

Post-money cap + side letter (info rights + board observer) — Series-Seed extras

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Sample SAFE #05 · 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) **STRATOSPHERE COMPUTE PTE LTD**, a company incorporated in Singapore (Company No. [UEN: 202504612N]), having its registered office at 1 Wallich Street, #27-01 Guoco Tower, Singapore 078881 (the "**Company**"); and

(2) **BANYAN TREE CAPITAL PARTNERS PTE LTD**, a company incorporated in Singapore (Company No. [UEN: 202089123J]), having its registered office at 6 Battery Road, #38-04, Singapore 049909 (the "**Investor**").

In exchange for the payment by the Investor of **S\$750,000** (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\$10,000,000**.

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 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; and

(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.

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 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 procure the Board to allot and issue the relevant Capital Shares under section 161 of the Companies Act 2014, update the register of members under section 196 of the Companies Act 2014, and 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, 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.

Each party submits to the exclusive jurisdiction of the courts of Singapore in respect of any dispute, claim or proceeding (including non-contractual disputes or claims) arising out of or in connection with this Agreement, the Side Letter or its subject matter or formation.

Side Letter — Information Rights and Board Observer

This Side Letter is made on 15 March 2026 between **STRATOSPHERE COMPUTE PTE LTD** (the "**Company**") and **BANYAN TREE CAPITAL PARTNERS 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. Information rights

For as long as this Side Letter remains in force, the Company will provide the Investor with:

- (a) **Quarterly unaudited management accounts** (consisting of a profit and loss statement, balance sheet and cash-flow statement, in each case for the relevant quarter and year-to-date), within **forty-five days** after the end of each fiscal quarter;
- (b) **Annual audited financial statements** prepared in accordance with the Singapore Financial Reporting Standards (or, where the Company is exempt from audit, unaudited annual financial statements certified by a director), within **one hundred and twenty days** after the end of each fiscal year;
- (c) **An annual operating budget** approved by the Board, within **thirty days** after the start of each fiscal year, including projected profit and loss, cash flow and headcount for the year; and
- (d) **A current capitalisation table** showing all issued shares, options, SAFEs and other convertible securities (on a fully-diluted basis), within **thirty days** after the end of each fiscal quarter and on the closing of any new SAFE, convertible note, equity financing, share buyback or option grant.

2. Board observer

(a) The Company will permit one representative of the Investor (the "**Observer**") to attend all meetings of the Board in a non-voting observer capacity. The Investor will give the Company prior written notice of the identity of the Observer (and of any change).

(b) The Company will give the Observer the same notice of Board meetings, and copies of all Board materials, as it gives to directors. The Observer will be entitled to participate in Board meetings (in person or by telephone or video conference) but will not have voting rights, will not count towards quorum, and will not be entitled to remuneration or expenses.

(c) The Observer will, before attending any Board meeting or receiving any Board materials, sign a customary confidentiality undertaking in favour of the Company.

(d) **Exclusion right.** The Company may, by written notice to the Observer and the Investor, exclude the Observer from a particular Board meeting (or part of a meeting) and may withhold particular Board materials, in each case where the Board determines (acting in good faith) that exclusion or withholding is reasonably necessary to:

(i) preserve attorney–client or solicitor–client privilege;

(ii) prevent a material conflict of interest (including where the relevant matter relates to the Investor or any of its affiliates, or to a competitor in which the Investor has a material interest); or

(iii) comply with applicable law, regulation or contractual obligation.

(e) The Company will not use the exclusion right in paragraph (d) to deprive the Observer of the substance of material strategic or financial information of the Company over time.

3. Confidentiality

All information provided to the Investor or the Observer under this Side Letter is confidential and will not be disclosed by the Investor or the Observer to any third party except:

(a) to professional advisers of the Investor who are bound by professional duties of confidence;

(b) to limited partners or beneficial owners of the Investor (on a no-names, no-financials basis sufficient for the Investor to discharge its reporting obligations);

(c) as required by applicable law, regulation, court order or governmental authority; or

(d) with the prior written consent of the Company.

The Investor will procure that the Observer and any other recipient of confidential information under paragraphs (a) and (b) above complies with this clause.

4. Termination of this Side Letter

This Side Letter will terminate automatically on the earliest of:

(a) the closing of an Equity Financing in which the Investor is issued Standard Preference Shares (it being agreed that the information rights, board representation and other governance rights set out in the transaction documents for that Equity Financing will supersede this Side Letter);

(b) the closing of an Initial Public Offering;

(c) the consummation of a Change of Control; 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 **STRATOSPHERE COMPUTE PTE LTD**

Name: _____ Title: Director

For and on behalf of **BANYAN TREE CAPITAL PARTNERS PTE LTD**

Name: _____ Title: Authorised Signatory