

## Simple Agreement for Future Equity

The Company and the Investor agree to the Key Terms set out in the Schedule below which are to be interpreted subject to the terms of this agreement.

### Schedule

Key Terms	
Date	.....2025
Company	Name: ProxyTwin Holdings Pty Ltd ACN 675 490 025 Attention: Mark Dando Address: Level 13, 60 Castlereagh Street, Sydney NSW 2000 Email: <a href="mailto:legal@proxytwin.com">legal@proxytwin.com</a>
Investor	Name: [insert] Attention: [insert] Address: [insert] Email: [insert]
Purchase Amount	A\$2,100,000
Valuation Cap	A\$30,000,000
Interest Rate	8% per annum
Completion Date	<b>23 March 2025</b>
Ownership Cap	A maximum of 14% of the Company's fully diluted issued share capital.
Discount	20%
Bank Details	Bank name: Macquarie Bank Limited Bank address: 1 Shelley St, Sydney, NSW 2000 SWIFT (BIC): MACQUAU2S Account name: ProxyTwin Pty Ltd Account number: 000972364202 Account BSB number: 182-512  Deposits can only be made in Australian dollars. Please ensure the amount deposited is the Purchase Amount after any fees have been deducted by any intermediary bank when the funds are being transferred.

Executed as a deed

Date.....

Executed by ProxyTwin Holdings Pty Ltd ACN 675 490 025 in accordance with section 127 of the <i>Corporations Act 2001</i> (Cth) by its authorised representatives:		
Signature of director		Signature of director / secretary
Name of director		Name of director / secretary

**if individual:**

Date.....

Executed by [insert] in the witness of:		
Signature of witness		Signature of [insert]
Name of witness		

**if company:**

Date.....

Executed by [insert] in accordance with section 127 of the <i>Corporations Act 2001</i> (Cth) by its authorised representatives:		
Signature of director		Signature of director / secretary
Name of director		Name of director / secretary

## 1. Definitions and interpretation

### 1.1 Definitions

In this agreement, unless context indicates a contrary intention:

**Business Day** means a day that is not a Saturday, Sunday, public holiday or bank holiday in Sydney, Australia;

**Cap Price** means the Valuation Cap divided by the Company Capitalisation;

**Company** has the meaning given in the Key Terms;

**Company Capitalisation** means the total aggregate number of Shares in the capital of the Company (on an as-converted-to Ordinary Shares basis) on issue immediately prior to the Qualifying Financing or Exit Event (as applicable) assuming the exercise or conversion of the following equity securities (without double counting):

- (a) all Shares in the capital of the Company;
- (b) this SAFE; and
- (c) all vested options;

**Completion Date** means the date specified in the Key Terms, or such other date as agreed in writing between the parties;

**Controller** means, in relation to a person:

- (a) a controller (as defined in the Corporations Act), receiver, receiver and manager, administrator, liquidator (whether provisional or otherwise) of that person or that person's property or any other person (however described) holding or appointed to an analogous office or acting or purporting to act in an analogous capacity; or
- (b) anyone else who (whether or not as agent for the person) is in possession, or has control, of that person's property to enforce a security interest;

**Corporations Act** means *Corporations Act 2001* (Cth);

**Discount** means the percentage specified in the Key Terms expressed as a decimal;

**Discount Price** means the QF Price multiplied by the Discount Rate;

**Discount Rate** means 1 minus the Discount;

**Dissolution Event** means a liquidation, dissolution or winding up of the Company;

**Exit Event** means:

- (a) the sale of the whole, or substantially the whole, of the assets of the Company to a third party in a bona fide single transaction or series of related transactions;
- (b) the sale of all, or substantially all, the issued share capital of the Company to a third party in a bona fide single transaction or series of related transactions;

- (c) an IPO; or
- (d) any other event or series of events that together have the effect of allowing a realisation of substantially all the Shares in, or substantially all of the assets of, the Company,

provided that no sale or transfer undertaken to effect a corporate reorganisation of the Company will constitute an Exit Event;

**Exit Event Price** means the price per share equal to the fair market value of the Ordinary Shares at the time of the Exit Event, as determined by reference to the purchase price payable in connection with such Exit Event, multiplied by the Discount Rate;

**Exit Notice** has the meaning given in clause 4(a);

**Insolvency Event** means the occurrence of any one or more of the following events in relation to the Company:

- (a) an application is made to a court for an order that it be wound up or that a provisional liquidator or receiver or receiver and manager be appointed, and the application is not withdrawn, struck out or dismissed within 21 days of being made;
- (b) a liquidator, provisional liquidator or administrator is appointed;
- (c) a Controller is appointed to any of its assets;
- (d) it enters into an arrangement or composition with one or more of its creditors, or an assignment for the benefit of one or more of its creditors;
- (e) it proposes a winding-up or dissolution or reorganisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;
- (f) it ceases to carry on business;
- (g) it suspends payment of the whole or substantially the whole of its debts as and when they become due;
- (h) it is insolvent as disclosed in its accounts, or otherwise states that it is insolvent, or it is presumed to be insolvent under an applicable law;
- (i) it is taken to have failed to comply with a statutory demand as a result of section 459F(1) of the Corporations Act;
- (j) a notice is issued under sections 601AA or 601AB of the Corporations Act;
- (k) a writ of execution is levied against it or a material part of its property; or
- (l) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the above clauses of this definition,

unless such event or circumstance occurs as part of a solvent reconstruction, amalgamation, compromise, arrangement, merger or consolidation approved by the Investor (which approval is not to be unreasonably withheld or delayed);

**Interest** means the Interest Rate specified in the Key Terms accruing on the Purchase Amount annually until the Termination Date;

**Investor** has the meaning given in the Key Terms;

**IPO** means an initial public offering of Shares (or shares in the Company's holding company) in conjunction with a listing or quotation of Shares (or shares in the Company's holding company) on a recognised stock exchange;

**Key Terms** means the key terms set out in the Schedule;

**Notice** has the meaning given in clause 12.1;

**Ordinary Share** means an ordinary share in the capital of the Company;

**Ownership Cap** means the amount stated in the Key Terms (expressed as a percentage), being the maximum amount of the Company's fully diluted share capital that the Investor may hold on the occurrence of a Qualifying Financing or Exit Event (as applicable). The Ownership Cap is to be calculated immediately after completion of the Qualifying Financing or Exit Event (as applicable);

**Purchase Amount** means the amount referred to in the Key Terms;

**QF Price** means the average price per share of the QF Shares issued in the Qualifying Financing (excluding any QF Shares issued on conversion of any SAFE or other convertible security);

**QF Share** means a Share in the class of Shares issued in connection with the Qualifying Financing;

**Qualifying Financing** means an arm's length bona fide equity fundraising event or series of events by the Company for the principal purposes of raising capital through the issue of QF Shares;

**SAFE** means an instrument containing a future right to Shares, similar in form and content to this agreement, purchased by investors for the purpose of funding the Company's business operations;

**Shareholders Agreement** means any agreement between the Company and all of its shareholders relating to the affairs and management of the Company as amended from time to time;

**Shares** means shares in the capital of the Company and includes Ordinary Shares and QF Shares;

**Termination Date** means the date on which this agreement terminates in accordance with clause 7; and

**Valuation Cap** has the meaning given in the Key Terms.

## 1.2 General interpretation

In this agreement, unless context indicates a contrary intention:

- (a) **(documents)** a reference to this agreement or another document includes any document which varies, supplements, replaces, assigns or novates this agreement or that other document;
- (a) **(headings)** clause headings are inserted for convenience only and do not affect interpretation of this agreement;
- (b) **(including)** including and includes (and any other similar expressions) are not words of limitation, and a list of examples is not limited to those items or to items of a similar kind;
- (c) **(corresponding meanings)** a word that is derived from a defined word has a corresponding meaning;
- (d) **(rules of construction)** neither this agreement nor any part of it is to be construed against a party on the basis that the party or its lawyers were responsible for its drafting;
- (e) **(legislation)** a reference to any legislation or provision of legislation includes all amendments, consolidations or replacements and all regulations or instruments issued under it;
- (f) **(time and date)** a reference to a time or date in connection with the performance of an obligation by a party is a reference to the time and date in Sydney, Australia, even if the obligation is to be performed elsewhere;
- (g) **(writing)** a reference to a notice, consent, request, approval or other communication under this agreement or an agreement between the parties means a written notice, request, consent, approval or agreement;
- (h) **(schedule)** the Schedule is incorporated into and forms part of the operative provisions of this agreement; and
- (i) **(Australian currency)** a reference to dollars or \$ is to Australian currency.

## **2. Right to be issued Shares**

- (a) The Investor must pay the Purchase Amount to the Company's bank account, the details of which are stated in the Key Terms, in immediately available funds on or prior to the Completion Date.
- (b) Subject to the payment of the Purchase Amount, the Investor has the right to be issued Shares on and subject to the terms of this agreement.

## **3. Qualifying Financing**

- (a) The Company must give the Investor written notice of any anticipated Qualifying Financing no less than 5 Business Days prior to the Company's entry into definitive documents relating to the Qualifying Financing.
- (b) Subject to clauses 3(d), 6, and 10, if there is a Qualifying Financing before the Termination Date, the Company will automatically issue to the Investor that number of QF Shares equal to the higher of:
  - (i) the Purchase Amount divided by the Discount Price; or

- (ii) the Purchase Amount divided by the Cap Price,

in each case capped at the Ownership Cap and rounded to the nearest whole number of QF Shares.

- (c) The Company must, within 3 Business Days after the issue of the QF Shares in accordance with clause 3(b), send to the Investor a certificate for the number of QF Shares issued to the Investor.
- (d) If a Shareholders Agreement is in existence or is being entered into at the time of the Qualifying Financing and the Investor is not already a party to such Shareholders Agreement, the Investor must prior to being issued with any QF Shares under clause 3(b), either:
  - (i) enter into the Shareholders Agreement; or
  - (ii) provide the Company with a duly executed deed of accession to the Shareholders Agreement (in the form required thereunder or such other form as the Company agrees),

as instructed by the Company, provided that the Shareholders Agreement does not impose more onerous obligations on the Investor as compared to other purchasers of equity securities in the Qualifying Financing.

#### 4. Exit Event

- (a) If the Company determines that an Exit Event is likely at any time prior to the Termination Date, then as soon as reasonably practicable thereafter the Company must give a notice to the Investor specifying:
  - (i) the nature of the Exit Event;
  - (ii) the proposed purchase price and other material terms of the proposed Exit Event; and
  - (iii) the proposed settlement or completion date for the Exit Event,

**(Exit Notice).**
- (b) Subject to clauses 6 and 10, if there is an Exit Event before the Termination Date, the Investor will, within 2 Business Days of receipt of the Exit Notice, automatically receive from the Company (with effect immediately prior to the Exit Event) that number of Ordinary Shares equal to the higher of:
  - (i) the Purchase Amount divided by the Exit Event Price; or
  - (ii) the Purchase Amount divided by the Cap Price,

in each case capped at the Ownership Cap and rounded to the nearest whole number of Ordinary Shares.

- (c) The Company must, not later than 3 Business Days after the issue of the Ordinary Shares in accordance with clause 4(b)(A), send to the Investor a certificate for the number of Ordinary Shares issued to the Investor (unless such Ordinary Shares are sold by the Investor pursuant to the Exit Event).

- (d) If a Shareholders Agreement is in existence at the time of the Exit Event and the Investor is not already a party to such Shareholders Agreement, the Investor must prior to being issued with any Shares under clause 4(b) provide the Company with a duly executed deed of accession to the Shareholders Agreement (in the form required thereunder or such other form as the Company agrees) provided that the Shareholders Agreement does not impose more onerous obligations on the Investor as compared to other holders of Ordinary Shares.

## 5. Insolvency Events and Dissolution Events

- (a) The Company will give written notice to the Investor promptly after the Company becomes aware that an Insolvency Event has occurred, giving reasonable details of that event.
- (m) If there is a Dissolution Event before the Termination Date, the Investor will automatically be entitled (subject to the liquidation priority set out in clause 5(c) below) to receive a portion of any amounts available for the distribution to shareholders of the Company equal to the Purchase Amount, which amount will be due and payable to the Investor immediately prior to the consummation of the Dissolution Event.
- (b) In a Dissolution Event, this SAFE is intended to operate like standard non-participating preferred shares. The Investor's right to receive payment under clause 5(b) is:
- (i) junior to payment of outstanding indebtedness and creditor claims, including contractual claims for payment and convertible notes (to the extent such convertible notes are not actually or notionally converted into Shares);
  - (ii) on par with payments for other SAFES, and if the amounts available for distribution are insufficient to permit full payments to the Investor and the holders of other SAFES, the amounts available for distribution will be distributed pro rata to the Investor and the holders of other SAFES in proportion to the full payments that would otherwise be due; and
  - (iii) senior to payments to the holders of Shares.

## 6. ~~Option to Repay~~

- ~~(a) On or at any time prior to a Qualifying Financing or an Exit Event the Company may, at its discretion, elect to repay the Purchase Amount plus all accrued Interest in lieu of issuing QF Shares in accordance with clause 3 or Ordinary Shares in accordance with clause 4.~~
- ~~(b) Repayment in accordance with clause 6(a) is in full and final satisfaction of the Company's obligations under this agreement.~~
- ~~(c) For the avoidance of doubt:~~
- ~~(i) should the Company elect to exercise its rights under this clause 6 then clauses 3 and 4 shall not apply; and~~
  - ~~(ii) nothing in this clause 6 gives the Investor the right to call for the repayment of the Purchase Amount and / or Interest at any time.~~

**7. Termination**

- (a) This agreement will automatically terminate on the first to occur of:
- (i) the issue of Shares to the Investor in accordance with clause 3(b) or clause 4(b);
  - (i) the payment in full of any amount due to the Investor in accordance with clauses 5(b), 6, or clause 10(b).
- (b) Termination of this agreement will not affect:
- (i) any other rights the parties have against one another at law or in equity;  
or
  - (ii) a right or claim which arises before termination.

**8. Waiver of pre-emptive rights**

The Company must procure that any entities or persons that become new shareholders in the Company after the date of this agreement and before the Termination Date must immediately waive any rights in their favour that they may have in respect of any Shares issued by the Company in accordance with this agreement (including, without limitation, any pre-emptive rights or any contractual rights) whether arising under, or in connection with, the Shareholders Agreement, the Company's constitution or otherwise.

**9. Voting and other rights**

- (a) Until Shares are issued in accordance with this agreement, the Investor (in its capacity as the Investor under this agreement) has no rights as a shareholder of the Company, including any voting, dividend or any related rights or the right to participate in any issue of Shares by the Company.

**10. Compliance with law**

- (a) Notwithstanding any other provision of this agreement, the Company may not issue Shares in accordance with this agreement if:
- (i) the Company would be required to issue a disclosure document under Chapter 6D of the Corporations Act in connection with the issue of such Shares; or
  - (ii) the Company would become subject to the takeover provisions set out in Chapter 6 of the Corporations Act following the issue of such Shares.
- (b) If, in accordance with clause 10(a), the Company does not issue any Shares that it would otherwise be required to issue under this agreement, the Company must pay to the Investor a cash amount equal to the Purchase Amount within 5 Business Days.

**11. Representations****11.1 The Company's representations**

The Company represents to the Investor that as at the date of this agreement:

- (a) **(corporate status)**: the Company is a body corporate duly incorporated and validly existing under the law of the country or jurisdiction of its incorporation or registration;
- (b) **(power and capacity)**: it has the power and capacity to enter into and to perform its obligations under this agreement;
- (c) **(authority)**: it has taken all necessary action to authorise the execution and performance of this agreement in compliance with its terms, including obtaining any consents, approvals or waivers required under its constituent documents;
- (d) **(validity)** this agreement constitutes valid and binding obligations on the Company, enforceable in accordance with its terms; and
- (e) **(Insolvency Event)**: no Insolvency Event has occurred and remains current in respect of the Company, and there are no circumstances which could reasonably be expected to give rise to an Insolvency Event in respect of the Company.

## 11.2 Investor's representations

The Investor represents to the Company that as at the date of this agreement:

- (a) **(corporate status)**: where the Investor is a company, it is a body corporate duly incorporated and validly existing under the law of the country or jurisdiction of its incorporation or registration;
- (b) **(power and capacity)**: it has the power and capacity to enter into and to perform its obligations under this agreement;
- (c) **(authority)**: it has taken all necessary action to authorise the execution and performance of this agreement in compliance with its terms, including, where the Investor is a company, obtaining any consents, approvals or waivers required under its constituent documents;
- (d) **(validity)** this agreement constitutes valid and binding obligations on the Investor, enforceable in accordance with its terms;
- (e) **(Insolvency Event)**: no Insolvency Event has occurred and remains current in respect of the Investor, and there are no circumstances which could reasonably be expected to give rise to an Insolvency Event in respect of the Investor;
- (f) **(Sophisticated Investor or Professional Investor)**: it is a 'Sophisticated Investor' or 'Professional Investor' (as those terms are defined in the Corporations Act); and
- (g) **(advice)**: it has obtained independent advice on its investment in the Company pursuant to this agreement, or it has waived its right to independent advice, and, save as expressly set out in this agreement, has not relied on any representations or warranties made by the Company, its directors, officers, agents, employees and advisers.

## 12. General

### 12.1 Notices

Any notice given under or in connection with this agreement (**Notice**):

- (a) must be in legible writing, in English and signed by a person duly authorised by the sender;
- (b) must be addressed and delivered to the intended recipient by hand, by prepaid post or by email at the address or email address last notified by the intended recipient to the sender;
- (c) is taken to be given and made:
  - (i) in the case of hand delivery, when delivered;
  - (ii) in the case of delivery by post, three Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and
  - (iii) in the case of an email, 2 hours after the time the email is sent, unless the sender receives, within that time period, an automatic notification (other than an out of office message) indicating that the email has not been delivered,

provided that where a Notice is delivered (or deemed delivered) after 5.00pm or on a day that is not a Business Day, the Notice will be deemed to have been delivered at 9.00am on the next Business Day.

This clause does not limit the way in which a Notice can be deemed to be served under any law.

## **12.2 Costs and expenses**

Except as agreed between the parties, each party must bear its own legal and other costs and expenses of and incidental to the preparation and execution of this agreement.

## **12.3 Stamp duty**

All stamp duty which may be payable on or in connection with this agreement is payable by the Investor.

## **12.4 Cumulative Rights**

The rights and remedies in this agreement are in addition to other rights and remedies given by law independently of this agreement.

## **12.5 No waiver**

- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by this agreement does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this agreement.
- (c) A waiver of a breach does not operate as a waiver of any other breach.

**12.6 Severability**

Any term of this agreement which is wholly or partially void or unenforceable is severed to the extent that it is void or unenforceable. The validity or enforceability of the remainder of this agreement is not affected.

**12.7 Variation**

This agreement can only be varied by a later written document executed by or on behalf of the Company and the Investor.

**12.8 Assignment**

- (a) A party may not assign, transfer or in any other manner deal with its rights under this agreement without the prior written agreement of each other party.
- (b) Any purported assignment, transfer or dealing in contravention of clause 12.8(a) is ineffective.

**12.9 Survival and merger**

No term of this agreement merges on completion of any transaction contemplated by this agreement.

**12.10 Entire agreement**

This agreement is the entire agreement between the parties about its subject matter and replaces all previous agreements, understandings, representations and warranties about that subject matter.

**12.11 Further assurances**

Except as expressly provided in this agreement, each party must, at its own expense, do all things reasonably necessary (including executing documents) to give full effect to this agreement and the matters contemplated by it.

**12.12 Counterparts and electronic execution**

- (a) This agreement may be executed in counterparts, which taken together constitute one and the same agreement, and any party (including any authorised representative of a party) may enter into this agreement by executing a counterpart. This agreement takes effect when the separately executed documents are exchanged between the parties.
- (b) To the extent permitted by law, a counterpart may be executed electronically, including by using software or a platform for the electronic execution of contracts.
- (c) A print out of the executed agreement once all parties signing electronically have done so, will be an executed original counterpart of this agreement, irrespective of which party prints it.
- (d) Each party that signs this agreement electronically represents and warrants that it or anyone signing on its behalf:

- (i) has been duly authorised to enter into and execute this agreement electronically and to create obligations that are valid and binding obligations on the party;
- (ii) has affixed their own electronic signature; and
- (iii) holds the position or title indicated under their electronic signature.

**12.13 Governing law and jurisdiction**

- (a) This agreement is governed by and must be construed in accordance with the laws of New South Wales. To the extent permitted by law, such governing law governs all matters arising out of or relating to this agreement or its performance or subject matter, including its execution and formation.
- (b) The parties submit to the exclusive jurisdiction of the courts of New South Wales and the Commonwealth of Australia in respect of all matters arising out of or relating to this agreement, its performance or subject matter.