**Seedspace Company Limited**

**SAFE**

**(Simple Agreement for Future Equity)**

**Investment Amount: USD 25,000      
Date of Issuance: \_\_\_\_\_\_\_\_\_\_\_ 2019**

THIS CERTIFIES THAT in exchange for the payment Seedspace Company Limited, with company registration number 137388332 (the “**Investor**”) to, or on behalf of the Company, of the amounts set forth in Section 2 (as paid, the “**Investment Amount**”), the company [Company Name, Address, Registration Number] (the “**Company**”) hereby issues to the Investor the right to certain shares of the Company’s Capital Stock, subject to the terms set forth below. This SAFE shall rank pari passu in all respects (including right of payment) to all convertible indebtedness of the Company, now or hereafter existing.

1. ***Growth Program***

The Growth Program is a program run by Seedspace Company Limited (the “**Operator**”) to render acceleration services to the Company and other companies worldwide. The Growth Program consists of weekly mentoring, expert workshops, methodologies and access to the Operator’s network. The objective of the Growth Program is to provide the Company with a methodology to pursue growth and readiness for an Equity Financing (as defined below). The Growth Program will be invoiced by the Operator to the Investor as per the draft set forth in **Annex 1** and paid by the Investor on behalf of the Company. The Growth Program shall run for the following dates: 09 September 2019 until 30 November 2019 (the first date referred to as the “**Growth Program Start Date**” and the last date referred to as the “**Growth Program End Date**”).

2. ***Payment of Investment Amount; Cancellation***

(a) The Investor intends to pay the Investment Amount as follows: (i) USD 10 000 to the Company on or before 25 October 2019, and (ii) USD 15 000 to the Operator for the Growth Program fees at completion of the Growth Program on or before the Growth Program End Date (the “**Program Fees**”). The Investor reserves the right to withhold payment of the any portion of the Investment Amount in case of unsatisfactory performance in the Growth Program by the Company (as determined by the Operator in its sole discretion) and in such circumstances reduce the Investment Amount accordingly. If none of the payments for the First Tranche, Second Tranche and Program Fees are made within six months after the Growth Program Start Date, this SAFE will be deemed void *ab initio*.

(b) Prior to the earlier of (i) a conversion event set forth in Section 3 or (ii) the Growth Program End Date, the Company may send written notice to the Investor to terminate this SAFE, whereupon the Company shall immediately (x) return in full to the Investor all amounts disbursed under the First Tranche and Second Tranche, and (y) pay a cancellation fee to the Investor of USD 3,000. Upon satisfaction and performance by the Company of such conditions, the Investor will provide a letter to the Company confirming the cancellation of this SAFE and the termination of the Investor’s rights with respect to the Company’s Capital Stock.

3. ***Conversion Events***

(a) **Equity Financing**. If there is an Equity Financing before the expiration or termination of this instrument, the Company will automatically issue to the Investor a number of shares of SAFE Preferred Stock equal to the Investment Amount divided by the Conversion Price. In connection with the issuance of SAFE Preferred Stock by the Company to the Investor pursuant to this Section 3(a), the Investor will execute and deliver to the Company all transaction documents related to the Equity Financing; *provided,* that such documents 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 provided further, that such documents have customary exceptions to any drag-along applicable to the Investor, including, without limitation, limited representations and warranties and limited liability and indemnification obligations on the part of the Investor. The Investor and the Company will execute a pro rata rights agreement, unless the Investor is already included in such rights in the transaction documents related to the Equity Financing.

(b) **Liquidity Event**. If there is a Liquidity Event before the expiration or termination of this instrument, the Investor will, at its option, either (i) receive a cash payment equal to the Investment Amount (subject to the following paragraph) or (ii) automatically receive from the Company a number of shares of Common Stock equal to the Investment Amount divided by the Liquidity Price, if the Investor fails to select the cash option. In connection with Section 3(b)(i), the Investment Amount will be due and payable by the Company to the Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay the Investor and holders of other SAFEs and convertible promissory notes of the Company (collectively, the “**Cash-Out Investors**”) in full, then all of the Company’s available funds will be distributed with equal priority and *pro rata* among the Cash-Out Investors in proportion to their Investment Amounts, and the Cash-Out Investors will automatically receive the number of shares of Common Stock equal to the remaining unpaid Investment Amount divided by the Liquidity Price.

(c) **Dissolution Event**. If there is a Dissolution Event before this instrument expires or terminates, the Company will pay an amount equal to the Investment Amount, due and payable to the Investor immediately prior to, or concurrent with, the consummation of the Dissolution Event. The Investment Amount will be paid prior and in preference to any Distribution of any of the assets of the Company to holders of outstanding Capital Stock by reason of their ownership thereof. If immediately prior to the consummation of the Dissolution Event, the assets of the Company legally available for distribution to the Investor and all holders of all other SAFEs and convertible promissory notes of the Company (the “**Dissolving Investors**”), as determined in good faith by the Company’s board of directors, are insufficient to permit the payment to the Dissolving Investors of their respective Investment Amounts, then the entire assets of the Company legally available for distribution will be distributed with equal priority and *pro rata* among the Dissolving Investors in proportion to the Investment Amounts they would otherwise be entitled to receive pursuant to this Section 3(c).

(d) **Termination**. This instrument will expire and terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this instrument) upon either (i) the issuance of stock to the Investor pursuant to Section 3(a) or Section 3(b)(ii); or (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 3(b)(i) or Section 3(c).

4. ***Definitions***

“**Capital Stock**” means the capital stock of the Company, including, without limitation, common stock and 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 U.S. Securities Exchange Act of 1934, as amended), becomes the “beneficial owner” (as defined in Rule 13d-3 under the U.S. 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.

“**Company Capitalization**” means the **sum**, as of immediately prior to the applicable financing, of: (**1**) all shares of Capital Stock (on an as-converted basis) issued and outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding this instrument, (B) all other SAFEs, and (C) convertible promissory notes; **and** (**2**) all shares of Common Stock reserved and available for future grant under any equity incentive or similar plan of the Company, and/or any equity incentive or similar plan to be created or increased in connection with the applicable financing.

“**Conversion Price**” means the either: (1) the SAFE Price or (2) the Discount Price, whichever calculation results in a greater number of shares of SAFE Preferred Stock.

“**Discount Price**” means the price per share of the Standard Preferred Stock sold in the Equity Financing multiplied by one (1) minus the Discount..

“**Discount Rate**” is 20%.

“**Distribution**” means the transfer to holders of Capital Stock by reason of their ownership thereof of cash or other property without consideration whether by way of dividend or otherwise, other than dividends on Common Stock payable in Common Stock, or the purchase or redemption of Capital Stock by the Company or its subsidiaries for cash or property other than: (i) repurchases of Common Stock held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to an agreement providing, as applicable, a right of first refusal or a right to repurchase shares upon termination of such service provider’s employment or services; or (ii) repurchases of Capital Stock in connection with the settlement of disputes with any stockholder.

“**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.

“**Equity Financing**” means a bona fide transaction or series of transactions with the principal purpose of raising capital, pursuant to which the Company issues and sells at least $100,000 of the Company’s Capital Stock at a fixed pre-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 Capitalization**” means the number, as of immediately prior to the Liquidity Event, of shares of Capital Stock (on an as-converted basis) outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but **excluding**: (i) shares of Common Stock reserved and available for future grant under any equity incentive or similar plan; (ii) this instrument; (iii) other SAFEs; and (iv) convertible promissory notes.

“**Liquidity Event**” means a Change of Control or an Initial Public Offering.

“**Liquidity Price**” means the price per share equal to the SAFE Valuation Cap divided by the Liquidity Capitalization.

“**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.

“**SAFE Preferred Stock**” means the shares of a series of the Company’s preferred stock issued to the Investor in an Equity Financing, having the identical rights, privileges, preferences and restrictions as the shares of Standard Preferred Stock, other than with respect to: (i) the per share liquidation preference and the conversion price for purposes of price-based anti-dilution protection, if applicable, which will equal the Conversion Price; and (ii) the basis for any dividend rights, if applicable, which will be based on the Conversion Price.

“**SAFE Price**” means the price per share equal to the SAFE Valuation Cap divided by the Company Capitalization.

“**SAFE Valuation Cap**” means $600 000.

“**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. In the event of shares of a newly created series of the Company’s series seed preferred stock, such stock shall have the terms and provisions set forth in the most recent version of the Series Seed documents posted at www.seriesseed.com (or if not so posted, as reasonably agreed by the Company and the Investor).

“***Next Equity Financing Participation* *Amount***” means up to $500,000.

“***Next Equity Financing Participation Price***” means the price per share of the Standard Preferred Stock sold in the next Equity Financing multiplied by one (1) minus the Next Equity Financing Discount.

“***Next Equity Financing Discount***” means 20%.

5. ***Company Representations***

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, 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 instrument is within the power of the Company and, other than with respect to the actions to be taken when equity is to be issued to the Investor, has been duly authorized by all necessary actions on the part of the Company. This instrument 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 the knowledge of the Company, it 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 indenture 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 instrument 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 indenture 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 upon 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 instrument, 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 3.

(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. The Company has not received any communications alleging that the Company has violated or, by conducting its business, would violate any of the patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, processes or other intellectual property rights of any other person.

(f) To its knowledge, there is no private or governmental action, suit, proceeding, claim, arbitration or investigation pending before any agency, court or tribunal, foreign or domestic, or threatened against the Company or any of its properties or any of its officers or managers (in their capacities as such). There is no judgment, decree or order against the Company, or, to the knowledge of the Company, any of its directors or managers (in their capacities as such), that could prevent, enjoin, or materially alter or delay any of the transactions contemplated by this SAFE, or that could reasonably be expected to have a material adverse effect on the Company.

6. ***Investor Representations***

(a) The Investor has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes 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.

(b) Subject to Section 8(d), the Investor is purchasing this instrument and the securities to be acquired by the 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 the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing the Investor’s financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

7. ***Company Covenants***.

(a) In the event the Company sells or issues any convertible instruments (other than the issuance of stock options to service providers of the Company) at any time prior to the earlier of (i) conversion of this SAFE or (b) a Liquidity Event or Dissolution Event, the Company shall provide the Investor with written notice of such sale or issuance no later than five days after the closing date thereof, including the price and terms of such convertible instruments (the “**Subsequent Instruments**”). In the event the Investor determines, in its sole and absolute discretion, that any Subsequent Instrument contains terms more favorable to the holder(s) thereof than the terms set forth in this SAFE, the Investor may elect to exchange this SAFE for a Subsequent Instrument or have the terms of this SAFE modified to conform to such more favorable terms.

(b) To the extent that the Company prepares financial statements, the Company shall deliver to the Investor such financial statements upon request, as soon as practicable, but in any event within 30 days after the end of each of the first three quarters of each fiscal year of the Company and within 90 days after the end of each fiscal year of the Company. Such financial statements shall be in reasonable detail and prepared on a consistent basis. Additionally, regardless of whether the Company prepares financial statements, the Company shall deliver to the Investor such information relating to the financial condition, business or corporate affairs of the Company as the Investor may from time to time reasonably request; provided that the Company shall not be obligated to provide information that (x) it deems in good faith to be a trade secret or highly confidential information or (y) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel; and the Investor agrees to maintain the confidentiality of all of the information provided to the Investor under this Section and agrees not to use such information other than for a purpose reasonably related to the Investor’s investment in the Company.

8. ***Next Equity Financing Participation Rights***

Each time the Company proposes to offer any Capital Stock at any time through and including the closing of the next Equity Financing, the Company shall provide the Investor with at least ten business days prior written notice of such offering, including the price and terms thereof. The Investor shall have a right of first offer to participate in such offering(s) at the Next Equity Financing Participation Price by purchasing an aggregate number of shares of Capital Stock (whether in one offering or across multiple offerings) valued up to the Next Equity Financing Participation Amount.

9. ***Miscellaneous***

(a)Any provision of this instrument may be amended, waived or modified only upon the written consent of the Company and the Investor. The Company hereby waives demand, notice, presentment, protest and notice of dishonor of any breach of the terms of this SAFE by the Company. The Company agrees that any delay on the part of the holder in exercising any rights hereunder will not operate as a waiver of such rights. The holder of this SAFE shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies, and no waiver of any kind shall be valid unless in writing and signed by the party or parties waiving such rights or remedies.

(b) Any notice required or permitted by this instrument will be deemed sufficient when delivered personally or by overnight courier or sent by email, as subsequently modified by written notice.

(c) The Investor is not entitled, as a holder of this instrument, to vote or receive dividends or be deemed the holder of Capital Stock for any purpose, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise until shares have been issued upon the terms described herein.

(d) Neither this instrument 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 instrument and/or the rights contained herein may be assigned without the Company’s consent by the Investor (i) to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Investor.

(e) In the event any one or more of the provisions of this instrument 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 instrument operate or would prospectively operate to invalidate this instrument, then and in any such event, such provision(s) only will be deemed null and void and will be deemed modified without further action of the parties to reflect to the maximum extent possible the intent of the voided provision and will not affect any other provision of this instrument and the remaining provisions of this instrument 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 Delaware, without regard to the conflicts of law provisions of such jurisdiction. The prevailing party shall be entitled to recovery of reasonable attorneys’ fees in connection with any action to enforce the provisions of this SAFE.

(g) All payments, if any, shall be made in lawful money of the United States of America. Payment shall be credited first to Costs (as defined below), if any, then to the return of the Investment Amount.

(h) For the avoidance of doubt, it is acknowledged that the Investor shall be entitled to the benefit of all adjustments in the number of shares of Capital Stock as a result of any splits, recapitalizations, combinations or other similar transaction affecting the Capital Stock that occur prior to the conversion of the SAFE.

(i) From time to time, the Company shall execute and deliver to the Investor such additional documents and shall provide such additional information to the Investor as the Investor may reasonably require to carry out the terms of this SAFE.

(*Signature page follows*)

Approval. The Company hereby represents that its Board of Directors, in the exercise of its fiduciary duty, has approved the Company’s execution of this SAFE. Company and Investor are agreeing to enter into this SAFE electronically. By Company’s electronic signature, they consent to all terms and conditions set forth in this SAFE.

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

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| --- | --- |
| **INVESTOR: Seedspace Company Limited**  Signature WEB.png  By:  Name: Michael Weber  Title: Director  Address: 7th floor, Tanzanite Park, Victoria, New Bagamoyo Road, Dar es Salaam, Tanzania | **COMPANY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  By:  Name: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  Title: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  Address:**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |

**Annex 1:**

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| Draft Invoice  Name:  Address: | **Invoice Date. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Due Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **Seedspace Company Limited**  7th floor, Tanzanite Park,  Victoria, New Bagamoyo Road.  Dar es Salaam-Tanzania  Reg Number :137388332 |

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| --- | --- | --- |
| **Description of Work** | **Tax Rate** | **Amount USD** |
| 14 weeks of 1:1 mentoring, consultations, resources and templates  Expert Webinars, office hours, network access  3 months access to Seedspace for 2 seats  Regional Summit bootcamp  Access to the Seedstars global network  Visibility, branding, marketing, press  Free/discounted SAAS productivity tool access (worth > $90,000) | Tax Exempt  Tax Exempt  Tax Exempt  Tax Exempt  Tax Exempt  -  - | 20,000.00  15,000.00  1,000  Not valued  Not valued  Not valued  Not valued |
| **Sub Total** | | 36,000.00 |
| **Discount Applied For Strategic Partnership** | | -21,000.00 |
| **Grand Total Due** | | **15,000.00** |

**Payment Terms**

Payments should be made to the following account:

Beneficiary: Seedspace Company Limited

Bank Name: Stanbic Bank Tanzania

Branch: Kariakoo Sokoni Branch

Account Details:

TZS 9120001679560

USD 9120001679684SWIFT/BIC: SBICTZTX