



# Synthi, LLC. - Pre-Seed SAFE Term Sheet (Non-Binding)

Date: **01 November 2025**

## 1. Overview

Company: **Synthi, Inc.**

Round Type: **Pre-Seed / Angel**

Instrument: **Post-Money SAFE (Simple Agreement for Future Equity), MFN (Most Favored Nation)**

Total Raise: **\$550,000 / €475,000 (target)**

Minimum Investment: **\$25,000 / €21,500**

## 2. Key Terms

|                    |   |
|--------------------|---|
| Valuation Cap      | None (Uncapped safe)  |
| Discount Rate      | 15% discount to the next priced equity round  |
| Conversion Trigger | Automatically converts into preferred stock upon a qualified equity financing ( $\geq$ US \$1M raised)  |
| Pro Data Rights    | Granted to lead or significant investors at the next financing round  |
| Board Seat         | 1 investor seat granted to the lead investor; remaining seats held by Founders (4 in total)   |
| Information Rights | Monthly updates on product progress, metrics, and financials  |
| Use of Funds       | 40% Engineering & Product<br>15% AI Infrastructure<br>15% Marketing & Growth<br>10% Operations & Legal<br>10% Founder Salaries<br>5% Design & UX<br>5% Buffer |
| Closing Date       | 10 December 2025 (or earlier upon full subscription)  |
| Governing Law      | Republic of Bulgaria  |

### **3. Company Milestones (18-month Runway)**

- M3: v1 Launch
- M12: 50K Monthly Active Users
- M15: Enterprise Pilot Program

### **4. Legal Notes**

#### **Uncapped SAFE Structure**

Synthi and its investors acknowledge that this Pre-Seed round is intended primarily for **product development and early traction validation**. Accordingly, the SAFE will be issued without a valuation cap. Synthi expects to establish a valuation in connection with a future qualified equity financing once key milestones - including **product launch and initial user traction** - have been achieved.

#### **Investor Protection (MFN Clause)**

To ensure equitable treatment of early investors, Synthi agrees that in the event it issues any subsequent SAFEs or convertible instruments prior to the next priced equity round, on more favorable terms (including a valuation cap or higher discount), the investors in this round shall automatically be entitled to the same or better terms under a **Most Favored Nation (MFN)** provision.

#### **Disclosure & Transparency**

Synthi shall provide monthly updates to investors on **progress, metrics, and material developments**, and shall promptly notify investors of any future financing instruments that may trigger the **MFN clause**.