TERM SHEET
FOR CONVERTIBLE PROMISSORY NOTE FINANCING OF
LIVAQL Inc., a Delaware corporation

This term sheet is an expression of intent only, does not express the agreement of the parties, is not meant to be binding on the parties and is meant to be used as a negotiation aid by the parties. The parties do not intend to be bound until they enter into a definitive agreement regarding the subject matter of this term sheet.

Issuer:	LIVAQ Inc., a Delaware corporation (the "***Company***").
Investors:	Investors shall be identified by the Company (the "***Investors***", each an "***Investor***"). Amounts may be funded in multiple closings.
Promissory Notes:	The Company shall issue promissory notes (the "***Notes***") in exchange for amounts invested by the Investors. The Notes will have the following principal provisions: <u>Maturity</u>: Unless earlier repaid or converted, outstanding principal and unpaid accrued interest on the Notes shall be due and payable upon request of the Majority Holders made on or after 09/12/2025 (the "***Maturity Date***"). <u>Interest</u>: Simple interest shall accrue on an annual basis at the rate of **5%** per annum. <u>Conversion at Qualified Financing</u>: In the event the Company consummates, while the Note is outstanding, an equity financing pursuant to which it sells shares of its equity securities ("***Next Round Securities***"), with an aggregate sales price of not less than $ 1,700,000, excluding any and all indebtedness under the Notes that is converted into Next Round Securities, and with the principal purpose of raising capital (a "***Qualified Financing***"), then all principal, together with all unpaid accrued interest under the Notes, shall automatically convert into shares of Next Round Securities at the lesser of (i) 80% of the cash price per share paid by the other purchasers of Next Round Securities in the Qualified Financing and (ii) the price obtained by dividing $6,500,000 by the number of outstanding shares of common stock of the Company immediately prior to the Qualified Financing (assuming conversion of all securities convertible into common stock and exercise of all outstanding options and warrants, but excluding the shares of equity securities of the Company issuable upon the conversion of the Notes or other indebtedness). <u>Participation Rights:</u> Investors will have a right to purchase its pro rata share of any offering of new securities by the Company, subject to customary exceptions. The pro rata share will be based on the ratio of (x) the number of shares of Preferred held by such holder (on an as converted basis) to (y) the Company's fully-diluted capitalization (on an as-converted and as-exercised basis). This right will terminate upon the Company's initial public offering or an acquisition of the Company. Such rights shall be assignable to affiliated entities, partners, members, successors and commonly controlled funds.

Information Rights: Investors shall have the right to receive annual financial statements, the Company's annual budget, as well as quarterly and monthly financial statements. Each such major investor shall also be entitled to standard inspection and visitation rights

Transfer Restrictions: Standard 180-day lock-up period, subject to customary exceptions and conditions. Bylaws and option plan documents shall include limitations on certain transfers, including on secondary markets, to competitors, or that may trigger public reporting obligations.

Change of Control: If the Company is acquired prior to the Qualified Financing, each Investor shall receive a cash repayment equal to the outstanding principal and unpaid accrued interest.

ROFR/Co-sale Agreement: The founders will grant customary first refusal and co-sale rights to the Company and the investors (as applicable).

Registration Rights: Customary demand, piggyback and S-3 registration rights

PrePayment: The principal and accrued interest may not be prepaid unless approved in writing by the Majority Holders.

Security: The Notes shall be unsecured obligations of the Company.

Documentation: The investments will be made pursuant to documentation prepared by the Company's legal counsel using forms substantially similar to those made available via an automated document generator located at https://cooleygo.com/seednotes/. The Notes may be amended by the Company and the holders of a majority (by unpaid principal amount) of the Notes (the "***Majority Holders***").

Expenses: The Company and Investors will each bear their own legal and other expenses with respect to the Notes financing.

[Signatures on next page]

This term sheet is non-binding and is intended solely as a summary of the terms that are currently proposed by the parties. The parties acknowledge that they neither intend to enter, nor have they entered, into any agreement to negotiate a definitive agreement pursuant to this term sheet, and either party may, at any time prior to execution of such definitive agreement, propose different terms from those summarized herein or unilaterally terminate all negotiations pursuant to this term sheet without any liability whatsoever to the other party. Each party shall be solely liable for all of its own fees, costs and other expenses in conjunction with negotiation and preparation of a definitive agreement pursuant to this term sheet.

COMPANY: **LIVAQ INC.**

EIN No.: 88-2883401
Street Address: 2050 15th St.
City: Detroit
State: Michigan
Zip Code: 48216
By: David Ricardo Medina Álvarez
Title: CEO & Founder

INVESTOR (if an entity): **Great Lakes Angels Fund LLC**

EIN No.: 80-0890955
Street Address: 34300 Woodward Ave Ste.200
City: Birmingham
State: Michigan
Zip Code: 48009
Subscription Amount: $50,000
By: Doron York
Title: Fund Manager .

Subscription Amount: $52,000

THIS CONVERTIBLE PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE HOLDER SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

CONVERTIBLE PROMISSORY NOTE

No. CN-01	**Date of Issuance**
US$52,000	**09/18/2023**

Livaq Inc., a Delaware corporation (the "**Company**"), promises to pay to Great Lakes Angels Fund LLC of 34300 Woodward Ave Ste.200, or his, her or its assigns ("**Holder**"), the principal sum of $52,000 together with accrued and unpaid interest thereon, each due and payable on the date and in the manner set forth below. For value received,

1. Repayment. All payments of interest and principal shall be in lawful money of the United States of America. All payments shall be applied first to accrued interest, and thereafter to principal. The outstanding principal amount of this convertible promissory note (this "**Note**") shall be due and payable on 03/18/2025 (the "**Maturity Date**").

2. Interest Rate. The Company promises to pay simple interest on the outstanding principal amount hereof from the date hereof until repayment in full, which interest shall be at the rate of 5% per annum, or the maximum rate permissible by law, whichever is less. Interest shall be due and payable on the Maturity Date and shall be calculated on the basis of a 365-day year for the actual number of days elapsed.

3. Conversion; Repayment Upon Sale of the Company.

(a) In the event that the Company issues and sells shares of its Equity Securities to investors (the "Investors") on or before the date of the repayment in full of this Note in a transaction or series of related transactions resulting in aggregate gross proceeds to the Company of at least $1,700,000 (excluding the conversion of this Note, all other outstanding convertible notes issued by the Company, and other grants or indebtedness of the Company) (a "**Qualified Financing**"), then the outstanding principal balance of this Note, and any accrued but unpaid interest thereon, shall automatically convert in whole as part of the Qualified Financing and without any further action by the Holder into the Equity Securities issued pursuant to the Qualified Financing at a conversion price equal to the lesser of: (i) 100 minus 20% (the "**Discount Rate**") of the per share price paid by the Investors in the Qualified Financing; or (ii) the price equal to the quotient of 6,500,000 dollars (the "**Valuation Cap**") divided by the aggregate number of outstanding shares of the Company as of immediately prior to the initial closing of the Qualified Financing (assuming full conversion of all outstanding preferred stock and conversion or exercise of all convertible and exercisable securities then outstanding other than this Note and the other convertible notes issued by the Company having the same Valuation Cap and Discount Rate as this Note), and otherwise on the same terms and conditions as given to the Investors as part of the Qualified Financing (other than with respect to: (x) the per share liquidation price and the initial conversion price for purposes of price-based anti-dilution protection, if any, which will equal the conversion price of this Note; (y) the basis for any dividend right, which will be based on the conversion price of this Note; and (z) certain rights that may be granted to certain major investors, such as information rights, board seats, protective provisions, etc.).

(b) In the event that a Qualified Financing is not consummated prior to the Maturity Date, then, at the election of the Requisite Holders made at least five (5) days prior to the Maturity Date, effective upon the Maturity Date, the outstanding principal balance, plus any unpaid accrued interest under this Note shall be converted into shares of the Company's preferred stock, at a conversion price equal to the quotient of (i) the Valuation Cap divided by (ii) the aggregate number of outstanding shares of the Company as of the Maturity Date (assuming full conversion of all outstanding preferred stock and conversion or exercise of all convertible and exercisable securities then outstanding other than this Note and the other convertible notes issued by the Company having the same Valuation Cap and Discount Rate as this Note).

(c) If, after aggregation, the conversion of this Note would result in the issuance of a fractional share, the Company may, in its discretion, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum of cash equal to the product resulting from multiplying the then current fair market value of one share of the class and series of capital stock into which this Note has been converted by such fraction.

(d) Notwithstanding any provision of this Note to the contrary, in the event that the Company consummates a Sale of the Company (as defined below) prior to the Maturity Date, (i) the Company will give the Holder at least five (5) days prior written notice of the anticipated closing date of such Sale of the Company and (ii) at the closing of such Sale of the Company, in lieu of the principal and interest that would otherwise be payable on the Maturity Date, the Company will, in full satisfaction of the Company's obligations under this Note pay the Holder an aggregate amount equal to the sum of (x) two (2) times the outstanding principal balance, plus (y) all accrued but unpaid interest on this Note.

(e) Notwithstanding any provision of this Note to the contrary, in the event that the Company (i) voluntarily terminates operations, (ii) seeks a general assignment for the benefit of the Company's creditors, or (iii) seeks any other liquidation, dissolution or winding up of the Company (excluding a Sale of the Company), whether voluntary or involuntary (each, a "**Dissolution Event**") before the Maturity Date, the Company will, in full satisfaction of the Company's obligations under this Note pay the Holder a portion of the proceeds equal to the sum of (x) two (2) times the outstanding principal balance, plus (y) all accrued but unpaid interest on the Note immediately prior to the consummation of the Dissolution Event.

(f) For purposes of this Note:

(i) "**Sale of the Company**" shall mean (i) any consolidation or merger of the Company with or into any other entity or person, or any other reorganization, other than any such consolidation, merger or reorganization in which the stockholders of the Company immediately prior to such consolidation, merger or reorganization, continue to hold at least a majority of the voting power of the surviving entity in substantially the same proportions (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization; (ii) any transaction or series of related transactions to which the Company is a party in which in excess of 50% of the Company's voting power is transferred; provided, however, that a Sale of the Company shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof; or (iii) a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

(ii) "**Equity Securities**" shall mean shares of the Company's capital stock or any securities conferring the right to purchase shares of the Company's capital stock or securities convertible into, or exchangeable for (with or without additional consideration), shares of capital stock of the Company, except that such defined term shall not include any security (x) granted, issued and/or sold by the Company to any employee, director or consultant in such capacity or (y) issued upon the conversion or exercise of any option or warrant outstanding as of the date of this Note.

(iii) "**Requisite Holders**" shall mean the holders of a majority-in-interest of the aggregate principal balance of all then-outstanding convertible promissory notes issued by the Company having the same Valuation Cap and Discount Rate as this Note.

4. Company Representations.

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Company of this Note is within the power of the Company and has been duly authorized by all necessary actions on the part of the Company (subject to Section 4(d)). This Note constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To its knowledge, the Company is not in violation of (i) its current certificate of incorporation or bylaws, (ii) any material statute, rule or regulation applicable to the Company or (iii) any material debt or contract to which the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) The performance and consummation of the transactions contemplated by this Note do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material debt or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien on any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) No consents or approvals are required in connection with the performance of this Note, other than: (i) the Company's corporate approvals; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary corporate approvals for the authorization of Equity Securities issuable pursuant to Section 1.

(e) To its knowledge, the Company owns or possesses (or can obtain on commercially reasonable terms) sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, processes and other intellectual property rights necessary for its business as now conducted and as currently proposed to be conducted, without any conflict with, or infringement of the rights of, others.

5. Holder Representations.

(a) The Holder has full legal capacity, power and authority to execute and deliver this Note and to perform its obligations hereunder. This Note a constitutes valid and binding obligation of the Holder, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) The Holder is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act. The Holder has been advised that this Note and the underlying securities have not been registered under the Securities Act, or any state securities laws and, therefore, cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. The Holder is purchasing this Note and the securities to be acquired by the Holder hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. The Holder has such knowledge and experience in financial and business matters that the Holder is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing the Holder's financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

6. Maturity. Unless this Note has been previously converted in accordance with the terms of Sections 3(a) through (b) above or satisfied in accordance with the terms of Section 3(d) or Section 3(e) above, the entire outstanding principal balance and all unpaid accrued interest shall become fully due and payable on the Maturity Date.

7. Expenses. If there shall be any Event of Default (defined below) hereunder, the Company shall pay all reasonable attorneys' fees and court costs incurred by Holder in enforcing and collecting this Note.

8. Prepayment. The Company may not prepay this Note prior to the Maturity Date without the written consent of the Requisite Holders.

9. No Security Interest. This Note is a general unsecured obligation of the Company. The Company's obligations under this Note may not be subordinated to the Company's payment obligations under any other indebtedness without the prior written consent of the Requisite Holders.

10. Default. If there shall be any Event of Default hereunder, at the option and upon the declaration of the Requisite Holders and upon written notice to the Company (which election and notice shall not be required in the case of an Event of Default under Section 10(c) or 10(d)), this Note shall accelerate and all principal and unpaid accrued interest thereon shall become due and payable. The occurrence of any one or more of the following shall constitute an "**Event of Default**":

(a) The Company fails to pay timely any of the principal amount due under this Note on the date the same becomes due and payable or any accrued interest or other amounts due under this Note on the date the same becomes due and payable;
(b) The Company shall default in its performance of any covenant under this Note;
(c) The Company files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing; or

(d) An involuntary petition is filed against the Company (unless such petition is dismissed or discharged within 60 days under any bankruptcy statute now or hereafter in effect, or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of the Company).

11. Waiver. The Company hereby waives demand, notice, presentment, protest and notice of dishonor.

12. Governing Law. This Note shall be governed by and construed under the laws of the State of Delaware, as applied to agreements among Delaware residents, made and to be performed entirely within the State of Delaware, without giving effect to conflicts of laws principles.

13. Parity with Other Convertible Notes. The Company's repayment obligation to the Holder under this Note shall be on parity with the Company's obligation to repay all convertible notes issued by the Company having the same Valuation Cap and Discount Rate as this Note. In the event that the Company is obligated to repay the Note and all other convertible notes issued by the Company having the same Valuation Cap and Discount Rate as this Note and does not have sufficient funds to repay all the convertible notes in full, payment shall be made to the holders of the notes on a pro rata basis. The preceding sentence shall not, however, relieve the Company of its obligations to the Holder hereunder.

14. Modification; Waiver. Any term of this Note may be amended, modified or waived with the written consent of the Company and either the (i) Holder or (ii) the Requisite Holders.

15. Assignment. This Note may be transferred only upon its surrender to the Company for registration of transfer, duly endorsed, or accompanied by a duly executed written instrument of transfer in form satisfactory to the Company. Thereupon, this Note shall be reissued to, and registered in the name of, the transferee, or a new Note for like principal amount and interest shall be issued to, and registered in the name of, the transferee. Interest and principal shall be paid solely to the registered holder of this Note. Such payment shall constitute full discharge of the Company's obligation to pay such interest and principal.

LIVAQ

By________________________________ 09 / 21 / 2023

Name:David Ricardo Medina Álvarez

Title: CEO & Founder

Address: 2050 15th St., Detroit, MI 48216

Email Address: livaq@livaq.co

Agreed to and accepted:

Great Lakes Angels Fund LLC

By________________________________ 09 / 21 / 2023

Name:Doron York

Title: Fund Manager

Address: 34300 Woodward Ave Ste.200

Email Address: dyork@citysideventures.com

Title	Livaq Investment documents
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