iSAFE Note Agreement

Between the company and the investor named below. Effective on the date of the last signature.

This is a summary agreement for early-stage rounds. Issuing securities must follow the Companies Act, 2013 (private placement under section 42 and Rule 14, filing PAS-3 and MGT-14) and, for foreign investors, FEMA pricing and reporting. Have a lawyer review the final documents.

A US-style SAFE is a contract, not a security, and does not fit Indian law. The iSAFE structure solves this by issuing a nominal number of CCPS now, whose conversion ratio is fixed at the next priced round.

Company

LEGAL NAME

EMAIL

PHONE

PAN

ADDRESS

Investor

FULL NAME

EMAIL

PHONE

PAN

ADDRESS

CIN

DPIIT RECOGNITION NO. (IF ANY)

Instrument

INVESTMENT (₹)

CCPS ISSUED

FACE VALUE PER CCPS (₹)

VALUATION CAP (₹)

DISCOUNT (%)

DIVIDEND (%, NON-CUMULATIVE)

Conversion

1. At the next equity round, each CCPS converts into equity shares at the lower of the cap price and the discounted round price.
2. If no round happens within 19 years, the CCPS convert at the cap price, as the Companies Act limits preference shares to 20 years.

3. On a sale or IPO before conversion, the CCPS convert at the cap price immediately before the event.
4. The investor gets most-favoured-nation treatment if the company later issues iSAFEs on better terms before the next round.
5. The CCPS carry voting rights only as section 47 of the Companies Act allows.

General terms

- Governing law. This document is governed by the laws of India.
- Entire agreement. This document is the whole agreement between the parties on its subject and replaces earlier discussions.
- Amendments. Changes are valid only in writing signed by both parties.
- Severability. If a clause is unenforceable, the rest of the document still applies.
- Notices. Notices may be sent to the email addresses given above and take effect on delivery.
- Electronic signatures. The parties agree to sign electronically; electronic signatures and records are valid under the Information Technology Act, 2000.

COURTS OF (CITY) FOR DISPUTES

Company

SIGNATURE

PRINTED NAME

DATE

Investor

SIGNATURE

PRINTED NAME

DATE