrower, (d) receivables from shareholders and/or directors of the Borrower and (e) shares held by the Borrower in his own company, as shown in the annual accounts.
  - *annual accounts* is understood to mean:

    the Borrower's annual accounts, consisting of the balance sheet, profit and loss account and accompanying notes, including an unqualified audit certificate, drawn up by a register accountant, acceptable to ABN AMRO.
- The Borrower will not enter into credit agreements with third parties without the consent of ABN AMRO.
- The borrower will as far as possible lead his incoming and outgoing payments through ABN AMRO.
- The enclosed ABN AMRO General Credit Provisions dated January 1999 will apply. By signing this Credit Agreement the Borrower declares that he has received a copy of said General Credit Provisions and is fully aware of the contents thereof.
- The enclosed Provisions governing ABN AMRO Rollover Loans of October 2002 shall also apply to this Credit Agreement. Insofar as the Provisions governing ABN AMRO Rollover loans shall prevail. By signing this Credit Agreement the Borrower declares that he has received a copy of the Provisions.
- The following will apply in addition or contrary to the ABN AMRO General Credit Provisions:
  - Yearly ABN AMRO will receive the annual accounts of VistaPrint Ltd. within two months of the end of each year.
  - During the first three operating years of the Borrower, ABN AMRO will also receive from the Borrower the half-yearly figures within two months of the end of every half-yearly period.
  - In addition to the provisions contained in III.5 of the ABN AMRO General Credit Provisions, the 20-year loan may also be called in:
    - if the tangible net worth in the opinion of ABN AMRO represents less than 30% of the adjusted balance sheet total.
    - if the sum of the net income and depreciation and amortization is lower than the sum of the instalments on the loan and the capital expenditures (Capex), as shown in the annual accounts. With regard to Capex, ABN AMRO will exclude Capex with are paid by VistaPrint, Ltd.

OCT Derivatives

- ABN AMRO is prepared, until further notice, to enter into OTC-derivatives with the Borrower (hereinafter also referred to as "the Client"). However, ABN AMRO is not obliged to enter into such transactions with the Client. ABN AMRO will assess each transaction separately.

- The above-mentioned security and/or covenants also serve as security for the fulfilment of the obligations arising from derivatives transactions.
- The enclosed General Derivatives Provisions *("Algemene Bepalingen Derivatentransacties mei 2001")* will apply to all derivatives transactions between the Client and ABN AMRO. By signing this Credit Agreement, the Client declares that he has received a copy of said General Provisions.
- In addition to article 8 of the General Derivatives Provisions *("Algemene Bepalingen Derivatentransacties mei 2001")*, ABN AMRO may terminate one or more transactions immediately without warning or notice of default being required, and all debts owed by the Client on account of the transactions, whether or not payable, contingent or absolute, shall be payable to ABN AMRO forthwith and in full without anydemand or default notice being required, in the event that the credit facility with ABN AMRO is terminated.
- ABN AMRO also encloses the brochure "OTC-Derivatives Transactions with *the* Bank" ("OTC-Deriatentransacties met *de* Bank'). By signing this Credit Agreement, the client declares that he has received a copy of said brochure.

Signature:

Eindhoven, 14 October 2003
ABN AMRO Bank N.V.
Branch; Bogert 2-28

Venlo, 24 October 2003
VistaPrint B.V.

AMENDMENT NO. 1 TO CREDIT AGREEMENT

The undersigned:

1. VistaPrint B.V., established in Venlo, hereinafter referred to as 'the Borrower',
2. ABN AMRO Bank N.V., having its registered office in Amsterdam, The Netherlands, hereinafter referred to as 'ABN AMRO'

have agreed as follows:

On the basis of the information supplied to ABN AMRO, the existing Credit Agreement between ABN AMRO and Borrower (attached hereto as Exhibit A, the "Credit Agreement") is amended so that Borrower is granted a facility on the terms and conditions and at the rates and charges stated in the Credit Agreement (as amended hereby) and the appendix hereto. The original 20-year loan was granted particularly to finance real estate. The new 6-year loan is granted particularly to finance a printing-press.

Facility amount	EUR 6,137,500.—
Six-year roll-over loan	EUR 1,200,000.— ***(new)***
Twenty-year roll-over loan (original principal: EUR 5,000,000.—)	EUR 4,937,500.— pro resto

Six-year loan ***(new)***

Drawing

In one amount, not later than 1 January 2005.

Repayment of principal

In 24 successive three-monthly instalments of EUR 50,000.— each, the first instalment being due on 1 April 2005.

Twenty-year loan

This loan will be continued unaltered and on the existing terms and conditions as amended hereby.

Rates and charges

The Six-year loan **(new)**

Interest

EURIBOR increased by a margin of 1,40% per annum.

ABN AMRO shall revise the individual margin on 1 January 2010 or, if such does not coincide with the final day of an Interest Period, on the final day of such Interest Period.

Fixed rate period 1, 2, 3, 6, 9 or, subject to the approval of ABN AMRO, 12 months.

Interest in respect of each Interest Period shall be paid on the final day of the relevant Interest Period. In the case of an Interest Period of longer than three months, interest shall also be payable three-monthly in arrears throughout the Interest Period.

The arrangement fee		5,000.
	EUR	—

The arrangement fee will be charged after this Credit Agreement has been signed.

Security and covenants

- Revolving mortgage of EUR 5,000,000.— plus 40% for interest and costs, on the property located at Venlo, Hudsonweg 8. Fuller details will be included in the mortgage deed.
- Pledge of the Man Roland 700 series high speed (five) 5 color P, LV 5/0 1/4 convertible perfecting sheetfed offset printing press system with coater including non-standard options, (to be) purchased in the end of 2004. This pledge shall expire, be discharged and be of no further force and effect upon Borrower's payment of all amounts due to ABN AMRO with respect to the six-year loan. ***(new)***

- Pledge of the Creo Lotem 800 II including extra's, a Computer To Plate (CTP) Machine, (to be) purchased in the end of 2004. This pledge shall expire, be discharged and be of no further force and effect upon Borrower's payment of all amounts due to ABN AMRO with respect to the six-year loan. ***(new)***
- Net worth agreement, between VistaPrint Limited, the Borrower and ABN AMRO stating that the Borrower's tangible net worth as defined in the agreement will be maintained at a minimum of 30% of the Borrower's consolidated (adjusted) balance sheet total.
- Pursuant to article 18 of the ABN AMRO General Banking Conditions, ABN AMRO shall have a pledge on all goods, documents of title and securities, which are in the possession or will come into the possession of ABN AMRO or of a third party on behalf of ABN AMRO from or for the benefit of the Borrower on any account whatsoever, on all shares forming part of a collective deposit within the meaning of the Securities Giro Administration and Transfer Act (*'Wet giraal effectenverkeer'*), which are in the possession or will come into the possession of ABN AMRO, and on all the present and future debts owing by ABN AMRO to the Borrower on any account whatsoever, as security for all and any present and future debts owing by the Borrower to ABN AMRO on any account whatsoever. ABN AMRO hereby accepts this (right of) pledge. In as far as these assets have not yet been pledged in advance or otherwise, to ABN AMRO as security for the afore mentioned obligations of the Borrower, this Credit Agreement shall be deemed to be a pledge agreement and the notification required for the pledge shall be deemed to have been made, in so far as it is considered necessary.

Other provisions

- For the purpose of this credit arrangement,
  - *tangible net worth* is understood to mean:

  issued and paid-up share capital plus reserves, deferred tax liabilities and loans subordinated to the Borrower's debts to ABN AMRO, minus intangible assets, deferred tax assets, participating interests, receivables from shareholders and/or directors, and shares the Borrower holds in his own company, as shown in the annual accounts.
  - adjusted balance sheet total is understood to mean:

  total assets, plus the off balance sheet commitments of the Borrower (such as the outstanding amount of operational leases), minus the sum of (a) intangible assets of the Borrower, (b) deferred tax assets of the Borrower, (c) participating interests of the Borrower, (d) receivables from shareholders and/or directors of the Borrower and (e) shares held by the Borrower in his own company, as shown in the annual accounts.
  - *annual accounts* is understood to mean:

  the Borrower's annual accounts, consisting of the balance sheet, profit and loss account and accompanying notes, including an unqualified audit certificate, drawn up by a register accountant, acceptable to ABN AMRO.
- The Borrower will not enter into credit agreements with third parties without the consent of ABN AMRO.
- The Borrower will as far as possible lead his incoming and outgoing payments through ABN AMRO.
- The enclosed ABN AMRO General Credit Provisions dated January 1999 will apply. By signing this Amendment No. 1 to Credit Agreement the Borrower declares that he has received a copy of said General Credit Provisions and is fully aware of the contents thereof.
- The enclosed Provisions governing ABN AMRO Rollover Loans of September 2004 shall also apply to this Credit Agreement. Insofar as the Provisions governing ABN AMRO Rollover Loans differ from the ABN AMRO General Credit Provisions, the Provisions governing ABN AMRO Rollover Loans shall prevail. By signing this Amendment No 1 to Credit Agreement the Borrower declares that he has received a copy of the Provisions governing ABN AMRO Rollover Loans and is fully aware of the contents thereof.
- The following will apply in addition or contrary to the ABN AMRO General Credit Provisions:
  - Yearly ABN AMRO will receive the annual accounts of VistaPrint Limited within two months of the end each year.
  - During the first three operating years of the Borrower, ABN AMRO will also receive from the Borrower the half-yearly figures within two months of the end of every half-yearly period.

- Borrower will provide ABN AMRO prior to it's year ending a summary of projected investments (Capex) for the following year and discusses with ABN AMRO how these investments will be financed.
- In addition to the provisions contained in III.5. of the ABN AMRO General Credit Provisions, both the 6-year loan and 20-year loan may also be called in:
  - if the tangible net worth in the opinion of ABN AMRO represents less than 30% of the adjusted balance sheet total.

OCT Derivatives

- ABN AMRO is prepared, until further notice, to enter into OTC-derivatives with the Borrower (hereinafter also referred to as "the Client"). However, ABN AMRO is not obliged to enter into such transactions with the Client. ABN AMRO will assess each transaction separately.
- The above-mentioned security and/or covenants also serve as security for the fulfilment of the obligations arising from derivatives transactions.
- The enclosed General Derivatives Provisions *("Algemene Bepalingen Derivatentransacties mei 2001")* will apply to all derivatives transactions between the Client and ABN AMRO. By signing this Credit Agreement, the Client declares that he has received a copy of said General Provisions.
- In addition to article 8 of the General Derivatives Provisions *("Algemene Bepalingen Derivatentransacties mei 2001")*, ABN AMRO may terminate one or more transactions immediately without warning or notice of default being required, and all debts owed by the Client on account of the transactions, whether or not payable, contingent or absolute, shall be payable to ABN AMRO forthwith and in full without any demand or default notice being required, in the event that the credit facility with ABN AMRO is terminated.
- ABN AMRO also encloses the brochure, "OTC-Derivatives Transactions with *the* Bank" ("OTC-Derivatentransacties met *de* Bank"). By signing this Credit Agreement, the Client declares that he has received a copy of said brochure.

Signature:

Eindhoven, 8 november 2004
ABN AMRO Bank N.V.
Branch; Bogert 2-28

Venlo, November 8 2004
VistaPrint B.V.

By: _____

Robert S. Keane
Statutory Director

EXHIBIT 21.1

SUBSIDIARIES OF THE REGISTRANT

Subsidiary	Jurisdiction	Ownership
VistaPrint USA, Incorporated	Delaware, USA	100 % owned by VistaPrint Limited
VistaPrint Technologies Limited	Bermuda	100% owned by VistaPrint Limited
VistaPrint North American Services Corp.	Nova Scotia, Canada	100% owned by VistaPrint Limited
VistaPrint B.V.	The Netherlands	100% owned by VistaPrint Limited
VistaPrint Jamaica Limited	Jamaica	50% owned by VistaPrint Limited; 50% owned by VistaPrint Technologies Limited
VistaPrint Canada Limited	Nova Scotia, Canada	100% owned by VistaPrint Limited
VistaPrint Japan LLC	Japan	100% owned by VistaPrint Limited
VistaPrint Espana S.L.	Spain	100% owned by VistaPrint Limited
VistaPrint Development S.A.R.L.	France	100% owned by VistaPrint Limited
VistaPrint.com GmbH	Germany	100% owned by VistaPrint Limited

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the reference to our firm under the captions “Selected Consolidated Financial Data” and “Experts” and to the use of our reports dated July 23, 2004, in the Registration Statement (Form S-1) and related Prospectus of VistaPrint Limited for the registration of common shares.

/s/ Ernst & Young LLP

Boston, Massachusetts
June 3, 2005

[WILMER CUTLER PICKERING HALE AND DORR LLP LETTERHEAD]

June 3, 2005

BY ELECTRONIC SUBMISSION

Securities and Exchange Commission
450 Fifth Street, N.W.
Judiciary Plaza
Washington, DC 20549

Re: VistaPrint Limited
Registration Statement on Form S-1

Ladies and Gentlemen:

Submitted herewith for filing on behalf of VistaPrint Limited (the "Company") is a Registration Statement on Form S-1 relating to the registration under the Securities Act of 1933, as amended (the "Securities Act"), of Common Shares of the Company.

This filing is being effected by direct transmission to the Commission's EDGAR System. On May 27, 2005, in anticipation of this filing, the Company caused the filing fee of $14,124 to be wire transferred to the Commission's account at the Mellon Bank in Pittsburgh.

The Registration Statement relates to the Company's initial public offering of securities.

Acceleration requests may be made orally, and the Company and the managing underwriters of the proposed offering have authorized us to represent on their behalf that they are aware of their obligations under the Securities Act with respect thereto.

Please contact the undersigned or Douglas J. Barry at 617-526-6501 with any questions or comments you may have regarding this filing.

Very truly yours,

/s/ Thomas S. Ward

Thomas S. Ward