

## Kstart Termsheet

<b>Investor:</b>	K-Start, LLC (“ <b>Kstart</b> ”) and its affiliates
<b>Company:</b>	[Company Name]
<b>Incorporation:</b>	[Place of Incorporation]
<b>Founders:</b>	[Founder Names]
<b>Investment Amount:</b>	500k
<b>Valuation Terms:</b>	Convertible structure as detailed in Annexure I
<b>Participation Right:</b>	K-Start and its affiliates to have a right to participate in a potential next funding round up to 50% of the next round size.
<b>Conditions Precedent:</b>	Transaction readiness as detailed in Annexure II
<b>Reserved Matters:</b>	Standard consent rights as detailed in Annexure III
<b>Founder Vesting:</b>	5-year vesting. All Founders shares shall be subject to a lock-in until exit of the Investor.
<b>ESOP:</b>	13% uncommitted ESOP pool should be carved out prior to K-Start investment
<b>Advisory Pool:</b>	2% equity is allocated to K-Start advisors
<b>ROFR, Tag Along:</b>	K-Start to have right of first refusal on any sale shares and tag along on all shareholders
<b>Liquidation Preference:</b>	First priority for return of capital
<b>Board:</b>	1 Director + 1 Observer
<b>Exit Rights:</b>	Aligned with potential next round investor(s)
<b>Information and Inspection</b>	Standard information and inspection rights to be set out in detail
<b>Nature of term sheet:</b>	Non binding, exclusive for 30 days from issuance and not to be disclosed to any third party

Signatures

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For K-Start, LLC

## Annexure I

### Details of convertible structure

- Investment Amount to be converted to preference shares at 30% discount to the pre-money valuation offered by a potential next round investor
- The valuation for conversion of the Investment Amount shall be capped at USD 5M pre money

In the case where an exit event takes place without a valuation being determined; Kstart's investment amount of USD 500,000 to be converted to preference shares at USD 5M pre money

### Illustration 1

Series A Pre Money: USD 10M

Conversion Valuation: USD 5M

Indicative Cap Table

<i>Pre Conversion</i>		<i>Post Conversion</i>	
Shareholder	Holding	Shareholder	Holding
Founders	85.0%	Founders	82.5%
ESOP	15.0%	ESOP	14.6%
K-Start	0.0%	K-Start	2.9%
<b>Total</b>	<b>100.0%</b>		<b>100.0%</b>

\*K-Start holding has been calculated assuming an investment of \$150k

### Illustration 2

Series A Pre Money: USD 6M

Conversion Valuation: USD 4.2M

Indicative Cap Table

<i>Pre Conversion</i>		<i>Post Conversion</i>	
Shareholder	Holding	Shareholder	Holding
Founders	85.0%	Founders	82.1%
ESOP	15.0%	ESOP	14.5%
K-Start	0.0%	K-Start	3.4%
<b>Total</b>	<b>100.0%</b>		<b>100.0%</b>

\*K-Start holding has been calculated assuming an investment of \$150k

## Annexure II

### List of conditions precedents

- Incorporation of company and obtaining all corporate, governmental, management, third party and regulatory approvals that are necessary
- Completion of a summary legal, financial and business due diligence by K-start
- Execution by the Founders and other key employees of the Company of employment, non-competition, non-disclosure and intellectual property development and assignment agreements

## Annexure III

### List of reserved matters

- Mergers & Acquisitions, winding up proceedings for insolvency or bankruptcy of the Company
- Fund raising
- Amendments to the constitutional documents of the Company
- Changing the size or composition of the Company's board of directors
- Acquisition of other businesses
- Appointing key employees whose remuneration is in excess of INR 10,00,000 per annum
- Availing any debt by the Company
- Granting ESOP in excess of 1% of the Company
- Expenditure in excess of INR 5,00,000
- Any disposal, transfer, encumbrance or any dealing with the intellectual property or substantial assets of the Company

The above listed reserved matters shall fall away upon the company raising a significant funding round and reserved matters for investors post the future funding shall be governed by the in-coming investors. K-Start shall continue to maintain standard economic rights and tag along rights with Founders and in-coming investors upon completion of a future funding round.