

Capitalization Table

Convertible Notes Inclusion Format

Summary of Capital Structure

Shareholder / Holder	Security Type	Shares / Principal	Ownership % (Pre-Conversion)	Ownership % (Post-Conversion)
Founders	Common Stock	1,000,000	80.0%	60.0%
Employee Option Pool	Stock Options	150,000	12.0%	9.0%
Angel Investors	Preferred Stock	100,000	8.0%	6.0%
Convertible Note Holders	Convertible Note Principal	\$250,000	--	25.0%

Convertible Notes Details

Holder	Principal Amount	Interest Rate	Conversion Discount	Valuation Cap	Projected Shares upon Conversion
Investor A	\$100,000	6%	20%	\$2,000,000	63,000
Investor B	\$50,000	6%	20%	\$2,000,000	31,500
Investor C	\$100,000	6%	25%	\$2,500,000	26,000

Important Notes:

- Convertible notes are usually converted into equity at the next qualified financing round, based on specified valuation caps and discounts.
- Ownership percentages post-conversion are estimates and may vary with the terms of the financing and accrued interest.
- This capitalization table does not include future financings, warrants, or other dilutive securities.
- The cap table should be updated regularly to reflect any changes in convertible note balances, option exercises, or new capital raised.
- Proper legal consultation is advised before executing note conversions or issuing new securities.