

Pre-money cap + 20% discount — SG seed, SIAC arbitration

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Sample SAFE #02 · Hand-authored pending specialist roll-out · Published 2026-05-22

Simple Agreement for Future Equity

THIS SIMPLE AGREEMENT FOR FUTURE EQUITY (this "**Agreement**") is made on 15 March 2026 between:

(1) **CENDANA ROBOTICS PTE LTD**, a company incorporated in Singapore (Company No. [UEN: 202418273L]), having its registered office at 71 Ayer Rajah Crescent, #03-19, Singapore 139951 (the "**Company**"); and

(2) **MR TAN WEI MING** (NRIC: [S•••••6X]), of 25 Holland Hill, #14-02, Singapore 278747 (the "**Investor**").

In exchange for the payment by the Investor of **S\$250,000** (the "**Purchase Amount**") on or about the date of this Agreement, the Company issues to the Investor the right to certain shares of the Company's share capital, subject to the terms set out below.

The "**Valuation Cap**" is **S\$8,000,000** (on a pre-money basis).

The "**Discount Rate**" is **80%** (i.e. a 20% discount to the per-share price paid by the new investors in the Equity Financing).

1. Events

1.1 Equity Financing

If there is an Equity Financing before this Agreement terminates, on the closing of the Equity Financing the Company will automatically issue to the Investor a number of Safe Preference Shares equal to the Purchase Amount divided by the Conversion Price.

The "**Conversion Price**" is the lower of:

(a) the **Discount Price**, being the price per share of the Standard Preference Shares sold in the Equity Financing multiplied by the Discount Rate; and

(b) the **Safe Price**, being the price per share equal to the Valuation Cap divided by the Company Capitalisation.

In connection with that issuance, the Investor will execute and deliver to the Company all transaction documents reasonably required of the other investors in the Equity Financing, with appropriate variations for the Safe Preference Shares (which carry the rights set out in §1.5 below).

1.2 Liquidity Event

If there is a Liquidity Event before this Agreement terminates, the Investor will, at its option, either:

(a) receive a cash payment equal to **two times** the Purchase Amount (the "**Cash-Out Amount**"); or

(b) automatically receive from the Company a number of Ordinary Shares equal to the Purchase Amount divided by the Liquidity Price,

in either case immediately prior to, and conditioned upon, the consummation of the Liquidity Event. The Investor will be deemed to have elected option (b) unless it gives written notice to the Company electing the Cash-Out Amount at least three Business Days before the Liquidity Event.

If there are not enough funds to pay the Investor and the holders of other SAFEs (collectively, the "**Cash-Out Investors**") their full Cash-Out Amounts, the available funds will be distributed pro rata to the Cash-Out Investors in proportion to their Purchase Amounts, and the Cash-Out Investors will, as to any unpaid balance, automatically receive Ordinary Shares calculated under option (b).

1.3 Dissolution Event

If there is a Dissolution Event before this Agreement terminates, the Company will pay an amount equal to the Purchase Amount to the Investor, due and payable immediately prior to, or concurrent with, the consummation of the Dissolution Event. The Purchase Amount will be paid prior to, and in preference to, any distribution of any of the assets of the Company to holders of Ordinary Shares, but after satisfaction of all outstanding indebtedness and obligations to creditors of the Company and after payment of any liquidation preferences on any shares ranking senior to the Safe Preference Shares.

If the available assets are insufficient to permit payment in full of the Purchase Amounts of the Investor and the holders of all other SAFEs (the "**Dissolving Investors**"), the available assets will be distributed pro rata to the Dissolving Investors in proportion to their respective Purchase Amounts.

1.4 Termination

This Agreement will expire and terminate (without relieving the Company of any obligations arising from a prior breach of, or non-compliance with, this Agreement) on the earliest of:

- (a) the issuance of Capital Shares to the Investor under §1.1 or §1.2(b);
 - (b) the payment, or setting aside for payment, of amounts due to the Investor under §1.2(a) or §1.3;
- and
- (c) the date 84 months after the date of this Agreement.

1.5 Rights of Safe Preference Shares

The Safe Preference Shares issued under §1.1 will rank pari passu in all respects with the Standard Preference Shares issued in the relevant Equity Financing, except that the per-share liquidation preference, the initial conversion price for anti-dilution, and the dividend basis (if dividends are non-cumulative and based on the original issue price) will be the Conversion Price (rather than the price at which the Standard Preference Shares are sold in the Equity Financing).

2. Definitions

"**Business Day**" means a day other than a Saturday, Sunday or public holiday in Singapore.

"**Capital Shares**" means Ordinary Shares, Safe Preference Shares, Standard Preference Shares, or any other class of equity shares issued by the Company.

"**Company Capitalisation**" is calculated as of immediately prior to the Equity Financing on a **pre-money** basis and (without double counting):

- (a) **includes** all Ordinary Shares issued and outstanding;
- (b) **includes** all Ordinary Shares reserved and available for future grant under any equity incentive or similar plan of the Company existing before the Equity Financing (but excludes any new pool or increase to such pool established in connection with the Equity Financing);
- (c) **includes** all Ordinary Shares issuable on the conversion or exercise of outstanding Converting Securities, other than SAFEs; and
- (d) **excludes** all SAFEs and other convertible securities convertible into Capital Shares issued in the Equity Financing.

"**Converting Securities**" includes this Agreement and other SAFEs, all convertible securities (including convertible loan notes), and all rights to acquire shares (including share options and warrants).

"**Dissolution Event**", "**Equity Financing**", "**Liquidity Event**", "**Change of Control**", "**Initial Public Offering**", "**Liquidity Capitalisation**", "**Liquidity Price**", "**Ordinary Shares**", "**SAFE**", "**Safe Preference Shares**" and "**Standard Preference Shares**" have the meanings ordinarily used in the YC-style post-money SAFE form, adapted for Singapore — in summary:

- **Equity Financing** is a bona fide preference-share financing at a fixed valuation.

- **Liquidity Event** means a Change of Control (>50% voting power transfer, merger, amalgamation, consolidation, or sale of all or substantially all assets) or an Initial Public Offering on a recognised exchange (including SGX, Nasdaq or NYSE).
- **Dissolution Event** means a voluntary termination of operations, a general assignment for the benefit of creditors, or any other liquidation or winding up.
- **Liquidity Capitalisation** is the as-converted share count immediately prior to the Liquidity Event, treating Converting Securities other than this and other SAFEs as outstanding.
- **Liquidity Price** is the Valuation Cap divided by Liquidity Capitalisation.

3. Company Representations

The Company represents and warrants to the Investor that:

- (a) the Company is duly incorporated, validly existing and in good standing under the laws of Singapore;
- (b) the execution, delivery and performance of this Agreement is within the Company's power and has been duly authorised by all necessary corporate action on the part of the Company, including such authorisation under section 161 of the Companies Act 2014 (or any successor provision) and the Company's Constitution as is required for the allotment and issue of the shares contemplated by this Agreement;
- (c) this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable in accordance with its terms, subject to applicable insolvency, moratorium and similar laws of general application;
- (d) the performance of this Agreement does not and will not violate any material judgment, statute, rule or regulation applicable to the Company, nor accelerate any material indebtedness or contract to which the Company is a party; and
- (e) no consents or approvals are required in connection with the performance of this Agreement other than the Company's corporate approvals and any filings under applicable securities laws.

4. Investor Representations

The Investor represents and warrants to the Company that:

- (a) the Investor has full legal capacity to execute and deliver this Agreement and to perform its obligations under it, and this Agreement constitutes valid and binding obligations of the Investor;
- (b) the Investor is an "accredited investor" within the meaning of section 4A(1)(a) of the Securities and Futures Act 2001 of Singapore and is acquiring this Agreement for its own account, for investment purposes only, and not with a view to resale or distribution;

(c) the Investor has been afforded the opportunity to ask questions of, and to receive answers from, the Company and has sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the investment; and

(d) the Investor understands that this Agreement and any Capital Shares received under it are subject to restrictions on resale under the Securities and Futures Act 2001 and may only be resold under section 274, section 275, or any other applicable exemption.

5. Procedure

5.1 Allotment and issue

On the occurrence of an Equity Financing or Liquidity Event giving rise to an issue of Capital Shares under §1, the Company will:

(a) procure the Board (acting under the authority conferred on it by section 161 of the Companies Act 2014 and the Company's Constitution) to allot and issue the relevant Capital Shares to the Investor;

(b) update the Company's register of members under section 196 of the Companies Act 2014; and

(c) lodge the relevant return of allotment with ACRA within the time prescribed.

5.2 Investor as new shareholder

The Investor will, on or before the issue of any Capital Shares to it under this Agreement, execute and deliver any shareholders' agreement, deed of accession, Constitution or other transaction document executed by the other investors in the Equity Financing.

5.3 No fractional shares

Any fractional share will be rounded down to the nearest whole share. No cash payment will be made in lieu of fractional shares.

6. Miscellaneous

6.1 Entire agreement

This Agreement sets out the entire understanding between the parties as to its subject matter and supersedes all prior agreements between them.

6.2 Amendments and waivers

Any provision of this Agreement may be amended, waived or modified only by an instrument in writing signed by both parties.

6.3 Severability

If any provision is held to be invalid, illegal or unenforceable, the remaining provisions will not be affected.

6.4 Notices

Any notice under this Agreement must be in writing and delivered to the address (or email address) of the recipient set out at the top of this Agreement, or to any other address notified to the sender in writing.

6.5 Assignment

The Investor may not assign or transfer this Agreement without the prior written consent of the Company, except that the Investor may assign this Agreement to an affiliate of the Investor on giving prior written notice to the Company.

6.6 No third-party rights

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any term of this Agreement.

6.7 Counterparts

This Agreement may be executed in counterparts, including by electronic signature.

7. Governing Law and Disputes

This Agreement is governed by, and will be construed in accordance with, the laws of Singapore.

Any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, will be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre (SIAC) in accordance with the **SIAC Rules in force at the time of the dispute**, which rules are deemed to be incorporated by reference in this clause.

The seat of the arbitration will be **Singapore**. The tribunal will consist of **one** arbitrator. The language of the arbitration will be **English**. The parties agree that the award of the tribunal will be final and binding.

SIGNED by the parties on the date first written above.

For and on behalf of **CENDANA ROBOTICS PTE LTD**

Name: _____ Title: Director

MR TAN WEI MING

Signature: _____