

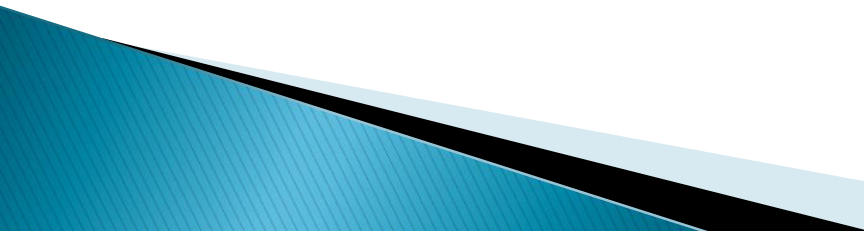
GET LEGAL ADVICE FOR START-UPS©

BDL Accelerate 2016 (Berytech)

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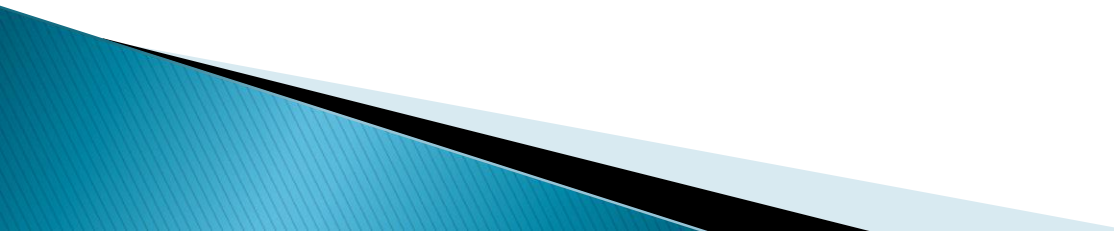
Highlight on Term sheets

1. The negotiation of a VC deal takes weeks or months
 2. It starts with a Term Sheet that crystallizes the agreement of the parties on the main points
 3. The Term Sheet is a negotiation document
 4. Binding / Non-binding
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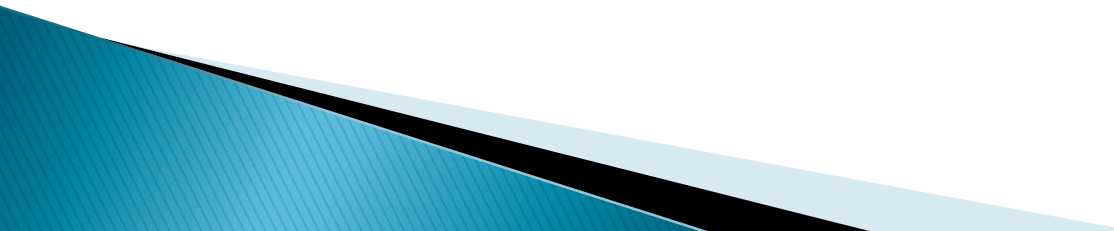
Most common forms of investment

- Loan
 - Equity
 - Convertible debt
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Cap tables

- ▶ Understanding the numbers (always ask for simulations)
 - ▶ Understanding the difference between preferred shares and common shares
 - ▶ Voting rights
 - ▶ Pre-money v/s post-money
 - ▶ % of shares that you investor will be getting
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Important clauses to negotiate

1. Dividends distribution
 2. Liquidation preference
 3. Anti-dilution
 4. Reps and warranties – indemnification
 5. Reserved matters
 6. Drag-along / tag-along
 7. Redemption rights
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Always remember to seek legal
advice before it is too late...

HAPPY FUNDRAISING 😊