Would otherwise be due; and will be distributed pro rata to the Investor and such other Safes and/or Preferred Stock in proportion to the full payments that are insufficient to permit full payments to the Investor and such other Safes and/or Preferred Stock, the applicable Proceeds claims for payment and convertible promissory notes (to the extent such convertible promissory notes are not actually or standard non-participating Preferred Stock.

Equal to the Cash-Out Amount, due and payable to the Investor immediately prior to the consummation of the Dissolution automatically be entitled (subject to the liquidation priority set forth in Section 1(d) below) to receive a portion of Proceeds claims for payment and convertible promissory notes (to the extent such convertible promissory notes are not actually or standard non-participating Preferred Stock.

If there is a Change of Control intended to qualify as a tax-free reorganization, the Company may reduce, pro rata, the amount payable on the number of shares of Common Stock equal to the remaining unpaid Purchase Amount divided by the Liquidity Price. In connection with a Change of Control intended to qualify as a tax-free reorganization, the Company may reduce, pro rata, the amount payable on the number of shares of Common Stock equal to the remaining unpaid Purchase Amount divided by the Liquidity Price.

Liquidity Event. If there is a Liquidity Event before the termination of this Safe, the Investor will be given the same choice, provided that the Investor may not choose to receive a form of consideration that the Investor would be ineligible to receive as a result of the Investor's failure to satisfy any requirement or limitation generally applicable to the Company's securityholders, or under any applicable laws.

Notwithstanding the foregoing, in connection with a Change of Control intended to qualify as a tax-free reorganization, the Company may reduce the cash portion of Proceeds payable to the Investor by the amount determined by its board of directors in good faith for such Change of Control to qualify as a tax-free reorganization for U.S. federal income tax purposes, provided that such reduction (A) does not reduce the total Proceeds payable to such Investor and (B) is applied in the same manner and on a pro rata basis to all securityholders who have equal priority to the Investor under Section 1(d).

In connection with Section 1(b)(i), the purchase Amount will be due and payable to the Company to the Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay (i) the Investor and holders of other Safes collectively, the "Cash-Out Investors") in full, all of the Company's available funds will be distributed (i) first to the Senior Preferred Holders and (ii) second with equal priority and pro rata among the Cash-Out Investors in proportion to their Purchase Amounts, and the Cash-Out Investors will automatically receive the number of shares of Common Stock equal to the remaining unpaid Purchase Amount divided by the Liquidity Price.

In connection with a Change of Control intended to qualify as a tax-free reorganization, the Company may reduce, pro rata, the Purchase Amount payable to the Cash-Out Investors by the amount determined by the Board in good faith to be advisable for such Change of Control to qualify as a tax-free reorganization for U.S. federal income tax purposes, and in such case, the Cash-Out Investors will automatically receive the number of shares of Common Stock equal to the remaining unpaid Purchase Amount divided by the Liquidity Price.

(c) Dissolution Event. If there is a Dissolution Event before the termination of this Safe, the Investor will automatically be entitled (subject to the liquidation priority set forth in Section 1(d) below) to receive a portion of Proceeds equal to the Cash-Out Amount, due and payable to the Investor immediately prior to the consummation of the Dissolution Event.

(d) Liquidation Priority. In a Liquidity Event or Dissolution Event, this Safe is intended to operate like standard non-participating Preferred Stock. The Investor's right to receive its Cash-Out Amount is:

(i) Junior to payment of outstanding indebtedness and creditor claims, including contractual claims for payment and convertible promissory notes (to the extent such convertible promissory notes are not actually or notionally converted into Capital Stock);

(ii) On pari with payments for other Safes and/or Preferred Stock, and if the applicable Proceeds are insufficient to permit full payments to the Investor and such other Safes and/or Preferred Stock, the applicable Proceeds will be distributed pro rata to the Investor and such other Safes and/or Preferred Stock in proportion to the full payments that would otherwise be due; and

(iii) Senior to payments for Common Stock.
The Investor’s right to receive its Conversion Amount is (A) on par with payments for Common Stock and other Safes and/or Preferred Stock who are also receiving Conversion Amounts or Proceeds on a similar as-converted to Common Stock basis, and (B) junior to payments described in clauses (i) and (ii) above (in the latter case, to the extent such payments are Cash-Out Amounts or similar liquidation preferences).

(e) **Termination.** This Safe will automatically terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this Safe) immediately following the earliest to occur of: (i) the issuance of Capital Stock to the Investor pursuant to the automatic conversion of this Safe under Section 1(a); or (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 1(b) or Section 1(c).

2. **Definitions**

“Change of Control” means (i) a transaction or series of related transactions in which any “person” or “group” (within the meaning of Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of more than 50% of the outstanding voting securities of the Company having the right to vote for the election of members of the Company’s board of directors, (ii) any reorganization, merger or consolidation of the Company, other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company.

“Company Capitalization” is calculated as of immediately prior to the Equity Financing and (without double-counting, in each case calculated on an as-converted to Common Stock basis):

- Includes all shares of Capital Stock issued and outstanding;
- Includes all Converting Securities;
- Includes all (i) issued and outstanding Options and (ii) Promised Options;
- Includes the Unissued Option Pool, except that any increase to the Unissued Option Pool in connection with the Equity Financing shall only be included to the extent that the number of Promised Options exceeds the Unissued Option Pool prior to such increase.

“Conversion Price” means either: (1) the Safe Price or (2) the Discount Price, whichever calculation results in a greater number of shares of Safe Preferred Stock.

“Converting Securities” includes this Safe and other convertible securities issued by the Company, including but not limited to: (i) other Safes; (ii) convertible promissory notes and other convertible debt instruments; and (iii) convertible securities that have the right to convert into shares of Capital Stock.

“Direct Listing” means the Company’s initial listing of its Common Stock (other than shares of Common Stock not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale, as approved by the Company’s board of directors. For the avoidance of doubt, a Direct Listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services.

“Discount Price” means the price per shares of the Standard Preferred Stock sold in the Equity Financing multiplied by the Discount Rate.

“Dissolution Event” means (i) a voluntary termination of operations, (ii) a general assignment for the benefit of the Company’s creditors or (iii) any other liquidation, dissolution or winding up of the Company (excluding a Liquidation Event), whether voluntary or involuntary.

“Dividend Amount” means, with respect to any date on which the Company pays a dividend on its outstanding Common Stock, the amount of such dividend that is paid per share of Common Stock multiplied by (x) the Purchase Amount divided by (y) the Liquidity Price (treating the dividend date as a Liquidity Event solely for purposes of calculating such Liquidity Price).

“Equity Financing” means a bona fide transaction or series of transactions with the principal purpose of raising capital, pursuant to which the Company issues and sells Preferred Stock at a fixed valuation, including but not limited to, a pre-money or post-money valuation.

“Initial Public Offering” means the closing of the Company’s first firm commitment underwritten initial public offering of Common Stock pursuant to a registration statement filed under the Securities Act.

“Liquidity Capitalization” is calculated as of immediately prior to the Liquidity Event, and (without double-counting, in each case calculated on an as-converted to Common Stock basis):

- Includes all shares of Capital Stock issued and outstanding;
- Includes all (i) issued and outstanding Options and (ii) to the extent receiving Proceeds, Promised Options;
- Includes all Converting Securities, other than any Safes and other convertible securities (including without limitation shares of Preferred Stock) where the holders of such securities are receiving Cash-Out Amounts or similar liquidation preference payments in lieu of Conversion Amounts or similar “as-converted” payments; and
- Excludes the Unissued Option Pool.

“Liquidity Event” means a Change of Control or an Initial Public Offering.

“Liquidity Price” means the price per share equal to the Valuation Cap divided by the Liquidity Capitalization.

“Options” includes options, restricted stock awards or purchases, RSUs, SARs, warrants or similar securities, vested or unvested.

“Proceeds” means cash and other assets (including without limitation stock consideration) that are proceeds from the Liquidity Event or the Dissolution Event, as applicable, and legally available for distribution.

“Promised Options” means promised but ungranted Options that are the greater of those (i) promised
overnight courier or sent by email to the relevant address listed on their Wefunder account, or 48 hours after being deposited

refers to the holders of the applicable group of Safes whose Safes have a total Purchase Amount greater than 50% of the

obtained), and (C) such amendment, waiver or modification treats all such holders in the same manner. "Majority-in-interest"

modified in this manner, (B) the consent of the Investor and each holder of such Safes must be solicited (even if not

Cap" and "Discount Rate" as this Safe (and Safes lacking one or both of such terms will be considered to be the same with

and either (i) the Investor or (ii) the majority-in-interest of all then-outstanding Safes with the same "Post-Money Valuation

has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits

the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor

Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available.

affecting the enforcement of creditors' rights generally and general principles of equity.

perform its obligations hereunder. This Safe constitutes valid and binding obligation of the Investor, enforceable in

be conducted, without any conflict with, or infringement of the rights of, others.

corporate approvals for the authorization of Capital Stock issuable pursuant to Section 1.

the Company's corporate approvals; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary

material debt or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of

(i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any

or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material

of (i) its current certificate of incorporation of bylaws, (ii) any material statute, rule or regulation applicable to the Company or

enforcement of creditors' rights generally and general principles of equity.

its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the

Safe constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with

Company and has been duly authorized by all necessary actions on the part of the Company (subject to section 3(d)). This

and authority to own, lease and operate its properties and carry on its business as now conducted.

are payable on such Promised Options) under any equity incentive or similar Company plan.

3. Company Representations

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of

state of corporation (the 'Company'), hereby issues to the Investor the right to certain incorporation, and has the power

and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Company of this Safe is within the power of the

Company and has been duly authorized by all necessary actions on the part of the Company (subject to section 3(d)). This

Safe constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with

its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the

enforcement of creditors’ rights generally and general principles of equity. To its knowledge, the Company is not in violation

of (i) its current certificate of incorporation of bylaws, (ii) any material statute, rule or regulation applicable to the Company or

(iii) any material debt or contract to which the Company is a party or by which it is bound, where, in each case, such violation

or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material

adverse effect on the Company.

(c) The performance and consummation of the transactions contemplated by this Safe do not and will not:

(i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any

material debt or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of

any lien on any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material

permit, license or authorization applicable to the Company, its business or operations.

(d) No consents or approvals are required in connection with the performance of this Safe, other than: (i)

the Company’s corporate approvals; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary

corporate approvals for the authorization of Capital Stock issuable pursuant to Section 1.

(e) To its knowledge, the Company owns or possesses (or can obtain on commercially reasonable terms)
sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information,

processes and other intellectual property rights necessary for its business as now conducted and as currently proposed to

be conducted, without any conflict with, or infringement of the rights of, others.

4. Investor Representations

(a) The Investor has full legal capacity, power and authority to execute and deliver this Safe and to

perform its obligations hereunder. This Safe constitutes valid and binding obligation of the Investor, enforceable in

accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or

affecting the enforcement of creditors’ rights generally and general principles of equity.

(b) The Investor has been advised that this Safe and the underlying securities have not been registered

under the Securities Act, or any state securities laws and, therefore, cannot be resold unless they are registered under the

Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available.
The Investor is purchasing this Safe and the securities to be acquired by the Investor hereunder for its own account for

investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and

the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor

has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits

and risks of such investment, is able to incur a complete loss of such investment without impairing the Investor’s financial

condition and is able to bear the economic risk of such investment for an indefinite period of time.

5. Miscellaneous

(a) Any provision of this Safe may be amended, waived or modified by written consent of the Company

and either (i) the Investor or (ii) the majority-in-interest of all then-outstanding Safes with the same "Post-Money Valuation

Cap" and “Discount Rate" as this Safe (and Safes lacking one or both of such terms will be considered to be the same with

respect to such term(s), provided that with respect to clause (ii): (A) the Purchase Amount may not be amended, waived or

modified in this manner, (B) the consent of the Investor and each holder of such Safes must be solicited (even if not

obtained), and (C) such amendment, waiver or modification treats all such holders in the same manner. "Majority-in-interest"

refers to the holders of the applicable group of Safes whose Safes have a total Purchase Amount greater than 50% of the

total Purchase Amount of all of such applicable group of Safes.

(b) Any notice required or permitted by this Safe will be deemed sufficient when delivered personally or by

overnight courier or sent by email to the relevant address listed on their Wefunder account, or 48 hours after being deposited
(c) The Investor is not entitled, as a holder of this Safe, to vote or be deemed a holder of Capital Stock for any purpose other than tax purposes, nor will anything in this Safe be construed to confer on the Investor, as such, any rights of a Company stockholder or rights to vote for the election of directors or on any matter submitted to Company stockholders, or to give or withhold consent to any corporate action or to receive notice of meetings, until shares have been issued on the terms described in Section 1. However, if the Company pays a dividend on outstanding shares of Common Stock (that is not payable in shares of Common Stock) while this Safe is outstanding, the Company will pay the Dividend Amount to the Investor at the same time.

(d) Neither this Safe nor the rights in this Safe are transferable or assignable, by operation of law or otherwise, by either party without the prior written consent of the other; provided, however, that this Safe and/or its rights may be assigned without the Company's consent by the Investor (i) to the Investor's estate, heirs, executors, administrators, guardians and/or successors in the event of Investor's death or disability, or (ii) to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Investor; and provided, further, that the Company may assign this Safe in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile.

(e) In the event any one or more of the provisions of this Safe is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Safe operate or would prospectively operate to invalidate this Safe, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this Safe and the remaining provisions of this Safe will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(f) All rights and obligations hereunder will be governed by the laws of the State of [STATE], without regard to the conflicts of law provisions of such jurisdiction.

(g) The parties acknowledge and agree that for United States federal and state income tax purposes this Safe is, and at all times has been, intended to be characterized as stock, and more particularly as common stock for purposes of Sections 304, 305, 306, 354, 368, 1036 and 1202 of the Internal Revenue Code of 1986, as amended. Accordingly, the parties agree to treat this Safe consistent with the foregoing intent for all United States federal and state income tax purposes (including, without limitation, on their respective tax returns or other informational statements).

(Signature page follows)
IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

COMPANY:

[COMPANY LEGAL NAME]

By: Founder Signature

Name: 
Title: 

INVESTOR:

[INVESTOR NAME]

By: Investor Signature

Name: [INVESTOR NAME]
Title: 
☐ Accredited Investor
☐ Unaccredited Investor

Read and Approved (for IRA use only)

By: 
Name: 

☐ Accredited Investor
☐ Unaccredited Investor