**NOTICE TO US RESIDENTS[[1]](#footnote-0)**

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 ROLLING SAFE AND UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

**FOR ADDITIONAL JURISDICTION SPECIFIC NOTICES AND REPRESENTATIONS APPLICABLE TO NON-US RESIDENTS, PLEASE SEE APPENDIX A ATTACHED HERETO.**

**[COMPANY NAME]**

**Rolling SAFE**

**(Rolling Simple Agreement for Future Equity)[[2]](#footnote-1)**

THIS INSTRUMENT (the “**Rolling SAFE**”)CERTIFIES THAT in exchange for the payment by the person listed on the signature page attached hereto (the “**Investor**”, and together with all other Rolling SAFE holders, “**Rolling SAFE** **Investors**”) of the aggregate purchase amount indicated on the signature page that will be generated on the Site (as defined below) and attached hereto[, less wiring fees or other transaction costs] (the “**Purchase Amount**”) on or about the date indicated on the signature page that will be generated on the Site (as defined below) and attached hereto, [COMPANY NAME], a [Delaware corporation][[3]](#footnote-2) (the “**Company**”), issues to the Investor the right to certain equity interests and/or shares of the Company’s Capital Stock, subject to the terms and conditions described below. This instrument also constitutes a binding, enforceable agreement being entered into among the Investor, the other Rolling SAFE Investors and the Company. See **Section 2** for certain defined terms.

1. ***Events***
   1. **Purchase of Tokens.**
      1. As consideration for the Investor paying the Purchase Amount and executing this Rolling SAFE on the Site, the Company shall issue to Investor a number of Rolling SAFE Tokens equal to the Purchase Amount divided by the Effective Purchase Price. The Company shall similarly issue to the other Rolling SAFE Investors who tender a purchase price in subsequent transactions a number of Rolling SAFE Tokens determined by dividing the purchase amounts under their respective Rolling SAFEs by the Effective Purchase Price reflected on such Rolling SAFE Investor’s Dashboard at the time of their purchase, as set forth herein. Rolling SAFE Tokens shall have no rights other than the rights provided in this Rolling SAFE and any subsequently executed transaction agreements between the Investor and the Company.
      2. All payments due under this Rolling SAFE may be made in the forms and using the methods indicated on the Site which shall include but is not limited to, [(A)] payment by virtual currency[[4]](#footnote-3) from Investor’s digital wallet [ and (B) by bank wire, ACH or SEPA transfers in immediately available funds to a bank account designated by the Company (together, (A) and (B) the “**Token Payment**”)][[5]](#footnote-4). All payments hereunder shall be denominated in U.S. dollars.
         1. [[6]](#footnote-5)**[Investor hereby acknowledges and agrees that this Rolling SAFE will not be deemed complete and executed until the Company has confirmed receipt of the Token Payment in the account previously provided by the Company to Investor**. **Accordingly, the purchase price indicated to Investor on the Site at the date and time the Investor executes this Rolling SAFE (such price, the “Original Effective Purchase Price”) may materially differ from the Effective Purchase Price (which is determined as of the date and time the Company confirms receipt of the Token Payment, such date and time the, “Token Payment Confirmation Date**”). Investor hereby acknowledges this risk and consents to the Company automatically processing Investor’s purchase of the Rolling SAFE Tokens at the Effective Purchase Price in effect as of the Token Payment Confirmation Date so long as the Effective Purchase Price in effect as of such Token Payment Confirmation Date is within 5% of the Original Effective Purchase Price.
         2. If the difference between the Effective Purchase Price in effect as of the Token Payment Confirmation Date and the Original Effective Purchase Price exceeds 5%, the Company shall contact Investor pursuant to the notice provisions provided herein (or at the most recent contact information Investor has provided on the Site) and request that Investor reaffirm their interest in purchasing the Rolling SAFE Tokens at the Effective Purchase Price in effect as of the Token Payment Confirmation Date pursuant to a method of confirmation determined by the Company in its sole discretion. In the event that the Investor confirms their intent to proceed with the purchase of Rolling SAFE Tokens at such new Effective Purchase Price, the Company shall process the Investor’s payment and Investor shall receive Rolling SAFE Tokens equal to the Purchase Amount divided by the Effective Purchase Price in effect as of the Token Payment Confirmation Date. If the Investor indicates that they do not wish to purchase the Rolling SAFE Tokens at the Effective Purchase Price in effect as of the Token Payment Confirmation Date, the Investor shall be eligible to withdraw their funds in accordance with the Company’s instructions provided to Investor, less applicable fees incurred by the Company in processing Investor’s Token Payment. To the extent that an Investor does not respond to the Company in connection with a notice provided under this Section 1(a)(ii)(B).
         3. In connection with any Token Payment, the Company shall be allotted up to six (6) business days to confirm receipt of the Investor’s Token Payment and process such payment, *provided* that if the Effective Purchase Price as of the date of the Token Payment Confirmation Date is within 5% of the Original Effective Purchase Price, the Company shall be permitted to process such payment in accordance with Section 1(a)(ii)(B) above, regardless of how many business days have elapsed since Investor has initiated the Token Payment. If the difference between the Effective Purchase Price in effect as of the Token Payment Confirmation Date and the Original Effective Purchase Price exceeds 5%, the Company will follow the notice provisions set forth in Section 1(a)(ii)(B) above, and Investor shall be entitled to withdraw their funds from the Site and cancel this Rolling SAFE. If, as of the Token Payment Confirmation Date, the Effective Purchase Price is within 5% of the Original Effective Purchase Price and the Company chooses to process such payment, the Company shall issue to Investor a Confirmation Notice in the form attached hereto as Exhibit A setting out the total Purchase Amount, Original Effective Purchase Price per Token, and number of Rolling SAFE Tokens issuable under this Agreement.]
      3. [The Company may also issue Rolling SAFE Tokens to certain other existing holders of [stock options and other] convertible equity instruments (the “**Prior Convertibles**”), in such amounts as mutually agreed by and between the Company and such investors, subject to required adjustments to the Rolling SAFE Equity Percentage per Section 1(e) of this Agreement.][[7]](#footnote-6)
      4. In addition, to the extent that the Company has allocated Rolling SAFE Tokens for distribution to service providers as indicated on the Site, the Company may issue or have previously issued Rolling SAFE Tokens to such service providers.
   2. **Liquidity Event.**
      1. If there is a Liquidity Event before the termination of this Rolling SAFE, the Investor shall, at its option, be entitled (subject to the liquidation priority set forth in Section 1(d) below) to either (A) receive a portion of Proceeds (if any) that are due and payable to the Rolling SAFE Investors as the result of such Liquidity Event as set forth the following subsection (the “**Cash Option**”)or (B) receive from the Company the number of shares of Common Stock equal to the Pro Rata Share of the product of multiplying (x) the Rolling SAFE Equity Percentage and (y) the Liquidity Capitalization (the “**Equity Option**”). If the Investor fails to select the Equity Option by written notice to the Company within thirty (30) days’ notice by the Company of any such Liquidity Event, the Investor shall be deemed to have chosen the Cash Option.
      2. In the event the Investor elects to take the Cash Option then, subject to the liquidation priority set forth in Section 1(d) below, the amount payable in the event of a Liquidity Event shall be equal to the amount payable on the number of shares of Common Stock equal to the Pro Rata Share of the product of multiplying (x) the Rolling SAFE Equity Percentage and (y) the Liquidity Capitalization (the “**Conversion Amount**”).
      3. In the event the Investor elects to take the Equity Option then, the number of shares of Common Stock the Investor shall be entitled to receive shall be equal Pro Rata Share of the product of multiplying (x) the Rolling SAFE Equity Percentage and (y) the Liquidity Capitalization; provided, however, the Equity Option may be conditioned by the Company (in its sole discretion) upon Investor (1) having agreed to enter into any lock-up agreement reasonably requested by an underwriter in connection with an Initial Public Offering and (2) satisfying any relevant investor requirements required by the Company.
      4. 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).
   3. **Dissolution Event**. If there is a Dissolution Event before the termination of this Rolling 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 Conversion Amount, due and payable to the Investor immediately prior to the consummation of the Dissolution Event.
   4. **Liquidation Priority**. In a Liquidity Event or Dissolution Event, this Rolling SAFE is intended to operate like standard non-participating, junior Preferred Stock. The Investor’s right to receive its Conversion Amount is:
      1. 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);
      2. Junior to payment of any outstanding senior series of Preferred Stock of the Company or any Converting Securities with similar senior liquidation preferences;
      3. On par with payments for other SAFEs and/or Preferred Stock who are also receiving Conversion Amounts or Proceeds on a similar as-converted to Common Stock basis, 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
      4. Senior to payments for Common Stock.
   5. **Rolling SAFE Equity Percentage Adjustment**. In the event that the Company issues Rolling SAFE Tokens to one or more Rolling SAFE Investors in connection with the conversion of Prior Convertibles (such Rolling SAFE Tokens to be issued, the “**Conversion Rolling SAFE Tokens**”), the Rolling SAFE Equity Percentage shall be increased, concurrently with such issuance, to a new percentage (calculated to the nearest ten thousandth of a percent) in accordance with the following formula:

CP2 = CP1 \* (A + B)/A.

For purposes of the foregoing formula, the following definitions shall apply:

* + 1. “CP2” shall mean the Rolling SAFE Equity Percentage in effect immediately after such issuance or deemed issuance of Conversion Rolling SAFE Tokens;
    2. “CP1” shall mean the Rolling SAFE Equity Percentage in effect immediately prior to such issuance or deemed issuance of Conversion Rolling SAFE Tokens;
    3. “A” shall mean the number of Rolling SAFE Tokens outstanding immediately prior to such issuance or deemed issuance of Conversion Rolling SAFE Tokens (treating for this purpose as outstanding all Rolling SAFE Tokens reserved but unissued by the Company); and
    4. “B” shall mean the number of Conversion Rolling SAFE Tokens to be issued to a Rolling SAFE Investor in connection with the conversion of a Prior Convertible, including the Investor’s Prior Convertible (if any).
  1. **Termination.** This Rolling SAFE will automatically terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this Rolling SAFE) immediately following the earliest to occur of: (i) the issuance of Capital Stock to the Investor pursuant to the conversion of this Rolling SAFE under Section 1(b), or (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 1(b) or Section 1(c). In the event of a termination of this Rolling SAFE, all rights and obligations of this Rolling SAFE which by their nature should survive termination will survive termination, including such applicable rights and obligations of the parties under Sections 3-5 and the attached exhibits referenced therein. Notwithstanding termination of this Rolling SAFE, the parties shall remain liable to the other party for breaches of the representations and warranties set forth in Sections 3 and 4 that arise prior to the termination of this Rolling SAFE.

1. ***Definitions***

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

“**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.

“**Converting Securities**” includes this Rolling SAFE and other convertible securities issued by the Company, including but not limited to: (i) other Rolling 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.

“**Dashboard**” means the Investor’s investment dashboard on the Site.

“**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 the Conversion Amount.

“**Effective Purchase Price**” means the effective price per Rolling SAFE Token at the time of confirmation of receipt of the Token Payment by the Company or, if applicable, at the time of Investor confirms its investment pursuant to Section 1(a)(ii)(B) above, which price reflects the effective average price per Rolling SAFE Token as determined by the linear function used by the Tokens smart contract further described on the Site.

“**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 or Dissolution Event, and (without double- counting):

* 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 Converting Securities and other convertible securities (including without limitation shares of Preferred Stock) where the holders of such securities are receiving their original purchase 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.

"**Minimum Service Provider Token Sale**" means a number of Rolling SAFE Tokens to service providers equal to the Initial SP Percentage multiplied by the Starting Valuation and divided by the Starting Price.

"**Minimum Token Sale**" means a number of Rolling SAFE Tokens equal to the Initial Rolling SAFE Percentage multiplied by the Starting Valuation and divided by the Starting Price.

“**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 promised pursuant to agreements or understandings made prior to the execution of, or in connection with a Voluntary Company Conversion or Liquidity Event, as the case may be.

“**Pro Rata Share**” means (i) in the event of a Liquidity Event pursuant to which the Investor is electing the Equity Option, the ratio of (a) the Investor’s Rolling SAFE Tokens to (b) the number of fully diluted Rolling SAFE Tokens (i.e. including any Rolling SAFE Tokens reserved but unissued by the Company) and (ii) in the event of a Liquidity Event pursuant to which the Investor is electing the Cash Option or a Dissolution Event, the ratio of (a) the Investor’s Rolling SAFE Tokens to (b) the number of outstanding Rolling SAFE Tokens (i.e. excluding any Tokens reserved but unissued by the Company) each calculated as of immediately prior to the consummation of a Liquidity Event or Dissolution Event, as the case may be.

“**Rolling SAFE Service Provider Equity Percentage**” means [*decimal*] (i.e., [\_\_]%) (the “**Initial SP Percentage**”), *provided* that (i) if, at the time of conversion of the Rolling SAFE Tokens or other termination of this Rolling SAFE, the Company has not sold the Minimum Service Provider Token Sale, the Rolling SAFE Service Provider Equity Percentage shall be equal to the product of Initial SP Percentage multiplied by the total number of outstanding Rolling SAFE Tokens originally issued to service providers and divided by the Minimum Service Provider Token Sale and (ii) the Company shall not increase the Rolling SAFE Service Provider Equity Percentage unless either (i) the prior consent of a majority of the Rolling SAFE Investors as set forth in the amendment section of this Agreement has been given or (ii) the dilution for Rolling SAFE Investors from the increase is not greater than any other class of equity security authorized by the Company.

“**Rolling SAFE Equity Percentage**” means [*decimal*] (i.e., [\_\_]%) (the “**Initial Rolling SAFE Percentage**”), *provided* that (i) if, at the time of conversion of the Rolling SAFE Tokens or other termination of this Rolling SAFE, the Company has not sold the Minimum Token Sale (as defined below), the Rolling SAFE Equity Percentage shall be equal to the product of Initial Rolling SAFE Percentage multiplied by the total number of outstanding Rolling SAFE Tokens and divided by the Minimum Token Sale and (ii) the Company may, in its sole discretion, increase the Rolling SAFE Equity Percentage following the execution of this Rolling SAFE without the prior consent of the Rolling SAFE Investors, but in no event shall it decrease the Rolling SAFE equity percentage without the prior consent of a majority of the Rolling SAFE Investors as set forth in the amendment section of this Agreement. **For the avoidance of doubt, the Rolling SAFE Equity Percentage is inclusive of the Rolling SAFE Service Provider Equity Percentage (i.e., if the Rolling SAFE Equity Percentage is 10% and the Rolling SAFE Service Provider Equity Percentage is 1%, the Rolling SAFE Service Provider Equity Percentage will constitute up to 10% of the Rolling SAFE Equity Percentage).**

“**Rolling SAFE** **Tokens**” means the ERC-20 based tokens having a smart contract address of [\_\_\_\_\_\_\_\_\_][[8]](#footnote-7), *provided* that in the event of a fork (i.e., the creation of a competing version of the Ethereum Network distributed ledger as a consequence of the consensus mechanism underlying the same), the Company shall have sole discretion in defining a new smart contract address for Rolling SAFE Tokens, if necessary. [For additional information about risks related to the Rolling SAFE Tokens, please see the Risk Factors attached hereto as Exhibit B.]

“**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.

“**Starting Price**” means [*the initial per unit Token price of this Rolling SAFE*].

“**Starting Valuation**” means the post-money company valuation (excluding the Rolling SAFE Service Provider Equity Percentage) established on the Site at the beginning of the Rolling SAFE offering. For the avoidance of doubt, the Starting Valuation is calculated on the assumption that the Company issues no Tokens to Service Providers and, consequently, there is no dilution of the investors in the amount of the Rolling SAFE Service Provider Equity Percentage.

“**Site**” means the online website operated by the Company at [Company Investment Portal Site].

“**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.

1. ***Company Representations***
   1. 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 Rolling 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 Rolling 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 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 Rolling 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 Rolling 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.][[9]](#footnote-8)

1. ***Investor Representations***
   1. The Investor has full legal capacity, power and authority to execute and deliver this Rolling SAFE and to perform its obligations hereunder. This Rolling SAFE constitutes a 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.
   2. [The Investor acknowledges and agrees that, by executing this Rolling SAFE, the Investor has read and understood the risk factors set forth on Exhibit B.]
   3. If the Investor is a U.S. Person (as defined in Regulation S promulgated under the Securities Act), the Investor acknowledges and agrees that, by executing this Rolling SAFE, the Investor is making all of the additional representations and warranties set forth on Exhibit C-1 to this Rolling SAFE.
   4. If the Investor is not a U.S. Person (as defined in Regulation S promulgated under the Securities Act), the Investor acknowledges and agrees that, by executing this Rolling SAFE, the Investor is making all of the additional representations and warranties set forth on Exhibit C-2 to this Rolling SAFE.
2. ***Arbitration***
   1. To expedite resolution and control the cost of any Dispute, Investor and the Company agree to first attempt to negotiate any dispute arising from or relating to the subject matter of this Rolling SAFE (“***Dispute***”) informally for at least thirty (30) days before initiating any arbitration or court proceeding. Such informal negotiations commence upon written notice from one person to the other.
   2. In the event that pre-arbitration negotiations fail, any Dispute arising under this Agreement shall be finally settled in binding arbitration in accordance with the Securities Arbitration Rules of the American Arbitration Association. The arbitration will be conducted by a single, neutral arbitrator and shall take place in the county or parish where the Company maintains its principal place of business or another mutually agreeable location, in the English language. The arbitrator may award any relief that a court of competent jurisdiction could award, including attorneys’ fees when authorized by law, and the arbitral decision may be enforced in any court. Each party will be responsible for any other fees or costs, such as attorney fees that the party may incur. In any action or proceeding to enforce this arbitration provision, the prevailing party shall be entitled to recover costs and attorneys’ fees from the non-prevailing party. If a court decides that any provision of this Section 5 is invalid or unenforceable, that provision shall be severed, and the other parts of this Section 5 shall still apply. In any case, the remainder of this Rolling SAFE, will continue to apply. **ANY ARBITRATION UNDER THESE TERMS WILL TAKE PLACE ON AN INDIVIDUAL BASIS: CLASS ARBITRATIONS AND CLASS ACTIONS ARE NOT PERMITTED. INVESTOR UNDERSTANDS AND AGREES THAT BY ENTERING INTO THIS Rolling SAFE, INVESTOR AND THE COMPANY ARE EACH WAIVING THE RIGHT TO TRIAL BY JURY OR TO PARTICIPATE IN A CLASS ACTION.**
3. ***Miscellaneous***
   1. Any provision of this Rolling SAFE may be amended, waived or modified by written consent of the Company and either (i) the Investor (other than with respect the Rolling SAFE Equity Percentage as set forth herein) or (ii) the majority-in-interest of all then-outstanding Rolling SAFEs held by the Rolling SAFE Investors, *provided that* with respect to clause (ii): (A) the Purchase Amount may not be amended, waived or modified in this manner and (B) 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 Rolling SAFEs whose Rolling SAFEs represent a majority of the outstanding Rolling SAFE Tokens.
   2. Any notice required or permitted by this Rolling 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.
   3. The Investor is not entitled, as a holder of this Rolling SAFE, to vote or be deemed a holder of Capital Stock for any purpose other than tax purposes, nor will anything in this Rolling 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 Rolling SAFE is outstanding, the Company will pay the Dividend Amount to the Investor at the same time.
   4. Neither this Rolling SAFE nor the rights in this Rolling SAFE are transferable or assignable, by operation of law or otherwise, by the Investor without the prior written consent of the Company; *provided, however*, that this Rolling SAFE and/or its rights may be assigned by the Company without the Investor’s prior written consent to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Company, including, without limitation, any successor in interest or in connection with a reincorporation to change the Company’s domicile.
   5. In the event any one or more of the provisions of this Rolling SAFE is for any reason be 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 Rolling SAFE operate or would prospectively operate to invalidate this Rolling 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 Rolling SAFE and the remaining provisions of this Rolling SAFE will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.
   6. All rights and obligations hereunder will be governed by the laws of the [State of Delaware], without regard to the conflicts of law provisions of such jurisdiction.
   7. [The parties acknowledge and agree that for United States federal and state income tax purposes this Rolling 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 Rolling 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).][[10]](#footnote-9)

*(Signature page follows)*

IN WITNESS WHEREOF, the undersigned have caused this Rolling SAFE to be duly executed and delivered.

**COMPANY**

Acme Inc,

8401 Mulholland Dr

91604 Studio City, CA, USA

By /s/ Betty Elms

Signer Name: Betty Elms

Signer Title: Chief Executive Officer

**INVESTOR**

| Company name  *(required if signing on behalf of a company)* |  |
| --- | --- |
| Signer name |  |
| Signer title  *(required if signing on behalf of a company)* |  |
| Date |  |
| Signature |  |

**EXHIBIT A**

FORM OF CONFIRMATION NOTICE

**EXHIBIT B**

RISK FACTORS

**EXHIBIT C-1**

U.S. PERSON INVESTOR REPRESENTATIONS AND WARRANTIES

**EXHIBIT C-2**

NON-U.S. PERSON INVESTOR REPRESENTATIONS AND WARRANTIES

***[DISCLAIMER: THIS IS A TEMPLATE FORM PROVIDED PURELY FOR EDUCATIONAL PURPOSES AND INTENDED TO BE UTILIZED BY EXPERIENCED LEGAL COUNSEL. UNDER NO CIRCUMSTANCES ARE THE CREATORS OR PUBLISHERS OF THIS TEMPLATE RESPONSIBLE FOR THE CONSEQUENCES OF ANY COMPANY OR INVESTOR’S UTILIZATION OF THIS TEMPLATE, EITHER WITH OR WITHOUT COUNSEL***

***THIS DOCUMENT IS INTENDED TO SERVE AS A STARTING POINT, AND SHOULD BE TAILORED TO MEET YOUR SPECIFIC REQUIREMENTS. THIS DOCUMENT SHOULD NOT BE CONSTRUED AS LEGAL ADVICE FOR ANY PARTICULAR FACTS OR CIRCUMSTANCES. ]***

1. **Note to Counsel**: Company counsel should ensure accuracy and applicability of any additional legends to each Company’s particular offering based on the investors in such round. [↑](#footnote-ref-0)
2. **Note to Counsel**: This form has significant differences compared with other forms of “Simple Agreement for Future Equity”. Company counsel should carefully review. [↑](#footnote-ref-1)
3. **Note to Counsel**: This form was made contemplating a Delaware corporation (USA) and may be unsuitable for other jurisdictions and entity forms. [↑](#footnote-ref-2)
4. **Note to Counsel:** If virtual currency with a non-fixed conversion to USD is used, consideration may need to be given as to how the exchange rate is determined. Counsel to consider potential KYC/AML considerations. [↑](#footnote-ref-3)
5. **Note to Counsel:** Payment method is left to the discretion of the Company and its counsel. The subsections below are intended to provide Company counsel a base to deal with practical challenges that may emerge due to the delay that occurs when an Investor executes the Rolling SAFE through the issuer’s site but must wait for the wire or other fund-transfer to be verified by the Company for the transaction to complete. During such intermittent period, the Investor’s purchase price may change as a result of other Investor’s purchasing Rolling SAFE tokens. Companies should also consider their desired response in the event that an Investor subscribes but fails to wire or vice versa, and how it will sequence recognition of any Token Payments relative to virtual currency payments. The subsections below provide one example of provisions Company counsel may consider to address these considerations. [↑](#footnote-ref-4)
6. **Note to Counsel:** This section is intended to put Investor’s on notice that a Rolling SAFE will not be considered complete and tokens shall not be delivered until a Token Payment is processed in line with the provisions described herein. Included in this section is a proposed buffer of 5% such that if the Effective Purchase Price has not shifted by more than that percentage from the time Investor initially signaled interest, the Company does not need to request additional consent from the Investor. This concept is designed to address a potential for “infinite loops,” where a Company would otherwise need to potentially freeze its offering to ensure that any wired/ACH/SEPA amounts can be credited before the bonding curve price can shift. Otherwise, companies may encounter challenges determining a final purchase price, as the bonding curve could continue to shift before an investor responded with additional consent to proceed with a transaction. The 5% figure is arbitrary and in the discretion of the Company and its counsel. [↑](#footnote-ref-5)
7. **Note to Counsel:** This language may be used by Company counsel in the event that there are pre-existing convertible instruments (e.g. SAFEs, convertible notes, etc.) that may convert as part of the Rolling SAFE Offering.

   In addition, some companies may consider allowing existing stockholders to convert into Rolling SAFEs. Company and counsel should be sure to consider relevant securities, tax and other local jurisdiction rules relating to the conversion of stock to other equity instruments, as certain rules applicable to capital stock may add complexity to such kinds of conversions. [↑](#footnote-ref-6)
8. **Note to Counsel:** This is anticipated to be the smart contract address for the Tokens. [↑](#footnote-ref-7)
9. **Note to Counsel**: This representation is included as it is commonly required in venture financings. However, Company counsel should carefully review and consider what representations the Company is prepared to make in connection with its offering of Rolling SAFE Tokens. [↑](#footnote-ref-8)
10. **Note to Counsel**: Company counsel should retain tax counsel to advise. [↑](#footnote-ref-9)