

This D-SAFE was developed by Elemental Impact (“Elemental”) in collaboration with the law firm Wilson Sonsini Goodrich & Rosati (“WSGR”) and is provided for your convenience only. For additional context and ease of use, we have provided explanatory endnotes at the end of this D-SAFE.

THIS INSTRUMENT AND ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED IN THIS SAFE AND UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

DEVELOPMENT SAFE (“D-SAFE”)¹
(Simple Agreement for Future Equity)

THIS CERTIFIES THAT, in connection with that certain Development Support Agreement (the “**DSA**”) ² dated [____], by and between [____], a [____] (“**Investor**”) and [____], a [____] corporation (the “**Company**”, and together with Investor, the “**Parties**”), in exchange for certain catalytic project investment by Investor in the amount of \$[____] (the “**Development Investment Amount**”) ³ pursuant to the terms of the DSA on or about [Date of D-Safe], the Company issues to Investor the right to certain shares of the Company’s Capital Stock, subject to the terms described below.

The “**Discount Rate**” is [____]%.⁴

See **Section 2** for certain additional defined terms.

1. Events

(a) **Conversion.**

¹ **Note to User:** Elemental and WSGR do not assume responsibility for the contents of, or the consequence of using, this D-SAFE. Before using this D-SAFE, you should consult with your lawyer. In using this D-SAFE, you acknowledge that you are not a client of WSGR (for conflict of interest or any other purpose) and that use of this D-SAFE does not give rise to an attorney-client relationship or contract between you and WSGR, nor will it give rise to any duty or obligation on WSGR’s part to you. This D-SAFE does not represent legal advice to either you or your counsel. You agree that neither Elemental nor WSGR will have any responsibility or liability to you or your affiliates and your officers, directors, partners, employees, and advisers, whether in contract, tort (including negligence) or otherwise, as a result of your use of this D-SAFE.

² **Note to User:** This D-SAFE contemplates the parties also entering into a Development Support Agreement (a “**DSA**”). Elemental typically enters into a Development Support Agreement with its portfolio companies to provide project development support services, including with respect to policy, marketing and public relations, community-engagement, and other value-added services, in addition to the project investment represented by this D-SAFE. The DSA also may establish project-development milestones to be achieved with the proceeds of the D-SAFE investment. When a D-SAFE is issued pursuant to a DSA, the D-SAFE investment may be made in tranches as such milestones are achieved.

³ **Note to User:** Instead of the purchase amount concept in a traditional SAFE, this D-SAFE is being issued in exchange for the Development Investment Amount (e.g. project investments by Elemental issued pursuant to the terms and conditions of the DSA).

⁴ **Note to User:** This D-SAFE is set up to provide that the D-SAFE will convert at a discount in the Equity Financing (with no valuation cap); however, nothing prevents Investor and/or Company from considering a conversion with only a valuation cap or a combination of both valuation cap and discount.

(i) **Equity Financing.** In any Equity Financing before the termination of this D-Safe, Investor shall have the option (such option, the “**Voluntary Conversion Option**”),⁵⁶ but not the obligation, in Investor’s sole and absolute discretion (subject to the Call Option), to elect to convert this D-Safe into the number of shares of Safe Preferred Stock equal to the Development Investment Amount divided by the Discount Price.

In connection with any voluntary conversion of this D-Safe into shares of Safe Preferred Stock, Investor will execute and deliver to the Company all of the transaction documents related to the Equity Financing; *provided*, that such documents (i) are the same documents to be entered into with the purchasers of Standard Preferred Stock, with appropriate variations for the Safe Preferred Stock if applicable, and (ii) have customary exceptions to any drag-along applicable to Investor, including (without limitation) limited representations, warranties, liability and indemnification obligations for Investor.

The Company hereby agrees that it shall provide written notice of an Equity Financing to Investor no later than twenty (20) business days prior to the initial closing of such Equity Financing, and Investor shall have ten (10) business days following Investor’s receipt of such notice (“**Equity Financing Conversion Notice**”) to elect to exercise Investor’s Voluntary Conversion Option (subject to the Call Option).

(ii) **Term Date.** If this D-Safe remains outstanding on or after the Term Date, then at any time thereafter Investor shall have the option to elect to convert this D-Safe into, at the Investor’s sole option, (1) the number of shares of the Company’s then most senior series of preferred stock equal to the Cash-Out Amount divided by the Preferred Term Price or (2) the number of shares of the Company’s common stock equal to the Cash-Out Amount divided by the Common Term Price.

(b) **Liquidity Event.** If there is a Liquidity Event before the termination of this D-Safe, Investor will automatically be entitled (subject to the liquidation priority set forth in Section 1(d) below) to receive a portion of Proceeds, due and payable to Investor immediately prior to, or concurrent with, the consummation of such Liquidity Event, consisting of either of the following (to be selected at Investor’s option, subject to the Call Option): (i) the Cash-Out Amount or (ii) the amount payable on the number of shares of Common Stock equal to the Development Investment Amount divided by the Liquidity Price (the “**Conversion Amount**”), *provided* that Investor may not choose to receive a form of consideration that Investor would be ineligible to receive as a result of Investor’s failure to satisfy any requirement or limitation generally applicable to the Company’s securityholders, or under any applicable laws.

In connection with Section 1(b)(i), the Cash-Out Amount will be due and payable by the Company to Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are insufficient Proceeds to pay Investor the full Cash-Out Amount hereunder (a “**Cash Amount Shortfall**”), then, in addition to that portion of the Cash-Out Amount actually paid to Investor pursuant to Section 1(d), Investor will also automatically receive that number of shares of Common Stock of the Company equal to (i) the remaining unpaid Cash-Out Amount applicable to Investor, divided by (ii) the fair market value of the Common Stock at the time of the Liquidity Event, as

⁵ **Note to User:** Elemental has the option to convert its SAFE in an Equity Financing (as opposed to a traditional SAFE in which the SAFE would automatically convert in an Equity Financing). Read together with the Call-Option, this feature is designed so that the D-SAFE is a more flexible funding source for portfolio companies.

⁶ **Note to User:** The exercise of this call option may be treated as a redemption for purposes of Section 1202 of the Internal Revenue Code. The inclusion of the Company Call Option may cause the D-Safe to be treated as “preferred stock” under Section 305 of the Internal Revenue Code. Certain distributions (including deemed distributions) in respect of Section 305 preferred stock are taxable as dividends for U.S. income tax purposes (to the extent of the Company’s earnings and profits). The parties should consult with their tax return-preparers regarding any reporting and/or withholding requirements arising from the Call Option. Additionally, all users of this D-SAFE should consult with their counsel and tax advisors to discuss the tax treatment of this D-SAFE and, in particular, its potential impact on qualified small business stock (QSBS) eligibility. All users of this D-SAFE should also discuss the treatment of this D-SAFE with their accountants,

determined by reference to the purchase price payable in connection with such Liquidity Event.

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 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 Investor and (B) is applied in the same manner and on a pro rata basis to all securityholders who have equal priority to Investor under Section 1(d).

(c) **Dissolution Event**. If there is a Dissolution Event before the termination of this D-Safe, 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 Development Investment Amount, due and payable to Investor immediately prior to the consummation of the Dissolution Event.

(d) **Liquidation Priority**. In a Liquidity Event or Dissolution Event, Investor's right to receive its Cash-Out Amount or Development Investment Amount, as applicable, is:

(i) Junior to payment of outstanding indebtedness and creditor claims, including contractual claims for payment, excluding, for the avoidance of doubt, any and all Convertible Securities (as defined below);

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

(iii) Senior to payments for Common Stock.

Investor's right to receive its Conversion Amount is (A) on par with payments for Common Stock and other Convertible Securities 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) **Company Call Option**. This D-Safe is issued pursuant to the terms of the DSA and shall be callable at the Company's option (such option, the "**Call Option**") and at any time this D-Safe remains outstanding, in the Company's sole and absolute discretion, in exchange for which Investor shall receive a cash payment equal to the Cash-Out Amount (the "**Call Option Payment**").⁷⁸

No later than twenty (20) business days prior to the Company's intended exercise of the Call Option, the Company shall provide written notice ("**Call Option Exercise Notice**") to Investor indicating (1) the date within such twenty (20) business day-period upon which the Company intends to exercise the Call Option (such date, the "**Call Option Exercise Date**") and (2) the amount of the Call Option Payment (which shall be calculated as of the Call Option Exercise Date).

⁷ **Note to User:** Unlike a traditional SAFE, the Company can call the D-SAFE at any time prior to the Term Date in exchange for a cash payment to Elemental of the Cash-Out Amount. This makes the D-SAFE a more flexible funding source for portfolio companies.

⁸ **Note to User:** Section 160 of the Delaware General Corporation Law (the "**DGCL**") sets limits on a Delaware corporation's ability to repurchase its stock. Section 160 of the DGCL provides that no Delaware corporation may purchase or redeem its shares when the capital of the corporation is impaired or would be impaired as a result of such purchase or redemption. All users of this D-SAFE should consult with their counsel and tax advisors about this potential issue.

The Company shall pay the Investor the Call Option Payment on the Call Option Exercise Date. For the avoidance of doubt, in connection with an Equity Financing, in the event of a conflict between the Company's Call Option pursuant to a Call Option Exercise Notice and the Investor's Voluntary Conversion Option pursuant to an Equity Financing Conversion Notice, the Company's Call Option shall take precedence; provided, however, that in the event that the Company fails to make the Call Option Payment on the Call Option Exercise Date pursuant to such Call Option Exercise Notice, the Investor shall have the right, in its sole and absolute discretion, to exercise the Voluntary Conversion Option in accordance with such Equity Financing Conversion Notice.

For the avoidance of doubt, the Company may not exercise the Call Option on or after the Term Date without the prior written consent of the Investor (such consent may be withheld in Investor's sole discretion).

(f) **Milestone Investor Call Option.**⁹ This D-Safe is issued pursuant to the terms of the DSA and shall be callable at the Investor's option (such option, the "**Milestone Investor Call Option**") at any time this D-Safe remains outstanding, if the Company achieves any milestone set forth on Exhibit D to the DSA (each a "**Company Call Option Milestone**"), in exchange for which Investor shall receive the Call Option Payment. No later than five (5) business days following the Company's achievement of a Company Call Option Milestone, the Company shall provide written notice ("**Milestone Call Option Exercise Notice**") to Investor indicating (1) that the Company has achieved a Company Call Option Milestone and (2) the amount of the Call Option Payment. If the Investor chooses to exercise the Milestone Investor Call Option, then no later than five (5) business days following the Investor's receipt of the Milestone Call Option Exercise Notice, the Investor shall provide written notice to the Company indicating that the Investor wants to exercise the Milestone Investor Call Option and receive the Call Option Payment ("**Milestone Investor Call Option Election**"). No later than [thirty (30)] days following the Company's receipt of the Milestone Investor Call Option Election, the Company shall pay the Investor the Call Option Payment.¹⁰¹¹

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

2. Definitions

"**Affiliate**" means with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment adviser of, or shares the same management company or investment adviser with, such Person.

"**Capital Stock**" means the capital stock of the Company, including, without limitation, the "**Common Stock**" and the "**Preferred Stock**."

⁹ **Note to User:** This provision provides Investor with the option to call the D-SAFE if the Company achieves a milestone set forth on Exhibit D to the DSA. The Practitioner's Note which accompanies this D-SAFE suggests various Company milestones.

¹⁰ **Note to User:** Instead of requiring the Company to pay the Investor the Call Option Payment in a lump sum, this could be updated to provide for periodic repayments of the Call Option Payment by the Company.

¹¹ **Note to User:** The intention here is that the milestones (which will be listed on Exhibit D to the DSA) will require a minimum quantity of liquidity to support repayment of the DSAFE.

“Cash-Out Amount” means the greater of (i) [_____] times the Development Investment Amount or (ii) (a) the Development Investment Amount plus (b) an additional amount corresponding to a [_____] pre-tax annual Internal Rate of Return (“IRR”) on the Development Investment Amount which shall accrue on an annual basis and shall begin accruing on the date of deposit of the Development Investment Amount.

“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; provided that the Change of Control shall not include a SPAC Transaction.

“Common Stock” means the Company’s common stock.

“Common Term Price” means the price per share equal to (a) the lowest valuation cap of any convertible security issued by the Company divided by (b) the sum, as of immediately prior to the Term Date, of all shares of capital stock (on an as-converted basis) of the Company issued and outstanding, assuming conversion of all securities convertible into common stock, exercise of all outstanding options and warrants to purchase common stock, and including the shares reserved or authorized for issuance under the Company’s equity incentive plans and including, for this purpose, both (A) the conversion of the D-SAFEs and (B) the conversion of all other outstanding convertible debt, SAFEs and similar instruments.

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

“Convertible Securities” means convertible securities that the Company has issued or may issue with the principal purpose of raising capital, including but not limited to, other Safes, convertible debt instruments and other convertible securities. Convertible Securities excludes: (i) options issued pursuant to any equity incentive or similar plan of the Company; and (ii) convertible securities issued or issuable to (A) banks, equipment lessors or commercial lessors or (B) suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions.

“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 will not be deemed to be an underwritten offering and will not involve any underwriting services.

"Discount Price" means the lowest price per share 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 Liquidity 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 Development Investment 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 any 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 Event" means a Change of Control, a Direct Listing, a SPAC Transaction, or an Initial Public Offering.

"Liquidity Price" means the price per share equal to the fair market value of the Common Stock at the time of the Liquidity Event, as determined by reference to the purchase price payable in connection with such Liquidity Event, multiplied by the Discount Rate.

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

"Person" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

"Preferred Stock" means all series of the Company's preferred stock, whether now existing or hereafter created.

"Preferred Term Price" means the lowest price per share of the preferred stock sold in an Equity Financing multiplied by the Discount Rate.

"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 pursuant to agreements or understandings made prior to the execution of, or in connection with, the term sheet or letter of intent for the Equity Financing or Liquidity Event, as applicable (or the initial closing of the Equity Financing or consummation of the Liquidity Event, if there is no term sheet or letter of intent), (ii) in the case of an Equity Financing, treated as outstanding Options in the calculation of the Standard Preferred Stock's price per share, or (iii) in the case of a Liquidity Event, treated as outstanding Options in the calculation of the distribution of the Proceeds.

“**Safe**” means an instrument containing a future right to shares of Capital Stock, similar in form and content to this instrument, purchased by investors for the purpose of funding the Company’s business operations. References to “this Safe” mean this specific instrument, and may also be referred to as a “**D-Safe**”.

“**Safe Preferred Stock**” means the shares of the series of Preferred Stock issued to Investor in an Equity Financing, having the identical rights, privileges, preferences, seniority, liquidation multiple and restrictions as the shares of Standard Preferred Stock, except that any price-based preferences (such as the per share liquidation amount, initial conversion price and per share dividend amount) will be based on the Discount Price.

“**SPAC Transaction**” means a transaction or series of related transactions by merger, consolidation, share exchange, or otherwise of the Company with a publicly-traded “special purpose acquisition company” or its subsidiary (collectively, a “**SPAC**”), immediately following the consummation of which the common stock or share capital of the SPAC or its successor entity is listed on the Nasdaq Stock Market, the New York Stock Exchange or another exchange or marketplace approved by the Board of Directors.

“**Standard Preferred Stock**” means the shares of a series of Preferred Stock issued to the investors investing new money in the Company in connection with the initial closing of the Equity Financing.

“**Subsequent Convertible Securities**” means convertible securities that the Company may issue after the issuance of this instrument with the principal purpose of raising capital, including but not limited to, other Safes, convertible debt instruments and other convertible securities. Subsequent Convertible Securities excludes: (i) side letters or ancillary agreements that do not amend or modify the terms of such convertible securities; and (ii) the following types of securities: (A) options issued pursuant to any equity incentive or similar plan of the Company; (B) convertible securities issued or issuable to (1) banks, equipment lessors, financial institutions or other persons engaged in the business of making loans pursuant to a debt financing or commercial leasing or (2) suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions; and (C) convertible securities issued or issuable in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships.

“**Term Date**” means [_____].¹²

“**Unissued Option Pool**” means all shares of Capital Stock that are reserved, available for future grant and not subject to any outstanding Options or Promised Options (but in the case of a Liquidity Event, only to the extent Proceeds 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 its state of 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 D-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 D-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 or 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

¹² **Note to User:** Unlike in a traditional SAFE, this D-SAFE provides for a term date concept. If the D-SAFE doesn’t convert or get paid back by the term date, then the SAFEholder has the ability to force a conversion of the D-SAFE.

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 D-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 D-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) Investor has full legal capacity, power and authority to execute and deliver this D-Safe and to perform its obligations hereunder. This D-Safe constitutes a valid and binding obligation of 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) Investor is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act, and acknowledges and agrees that if not an accredited investor at the time of an Equity Financing, the Company may void this D-Safe and return the Development Investment Amount. Investor has been advised that this D-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. Investor is purchasing this D-Safe and the securities to be acquired by 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 Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. Investor has such knowledge and experience in financial and business matters that Investor is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing Investor's financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

5. ["MFN Amendment Provision."] If the Company issues any Subsequent Convertible Securities with terms more favorable than those of this D-Safe (including, without limitation, a valuation cap and/or discount) prior to termination of this D-Safe, the Company will promptly provide the Investor with written notice thereof, together with a copy of such Subsequent Convertible Securities (the "**MFN Notice**") and, upon written request of the Investor, any additional information related to such Subsequent Convertible Securities as may be reasonably requested by the Investor. In the event the Investor determines that the terms of the Subsequent Convertible Securities are preferable to the terms of this instrument, the Investor will notify the Company in writing within 10 days of the receipt of the MFN Notice. Promptly after receipt of such written notice from the Investor, the Company agrees to amend and restate this instrument to be identical to the instrument(s) evidencing the Subsequent Convertible Securities.]¹³

¹³ **Note to User:** We have included an optional most favored nations provision here. If the Company issues convertible securities with terms more preferable than the terms contained in this D-SAFE, then the SAFE holder has the ability to exchange this D-SAFE for a SAFE with those more preferable terms.

6. *Miscellaneous*

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

(b) Any notice required or permitted by this D-Safe will be deemed sufficient when delivered personally or by overnight courier or sent by email to the relevant address listed on the signature page, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address listed on the signature page, as subsequently modified by written notice.

(c) Investor is not entitled, as a holder of this D-Safe, to vote or be deemed a holder of Capital Stock for any purpose other than tax purposes, nor will anything in this D-Safe be construed to confer on 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 D-Safe is outstanding, the Company will pay the Dividend Amount to Investor at the same time.

(d) Neither this D-Safe nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this D-Safe and/or the rights contained herein may be assigned, in whole or in part, without the Company's consent by Investor to any of Investor's Affiliates; and *provided, further*, that the Company may assign this D-Safe in whole, without the consent of 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 D-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 D-Safe operate or would prospectively operate to invalidate this D-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 D-Safe and the remaining provisions of this D-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 California, 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 D-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 D-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 D-Safe to be duly executed and delivered.

[INSERT COMPANY NAME]

By:

Name:

Title:

Address:

Email:

D-SAFE HOLDER:

[_____]

By:

Name:

Title:

Address:

Email: