

Equity Term Sheet

Date: [Insert Date]

Company: [Company Name], a [State/Country] Corporation

Investors: [Investor Names]

Key Terms

Offering	[Type, e.g., Series A Preferred Stock]
Amount to be Raised	[Total Amount, e.g., \$2,000,000]
Valuation (Pre-money)	[Pre-money Valuation, e.g., \$8,000,000]
Price Per Share	[e.g., \$1.00]
Capitalization	[Fully Diluted Basis, e.g., includes all options, warrants, etc.]
Closing Date	[Expected Closing Date]
Use of Proceeds	[General corporate purposes, product development, etc.]
Dividends	[Dividend terms, e.g., Non-cumulative, when and if declared]
Liquidation Preference	[e.g., 1x non-participating]
Voting Rights	[e.g., One vote per share & any special rights]
Conversion	[Convertible to Common at any time at option of holder; automatic conversion on IPO, etc.]
Anti-dilution Protection	[e.g., Weighted-average or Full Ratchet]
Board Representation	[Number/designation of seats for investors]
Right of First Refusal	[Terms for subsequent share issuances]
Drag-Along Rights	[Terms if company is sold]
Conditions to Closing	[e.g., Satisfactory completion of due diligence]
Legal Counsel	[Names of counsel representing company and investor]

Additional Terms

- [Information Rights]
- [Registration Rights]
- [Employee Stock Option Pool]
- [Other key deal terms as required]

Important Notes

- This term sheet is for discussion purposes only and is not legally binding except for confidentiality and exclusivity clauses.
- Key terms may change based on due diligence and further negotiation.
- The final investment is subject to the execution of definitive agreements.
- Consult legal and financial advisors before signing any binding documents.
- Custom terms may vary by transaction and investor preferences.

