

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

Date of Note September 13, 2024

The “*Principal Amount*” of Note \$100,000

The “*Interest Rate*” of Note 5% per annum

The “*Valuation Cap*” of Note \$5,000,000

The “*Discount Rate*” of Note 80%

The “*Qualified Financing Threshold*” \$250,000

The “*Founder(s)*” David Medina Alvarez

For value received **LIVAQ INC.**, a Delaware corporation (the “*Company*”), promises to pay to **TECHSTARS ADVANCING CITIES 2022 LLC** or its assigns (the “*Holder*”) the Principal Amount set forth above in the manner set forth below. Additional terms and conditions related to this Convertible Promissory Note are set forth in **EXHIBIT A** hereto, which is incorporated by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Convertible Promissory Note as of the date first written above.

TECHSTARS ADVANCING CITIES 2022 LLC
By: Techstars Advancing Cities Accelerator
GP 2022, LLC, its Manager

By: 

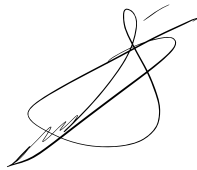
Name: Andrew Cleland

Title: Chief Investment Officer

Address: 228 Park Ave S PMB 99696
New York, NY 10003-1502

Email: legal@techstars.com

LIVAQ INC.

By: 

Name: David Medina Alvarez

Title: CEO

Address: 691 west canfield st.
Detroit, Michigan 48201

Email: livaq@livaq.co

EXHIBIT A

TERMS AND AGREEMENTS

These terms and agreements comprise a part of, and are incorporated by reference into, the Convertible Promissory Note (the “*Note*”) to which they are attached as **EXHIBIT A**. Capitalized terms used but not defined herein shall have the respective meanings assigned thereto in the cover page to this Note.

1. **Basic terms.**

(a) **Payments.** All payments of interest and principal under this Note shall be in lawful money of the United States of America. All payments shall be applied first to accrued interest and thereafter to the Principal Amount. The outstanding Principal Amount of the Note shall be due and payable upon demand of the Holder on or after the second anniversary of the date of issuance of this Note as set forth above (the “*Maturity Date*”).

(b) **Interest Rate.** The Company promises to pay simple interest on the outstanding Principal Amount from the date hereof until payment in full, which interest shall be payable at the Interest Rate or the maximum rate permissible by law, whichever is less. Interest shall be due and payable upon demand of the Holder on or after the Maturity Date and shall be calculated on the basis of a 365-day year for the actual number of days elapsed.

(c) **No Pre-payment.** The Company may not prepay this Note without the consent of the Holder.

2. **Conversion; Repayment Premium Upon Sale of the Company.**

(a) **Conversion upon a Qualified Financing.** In the event that the Company issues and sells shares of its capital stock to investors (the “*Investors*”) on or before the date of repayment in full of this Note in a Qualified Financing, then the outstanding principal balance of this Note and any unpaid accrued interest shall automatically convert in whole without any further action by the Holder into such shares sold in the Qualified Financing at a conversion price equal to the lesser of (i) the Discount Rate multiplied by the price paid per share for such shares by the Investors, or (ii) the price (the “*Cap Conversion Price*”) equal to the quotient of the Valuation Cap divided by the total number of outstanding shares of the Company immediately prior to the Qualified Financing calculated on a Fully Diluted Basis. The issuance of shares pursuant to the conversion of this Note shall be upon and subject to the same terms and conditions applicable to shares sold in the Qualified Financing. At the option of the Holder, the Holder will receive all of the benefits afforded to other Investors acquiring the same number of shares in the Qualified Financing. Notwithstanding this paragraph, if the conversion price of the Note as determined pursuant to this paragraph (the “*Conversion Price*”) is less than the price per share at which shares are issued in the Qualified Financing, the Company may, solely at its option, elect to convert this Note into shares of a newly created series of preferred stock having the identical rights, privileges, preferences and restrictions as the shares issued in the Qualified Financing, and otherwise on the same terms and conditions, other than with respect to: (i) the per share liquidation preference and the conversion price for purposes of price-based anti-dilution protection, which will equal the Conversion Price; and (ii) the per share dividend, which will be the same percentage of the Conversion Price as applied to determine the per share dividends of the investors in the Qualified Financing relative to the purchase price paid by the investors.

(b) **Maturity Date Conversion.** In the event that a Qualified Financing is not consummated prior to the Maturity Date, then, at the written election of the Holder at any time on or after the Maturity Date (such date, the “*Election Date*”), effective no later than five days after the Election Date, the outstanding Principal Amount and any unpaid accrued interest under this Note shall be converted into shares of the Company’s preferred stock (or common stock if the Company has not authorized a class of preferred stock) at a conversion price equal to the quotient of the Valuation Cap divided by the aggregate number of outstanding shares of the Company as of the Election Date calculated on a Fully Diluted Basis.

(c) **Conversion Option at Network Launch.** If the Company or a Nominated Entity proposes to do a Network Launch, it shall give the Holder not less than three months' written notice of its intentions via electronic mail to the email address provided on the signature page hereto, describing the Tokens and the terms and conditions upon which the Company or such Nominated Entity proposes to issue the Tokens. Upon the occurrence of a Network Launch, the Holder will have the right (but not the obligation) to convert all outstanding principal and unpaid accrued interest hereunder into Tokens issued by the Company or such Nominated Entity in such Network Launch at a price per Token equal to 80% of the lowest price paid by third-party purchasers thereof or repayment by the Company of the outstanding Principal Amount of this Note and any unpaid accrued interest. In connection with and prior to the conversion contemplated by this Section 2(c), the Holder will provide to the Company or to the Nominated Entity, as applicable, a network address and other information necessary to facilitate receipt of the Tokens. The Company will bear all risk of loss or damage to the Tokens until the Company's delivery of the Tokens to the network address contemplated herein, provided, however, if Holder fails to receive any of the Tokens at such network address because Holder provided the Company with a network address that is non-existent or does not belong to the Holder then the Tokens shall nevertheless be deemed to have been delivered by the Company to the Holder. If the Company elects to operate the Network Launch using a Nominated Entity, it will inform the Holder in writing. If the Holder elects to convert all outstanding Principal Amount and unpaid accrued interest hereunder into Tokens, the issuance of Tokens shall be upon and subject to the same terms and conditions applicable to Tokens sold in connection with the Network Launch. At the option of the Holder, the Holder will receive all of the benefits afforded to other purchasers acquiring the same number of Tokens in a Network Launch.

(d) **Sale of the Company.** Notwithstanding any provision of this Note to the contrary, if the Company consummates a Sale of the Company prior to the conversion or repayment in full of this Note, then (i) the Company will give the Holder at least five 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 full satisfaction of the Company's obligations under this Note, the Company will pay the Holder an aggregate amount equal to the greater of (x) the aggregate Principal Amount and unpaid accrued interest then outstanding under this Note or (y) the amount the Holder would have been entitled to receive in connection with such Sale of the Company if the aggregate Principal Amount and unpaid accrued interest then outstanding under this Note had been converted into shares of the Company's common stock at a conversion price equal to the quotient of (a) the lesser of the aggregate cash and other assets (including without limitation stock consideration) that are proceeds from the Sale of the Company or the Valuation Cap, divided by (b) the aggregate number of outstanding shares of the Company's common stock as of immediately prior to the closing of such Sale of the Company calculated on a Fully Diluted Basis (but excluding for the purpose of this calculation any unissued or expired share options, phantom stock, stock appreciation rights, and other rights to acquire the Company's capital stock (calculated on an as-converted to common stock basis) reserved and available for future grant under any equity incentive or similar plan of the Company).

(e) **Procedure for Conversion.** In connection with any conversion of this Note into capital stock or Tokens, the Holder shall surrender this Note to the Company and deliver to the Company any documentation reasonably required by the Company. The Company shall not be required to issue or deliver the capital stock into which this Note may convert, any Tokens into which this Note may convert, or any payments that might otherwise be due under Sections 2(c) or 2(d) until the Holder has surrendered this Note to the Company and delivered to the Company any such documentation. Upon the conversion of this Note into capital stock pursuant to the terms hereof, in lieu of any fractional shares to which the Holder would otherwise be entitled, the Company shall pay the Holder cash equal to such fraction multiplied by the price at which this Note converts; provided, however, if such amount is less than \$100.00, no such payment shall be required, and no fractional shares or Tokens shall be issued.

(f) **Interest Accrual.** If a Sale of the Company, a Network Launch (in which the Holder elects to convert this Note into Tokens), or a Qualified Financing is consummated, all interest on this Note shall be deemed to have stopped accruing as of the signing of the definitive agreement for the Sale of the Company, such Network Launch, or Qualified Financing or an earlier date, determined by the Company, which may be as many as ten days prior to the signing of such definitive agreement.

(g) **Network Launch.** In the event that the Company or a Nominated Entity initiates a Network Launch or any investment contract relating to rights to participate in a Network Launch before a Qualified Financing is consummated or before the termination or expiration of this Note, this Note shall not convert into Tokens issued in such Network Launch and such Network Launch shall have no effect on the terms and conditions set forth in this Note, except as expressly provided in Section 2(c) of this Note.

(h) **Lock-up Period.** In the event the Holder elects to convert the outstanding Principal Amount and unpaid accrued interest hereunder into Tokens pursuant to Section 2(c) of this Note, during the 18 months immediately following the Network Launch (or such shorter period as the Founders are bound), the Company or the Nominated Entity will retain programmatic control of any of the Holder's Tokens obtained pursuant to Section 2(c) (the "**Lock-up Period**"). For the duration of the Lock-up Period, the Company or the Nominated Entity will exercise the same standard of care over its custody of the Holder's Tokens as it exercises over the Company's own assets, including any of its Tokens. After the conclusion of the Lock-up Period, in connection with the Network Launch contemplated by this Section 2(h), the Holder may either provide to the Company or to the Nominated Entity, as applicable, a network address and other information necessary to facilitate the transfer of the Holder's Tokens from the Company or the Nominated Entity to the Holder, or request that the Company or the Nominated Entity continue to hold such Tokens on behalf of the Holder under a mutually agreed form of custody agreement until the Holder notifies the Company or the Nominated Entity otherwise.

(i) **Certain Definitions.** For purposes of this Note:

(i) "**Fully Diluted Basis**" means (i) the total number of outstanding shares of the Company's common stock plus (ii) the total number of shares of the Company's common stock issuable, directly or indirectly, upon conversion of all outstanding preferred stock and upon the exercise of all outstanding options, warrants, phantom stock, stock appreciation rights, and other rights to acquire capital stock of the Company plus (iii) the total number of shares of the Company's capital stock (calculated on an as-converted to common stock basis) reserved and available for future grant under any equity incentive or similar plan of the Company, including any equity incentive or similar plan to be created or increased in connection with the Qualified Financing on a pre-money basis, but excluding (iv) any shares issuable upon the conversion of this Note, any other convertible promissory notes or any other convertible instruments issued for capital raising purposes (e.g., Simple Agreements for Future Equity), in each case whether currently outstanding or issued hereafter. For the avoidance of doubt, any fixed percentage of shares issued or issuable to Techstars in connection with the Company's participation in the Techstars Program (as defined below) shall be included in the total number of outstanding shares of the Company on a Fully Diluted Basis.

(ii) "**Network**" means a trustless infrastructure protocol that will be developed and deployed by, or on behalf of, the Company or Nominated Entity.

(iii) "**Network Launch**" means the date on which the Tokens are available for transfer for use on the Network or their intended purpose.

(iv) "**Nominated Entity**" means one or more Persons that may be nominated by the Company to operate or lead a Network Launch.

(v) "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

(vi) "**Qualified Financing**" means a bona fide arms-length equity financing for the principal purpose of raising capital, pursuant to which the Company issues and sells shares of the Company to investors that are not related to the Founders, at a fixed pre-money valuation resulting in gross proceeds to the Company of at least the Qualified Financing Threshold (excluding the conversion of this Note, or other convertible instruments issued for capital raising purposes (e.g., Convertible Notes, Simple Agreements for Future Equity or Simple Agreements for Future Tokens)). A Qualified Financing must be a single transaction but may be executed in multiple closings as authorized by the Company's Board of Directors, provided that the type of security and the price paid per share is consistent across the closings.

(vii) **“Sale of the Company”** shall mean (i) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the shareholders 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 then outstanding voting power is transferred; or (iii) the sale or transfer of all or substantially all of the Company’s assets, or the exclusive license of all or substantially all of the Company’s material intellectual property; *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, indebtedness of the Company is cancelled or converted, or a combination thereof.

(viii) **“Token”** means any network cryptocurrency, decentralized application tokens or digital assets, protocol tokens, blockchain-based assets or other cryptofinance coins, tokens, or similar digital assets.

3. **Representations and Warranties.**

(a) **Representations and Warranties of the Company.** The Company hereby represents and warrants to the Holder as of the date hereof as follows:

(i) **Organization, Good Standing and Qualification.** The Company is a corporation duly organized, validly existing and in good standing under the laws of the state of incorporation as set forth on the cover page of this Note. The Company has the requisite corporate power and authority to own and operate its properties and assets, to carry on its business as presently conducted and as proposed to be conducted. The Company is duly qualified and is authorized to do business and is in good standing as a foreign corporation in all jurisdictions in which the nature of its activities and of its properties (both owned and leased) makes such qualification necessary, except for those jurisdictions in which failure to do so would not have an adverse effect on the Company or its business.

(ii) **Corporate Power.** The Company has all requisite corporate power to issue this Note and to carry out and perform its obligations under this Note. The board of directors of the Company (the **“Board”**) has approved the issuance of this Note based upon a reasonable belief that the issuance of this Note is appropriate for the Company after reasonable inquiry concerning the Company’s financing objectives and financial situation.

(iii) **Authorization.** All corporate action on the part of the Company, the Board and the Company’s stockholders necessary for the issuance and delivery of this Note has been taken. This Note constitutes a valid and binding obligation of the Company enforceable in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency, the relief of debtors and, with respect to rights to indemnity, subject to federal and state securities laws. Any securities issued upon conversion of this Note (the **“Conversion Securities”**), when issued in compliance with the provisions of this Note, will be validly issued, fully paid, nonassessable, free of any liens or encumbrances and issued in compliance with all applicable federal and securities laws.

(iv) **Foreign Corrupt Practices Act; Prohibited Investment; and Anti-Money Laundering Laws.** Neither the Company nor, to the Company’s knowledge, any of the Company’s directors, officers, employees or agents have, directly or indirectly, offered to pay, paid, promised to pay, or authorized the payment of money or anything of value to a foreign official in order to influence any act or decision of a foreign official in his or her official capacity or to secure any other improper advantage in order to obtain or retain business, in a manner likely to be deemed a violation of the provisions of the U.S. Foreign Corrupt Practices Act of 1977, as amended (the **“FCPA”**). Neither the Company nor, to the Company’s knowledge, any of its officers, directors or employees are the subject of any allegation, voluntary disclosure, investigation, prosecution or other enforcement action related to the FCPA or any other anti-corruption law. To its knowledge, the Company is not a party to any agreement, understanding, instrument, contract or proposed transaction with any Person that is (i) on the U.S. Department of Treasury Office of Foreign Assets Control’s (**“OFAC”**) Specially Designated Nationals

(“**SDN**”) List or (ii) owned or controlled by, or acting on behalf of, a person or entity that is on OFAC’s SDN List or otherwise the target of economic sanctions administered by OFAC, or organized in a foreign jurisdiction against which the relevant governmental authority maintains a trade embargo, economic sanction or other similar prohibition pursuant to which dealing with such person or entity is prohibited, in each case, to the extent prohibited by applicable law. The Company is and will remain in compliance with all applicable anti-money laundering and counter-terrorism statutes, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable governmental agency (collectively, “**Anti-Money Laundering Laws**”), and no action, suit, proceeding, investigation or enforcement by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is pending, or to the Company’s knowledge, threatened.

(v) **Governmental Consents.** All consents, approvals, orders or authorizations of, or registrations, qualifications, designations, declarations or filings with, any governmental authority required on the part of the Company in connection with the issuance of this Note have been obtained.

(vi) **Compliance with Laws.** The Company is not in violation of any applicable law, statute, rule, regulation, order or restriction of any domestic or foreign government or any instrumentality or agency thereof in respect of the conduct of its business or the ownership of its properties, which violation of which would materially and adversely affect the business, assets, liabilities, financial condition, operations or prospects of the Company.

(vii) **Compliance with Other Instruments.** The Company is not in violation or default of any term of its certificate of incorporation or bylaws, or of any provision of any mortgage, indenture or contract to which it is a party and by which it is bound or of any judgment, decree, order or writ, other than such violation(s) that would not individually or in the aggregate have a material adverse effect on the Company. The execution, delivery and performance of this Note will not result in any such violation or be in conflict with, or constitute, with or without the passage of time and/or giving of notice, either a default under any such provision, instrument, judgment, decree, order or writ or an event that results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, impairment, forfeiture, or nonrenewal of any material permit, license, authorization or approval applicable to the Company, its business or operations or any of its assets or properties. Without limiting the foregoing, the Company has obtained all waivers necessary with respect to any preemptive rights, rights of first refusal or similar rights, including any notice or offering periods provided for as part of any such rights, in order for the Company to consummate the transactions contemplated hereunder without any third party obtaining any rights to cause the Company to offer or issue any securities of the Company as a result of the consummation of the transactions contemplated hereunder.

(viii) **Liabilities.** The Company has no material liabilities and, to the best of its knowledge no material contingent liabilities that have not been disclosed to Holder, except current liabilities incurred in the ordinary course of business which have not been, either in any individual case or in the aggregate, materially adverse.

(ix) **No “Bad Actor” Disqualification.** The Company has exercised reasonable care to determine whether any Company Covered Person (as defined below) is subject to any of the “bad actor” disqualifications (“**Disqualification Events**”) described in Rule 506(d)(1)(i) through (viii), as modified by Rules 506(d)(2) and (d)(3), under the U.S. Securities Act of 1933, as amended (the “**Act**”). To the Company’s knowledge, no Company Covered Person is subject to a Disqualification Event. The Company has complied, to the extent required, with any disclosure obligations under Rule 506(e) under the Act. For purposes of this Note, “**Company Covered Persons**” are those persons specified in Rule 506(d)(1) under the Act; provided, however, that Company Covered Persons do not include (a) any Holder, or (b) any person or entity that is deemed to be an affiliated issuer of the Company solely as a result of the relationship between the Company and the Holder.

(x) **Offering.** Assuming the accuracy of the representations and warranties of the Holder contained in subsection (b) below, the offer, issue, and sale of this Note and any Conversion Securities are and will be exempt from the registration and prospectus delivery requirements of the Act, and have been registered or

qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws.

(xi) **Use of Proceeds.** The Company shall use the proceeds of this Note solely for the operations of its business, and not for any personal, family or household purpose.

(xii) **Full Disclosure.** To the Company's knowledge, there are no facts which (individually or in the aggregate) materially adversely affect the business, assets, liabilities, financial condition, prospects or operations of the Company that have not been disclosed in writing to the Holder.

(b) **Representations and Warranties of the Holder.** The Holder hereby represents and warrants to the Company as of the date hereof as follows:

(i) **Purchase for Own Account.** The Holder is acquiring this Note and the Conversion Securities (collectively, the "**Securities**") solely for the Holder's own account and beneficial interest for investment and not for sale or with a view to distribution of the Securities or any part thereof, has no present intention of selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the same, and does not presently have reason to anticipate a change in such intention.

(ii) **Information and Sophistication.** Without lessening or obviating the representations and warranties of the Company set forth in subsection (a) above, the Holder hereby: (A) acknowledges that the Holder has received all the information the Holder has requested from the Company and the Holder considers necessary or appropriate for deciding whether to acquire the Securities, (B) represents that the Holder has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities and to obtain any additional information necessary to verify the accuracy of the information given the Holder and (C) further represents that the Holder has such knowledge and experience in financial and business matters that the Holder is capable of evaluating the merits and risk of this investment.

(iii) **Ability to Bear Economic Risk.** The Holder acknowledges that investment in the Securities involves a high degree of risk, and represents that the Holder is able, without materially impairing the Holder's financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of the Holder's investment.

(iv) **Further Limitations on Disposition.** Without in any way limiting the representations set forth above, the Holder further agrees not to make any disposition of all or any portion of the Securities unless and until:

(1) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(2) The Holder shall have notified the Company of the proposed disposition and furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Company, the Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration under the Act or any applicable state securities laws, provided that no such opinion shall be required for dispositions in compliance with Rule 144 under the Act.

(3) Notwithstanding the provisions of paragraphs (1) and (2) above, no such registration statement or opinion of counsel shall be necessary for a transfer by the Holder to an affiliate of the Holder, a partner (or retired partner) or member (or retired member) of the Holder in accordance with partnership or limited liability company interests, or transfers by gift, will or intestate succession to any spouse or lineal descendants or ancestors, if all transferees agree in writing to be subject to the terms hereof to the same extent as if they were the Holder hereunder.

(v) **Accredited Investor Status.** The Holder is an “accredited investor” as such term is defined in Rule 501 under the Act.

(vi) **No “Bad Actor” Disqualification.** The Holder represents and warrants that neither (A) the Holder nor (B) any entity that controls the Holder or is under the control of, or under common control with, the Holder, is subject to any Disqualification Event, except for Disqualification Events covered by Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Act and disclosed in writing in reasonable detail to the Company. The Holder represents that the Holder has exercised reasonable care to determine the accuracy of the representation made by the Holder in this paragraph, and agrees to notify the Company if the Holder becomes aware of any fact that makes the representation given by the Holder hereunder inaccurate.

(vii) **Foreign Investors.** If the Holder is not a United States person (as defined by Section 7701(a)(30) of the Code, the Holder hereby represents that he, she or it has satisfied itself as to the full observance of the laws of the Holder’s jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Note, including (A) the legal requirements within the Holder’s jurisdiction for the purchase of the Securities, (B) any foreign exchange restrictions applicable to such purchase, (C) any governmental or other consents that may need to be obtained, and (D) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. The Holder’s subscription, payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of the Holder’s jurisdiction.

(viii) **Forward-Looking Statements.** With respect to any forecasts, projections of results and other forward-looking statements and information provided to the Holder, the Holder acknowledges that such statements were prepared based upon assumptions deemed reasonable by the Company at the time of preparation. There is no assurance that such statements will prove accurate, and the Company has no obligation to update such statements.

4. Maturity; Events Of Default.

(a) **Maturity.** Unless this Note has been converted or satisfied in accordance with the terms of Section 2 above, the entire outstanding principal balance and all unpaid accrued interest shall become fully due and payable upon demand of the Holder on or after the Maturity Date.

(b) **Events of Default.** If there shall be any Event of Default (as defined below) hereunder, at the option and upon the declaration of the Holder and upon written notice to the Company (which election and notice shall not be required in the case of an Event of Default under subsection (ii) or (iii) below), this Note shall accelerate and all principal and unpaid accrued interest shall become due and payable. The occurrence of any one or more of the following shall constitute an “*Event of Default*”:

(i) 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 unpaid accrued interest or other amounts due under this Note on the date the same becomes due and payable;

(ii) 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;

(iii) 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); or

(iv) The Board or stockholders adopt a resolution for the liquidation, dissolution or winding up of the Company.

(c) In the event of any Event of Default hereunder, the Company shall pay all reasonable attorneys' fees and court costs incurred by the Holder in enforcing and collecting this Note.

5. Miscellaneous provisions.

(a) **Participation in Program.** This Note shall not be deemed to create any obligation to continue the Company's participation in the Techstars accelerator program to which the Company has been selected (the "**Techstars Program**"). Techstars may, in its discretion, terminate the participation of the Company in the Techstars Program at any time prior to the end of the Techstars Program. In the event that Techstars elects to terminate the Company's participation in the Techstars Program, the Company shall return all amounts paid to the Company by the Holder, and the Holder shall present the Note for cancellation.

(b) **Waivers.** The Company and the endorser of this Note hereby waive demand, notice, presentment, protest and notice of dishonor.

(c) **Further Assurances.** Each of the Holder and the Company agrees and covenants that at any time and from time to time it will promptly execute and deliver to the other such further instruments and documents and take such further action as may be reasonably required in order to carry out the full intent and purpose of this Note and to comply with state or federal securities laws or other regulatory approvals.

(d) **Taxes.** All payments and issuance of securities or Tokens under this Note, shall, subject to applicable laws, be made free and clear of any deduction or withholding for or on account of any tax or any other deduction or withholding of whatsoever nature, now or hereafter imposed by any jurisdiction or tax authority. If at any time in accordance with the laws of any non-US jurisdiction, the Company is required to make any such deduction or withholding from any such payment, or issuance of securities or Tokens upon conversion, any sum due from the Company in respect of such payment, or issuance of securities or Tokens upon conversion, shall be increased to the extent necessary to ensure that after the making of such deduction or withholding, the Holder receives a net sum equal to the sum which it would have received had no such deduction or withholding been made by the Company. Whenever any such deduction or withholding is made by the Company, the Company shall, as promptly thereafter as reasonably practicable, send to the Holder the official receipt, if available, showing payment thereof or such other documentary evidence as may from time to time be required by the Holder. The parties agree to use reasonable efforts to cooperate in a timely fashion in completing any procedural formalities necessary for the Company to obtain authorization to make payments or issue of securities or Tokens under this Note without a deduction or withholding for or on account of any tax.

(e) **Transfers of Note.** 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.

(f) **Successors and Assigns.** Neither this Note nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this Note and/or the rights contained herein may be assigned without the Company's consent by the Holder to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Holder, including, without limitation, any general partner, managing member, officer or director of the Holder, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or share the same management company with, the Holder. This Note shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer herein set forth, be binding upon Holder and Holder's successors and assigns.

(g) **Market Standoff.** The Holder hereby agrees that the Holder shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale of, any shares of common stock (or other securities) of the Company held by

the Holder (other than those included in the registration) during the 180-day period following the effective date of the initial public offering of the Company (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with FINRA Rule 2241 or NYSE Member Rule 472 or any successor or similar rule or regulation). The Holder agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the managing underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In addition, if requested by the Company or the representative of the underwriters of common stock (or other securities of the Company), the Holder shall provide, within ten days of such request, such information as may be required by the Company or such representative in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Act. The obligations described in this paragraph shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to such common stock (or other securities of the Company) until the end of such period. The Holder agrees that any transferee of any of the Securities (or other securities of the Company) held by the Holder shall be bound by this paragraph. The underwriters of the Company's stock are intended third-party beneficiaries of this paragraph and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

(h) Amendment and Waiver. Any term of this Note may be amended or waived with the written consent of the Company and the Holder.

(i) Governing Law. This Note shall be governed by and construed in accordance with the laws of the United States of America and the State of Delaware, without regard to principles of conflicts of law. The parties agree that any action brought by either party to interpret or enforce any provision of this Note shall be brought in, and each party agrees to, and does hereby submit to the jurisdiction and venue of the State of Delaware.

(j) No Third Party Beneficiaries. The terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Note, expressed or implied, is intended to confer upon any third party any rights, remedies, obligations, or liabilities under or by reason of this Note, except as expressly provided in this Note.

(k) Counterparts. This Note may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Note may also be executed and delivered by facsimile signature, PDF or any electronic signature complying with the U.S. federal ESIGN Act of 2000 (*e.g.*, www.docusign.com).

(l) Titles and Subtitles. The titles and subtitles used in this Note are used for convenience only and are not to be considered in construing or interpreting this Note.

(m) Notices and Language. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail to the email address provided on the signature page hereto if sent during normal business hours of the recipient, if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications to a party shall be sent to the party's address set forth on the signature page hereto or at such other address(es) as such party may designate by ten days advance written notice to the other party hereto. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to or in connection with this Note or pursuant to statutory law, in particular any invitations to shareholders' meetings of the Company or any other documents in connection with any procedure for an adoption of shareholders' resolutions as well as any agreement to which the Holder shall be a party or to the conclusion of which the consent of the Holder is required or requested by the Company, shall be in English language or, if in any other language, accompanied by an English translation. The Company shall bear the costs of such translation.

(n) **Expenses.** The Company and the Holder shall each bear its respective expenses and legal fees incurred with respect to the negotiation, execution and delivery of this Note and the transactions contemplated herein.

(o) **Delays or Omissions.** It is agreed that no delay or omission to exercise any right, power or remedy accruing to the Holder, upon any breach or default of the Company under this Note shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach or default, or any acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. It is further agreed that any waiver, permit, consent or approval of any kind or character by the Holder of any breach or default under this Note, or any waiver by the Holder of any provisions or conditions of this Note, must be in writing and shall be effective only to the extent specifically set forth in writing and that all remedies, either under this Note, or by law or otherwise afforded to the Holder, shall be cumulative and not alternative. This Note shall be void and of no force or effect in the event that the Holder fails to remit the full Principal Amount to the Company within five calendar days of the date of this Note.

(p) **Entire Agreement.** This Note, together with the investment letter agreement between the Holder and the Company dated on or around the date of this Note, constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein.

(q) **Exculpation by Holder.** The Holder acknowledges that the Holder is not relying on any person, firm or corporation, other than the Company and its officers and Board members, in making its investment or decision to invest in the Company.

(r) **Senior Indebtedness.** The indebtedness evidenced by this Note is subordinated in right of payment to the prior payment in full of any Senior Indebtedness in existence on the date of this Note or hereafter incurred. “*Senior Indebtedness*” shall mean, unless expressly subordinated to or made on a parity with the amounts due under this Note, all amounts due in connection with (i) indebtedness of the Company to banks or other lending institutions regularly engaged in the business of lending money (excluding venture capital, investment banking or similar institutions and their affiliates, which sometimes engage in lending activities but which are primarily engaged in investments in equity securities), and (ii) any such indebtedness or any debentures, notes or other evidence of indebtedness issued in exchange for such Senior Indebtedness, or any indebtedness arising from the satisfaction of such Senior Indebtedness by a guarantor.

(s) **Broker’s Fees.** Each party hereto represents and warrants that no agent, broker, investment banker, person or firm acting on behalf of or under the authority of such party hereto is or will be entitled to any broker’s or finder’s fee or any other commission directly or indirectly in connection with the transactions contemplated herein. Each party hereto further agrees to indemnify each other party for any claims, losses or expenses incurred by such other party as a result of the representation in this section titled “Broker’s Fees” being untrue.

(t) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS NOTE HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION OR IN THE ABSENCE OF AN EXEMPTION FROM SUCH QUALIFICATION IS UNLAWFUL. PRIOR TO ACCEPTANCE OF SUCH CONSIDERATION BY THE COMPANY, THE RIGHTS OF ALL PARTIES TO THIS NOTE ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED OR AN EXEMPTION FROM SUCH QUALIFICATION BEING AVAILABLE.

[remainder of this page left intentionally blank]