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THE SUPER-ESSENTIALIZED SAFE (SIMPLE AGREEMENT FOR FUTURE EQUITY) CONTRACT

This brief text super-essentializes the original
Estonian Postmoney SAFE document, which can be found here:

[www.iCognitionApp.com/angels/Postmoney_SAFE_Valuation_Cap_and_Discount_v1.1_\(Estonia\).docx](http://www.iCognitionApp.com/angels/Postmoney_SAFE_Valuation_Cap_and_Discount_v1.1_(Estonia).docx)

Its source is here, but that webpage has no working direct link:

www.StartupEstonia.ee/resources

This certifies that in exchange for the payment by **XXXXXXXX XXXXXX**, a Citizen of **XXXXXX** and an individual entity with SS number **0000000000** (the “Investor”) of **US\$ X,000** (the “Purchase Amount”) on or about January 1, 2022 SAFE, iCognition OÜ, an Estonian company (the “Company”), issues to the Investor the right to certain shares of the Company’s Capital Stock, subject to the terms described below.

The Pre-Money Valuation Cap is **US\$ 3,000,000**.

The “Post-Money Valuation Cap” is **US\$ 4,410,000**.

1% of the share currently costs **US\$ 30,000**.

1% of the future shares will cost **US\$ 44,100**.

We give it to you at a discount rate of **US\$ 30,000**, despite the new value of the shares being **US\$ 14,100** more.

The “Discount Rate” is therefore **32%**.



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How do we come up with this new cost of the shares?

We currently, before taking any money from you, are valuing our company at **US\$3,000,000 (A)**.

Since **53%** of our shares are already taken, we have **47%** of the shares up for investment. The value of those shares is therefore **US\$ 1,410,000 (B)**.

Once we get our investments, our company increases in value, the new value will be **(A) + (B) = US\$4,410,000**. This value still holds, even *if* we do not raise all the **US\$1,410,000** – which we, in all likelihood, will not do.

But you will still become a shareholder of the shares promised to you under the current valuation of the company **(A)**, the new valuation notwithstanding.

This “Discount Rate” at which you will be given shares (future equity) of the company “Post Money Valuation Cap” is **32%**.

This is thus the Simple Agreement for Future Equity — the SAFE.



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THE ESSENTIALIZED ANGEL SHAREHOLDER CONTRACT

Advised by a good friend who knows about Angel Investment matters, I have decided that this is really all the contract we need — simply written in brief, human-friendly, non-legal language.

1. This is a personal Contract is between me, **Klaus Nordby**, and you, **XXXXXXXXXX XXXXXXXX**, the Shareholder.
2. This is a Moral-Legal-Financial contract. The Moral aspects of it are *most* important: it is what both Parties agree we *ought* to do in these matters, as Men & Women of Honor & Integrity.
3. I am acting as the Moral agent who currently owns a **98%** Share of iCognition OÜ (my trusty long-time colleagues Puneeta Uchil & Romeo Fernandez each own **1%**).
4. The Estonian company iCognition OÜ is *not* a Moral agent, just a Legal entity. The Legal-Financial aspects of iCognition OÜ are only the necessary, practical implementations of the Moral aspects — for our mutual protection and benefit.
5. You, the Shareholder, agree to deposit the sum of
US\$ X,000
into iCognition OÜ's Estonian LHV bank account
EE217700771006338542
in return for owning a future
X% Share
of iCognition OÜ.
6. You must deposit your payment by our mutually-agreed date of
XXXXXX, XX, 2022.



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THE ESSENTIALIZED ANGEL SHAREHOLDER CONTRACT

7. Your **X%** Share will entitle you to a reasonable part of iCognition OÜ's future profits, for as long as you own your Share.
8. But there will be a two-year period of *no* profit pay-outs, from **January 1, 2022** to **January 1, 2024**. That is because we will need *all* available incoming funds to further build and market the company and our products for two years.
9. When **2024** comes — and *if* we are then having acceptable levels of profit — I will then decide how *much* profit-sharing we shall pay to all our Shareholders. And the more the better!
10. For, in gratitude for all the *trust* and *support* our Angel Shareholders have bestowed on my start-up business, I promise I will *always* be as generous with profit pay-outs as it is financially responsible for us. Great people deserve great rewards!
11. Your **X%** Share will entitle you to one seat — with one vote — on our Board of Directors. The extent to which you may *want* to contribute advice on this Board is wholly up to you.
12. Your ownership shares may *not* be sold or otherwise transferred to other people except by my explicit agreement. That is to preserve the *quality of the people* on our Board of Directors.
13. If you *do* transfer your shares and leave the Board, a document stating your Board contributions and profit-sharing will be issued.
14. There is a hypothetical chance that iCognition OÜ may fail and your investment will be partly or wholly lost. You must be fully aware of this and bravely accept that danger.
15. But, having invested into iCognition OÜ about **US\$ 200,000** of my own money and four-and-half years of my hard work, I have *immensely* weighty, rational reasons for making us succeed — short-term and long-term.
16. Excelsior!



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XXXXXXXXXX XXXXXXXX

Full Legal Name

Signature

Date & Place




LIN ZINSER

Halden, Norway January XX, 2022
Klaus Nordby, Owner & Visioneer