

## **C5M SAFE (Simple Agreement for Future Equity)**

This Simple Agreement for Future Equity ("SAFE") is entered into as of [Date], by and between Continent 5 Media Group, Inc. ("C5M" or the "Company"), a [State of Incorporation] corporation, and (the "Investor").

**1. Investment Amount** The Investor agrees to invest \$ \_\_\_\_\_ in the Company (the "Purchase Amount") in exchange for the rights described in this SAFE.

### **2. Conversion Terms**

**2.1 Valuation Cap:** \$10,000,000.00

- The Investor's SAFE will convert into equity at the next equity financing round, subject to the valuation cap of \$10,000,000.

**2.2 Discount Rate:** 20%

- The Investor will receive a 20% discount on the price per share determined in the next equity financing round.

**2.3 Conversion Event:**

- The SAFE will convert into equity upon the occurrence of either: a) A Qualified Equity Financing ("QEF"), defined as the Company's issuance of common stock in a financing event. b) A Liquidity Event, including a merger, acquisition, or sale of substantially all of the Company's assets.

**3. Proceeds on Liquidity Event** If there is a Liquidity Event before this SAFE converts, the Investor will receive a payment equal to the greater of: a) The Purchase Amount, or b) The amount payable had the SAFE converted immediately prior to the Liquidity Event.

**4. Dividend Policy** The Company's dividend policy is as follows:

- No dividends will be issued in the first year of operation.
- Beginning in the second year, 10% of distributable profits will be distributed as dividends proportionally to shareholders based on their ownership percentages.

**5. Company Representations** The Company represents and warrants:

- It is duly incorporated and in good standing under the laws of Delaware.
- This SAFE has been duly authorized, executed, and delivered by the Company.
- The Company has only issued common shares and does not have preferred shares.

**6. Investor Representations** The Investor represents and warrants:

- They have full legal capacity and authority to execute and deliver this SAFE.
- They are investing solely for their own account and not with a view to distribute.

**7. No Voting or Control Rights:** The SAFE does not provide the Investor with any voting rights, board seats, or control over Company operations until it converts into equity.

**8. Amendments and Waivers:** Any amendment or waiver of this SAFE must be in writing and signed by both the Company and the Investor.

**9. Governing Law** This SAFE will be governed by and construed in accordance with the laws of the State of [State].

**10. Miscellaneous**

- The Investor acknowledges the speculative nature of this investment and that there is no guarantee of a return on the Purchase Amount.
- This SAFE constitutes the entire agreement between the parties concerning its subject matter.

**IN WITNESS WHEREOF**, the parties have executed this SAFE as of the date first written above.

Date: \_\_\_\_\_

Continent 5 Media Group, Inc. By: \_\_\_\_\_ Name: Michael Schulze  
Title: CEO

Date: \_\_\_\_\_