

Post-money cap + pro-rata side letter — lead-investor SAFE round

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Sample SAFE #04 · 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) **ARBORISE LOGISTICS PTE LTD**, a company incorporated in Singapore (Company No. [UEN: 202507821D]), having its registered office at 5 Shenton Way, #11-04 UIC Building, Singapore 068808 (the "**Company**"); and

(2) **MERIDIAN CREST CAPITAL PTE LTD**, a company incorporated in Singapore (Company No. [UEN: 202178452H]), having its registered office at 50 Collyer Quay, #15-02 OUE Bayfront, Singapore 049321 (the "**Investor**").

In exchange for the payment by the Investor of **S\$1,000,000** (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 "**Post-Money Valuation Cap**" is **S\$3,000,000**.

This Agreement is accompanied by, and to be read together with, the **Side Letter** of even date in the form set out at the end of this Agreement.

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.

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 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 the Cash-Out Amount unless it gives written notice to the Company electing option (b) at least three Business Days before the Liquidity Event.

If the available funds are insufficient to pay all Cash-Out Investors in full, the available funds will be distributed pro rata to the Cash-Out Investors in proportion to their Purchase Amounts, with the balance converting to Ordinary Shares under option (b).

1.3 Dissolution Event

If there is a Dissolution Event before this Agreement terminates, the Company will pay the Purchase Amount to the Investor, due and payable immediately prior to, or concurrent with, the consummation of the Dissolution Event. The Purchase Amount ranks before distributions to Ordinary Shares but after creditors and any preference shares ranking senior to the Safe Preference Shares.

1.4 Termination

This Agreement will terminate (without relieving the Company of any obligations arising from a prior breach) 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.

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 **post-money** basis and (without double counting):

- (a) **includes** all Ordinary Shares issued and outstanding;
- (b) **includes** all Converting Securities (other than SAFEs and Convertible Securities convertible into Capital Shares issued in the Equity Financing) on an as-converted basis;
- (c) **includes** all shares reserved and available for future grant under any equity incentive or similar plan of the Company, and any equity incentive or similar plan to be created or increased in connection with the Equity Financing; but
- (d) **excludes** all SAFEs and Convertible Securities other than as expressly included.

"**Conversion Price**" is the **Safe Price**, being the price per share equal to the Post-Money Valuation Cap divided by the Company Capitalisation.

"**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**" each have the meanings 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).
- **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 Post-Money 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 and the Side Letter is within the Company's power and has been duly authorised by all necessary corporate action, including such authorisation under section 161 of the Companies Act 2014 and the Company's Constitution as is required for the allotment and issue of the shares contemplated by this Agreement;
- (c) this Agreement and the Side Letter constitute legal, valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable insolvency, moratorium and similar laws of general application;
- (d) the performance of this Agreement and the Side Letter 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 other investor** has been granted, and the Company will not grant to any other investor before the closing of the Equity Financing, a pro-rata right that is, in the aggregate, more favourable than that granted to the Investor under the Side Letter.

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 the Side Letter and to perform its obligations under them;
- (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; and
- (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.

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, together with the Side Letter, sets out the entire understanding between the parties as to their subject matter and supersedes all prior agreements between them.

6.2 Amendments and waivers

Any provision of this Agreement or the Side Letter 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 or the Side Letter without the prior written consent of the Company, except that the Investor may assign 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 and the Side Letter are 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 or the Side Letter, 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**.

Side Letter — Pro-Rata Participation Rights

This Side Letter is made on 15 March 2026 between **ARBORISE LOGISTICS PTE LTD** (the "**Company**") and **MERIDIAN CREST CAPITAL PTE LTD** (the "**Investor**"), and is to be read together with the SAFE of even date between the same parties (the "**SAFE**"). Capitalised terms used but not defined in this Side Letter have the meanings given to them in the SAFE.

1. Pro-rata right

If, at the closing of the Equity Financing, the Investor is issued Safe Preference Shares under §1.1 of the SAFE, then in respect of each Subsequent Equity Financing the Company will offer the Investor the right to subscribe for that number of new shares issued in the Subsequent Equity Financing that is necessary for the Investor to maintain its Pro-Rata Percentage.

2. Definitions for this Side Letter

"**Pro-Rata Percentage**" means the percentage that the number of Safe Preference Shares issued to the Investor under §1.1 of the SAFE (as adjusted for any subdivision, consolidation or other reorganisation) bears to the fully-diluted share capital of the Company immediately after the closing of the Equity Financing.

"**Subsequent Equity Financing**" means the first equity financing of the Company (whether a Series A, Series Seed extension, or otherwise) that closes after the Equity Financing but before an Initial Public Offering or Change of Control.

3. Procedure

(a) The Company will, **at least fifteen Business Days** before the proposed closing of any Subsequent Equity Financing, give the Investor written notice (the "**Pro-Rata Notice**") setting out: (i) the proposed terms and price per share of the Subsequent Equity Financing; (ii) the Investor's Pro-Rata Percentage; and (iii) the number of shares the Investor is entitled to subscribe for at that price to maintain its Pro-Rata Percentage.

(b) The Investor may elect to exercise its pro-rata right, in whole or in part, by written notice to the Company within **ten Business Days** of receipt of the Pro-Rata Notice. Failure to give that notice within the period will be deemed a waiver of the Investor's pro-rata right for the relevant Subsequent Equity Financing only (without prejudice to the Investor's pro-rata right in respect of any later Subsequent Equity Financing).

(c) Shares subscribed for under this Side Letter will be issued on the same terms (including the same price per share and the same form of subscription agreement) as the other shares issued in the Subsequent Equity Financing.

4. Termination of this Side Letter

This Side Letter will terminate automatically on the earliest of:

(a) the closing of an Initial Public Offering;

(b) the consummation of a Change of Control;

(c) the closing of a Subsequent Equity Financing in which the Investor declines (or is deemed to decline) to exercise its pro-rata right in respect of **more than 50%** of the shares it could have subscribed for; and

(d) the date this Side Letter is terminated by written agreement between the parties.

5. Standalone enforceability

The provisions of clauses 6 and 7 of the SAFE (Miscellaneous; Governing Law and Disputes) are incorporated into this Side Letter by reference and apply to this Side Letter as if set out in it.

SIGNED by the parties to the SAFE and this Side Letter on the date first written above.

For and on behalf of **ARBORISE LOGISTICS PTE LTD**

Name: _____ Title: Director

For and on behalf of **MERIDIAN CREST CAPITAL PTE LTD**

Name: _____ Title: Authorised Signatory