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Leonhardt Ventures LLC and Leonhardt’s Launchpads

SAFE

(Simple Agreement for Future Equity)

made and entered into as of XX, XX, 202X (the “**Effective Date**”)

THIS CERTIFIES THAT in exchange for the payment by Howard J. Leonhardt, a citizen of the United States of America, bearer of Social Security Number _____ (the “**Investor**”), of US\$XX,000 (the “**Purchase Amount**”) on or about XX, XX, 202X, Leonhardt Ventures LLC, a private company LLC formed under the laws of the State of California in 2005 (the “**Company**”), hereby issues to the Investor the future equity right to certain shares of the this specific spin out startup’s _____ Share Capital, subject to the terms set forth below.

See **Section 2** below for certain additional defined terms.

1. Events

1.1. Equity Financing. If there is an Equity Financing before the expiration or termination of this instrument (in accordance with section 1.4 herein below), the Company will automatically issue to the Investor a number of Safe Shares equal to the Purchase Amount divided by the price per share of the Standard Shares. In connection with the issuance of Safe Shares by the Company to the Investor pursuant to this Section 1.1, 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 Shares, with appropriate variations for the Safe Shares if applicable.

1.2. Liquidity Event. If there is a Liquidity Event before the expiration or termination of this instrument, each Investor will be entitled to, at its option, either (i) to receive a cash payment equal to the Purchase Amount (subject to the following paragraph); or (ii) automatically receive from the Company a number of Ordinary Shares equal to the

Purchase Amount divided by the Liquidity Price, if the Investor fails to select the cash option.

In connection with this Section 1.2, the Purchase Amount will be due and payable by the Company to the Investor concurrent with the consummation of the Liquidity Event. If there are not enough funds to pay the investors and holders of other SAFEs (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 Purchase Amounts, and the Cash-Out Investors will automatically receive the number of Ordinary Common Stock Shares of the Company equal to the remaining unpaid Purchase Amount divided by the Liquidity Price.

- 1.3. Dissolution Event. If there is a Dissolution Event before this instrument expires or terminates, the Company will pay an amount equal to the Purchase Amount, due and payable to the Investor concurrent with the consummation of the Dissolution Event. The Purchase Amount will be paid in preference to any Distribution of any of the assets of the Company to holders of outstanding Share Capital 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 (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 Purchase 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 Purchase Amounts they would otherwise be entitled to receive pursuant to this Section 1.3.
- 1.4. 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 shares to the Investor pursuant to Section 1.1 or Section 1.2(b); or (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 1.2(i) or Section 1.3.

2. **Definitions**

“**Share Capital**” means the share capital of the Company, including, without limitation, any Ordinary Shares and Preferred Shares of the Company.

“**Change of Control**” means (i) a transaction or series of related transactions for the sale or other irrevocable disposition of all or substantially all of the issued and outstanding shares of the Company, (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 Equity Financing, of: **(1)** all shares of Share Capital (on a fully diluted and an as-converted basis) issued and outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities and any adjustments of numbers of shares triggered by anti-dilution events, but excluding (A) this instrument, (B) all other Safes, and (C) convertible promissory notes; **and (2)** all ordinary shares of the Company 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 Equity Financing.

“Distribution” means the transfer to holders of Share Capital by reason of their ownership thereof of cash or other property without consideration whether by way of dividend or otherwise, other than dividends on Ordinary Shares payable in Ordinary Shares, or the purchase or redemption of Share Capital by the Company or its subsidiaries for cash or property other than: (i) repurchases of Ordinary Shares 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 Share Capital in connection with the settlement of disputes with any shareholder.

“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 in the aggregate amount of at least US\$1,000,000, pursuant to which the Company issues and sells Shares of the Company at a fixed pre-money valuation.

“Initial Public Offering” means the closing of the Company’s first firm commitment underwritten initial public offering of Ordinary Shares 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 the outstanding Share Capital (on an as-converted basis), assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but **excluding**: (i) Ordinary Shares 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 Company’s valuation immediately prior to the Liquidity Event (as shall be determined by the Board of Directors and/or Majority Owning Shareholder), divided by the Liquidity Capitalization.

“Ordinary Shares” means the fractional ownership shares of a organ or purpose specific Licensable Technology Platform asset with full Pre-incorporation rights or standard Common Stock shares of the Company

“Preferred Shares” means the shares of any series of preferred shares of the Company.

“Safe” means an instrument containing a future right to shares of the Share Capital, similar in form and content to this instrument, purchased by Investor for the purpose of funding the Company’s business operations or acquiring assets and licenses that help build share owner value.

“Safe Shares” means the shares of a series of Shares issued to the Investor in an Equity Financing, of Fractional Ownership Shares in an Organ or Purpose Specific Licensable Technology Platform with full Pre-Incorporation rights having the identical rights, privileges, preferences and restrictions as the shares of Standard Common Stock Shares.

“Standard Shares” means the Fractional Ownership Shares in a Licensable Technology Platform with full 1:1 Pre-Incorporation Rights or Common Stock Shares issued to the Investor investing new money in the Company in connection with the initial closing of the Equity Financing.

3. Company Representations

- 3.1. The Company is a corporation duly organized, validly existing and in good standing under the laws of the state of Israel, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.
- 3.2. 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 Articles of Association, (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.
- 3.3. As of the Effective Date, 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.

3.4. No consents, waivers 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; (iii) waivers with respect to pre-emptive rights in connection with the transactions contemplated hereby; and (iv) necessary corporate approvals for the authorization of the Share Capital issuable pursuant to Section 1 above.

4. Investor Representations

4.1. 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.

4.2. 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.

4.3. The Investor is not relying upon any other person or investor in making its investment or decision to invest in the Company. The Investor has had the opportunity to request all information it considers necessary or appropriate for deciding whether to enter into this SAFE, has received the requested information from the Company in response to its requests, has reviewed and inspected the data and information provided thereto by the Company in connection with this SAFE and has had an opportunity to ask questions and receive answers from the Company.

5. Miscellaneous

5.1. Any provision of this instrument may be amended, waived or modified only upon the written consent of the Company and the Investor.

5.2. Any notice required or permitted by this instrument 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 three (3) business days after being deposited in the Israel mail as 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.

5.3. The Investor is not entitled, as a holder of this instrument, to vote or receive dividends or be deemed the holder of Share Capital for any purpose, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders 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. Upon conversion of the debt note to shares the voting rights will still remain with Leonhardt Ventures LLC for these shares unless agreed upon otherwise in writing by both parties.

- 5.4. 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 the Company may assign this instrument in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile.
- 5.5. 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 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.
- 5.6. Each party shall be responsible for its own taxes, costs, travel, legal, accounting and other expenses in connection with this instrument.
- 5.7. All rights and obligations hereunder will be exclusively governed by and construed in accordance with the laws of the State of California, without regard to its conflicts of law provisions. The competent courts in California's Southern California District shall have exclusive jurisdiction over any dispute or claim arising in connection with or as a result of this instrument, and each of the parties hereto irrevocably submits to the exclusive jurisdiction of such courts, to the exclusion of the jurisdiction of any other court.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered as of the Effective Date, in one or more counterparts, which may be faxed or electronic counterparts, each of which shall be deemed an original and together an original instrument.

COMPANY:

Leonhardt Ventures LLC

By: Howard J. Leonhardt

Title: Executive Chairman and CEO

Address: 1 Kent Court, Mission Viejo, CA 92695

Email: howard@leonhardtventures.com

INVESTOR:

**Convertible Debt Provider - SAFE - Simple Agreement for Future Equity
Name**

Signature _____

Address:

Email:

Date: