



ANNEX I: The DeepSAFE template

Subscription Agreement for Future Equity (“SAFE”)

Disclaimer:

Comparing the startup ecosystems of North America and Europe one key financial instrument stands out - it dominates the investment ecosystem in US and Canada and significantly accelerates investment processes there, in contrast to the relatively slow transaction speed in Europe.

The **SAFE, the Simple Agreement for Future Equity**, is a financial instrument widely used in the US and Canada, but still rarely adopted in Europe. It offers key advantages for early-stage startups like:

- minimizing founder dilution
- delaying the valuation event,

making it an efficient tool for raising their capital.

The SAFE is designed to speed up the investment process, attract additional money to startups, increase the volume of transactions, attract more funding to startups, and allow it to “fail fast” with minimal administrative burden if things don’t work out.

The aim of the DeepSAFE project is to create, test and validate a European SAFE template tailored to the diverse legal, tax, and trade environments of EU Member States., and to recognize the EC regulation policies e.g. EU State Aid regulation. And consequently to contribute to a faster diffusion of this financial instrument in Europe.

This Template is based on a template published by the Italian Tech Alliance and has been initially designed by Linklaters Italy, Portolano Cavallo, and Growth Capital. Since DeepSAFE has the objective to provide a template for Europe, based on this template several adaptations have been made. These adaptations have been done because of the still fragmented European policies and regulations with respect to taxation, trade law in the member countries and EC policy rules from EC State Aid regulation. Although also intended by the template from Italian Tech Alliance, checks against national regulation in Poland, Czech Republic, Germany and Latvia have shown that some minor issues must be phrased more explicitly. Especially when the SAFE investment shall be recognized as equity, these modifications and enhancements are obligatory.

This template in its current version shall not be considered as final template, but is the starting point of the DeeSAFE consortium and will be handled as a living document. Especially when cross national investment scenarios are envisaged where either startup or investor is coming from another country outside Italy and the countries of the DeepSAFE consortium, any legal check is recommended.

Additionally, the DeepSAFE consortium will maintain a Website where the most recent version can be downloaded.

Key terms of this subscription agreement for future equity (the “Agreement”):

Investor *See paragraph describing the Parties	[●]
Future Equity Amount *Aggregate amount of Euros that the Investor agrees to pay to the Company pursuant to clause 2.1	Euro [●]

Discount Rate *See definition of Discount Rate	[●]%
Maturity Date *See definition of Longstop Date	[●] <i>[Note: a term <= a 18 months is suggested]</i>
Valuation Cap *See definition of Valuation Cap	Euro [●]
Maturity Date Valuation *See definition of maturity Date Valuation	Euro [●]
Optional: Maturity Date Valuation Method	Valuation Method

Minimum amount of the Investment Round *See definition of Investment Round	Euro [●]
Minimum amount of the Investment Round invested by third parties *See definition of Investment Round	[●]% <i>[Note: It is suggested that the amount invested by third parties represent a substantial percentage of the total value of the Investment Round (e.g., 40%)]</i>

This Agreement is made:

BETWEEN^{5 6}:

- (1) [company name], with registered office in [•], enrolled in the Companies Register of [•], VAT number and Tax Code [•], represented by its legal representative [•], duly authorized pursuant to [•] (the “**Company**”);

AND

- (2) [founder name], born in [•], on [•], Tax Code [•], domiciliated in [•] (“[•]”);
(3) [founder name], born in [•], on [•], Tax Code [•], domiciliated in [•] (“[•]”);
([•] and [•] are collectively referred to as the “**Founders**”)

AND

- (4) [quotaholder/shareholder name], born in [•], on [•], Tax Code [•], domiciliated in [•]⁷ (“[•]”);
(5) [quotaholder/shareholder name], born in [•], on [•], Tax Code [•], domiciliated in [•]⁸ (“[•]”);
(in their capacity as “**Significant [Quotaholders/Shareholders]**”, as defined below)

and

- (6) [investor name], with registered office in [•], enrolled in the Companies Register of [•], VAT number and Tax Code [•], represented by its legal representative [•], duly authorized pursuant to [•]⁹ (the “**Investor**”)

(the Company, the Founders, the Significant [Quotaholders/Shareholders] and the Investor, collectively, referred to as the “**Parties**” and each individually as a “**Party**”).

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

⁵ It is suggested that the Agreement be signed by exchange of correspondence. Typically, documents “signed by exchange of correspondence” are acts or agreements that are not signed simultaneously by the parties but are entered into via exchange of a contractual proposal and its acceptance.

⁶ If signed electronically, the Agreement may be signed with what is known as a simple electronic signature, since for the sole purpose of the Agreement’s validity it does not need to be signed with an advanced electronic signature or a qualified (or digital) electronic signature.

⁷ Repeat for each [quotaholder/shareholder] and make the necessary adjustments if the [quotaholder/shareholder] is a legal entity

⁸ Repeat for each [quotaholder/shareholder] and make the necessary adjustments if the [quotaholder/shareholder] is a legal entity

⁹ Make adjustments if the investor is a natural person.

In addition to the other capitalized terms defined in this Agreement, the following terms when used with capital letter shall have the following meaning:

“Business Day” means any day (excluding Saturday and Sunday) on which banks are open to the public at the location of the Company's registered office.

“By-Laws” means the by-laws of the Company as amended from time to time.

“Change of Control” means the sale or transfer of (or the granting of a right to subscribe for, purchase, or sell) [quota/shares] of the Company (whether in a single transaction or through a series of transactions), resulting in the transfer of a controlling interest in the Company to the buyer, either directly or indirectly (including through contribution, merger, demerger, or other extraordinary corporate actions and reorganizations).

“Control” Control” means the power to direct or significantly influence the management and policies of another entity, whether through ownership of voting rights, contractual arrangements, or other means. In particular, control shall be deemed to exist when a person or entity:

- (i) holds the majority of the voting rights in another company; or
- (ii) possesses sufficient voting rights to exercise a dominant influence at ordinary shareholders' meetings; or
- (iii) has the power, by virtue of contractual or statutory provisions, to exert a decisive influence over the management or strategic direction of another entity, even without holding a majority interest.

“Discount rate” means %.

“Dissolution or Insolvency Event” means:



- (a) the initiation of mandatory liquidation or dissolution procedures imposed by law on the Company;
- (b) the occurrence of an Insolvency Proceeding; or
- (c) the voluntary winding up of the Company.

“Fully Diluted Basis” means the total number of [Quota/Shares] representing the Company's corporate capital immediately following the Relevant Event, calculated by (i) assuming the full conversion and/or exercise of all outstanding participating or convertible financial instruments, warrants, options, or other convertible rights and financial or debt instruments issued, and (ii) accounting for the issuance of all [Quota/Shares] or other financial instruments (or, in the case of treasury shares held by the Company for incentive plans, their respective allocation) related to the Company's stock option plans or similar plans for employees, consultants, directors, or third parties, including [Quota/Shares] reserved under incentive plans that are not incorporated into securities.

“Insolvency Proceedings” means (i) any insolvency proceeding or crisis management measure, including any procedure for the composition of over-indebtedness and the liquidation of assets, and (ii) any procedure under applicable foreign laws that serves similar purposes and/or produces effects analogous to those of insolvency proceedings.

“Intellectual Property” means any intellectual and/or industrial property rights, including rights related to all types of trademarks and patents, trade names, copyrights, proprietary rights, logos, ownership of internet domains, software, formulas, inventions, know-how, and relevant technology, as well as any other analogous rights (whether registered or unregistered) pertaining to intangible assets, conferred by law or based on registration.

“Qualified Investment Round” means a of financing round where a company raises a specific minimum amount of capital, which is at least equal to the amount raised in a previous round. This round must include investments from a qualified investor who has not previously invested in the company (excluding the current [quotaholders/shareholders] of the Company, employees, directors, or consultants).

‘New Investors’), whereby the Company increases its corporate capital against payment at market terms and issues new [quota/shares] as a result of raising new financial resources of no less than Euro  (including par value and premium), of which at least % of this amount being invested by New Investors.

“Investor [Quota/Shares]” means the portion of the Company’s corporate capital, calculated as outlined in paragraph 6, that must be offered for subscription to the Investor upon the occurrence of a Relevant Event. This allocation will confer upon the Investor both administrative and economic rights as further specified in paragraph 8.1.

“Issue Date” has the meaning set forth in paragraph 7.2.

“Letter of Adherence” means a document that is substantially in the form set forth in Schedule 1 (Form of Letter of Adherence).

“Listing” means (i) the successful application for the admission for all or part of the Company’s shares to listing and trading on a regulated market or a multilateral trading system in any jurisdiction; or (ii) a business combination or any other transaction (e.g., sale of shares, sale of assets, or joint venture) whereby all or part of the Company’s corporate capital, or the assets of the Company and/or its subsidiaries are sold to or merged with one or more third parties, resulting in all or part of the Company or its assets and/or those of its subsidiaries being owned by an entity that is listed or admitted to trading on a regulated market or multilateral trading system in any jurisdiction.

“Liquidity Event” means:

- (a) a Change of Control; or
- (b) a Sale of Assets; or
- (c) a Listing.

"Maturity Date Valuation" means the valuation of the Company as of the Longstop Date, set at Euro [•].

"Maturity Date Valuation Method" means that in case no Maturity Date Valuation [€] is agreed, as an option any valuation method could be mentioned here.

"New Investors" has the meaning set forth in the *"Investment Round"* definition.

"Proceeds" means cash, including the profit distribution or other distributable reserves generated by the Company, that may be allocated among the [quotaholders/shareholders] of the Company upon the occurrence of a Liquidity Event.

"[Quota/Shares]" means any form of participation (eg. share, quota), whether ordinary or of any other class, held in the corporate capital of the Company.

"Sale of Assets" means the transfer (whether direct or indirect through any corporate transaction, including contributions in kind, mergers, or demergers) of the Company's business or a substantial portion of its assets used by the Company in the course of its operations.

"Schedule" means the document and/or documents attached to this Agreement and any other document attached to the Schedules.

"Significant [Quotaholder/Shareholder]" means:

- (a) any [quotaholder/shareholder] of the Company (existing as of the date of this Agreement) who has statutory or contractual veto rights concerning the execution and/or issuance of convertible equity instruments, convertible bonds, or any other type of instrument convertible into the Company's corporate capital and/or in relation to capital increase transactions; and/or
- (b) any [quotaholder/shareholder] of the Company who, at any time, holds (whether individually or jointly with other existing [quotaholders/shareholders] of the Company) directly or indirectly a percentage of the issued corporate capital of the Company that entitles him to cast or control the casting of votes sufficient to issue and allocate the Investor [Quota/Shares] as contemplated by this Agreement and who shall adhere to this Agreement pursuant to clause 4.1(b).

"Targeted Reserve" has the meaning set forth in paragraph 2.2.

"Valuation Cap" means an amount equal to Euro [•] *post-money* on a Fully Diluted Basis.


1.2. Interpretation

- (a) In this Agreement, unless otherwise specified:
 - (i) references to one gender include all genders and references to the singular include the plural and vice versa; and

- (ii) the term “person” refers, as applicable, to an individual, company, association, or other entity (with or without legal personality).
- (b) The Schedules form an integral part of this Agreement and shall have the same force and effect as if they were expressly set out in the text of this Agreement. References to this Agreement shall include any recitals and Schedules, and references to any clauses or Schedules refer to the relevant clauses of and Schedules to this Agreement.
- (c) Headings shall not be considered in interpreting this Agreement.
- (d) Any reference to a document (including this Agreement), or to a provision in a document, shall be construed as a reference to said document or provision as amended or supplemented from time to time.

Any reference to a time or date shall be construed as a reference to the time or date prevailing in Italy.

2. OBJECT, NATURE AND SCOPE OF THIS AGREEMENT

- 2.1. Upon the execution of this Agreement, the Investor agrees to pay in favor of the Company a total amount of Euro  (the “**Future Equity Amount**”) as an advance payment for the subscription price of a future capital increase.
- 2.2. The Parties agree that, for accounting purposes, the Future Equity Amount shall be qualified as a targeted equity reserve in favor of the Investor (the “**Targeted Reserve**”). The Targeted Reserve:
 - (a) cannot be merged with other reserves;
 - (b) cannot be used for accounting purposes, except for covering losses of the year, where it is subordinated to other reserves excluding the legal reserve;
 - (c) cannot be distributed to any parties other than the Investor for the purpose of allocating the Investor [Quota/Shares].
- 2.3. In the event that the Targeted Reserve is utilized for loss coverage, as described above or in the event that the Company’s corporate capital is reduced to zero, the Investor’s right to receive the Investor [Quota/Shares], as further detailed in paragraph 7.4, shall remain unaffected.
- 2.4. The Parties agree that this Agreement shall be qualified as an aleatory contract:
- 2.5. The Future Equity Amount shall be considered non-interest bearing and free of interest. Without prejudice to any other legal remedies available to the Investor, if the allocation of the Investor [Quota/Shares] in the Company’s corporate capital fails due to circumstances attributable to the Company, the Founders or the Significant [Quotaholders/Shareholders], the Investor shall have the right to sue for damages.

- 2.6. The Company shall use the Future Equity Amount solely to meet the financial needs associated with its operating cycle and for such other business purposes as the Company's directors may deem appropriate, in accordance with the Company's object.
- 2.7. The investment is not tied to a specific period of time. The investor (the company) cannot reclaim his investment at any time.

3. PROCEDURE FOR EXECUTING THE FUTURE EQUITY AMOUNT

- 3.1. The Investor agrees to pay the Future Equity Amount within 3 (three) Business Days from the signing of this Agreement to the bank account registered in the name of the Company, identified by the following details:

Bank: [REDACTED];

IBAN: [REDACTED];

Description: "Pre-payment SAFE"

In case no shareholder resolution is required. In case a shareholder resolution is required, the Investor agrees to pay within three days after the notarized shareholder resolution.

4. CONSENTS AND WAIVERS


- 4.1. The Founders and Significant [Quotaholders/Shareholders] undertake to ensure that:
- (a) all necessary consents, waivers and corporate approvals (as required by the By-Laws or applicable law) are obtained for the issuance and allocation of the Investor [Quota/Shares] to the Investor as specified in this Agreement; and
 - (b) any third party who becomes a Significant [Quotaholder/Shareholder] of the Company after the signing of this Agreement, shall, as soon as practicable and, in any event, within 10 (ten) Business Days of becoming a Significant [Quotaholder/Shareholder], be bound to the terms and conditions of this Agreement by signing the Letter of Adherence.
 - (c) The shareholders undertake to inform shareholders who have acquired or received their shares after the signing of this agreement of this agreement in advance.

5. RELEVANT EVENT

- 5.1. The Company, the Founders and the Significant [Quotaholders/Shareholders], each within their respective capacities, agree to ensure that the Investor [Quota/Shares] is offered for subscription to the Investor, utilizing the Targeted Reserve, upon the occurrence of any of the following events:
- (a) an Investment Round;

(b) a Liquidity Event;

and, in the absence of (a) or (b),

(c) the expiration of a period of ¹⁰ months from the date of signing this Agreement (the “Longstop Date”);

(each, a “Relevant Event”).

6. CALCULATION OF THE INVESTOR [QUOTA/SHARES]

6.1. Upon the occurrence of a Relevant Event, the Investor shall be entitled to hold the Investor [Quota/Shares], which shall be calculated as follows:

In the event of an Investment Round or Liquidity Event

$$\text{Investor [Quota/Shares] (\%)} = \frac{\text{Future Equity Amount}}{(1 - \text{Discount Rate}) * \text{Post-Money Valuation}} * 100$$

Where:

“Post-Money Valuation” means:

- (a) In the event of an Investment Round, the post-money valuation of the Company on a Fully Diluted Basis, as determined, either explicitly or implicitly, for the Investment Round;
- (b) In the event of a Liquidity Event, the value attributed to 100% of the Company's corporate capital on a Fully Diluted Basis, calculated based on the price offered for the completion of the transaction underlying the Liquidity Event;

Provided that, in neither the aforementioned cases shall the Post-Money Valuation, once reduced by the Discount Rate, exceed the Valuation Cap.

At the Longstop Date:

$$\text{Investor [Quota/Shares] (\%)} = \frac{\text{Future Equity Amount}}{\text{Longstop Date Valuation}} * 100$$

or any other method agreed on.

7. EFFECTS OF A RELEVANT EVENT

7.1. Upon the occurrence of a Relevant Event, the Company, the Founders and the Significant [Quotaholders/Shareholders], each within their respective capacities, shall promptly (within 2 working days) notify the Investor in writing and shall take all the necessary actions to ensure that a capital increase of the Company is duly resolved, resulting in the issuance and allocation of the Investor [Quota/Shares] to the Investor.

¹⁰ It is deemed that a reasonable term shall be no greater than 36 months from the signing date.

7.2. The allocation of the Investor [Quota/Shares] shall take place:

- (a) in the event of an Investment Round, on the closing date;
- (b) in the event of a Sale of Assets or a Change of Control, prior to the completion thereof, to enable the Investor converts his investment into shares **prior to the event** to benefit from the cash flows resulting from such liquidity events;
- (c) in the event of Listing, within 30 (thirty) Business Days from the date on which the administrative body of the Company resolves to initiate the Listing process. The conversion price shall be determined based on the fair market value of the Company as of that date, as established by an independent third party appointed by the Company's administrative body;
- (d) within 15 (fifteen) Business Days from the Longstop Date, if no Investment Round or Liquidity Event has occurred prior to that time;

with each such date referred to as the “**Issuance Date**”.

7.3. The Company, the Founders, and the Significant [Quotaholders/Shareholders], each within their respective capacities, shall ensure that the Investor is able to subscribe to the capital increase offered to [him/her] by utilizing the corresponding Targeted Reserve.

7.4. In the event that the Targeted Reserve has been depleted due to operating losses and it is insufficient to cover the nominal value of the Investor [Quota/Shares], the Company, the Founders, and the Significant [Quotaholders/Shareholders] shall ensure that the Investor receives equivalent rights as if the Targeted Reserve had been sufficient to cover the total nominal value of the Investor [Quota/Shares]. In such circumstances, the Company, the Founders, and the Significant [Quotaholders/Shareholders] may, at their discretion, undertake one or more of the following actions:

- (a) a portion of the contributions made by the New Investors in connection with the Investment Round shall enable the Investor to subscribe for the Investor [Quota/Shares] in an amount equal to that specified in paragraph 6.1;
- (b) the Founders or the Significant [Quotaholders/Shareholders] shall contribute, in the interest of the Investor, an amount sufficient to enable the Investor to subscribe for the Investor [Quota/Shares] (limited to [his/her] nominal value);
- (c) in the course of a process to convert existing [Quotas/Shares] into standardized [Quotas/Shares] without nominal value, the Investor [Quota/Shares] shall be issued without a corresponding increase in the nominal corporate capital;

or, in any other case,

- (d) any other procedure shall be adopted that permits the transfer of the Investor [Quota/Shares] to the Investor, including actions taken by the current [quotaholders/shareholders] of the Company.

8. EFFECTS OF THE ISSUANCE

8.1. The Investor [Quota/Shares] shall confer the following rights:

- (a) in the event of an Investment Round, the same economic rights granted to the New Investor, including, where applicable, rights related to liquidation preference and anti-dilution protection;
- (b) in the event of any other Relevant Event, the administrative and economic rights equivalent to those of the most senior class/category of [quotas/shares] (i.e. the class that provides the greatest administrative and/or economic rights compared to other classes). This shall ensure at a minimum a non-participating liquidation preference of 1x, which shall be paid prior to the economic rights of other [quotaholders/shareholders] in subordinate classes/categories (including the Founders).

8.2. Following the issuance of the Investor [Quota/Shares] as described above, the Investor agrees to execute all necessary documents (including any [quotaholders'/shareholders'] agreement) required in connection with the [Quota/Shares], provided that the administrative and protective rights granted to the Investor are aligned with those afforded to the New Investor.

8.3. The Company, the Founders, and the Significant [Quotaholders/Shareholders] agree to take all the necessary actions promptly to ensure that the Investor is recognized as a valid [quotaholder/shareholder] of the Company as of the Issuance Date.

9. DISSOLUTION OR INSOLVENCY EVENT

9.1. If a Dissolution or Insolvency Event occurs prior to a Relevant Event, the Company, the Founders, and the Significant [Quotaholders/Shareholders], each within their respective capacities, agree to allocate the Proceeds, if available, as follows:

- (a) first, to satisfy the claims of the Company's creditors;
- (b) second, to reimburse the Investor an amount equal to the greater of (i) the Future Equity Amount and (ii) the amount the Investor would have received had he held the Investor [Quota/Shares], assuming an issuance based on the criteria applicable upon the expiration of the Longstop Date. If the Investor competes with other holders of SAFEs or equivalent semi-equity financial instruments, any remaining Proceeds shall be allocated on a *pari passu* basis among all such holders; and
- (c) finally, any remaining Proceeds shall be distributed among the [quotaholders/shareholders] of the Company.

10. EFFECTIVENESS OF THE AGREEMENT

10.1. This Agreement shall terminate between the Parties upon the earliest of the following occurrences:

- (a) the date on which the Investor subscribes to the Investor [Quota/Shares]; or

(b) the conclusion of the final distribution pursuant to a Dissolution or Insolvency Event.


10.2. Without prejudice to any obligations arising under applicable law, the Company, the Founders, and the Significant [Quotaholders/Shareholders], each within their respective capacities, agree to ensure that no Proceeds are declared or distributed, directly or indirectly, during the entire term of this Agreement.

11. RIGHT TO THE REFUND OF THE FUTURE EQUITY AMOUNT

11.1. The Investor shall not be entitled to a refund of the Future Equity Amount; instead, the Investor shall solely have the right to receive the Investor [Quota/Shares], in accordance with and subject to the provisions set forth in paragraph 6.1 (*Calculation of Investor [Quota/Shares]*) and paragraph 9.1(b).

12. REPRESENTATIONS AND WARRANTIES

12.1. The Company and the Founders make the following representations and warranties, assuring that they are true as of the date hereof and shall remain true as of the Issuance Date, as if made on that date as well.

- (a) The Company is a limited liability company duly incorporated and validly existing, possessing all necessary powers to conduct its business and to own its assets.
- (b) The Company's corporate capital is equal to Euro  and it is fully subscribed and paid-in as indicated in Schedule 2 ("**Cap Table**"). The Company has not resolved upon any capital increases for which the subscription terms have not yet expired, nor have any financial instruments, options, warrants, or subscription rights been issued or agreed that would allow the subscription or purchase of [quota/shares] in the Company's corporate capital. The Company has not issued any other bonds or financial instruments¹¹.
- (c) The Company is not subject to insolvency proceedings and has not been the subject of judicial liquidation petitions or admission to any other bankruptcy proceedings.
- (d) The Company's financial statements have been prepared clearly and in accordance with applicable accounting principles, accurately reflecting the economic, asset, and financial situation of the Company.
- (e) There are no pending or threatened civil, administrative, tax, or arbitration proceedings against the Company.
- (f) The Company holds full, legitimate, and exclusive ownership or usage rights to the Intellectual Property utilized in its business operations¹². Such Intellectual Property is free from any encumbrances, liens, burdens, privileges, or third-party rights, and there are no

¹¹ To be verify based on the Company's Cap-Table.

¹² It is recommended to provide a detailed description of the Company's intellectual property rights, potentially by referring to a specific attachment.

contracts granting third parties licenses or usage rights. The Company has not infringed, nor is it currently infringing, any patents, trademarks, know-how, or any other intellectual or industrial property rights of third parties, and no third party has infringed nor is it infringing the Company's Intellectual Property.

12.2. The representations and warranties made by the Company and the Founders in paragraph 12.1 constitute independent and autonomous obligations.

13. INDEMNIFICATION OBLIGATIONS FOR THE VIOLATION OF THE REPRESENTATIONS AND WARRANTIES

13.1. The Company and the Founders agree, within their respective capacities, to indemnify the Investor for any damages (excluding lost profits), costs, and expenses, including reasonable legal fees (the “**Losses**”), that result directly and immediately from any untruthfulness, inaccuracy, or lack of correctness of the representations and warranties made by the Company as outlined in paragraph 12.

13.2. The Company and the Founders shall be obliged to indemnify the Investor under this paragraph 13 for Losses resulting from the untruthfulness or inaccuracy of the representations and warranties stated in paragraph 12 only if such untruthfulness or inaccuracy is contested within 60 (sixty) days following the approval of the financial statements for the first fiscal year subsequent to the allocation of the Investor [Quota/Shares].

13.3. It is further understood by the Parties that the amount of indemnification owed to the Investor for any untruthfulness, inaccuracy, or lack of correctness of the representations and warranties made by the Company as stated in paragraph 12 shall not exceed the Future Equity Amount.

14. GENERAL PROVISIONS

14.1. The Investor has the right to withdraw from the explicit right to acquire Quota/Shares. In this case he/she communicates this in written at any time between the day this contract is signed and the Maturity Date plus 5 working days.

14.2. Under liability law, the investor is treated in the same way as any other equity investor with his/her financial investment.

14.3. The conversion of shares after an event takes place automatically. If the conversion requires a notarized shareholder resolution, which might be the case in some European countries, this notarized shareholder resolution will be obtained in advance. Payment is not due until the shareholders' resolution has been notarized and attached to this contract.

This is required in the countries:

- o Germany, in case the conversion should have under German law and the Company resides in Germany
- o Poland ?

- o Spain ?

- o PLEASE ADD if required !!!

14.4. Absence of Administrative and Economic Rights

The Investor shall not possess the right, by virtue of this Agreement, to vote, to receive dividends, or to be recognized as a holder of an interest in the Company. Nothing in this Agreement shall be construed as granting the Investor, in such capacity, any rights inherent to a [quotaholder/shareholder] of the Company, including (i) the right to vote for the appointment of directors of the Company or on any matter submitted to [quotaholders/shareholders] at any meeting of the Company, (ii) the right to give or withhold consent to any corporate action, or (iii) the right to receive notice of the convening of meetings of the Company, until the Investor [Quota/Shares] [has/have] been issued and assigned to the Investor in accordance with this Agreement.

14.5. Information Rights

Until the Issuance Date, the Founders shall provide the Investor with quarterly reports containing accurate information regarding the Company's financial, accounting, and strategic performance. These reports shall include at least the informational data previously negotiated and requested by the Significant [Quotaholders/Shareholders] in prior investment agreements (if any) entered into between such Significant [Quotaholders/Shareholders] and the Company.

14.6. Transfer of the Agreement

- (a) Neither Party may assign this Agreement, in whole or in part, nor may any Party assign any of its rights or obligations arising hereunder without the prior written consent of the Company.
- (b) Notwithstanding the assignment prohibition set forth in paragraph 14.3(a), each [quotaholder/shareholder]: (i) shall have the right to freely transfer all (or part of) their [quotas/shares] to a trust company; (ii) shall have the right to terminate trust mandates resulting in the re-registration of such [quotas/shares] in their name; (iii) in the event that they are also a trustee, shall have the right to freely transfer [quotas/shares] to other trustees of the same trust company, as well as to their spouse and direct relatives up to the third degree.
- (c) The Investor may also transfer, without the prior consent of the Company, their rights under this Agreement to any legal entity in which they hold a controlling interest, including any fund managed or assisted directly or indirectly by the same management company that manages or assists the Investor.

14.7. Entire Agreement

- (a) This Agreement, together with its relevant Schedules that form an integral part hereof, constitutes the complete expression of all agreements between the Parties regarding its subject matter as of the date of this Agreement, and supersedes and replaces any prior

agreements, arrangements, and understandings, whether oral or written, relating to the matters addressed herein.

- (b) The Investor acknowledges that they have not been induced to enter into this Agreement by any statement, warranty, or commitment not expressly set forth herein.

14.8. Partial Invalidity

The invalidity or ineffectiveness of any one or more provisions of this Agreement shall not affect the validity and effectiveness of the remaining provisions, which shall remain fully valid and effective. The Parties undertake to replace the invalid or ineffective provisions to maintain the bilateral relationship and the economic content of this Agreement as unchanged as possible, achieving, to the maximum extent possible, the realization of the original contractual intentions.

14.9. Amendments

Any amendment or modification to this Agreement shall be valid and effective only if agreed upon in writing and signed by all Parties (such signature may also be executed using a Qualified Electronic signature (QES) compliant with Regulation (EU) 910/2014 (as amended from time to time)).

14.10. Tolerance

Any tolerance by one Party towards behaviors exhibited by another Party in violation of the provisions of this Agreement shall not be construed as a waiver of rights arising from the violated provisions, nor shall it affect the right to demand strict compliance with all other terms and conditions of this Agreement.

14.11. Confidentiality

The Parties agree to keep strictly confidential and not disclose, in any form, the existence and content of this Agreement, as well as any information disclosed, whether in writing or orally, during the negotiations or execution of this Agreement. The confidentiality obligation in this paragraph 14.8 shall not apply to (i) information that, at the time of communication or delivery to the Parties, is already in the public domain, (ii) information that becomes public knowledge for reasons other than the Parties' breach of their obligations under this paragraph, (iii) information that was already known to the Parties before being communicated or provided to them, and (iv) information whose disclosure is required by law, provided that it is limited to what is strictly necessary or is otherwise necessary or appropriate in the context of a Liquidity Event. Notwithstanding the above, the Company shall be free to make announcements and press releases regarding the transaction contemplated herein, provided that the content and timing of such announcements are agreed upon in advance with the Investor.

14.12. Expenses

- (a) The Company agrees to cover all costs, expenses, and taxes associated with corporate and notarial activities undertaken pursuant to this Agreement, including those related to the issuance of the Investor [Quota/Shares].
- (b) The Investor shall be responsible for all costs, expenses, and fees associated with his legal and advisory consultants incurred in negotiating, finalizing, concluding, and executing this Agreement.

14.13. Notices

All communications required or permitted under this Agreement shall be sent in writing via (i) registered letter with acknowledgement of receipt, or (ii) certified email (PEC) or email with read receipt confirmation, to the following addresses, which are designated for all matters related to this Agreement:

- (i) If to the Company:
address: [•]
e-mail: [•]
PEC: [•]
- (ii) If to the Investor:
address: [•]
e-mail: [•]
PEC: [•]
- (iii) If to [quotaholder/shareholder name]:
address: [•]
e-mail: [•]
PEC: [•]
- (iv) If to [quotaholder/shareholder name]:
address: [•]
e-mail: [•]
PEC: [•]

or to such other address as a Party may communicate subsequently after the execution of this Agreement in accordance with the provisions of this paragraph 14.10.

14.14. Governing Law and Jurisdiction

- (a) This Agreement and the rights and obligations of the Parties arising out of or in connection with it shall be governed by and construed in accordance with [COURTY] law.
- (b) The Courts of [•] have exclusive jurisdiction to settle any dispute arising from the interpretation, execution or termination of this Agreement, or related to it in any way.¹³

¹³ To be completed with the most appropriate court.



Schedules:

Schedule 1 (Form of the Letter of Adherence);

Schedule 2 ("Cap Table").

(the signatures follow the Schedules)