



Below are three examples of approved mandatory and unconditional conversion clauses/amendments which can be included in agreements:

Example 1:

(e) Automatic Issuance. If prior to the three-year anniversary of the execution of this SAFE there has not been an Equity Financing, and this instrument has not otherwise expired or been terminated, the Company will automatically issue to Investor a number of shares of Safe Preferred Stock equal to the Purchase Amount divided by the Safe Price. The issuance of Safe Preferred Stock by the Company to the Investor will follow the same process, documents, and agreements as described in Section 1(a).

Example 2:

(b) Automatic Conversion. In the event that an Equity Financing is not consummated prior to [three-year anniversary date] (the "Conversion Date"), then, automatically and without any further action by either party, this Safe will automatically convert into the number of shares of Common Stock equal to the Purchase Amount divided by the Conversion Price.

Example 3:

Paragraph 1 is modified by adding section 1(e) as follows:

Automatic Conversion. If, prior to the third-year anniversary of the execution of this instrument, the SAFE has not converted, terminated or expired, the Company will automatically issue to the Investor a number of Class 'B' Units equal to the Purchase Amount divided by the SAFE Price.

2. Paragraph 1(d) is modified as follows:

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 Class 'B' Units to the Investor pursuant to Section 1(a), or Section 1(b), or Section 1(e); or (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 1(c). All terms and conditions of the SAFE not otherwise modified by this Amendment remain the same and the effective date of this Amendment is XXXXXXXX.

*You are not required to use any of these. These are intended to provide assistance for the required three-year mandatory conversion clause.