TERM SHEET
[●] SERIES A PREFERRED

The provisions of this term sheet express the parties' mutual intent and will be non-binding except for this introduction section and section 'Miscellaneous' below. The Company and the Founders agree not to directly or indirectly discuss or solicit offers from other parties for equity financing during a period of 30 days. Except as required by law, the Company and the Founders will not discuss the terms of this term sheet with any person without the written consent of the Lead Investor.

Company	[●], a company incorporated in Hungary (**"Company"**).
Securities	Series A Preferred Shares (the **"Series A Preferred"** and together with any existing preference shares the **"Preferred Shares"**).
Lead Investor	[●] (**"Lead Investor"**).
Investment	Lead Investor: € [●] Existing shareholders and other investors: up to a maximum of € [●] (including conversion of outstanding convertible loans) Total: Between €[●]- €[●]
Founders	[●],[●], and [●] (the "**Founders**").
Valuation	€ [●] post-money valuation on a fully diluted basis (e.g. including conversion of convertible notes, options etc.), including a post investment unallocated option pool of at least [6%] percent (fully diluted) providing the Lead Investor with at least a 20% shareholding (fully diluted).
Vesting & Lock-up	[50% - 75%] of the Founder's shares are subject to vesting in [equal monthly instalments/front-loaded/back-loaded/10-20-30-40] during 4 years, subject to customary [good/bad leaver provisions.] During the vesting period, the Founders may not transfer their shares without approval of a majority of the Preferred Shares (the "**Preferred Majority**").
Exit/Liquidation Preference	Series A Preferred to receive [a standard non-participating 1x/2x/3x liquidation preference/participating liquidation preference] to rank senior to existing share classes.
Board	Lead Investor has the right to appoint one director to the board and one board observer.
Voting Rights	Approval of the Preferred Majority is required on customary reserved matters (for a venture capital investment of this type and stage, such as decision on amending AoA/SHA, changing share capital, taking out of credit/loan, issuance of debt instrument, declaring dividend, winding up the Company, etc.) to be based on the existing shareholders' agreement (subject to review). Preferred Shares vote with ordinary shares on an as converted basis.
Drag-Along	Any transfer of shares that would result in 50% or more of the outstanding voting rights of the Company being transferred to any person other than the Investor and [which is not a Company Sale] shall trigger an obligation on the proposed transferee to make an offer (a "**General Offer**") for all of the outstanding shares of the Company. The General Offer is to be made on like terms to the holders of different classes of shares save for certain standard provisions including, inter alia, that the Investor shall only be required to provide warranties as to title to the shares registered in its name and its capacity to enter into the relevant documents. If a General Offer is made and accepted by: (i) [the Investor / the holders of [●]% or more of the aggregate number of Series A Preferred Shares in issue and outstanding on the date of the General Offer]; and

(ii) [the holders of [●]% or more of the aggregate number of Ordinary Shares in issue and outstanding on the date of the General Offer],

(together, the "**Accepting Shareholders**"), then the Accepting Shareholders may exercise drag along rights in respect of the shares held by the non-accepting shareholders.

Other Rights Series A Preferred Shares will have customary rights of a venture capital financing of this type, including

- [broad based/narrow based] weighted average/ [full ratchet] anti-dilution rights,
- rights of first refusal, tag-along/co-sale rights,
- pre-emption rights and information rights.

Warranties Standard reps and warranties by the Company and each of the Founders with maximum liability for the Company equal to an aggregate of the Investment, and for each Founder: 1x their annual yearly salary. Compensation to be made by way of cash or shares at Lead Investors discretion.

Closing conditions Standard conditions to closing, including satisfactory completion of financial and legal due diligence, AML/KYC review.

Miscellaneous Jurisdiction & Governing Law; Confidentiality; Exclusion of Reps & Warranties