

Convertible Note Offer Letter

Date: [Insert Date]

To: [Investor Name]

[Investor Address]

Re: Offer to Invest in [Company Name] via Convertible Note

Dear [Investor Name],

We are pleased to offer you the opportunity to invest in [Company Name], a [State/Country] corporation (the "Company"), through the purchase of a convertible promissory note on the terms set forth below.

Principal Investment Amount

[Insert Investment Amount in Words and Numbers], (the "Principal Amount")

Key Terms of the Convertible Note

- **Interest Rate:** [Insert Interest Rate] % per annum, simple interest.
- **Maturity Date:** [Insert Maturity Date, e.g., 24 months from the date of issuance]
- **Conversion:** The Principal Amount and accrued interest will automatically convert into equity upon a Qualified Financing Round, at a [Insert Discount]% discount to the price per share paid by new investors, or at a valuation cap of [Insert Cap], whichever provides a better conversion price.
- **Qualified Financing:** Defined as a bona fide equity financing of at least [Insert Minimum Amount] raised by the Company.
- **Repayment:** If no conversion occurs before the Maturity Date, the Company shall repay the outstanding Principal Amount and accrued interest, unless otherwise agreed to convert.
- **Other Terms:** Full convertible note agreement to be provided and executed.

Acceptance

Please indicate your acceptance of this offer by signing and returning a copy of this letter. Upon receipt, we will proceed with the issuance of the convertible note and any necessary documentation.

Sincerely,

[Authorized Signatory]

[Title]

[Company Name]

Accepted and Agreed:

[Investor Name]

Date: _____

Important Notes:

- This document is a summary; the full convertible note agreement contains legally binding terms and conditions.
- Consult legal and financial advisors before making an investment.

- Convertible notes represent a risk and investments may not be recovered.
- Conversion mechanics and rights should be carefully reviewed in the final agreement.