

# Venture Capital Partner Network Program

## *Definitions of Early-Stage Mentoring Program*

### Definitions

The startup participating in a program supported by the ASTN Venture Capital Partner Network (VCPN) may be invited to pitch for funding .

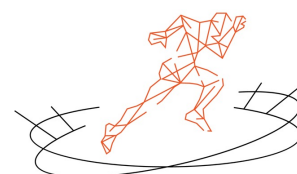
The potential investee company acknowledges that the potential investor may extend an offer in response to a pitch for funds:

- No guarantee of investment – participating startups acknowledge that participation in the ASTN VCPN program does not guarantee investment
- Any ‘offer’ is subject to agreement solely between the ‘investor’ and ‘investee company’. ASTN does not participate in any arrangements.
- An offer may include, for example:
  - Cash on agreed terms by way of issue of Ordinary Shares in the business at the valuation as described in the ‘offer’ including but not limited to
    - the same terms as the founders and current shareholders
    - Possibly ‘Preference Shares’ that prescribe special rights to the investors ahead of the current shareholders
    - Any other conditions that the investor may want to negotiate
  - Cash injection by way of a ‘Convertible Note’ where the convertible note may pay interest and is a debt instrument with rights to the investor upon described events and timing
  - Cash injection by way of a ‘Safe Note’ as form of funding that does not require valuation now, but relies on specific future events for determining valuation
  - Cash injection by a ‘Loan’ as a traditional approach similar to raising finance from external resources (e.g. bank etc)

Any participating startup (‘potential investee company’) acknowledges to take its own independent legal advice as to how to structure and accept any offer for equity so that the agreements are clearly understood by all and that the specific obligations and financial impacts are acceptable to all parties.

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All parties acknowledge that ASTN does not advise on current employment law, contract law or other legal, tax or financial issues.



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