

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

IF THE INVESTOR LIVES OUTSIDE THE UNITED STATES, IT IS THE INVESTOR’S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE COMPANY RESERVES THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN PURCHASER.

**SECURITY TOKEN MARKET, LLC  
(F/K/A SECURITY TOKEN PLATFORM, LLC)**

**SAFE  
(Simple Agreement for Future Equity)**

**Series 2022**

THIS CERTIFIES THAT in exchange for the payment by [\*n\*] (the “**Investor**”, and together with all other Series 2022 SAFE holders, “**Investors**”) of \$[ ] (the “**Subscription Amount**”) on or about [\*d\*], Security Token Market, LLC (f/k/a Security Token Platform, LLC), a Florida limited liability company (the “**Company**”), shall issue the Investor a number of SAFE Units equal to the *quotient* of the Subscription Amount divided by the SAFE Unit Price. Each SAFE Unit conveys a pro rata right to certain Equity Interests (or amount of cash, as applicable) issued or distributed by the Company pursuant to the terms of this SAFE.

The Company shall generate blockchain-based digital tokens that are one-to-one digital representations of the SAFE Units (each a “**Token**,” collectively the “**Tokens**”) (i.e., one Token is a digital representation of one SAFE Unit).

The “**Post-Money Valuation Cap**” is \$20,000,000. See Section 2 for certain additional defined terms.

**1. Events**

(a) **Equity Financing.**

(i) If an Equity Financing occurs before this instrument terminates in accordance with Sections 1(b)-(d) (“**First Equity Financing**”), the Company shall promptly notify the Investor of the closing of the First Equity Financing and of the Company’s decision (in its absolute and sole discretion) to either (1) continue the term of this SAFE without converting the SAFE Units to Equity Interests; or (2) issue to SAFE Unit Holders a number of units or shares of the CF Shadow Series of the Equity Interests (whether

Preferred Securities or another class issued by the Company), as applicable, sold in the First Equity Financing. With respect to each SAFE Unit Holder, the number of units or shares of the CF Shadow Series of such Equity Interests shall equal the product of (x) the SAFE Unit Percentage Interest *multiplied by* (y) the quotient of the Aggregate Subscription Amount divided by the First Equity Financing Price.

(ii) If the Company elects to continue the term of this SAFE past the First Equity Financing and one or more additional Equity Financings occurs before the termination of this SAFE in accordance with Sections 1(b)-(d) (each, a “***Subsequent Equity Financing***”), the Company shall promptly notify the Investor of the closing of the Subsequent Equity Financing and of the Company’s decision (in its absolute and sole discretion) to either (1) continue the term of this SAFE without converting the SAFE Units to Equity Interests; or (2) issue to SAFE Unit Holders a number of units or shares of the CF Shadow Series of the Equity Interests (whether Preferred Securities or another class issued by the Company) sold in the Subsequent Equity Financing. With respect to each SAFE Unit Holder, the number of units or shares of the CF Shadow Series of such Equity Interests shall equal the product of (x) the SAFE Unit Percentage Interest *multiplied by* (y) the quotient of the Aggregate Subscription Amount divided by the First Equity Financing Price.

(b) **Liquidity Event.**

(i) If there is a Liquidity Event before the termination of this instrument and before any Equity Financing, the Company will at its sole discretion, subject to Section 1(b)(iii), select either (1) to make a cash payment to each SAFE Unit Holder of an amount equal to the product of (x) the SAFE Unit Percentage Interest *multiplied by* (y) the Aggregate Subscription Amount, or (2) to issue a number of units or shares of Common Securities to each SAFE Unit Holder equal to the product of (x) the SAFE Unit Percentage Interest *multiplied by* (y) the quotient of the Aggregate Subscription Amount divided by the Liquidity Price. In connection with this Section 1(b)(i), the cash payment will be due and payable by the Company immediately prior to, or concurrent with, the consummation of the Liquidity Event.

(ii) If there is a Liquidity Event after one or more Equity Financings have occurred but before the termination of this instrument, the Company will at its sole discretion, subject to Section 1(b)(iii), select either (1) to make a cash payment to each SAFE Unit Holder of an amount equal to the product of (x) the SAFE Unit Percentage Interest *multiplied by* (y) the Aggregate Subscription Amount, or (2) to issue a number of units or shares of the most recent issued Equity Interests (whether Preferred Securities or another class issued by the Company) to each SAFE Unit Holder equal to the product of (x) the SAFE Unit Percentage Interest *multiplied by* (y) the quotient of the Aggregate Subscription Price divided by the First Equity Financing Price. Units or Shares of Equity Interests granted in connection therewith shall have the same liquidation rights and preferences as the units or shares of Equity Interests issued in connection with the Company’s most recent Equity Financing.

(iii) The Company shall choose to issue Equity Interests under Sections 1(b)(i) or 1(b)(ii), if the fair market value of the Equity Interests, as determined immediately prior to the consummation of the Liquidity Event and in good faith by the Company’s managers (or board of directors if the Company becomes a corporation) is greater than the amount of cash payable under the applicable section. If the Company does not have enough funds to complete a cash payment in accordance with Sections 1(b)(i)(1) or 1(b)(ii)(1), then the Company shall choose to issue Equity Interests in accordance with the first sentence of this Section 1(b)(iii).

(iv) Notwithstanding Sections 1(b)(i)(2) or 1(b)(ii)(2), if the Company’s managers (or board of directors if the Company becomes a corporation) determines in good faith that delivery of Equity Interests to the SAFE Unit Holders pursuant to Sections 1(b)(i)(2) or 1(b)(ii)(2) would violate applicable law, rule or regulation, then the Company shall deliver to the SAFE Unit Holders in lieu thereof, a cash

payment equal to the fair market value of such Equity Interests, as determined in good faith by the Company's manager(s) (or board of directors if the Company becomes a corporation). If the Company does not have enough funds to complete a cash payment in accordance with this Section 1(b)(iv), then the Company's available funds will be distributed with equal priority and pro rata among the SAFE Unit Holders in proportion to their SAFE Unit Percentage Interests.

(c) **Dissolution Event**. If there is a Dissolution Event before this instrument terminates in accordance with Sections 1(a) or 1(b), subject to the preferences applicable to any series of Preferred Securities, the Company will distribute its entire assets legally available for distribution with equal priority among (i) the SAFE Unit Holders (based on their SAFE Unit Percentage Interest) (on an as converted basis based on a valuation of Common Securities as determined in good faith by the Company's manager(s) (or board of directors if the Company becomes a corporation) at the time of Dissolution Event), (ii) all other holders of instruments sharing in the assets of the Company at the same priority as holders of Common Securities upon a Dissolution Event, and (iii) and all holders of Common Securities.

(d) **Right to Repurchase**. The Company shall have the right to repurchase, at any time, any SAFE in whole by cash payment to each applicable SAFE Unit Holder in an amount equal to the product of (x) the SAFE Unit Percentage Interest *multiplied by* (y) Aggregate Subscription Amount *multiplied by* (z) one hundred and fifty (150). For the avoidance of doubt, the Company shall not be obligated to provide the holders of the SAFE written notice prior to the repurchase of the SAFE pursuant to this Section 1(d).

(e) **Termination**. This SAFE will terminate (without relieving the Company or the Investor of any obligations arising from a prior breach of or non-compliance with this instrument) upon the earlier to occur: (i) the issuance of Equity Interests whether in the CF Shadow Series or Common Securities to the SAFE Unit Holders pursuant to Section 1(a) or Section 1(b); (ii) the payment, or setting aside for payment, of amounts due to the SAFE Unit Holders pursuant to Sections 1(b) or 1(c); or (iii) the Company exercising its Right to Repurchase pursuant to Section 1(d). For the avoidance of doubt, upon the termination of this SAFE in accordance with the immediately preceding sentence, the Company shall be entitled to "burn" the Tokens without any further action/consent by the SAFE Unit Holder(s).

## **2. Definitions**

***"Aggregate Subscription Amount"*** shall mean the Subscription Amount of all Investors as of the Closing Date.

***"CF Shadow Series"*** shall mean a series of Equity Interests that is identical in all respects to the shares of Equity Interests (whether Preferred Securities or another class issued by the Company) issued in the relevant Equity Financing (e.g., if the Company sells Series A Preferred Securities in an Equity Financing, the Shadow Series would be Series A-CF Preferred Securities), except that:

- (i) CF Shadow Series members shall have no voting rights and shall not be entitled to vote on any matter that is submitted to a vote or for the consent of the members of the Company;
- (ii) Each of the CF Shadow Series members shall enter into a proxy agreement, in the form of **Exhibit A** attached hereto, appointing Securitize LLC as its irrevocable proxy with respect to any matter to which CF Shadow Series members are entitled to vote by law. Entering into such proxy agreement is a condition of receiving CF Shadow Series units and such agreement provides that Securitize LLC will vote with the majority of the holders of the relevant class of the Company's Equity Interests on any matters to which the proxy agreement applies; and

(iii) CF Shadow Series members have no information or inspection rights, except with respect to such rights deemed not waivable by laws.

**“Change of Control”** means (i) a transaction or series of related transactions in which any “person” or “group” (within the meaning of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of more than 50% of the outstanding voting securities of the Company having the right to vote for the election of members of the Company’s board of directors or manager(s), (ii) any reorganization, merger or consolidation of the Company, other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company.

**“Closing Date”** means the date notification is provided by the Intermediary confirming the completion of the transaction pursuant to 17 CFR §227.303(f).

**“Common Securities”** means common limited liability company membership units of the Company or common stock of the Company, if the Company is restructured as a corporation, including the securities issuable upon the conversion of this instrument pursuant to Section 1(b) or 1(c). For purposes of this SAFE, “common limited liability company membership units” refers to those interests in the Company that, as of the relevant event, would be last to receive a repayment of all capital contributions made in respect of such interests.

**“Dissolution Event”** means (i) a voluntary termination of operations, (ii) a general assignment for the benefit of the Company’s creditors, (iii) the commencement of a case (whether voluntary or involuntary) seeking relief under Title 11 of the United States Code (the “**Bankruptcy Code**”), or (iv) any other liquidation, dissolution or winding up of the Company (excluding a Liquidity Event), whether voluntary or involuntary.

**“Equity Financing”** shall mean the next sale (or series of related sales) by the Company of its Equity Interests to one or more third parties following the date of this instrument from which the Company receives gross proceeds of not less than \$10,000,000 cash or cash equivalent (excluding the conversion of any instruments convertible into or exercisable or exchangeable for Equity Interests, such as SAFEs or convertible promissory notes) with the principal purpose of raising capital.

**“Equity Interests”** shall mean Common Securities, Preferred Securities, any other capital or profits interest of the Company or any securities convertible into, exchangeable for or conferring the right to purchase (with or without additional consideration) Common Securities or Preferred Securities, except in each case, (i) any security granted, issued and/or sold by the Company to any manager, director, officer, employee, advisor or consultant of the Company in such capacity for the primary purpose of soliciting or retaining his, her or its services, (ii) any convertible promissory notes issued by the Company, and (iii) any SAFEs issued.

**“First Equity Financing Price”** shall mean (x) if the pre-money valuation of the Company immediately prior to the First Equity Financing is less than or equal to the Post-Money Valuation Cap, the lowest price per share of the Equity Interests sold in the First Equity Financing or (y) if the pre-money valuation of the Company immediately prior to the First Equity Financing is greater than the Post-Money Valuation Cap, the SAFE Price.

**“Fully Diluted Capitalization”** is calculated as of immediately prior to the First Equity Financing, and (without double-counting, in each case calculated on an as-converted to Common Securities basis):

- issued and outstanding Equity Interests, assuming full conversion or exercise of all convertible and exercisable securities then outstanding;
- units of convertible Preferred Securities and all outstanding vested or unvested options or warrants to purchase Equity Interests;
- all units or shares of Equity Interests reserved and available for future issuance under any of equity incentive plans or similar Company plan, except that any increase to this amount in connection with the First Equity Financing shall only be included to the extent that the number exceeds the number of units or shares of Equity Interests reserved and available for future issuance prior to such increase; and
- convertible promissory notes or SAFEs issued by the Company.

**“Intermediary”** means Securitize Markets, LLC, or a qualified successor.

**“IPO”** means (A) the completion of an underwritten initial public offering of Equity Interests by the Company pursuant to: (I) a final prospectus for which a receipt is issued by a securities commission of the United States or of a province of Canada, or (II) a registration statement which has been filed with the United States Securities and Exchange Commission and is declared effective to enable the sale of Equity Interests by the Company to the public, which in each case results in such equity securities being listed and posted for trading or quoted on a recognized exchange; or (B) the completion of a reverse merger or take-over whereby an entity (I) whose securities are listed and posted for trading or quoted on a recognized exchange, or (II) is a reporting issuer in the United States or the equivalent in any foreign jurisdiction, acquires all of the issued and outstanding Equity Interests of the Company.

**“Liquidity Capitalization”** means the number, as of immediately prior to the Liquidity Event, of units or shares of the Company’s Equity Interests (on an as-converted basis) outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, including any SAFEs and convertible promissory notes (excluding any convertible securities where the holders of such securities are receiving cash payments), but excluding: (i) all units or shares of Equity Interests reserved and available for future issuance under any of equity incentive plans or similar Company plan.

**“Liquidity Event”** means a Change of Control or an IPO.

**“Liquidity Price”** means the price per unit equal to (x) the Post-Money Valuation Cap divided by (y) the Liquidity Capitalization.

**“Lock-up Period”** means the period commencing on the date of the final prospectus relating to the Company’s IPO and ending on the date specified by the Company and the managing underwriter(s). Such period shall not exceed one hundred eighty (180) days, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports, and (ii) analyst recommendations and opinions.

**“Preferred Securities”** means the preferred limited liability company membership units of the Company or preferred stock of the Company if the Company is restructured as a corporation.

**“Regulation CF”** means Regulation Crowdfunding promulgated under the Securities Act.

**“SAFE”** means any simple agreement for future equity (or other similar agreement), including a SAFE, which is issued by the Company for bona fide financing purposes and which may convert into Equity Interests in accordance with its terms.

**“SAFE Price”** means the price per unit equal to (x) the Post-Money Valuation Cap divided by (y) the Fully Diluted Capitalization.

**“SAFE Unit”** means a unit representing a fractional part of this SAFE.

**“SAFE Unit Holder”** means a beneficial owner of one or more SAFE Units.

**“SAFE Unit Percentage Interest”** means with respect to each SAFE Unit Holder of this SAFE, the fraction, expressed as a percentage, the denominator of which is the aggregate number of SAFE Units issued under this SAFE and the numerator of which is number of SAFE Unit(s) held by respective SAFE Unit Holder.

**“SAFE Unit Price”** means an amount equal to five dollars and no cents (\$5.00), denominated in U.S. dollars.

**“Tokens”** mean the blockchain-based digital tokens representing the SAFE Units on a one-to-one basis (i.e., one Token represents one SAFE Unit) of the Series 2022 SAFEs.

### **3. Company Representations**

(a) The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the state of its organization, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Company of this instrument is within the power of the Company and, other than with respect to the actions to be taken when equity is to be issued to the Investor, has been duly authorized by all necessary actions on the part of the Company. This instrument constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. To the knowledge of the Company, it is not in violation of (i) its current charter or bylaws; (ii) any material statute, rule or regulation applicable to the Company; or (iii) any material indenture or contract to which the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) The performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) No consents or approvals are required in connection with the performance of this instrument, other than: (i) approvals from the Company’s members or board of managers; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary corporate approvals for the authorization of Equity Interests issuable or other amounts payable pursuant to Section 1.

(e) If the Company, prior to the conversion of this instrument, is restructured as a corporation, then it shall reserve from its authorized but unissued shares of Equity Interests for issuance and delivery upon the conversion of this instrument, such number of shares of the Equity Interests as necessary to effect the conversion contemplated by this instrument, and, from time to time, will take all steps necessary to amend its charter to provide sufficient authorized numbers of shares of the Equity Interests issuable upon the conversion of this instrument. All such shares shall be duly authorized, and when issued upon any such conversion, shall be validly issued, fully paid and non-assessable, free and clear of all liens, security interests, charges and other encumbrances or restrictions on sale and free and clear of all preemptive rights, except encumbrances or restrictions arising under federal or state securities laws.

(f) The Company is (i) not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act, (ii) not an investment company as defined in Section 3 of the Investment Company Act of 1940 (the “**Investment Company Act**”), and is not excluded from the definition of investment company by Section 3(b) or Section 3(c) of the Investment Company Act, (iii) not disqualified from selling securities under Rule 503(a) of Regulation CF, (iv) not barred from selling securities under Section 4(a)(6) of the Securities Act due to a failure to make timely annual report filings, (vi) not planning to engage in a merger or acquisition with an unidentified company or companies, and (vii) organized under, and subject to, the laws of a state or territory of the United States or the District of Columbia.

(g) The Company has, or will shortly after the issuance of this instrument, engage a transfer agent registered with the U.S. Securities and Exchange Commission to act as the sole registrar and transfer agent for the Company with respect to the SAFE.

(h) The Company is (i) not required to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 (the “**Exchange Act**”), (ii) not an investment company as defined in section 3 of the Investment Company Act of 1940, and is not excluded from the definition of investment company by section 3(b) or section 3(c) of such Act, (iii) not disqualified from selling securities under Rule 503(a) of Regulation CF, (iv) not barred from selling securities under §4(a)(6) due to a failure to make timely annual report filings, (vi) not planning to engage in a merger or acquisition with an unidentified company or companies, and (vii) organized under, and subject to, the laws of a state or territory of the United States or the District of Columbia.

#### **4. Investor Representations**

(a) The Investor has full legal capacity, power, and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes a valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity.

(b) The Investor has been advised that this instrument and the underlying securities have not been registered under the Securities Act or any state securities laws and are offered and sold hereby pursuant to Section 4(a)(6) of the Securities Act. The Investor understands that neither this instrument nor the underlying securities may be resold or otherwise transferred unless they are registered under the Securities Act and applicable state securities laws or pursuant to Rule 501 of Regulation CF, in which case certain state transfer restrictions may apply.

(c) The Investor is purchasing this instrument and the securities to be acquired by the Investor hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Investor has no present intention of selling,

granting any participation in, or otherwise distributing the same. The Investor understands that the Securities have not been, and will not be, registered under the Securities Act or any state securities laws, by reason of specific exemptions under the provisions thereof which depend upon, among other things, the bona fide nature of the investment intent and the accuracy of each Investor's representations as expressed herein.

(d) The Investor acknowledges, and is purchasing this instrument in compliance with, the investment limitations set forth in Rule 100(a)(2) of Regulation CF, promulgated under Section 4(a)(6)(B) of the Securities Act.

(e) The Investor acknowledges that the Investor has received all the information the Investor has requested from the Company that the Investor considers necessary or appropriate for deciding whether to acquire this instrument and the underlying securities, and the Investor represents that the Investor has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of this instrument and the underlying securities and to obtain any additional information necessary to verify the accuracy of the information given to the Investor. In deciding to purchase this instrument, the Investor is not relying on the advice or recommendations of the Company or of the Intermediary and the Investor has made its own independent decision that an investment in this instrument and the underlying securities is suitable and appropriate for the Investor. The Investor understands that no federal or state agency has passed upon the merits or risks of an investment in this instrument and the underlying securities or made any finding or determination concerning the fairness or advisability of this investment.

(f) The Investor understands and acknowledges that as a SAFE investor, the Investor shall have no voting, information, or inspection rights, aside from any disclosure requirements the Company is required to make under relevant securities regulations.

(g) The Investor understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for this instrument and the securities to be acquired by the Investor hereunder.

(h) The Investor is not (i) a citizen or resident of a geographic area in which the purchase or holding of the SAFE and the underlying securities is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other applicable sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals List, the U.S. Department of State's Debarred Parties List, or other applicable sanctions lists. Investor hereby represents and agrees that if Investor's country of residence or other circumstances change such that the above representations are no longer accurate, Investor will immediately notify Company. Investor further represents and warrants that it will not knowingly sell or otherwise transfer any interest in the SAFE or the underlying securities to a party subject to U.S. or other applicable sanctions.

(i) If the Investor is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), the Investor hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation, subscription and payment for, and continued ownership of, its beneficial interest in the SAFE and the underlying securities will not violate any applicable securities or other laws of the Investor's jurisdiction, including (i) the legal requirements within its jurisdiction for the subscription and the purchase of its beneficial interest in the SAFE; (ii) any foreign exchange restrictions applicable to such subscription and purchase; (iii) any governmental or other consents that may need to be obtained; and (iv) the income tax and other tax



consequences, if any, that may be relevant to the purchase, holding, conversion, redemption, sale, or transfer of its beneficial interest in the SAFE and the underlying securities. The Investor acknowledges that the Company has taken no action in foreign jurisdictions with respect to the SAFE (and the Investor's beneficial interest therein) and the underlying securities.

(j) If the Investor is a corporate entity: (i) such corporate entity is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to enter into this SAFE; (ii) the execution, delivery and performance by the Investor of the Agreement is within the power of the Investor and has been duly authorized by all necessary actions on the part of the Investor; (iii) to the knowledge of the Investor, it is not in violation of its current charter or bylaws, any material statute, rule or regulation applicable to the Investor; and (iv) the performance the Agreement does not and will not violate any material judgment, statute, rule or regulation applicable to the Investor; result in the acceleration of any material indenture or contract to which the Investor is a party or by which it is bound, or otherwise result in the creation or imposition of any lien upon the Purchase Amount.

(k) The Investor further acknowledges that it has read, understood, and had ample opportunity to ask Company questions about its business plans, "Risk Factors," and all other information presented in the Company's Form C and the offering documentation filed with the SEC.

(l) The Investor represents that the Investor understands the substantial likelihood that the Investor will suffer a **TOTAL LOSS** of all capital invested, and that Investor is prepared to bear the risk of such total loss.

## ***5. Transfer Restrictions.***

(a) The Investor hereby agrees that during the Lock-up Period it will not, without the prior written consent of the managing underwriter: (A) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any units or shares of Equity Interests or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Equity Interests (whether such units or any such securities are then owned by the Investor or are thereafter acquired); or (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities; whether any such transaction described in clause (A) or (B) above is to be settled by delivery of Equity Interests or other securities, in cash, or otherwise.

(b) The foregoing provisions of Section 5(a) will: (x) apply only to the IPO and will not apply to the sale of any of the Company's securities issued to an underwriter pursuant to an underwriting agreement; (y) not apply to the transfer of any Company's securities to any trust for the direct or indirect benefit of the Investor or the immediate family of the Investor, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer will not involve a disposition for value; and (z) be applicable to the Investor only if all managers and officers of the Company are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all members individually owning more than 5% of the outstanding Common Securities or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Securities. Notwithstanding anything herein to the contrary, the underwriters in connection with the IPO are intended third-party beneficiaries of Section 5(a) and will have the right, power, and authority to enforce the provisions hereof as though they were a party hereto. The Investor further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with the IPO that are consistent with Section 5(a) or that are necessary to give further effect thereto.

(c) In order to enforce the foregoing covenant, the Company may impose stop transfer instructions with respect to the Investor's registrable securities of the Company (and the Company securities or securities of every other person subject to the foregoing restriction) until the end of the Lock-up Period. The Investor agrees that a legend reading substantially as follows will be placed on all certificates representing all of the Investor's registrable securities of the Company (and the securities of the Company held by every other person subject to the restriction contained in Section 5(a)):

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK-UP PERIOD BEGINNING ON THE EFFECTIVE DATE OF THE COMPANY'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE COMPANY'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SECURITIES.

(d) Without in any way limiting the representations and warranties set forth in Section 4 above, the Investor further agrees not to make any disposition of all or any portion of this instrument or the underlying securities unless and until the transferee has agreed in writing for the benefit of the Company to make the representations and warranties set out in Section 4 and the undertaking set out in Section 5(a) and:

(i) There is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(ii) There is an available exemption from registration under the Securities Act covering such proposed disposition and such disposition is made in accordance with such exemption from registration.

(e) The Investor understands and agrees that the Company will place the legend set forth below or a similar legend on any book entry or other forms of notation including digital blockchain tokens evidencing this SAFE and any certificates evidencing the underlying securities, together with any other legends that may be required by state or federal securities laws, the Company's charter or bylaws, any other agreement between the Investor and the Company or any agreement between the Investor and any third party:

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED BY RULE 501 OF REGULATION CROWDFUNDING UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

## **6. *Miscellaneous***

(a) The Investor agrees to take any and all actions determined in good faith by the Company's board of managers or equivalent governance body to be advisable to reorganize this instrument and any Equity Interests issued pursuant to the terms of this instrument into a special purpose vehicle or other entity

designed to aggregate the interests of holders of SAFEs.

(b) Any provision of this instrument may be amended, waived or modified only upon the written consent of either (i) the Company and the Investor, or (ii) the Company and the majority of the Investors (calculated based on the Purchase Amount of each Investors SAFE).

(c) Any notice required or permitted by this instrument will be deemed sufficient when delivered personally or by overnight courier or sent by email to the relevant address listed on the signature page, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address listed on the signature page, as subsequently modified by written notice.

(d) The Investor is not entitled, as a holder of this instrument, to vote or receive dividends or be deemed the holder of Equity Interests for any purpose, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a member of the Company or any right to vote for the election of directors/manager(s) or upon any matter submitted to member at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise until units have been issued upon the terms described herein.

(e) Neither this instrument nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this instrument and/or the rights contained herein may be assigned without the Company's consent by the Investor to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, director, or officer of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or units the same management company with, the Investor; and *provided, further*, that the Company may assign this instrument in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile or organizational form.

(f) In the event any one or more of the terms or provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the terms or provisions of this instrument operate or would prospectively operate to invalidate this instrument, then such term(s) or provision(s) only will be deemed null and void and will not affect any other term or provision of this instrument and the remaining terms and provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(g) All securities issued under this instrument may be issued in whole or fractional parts, in the Company's sole discretion.

(h) All rights and obligations hereunder will be governed by the laws of the State of Delaware, without regard to the conflicts of law provisions of such jurisdiction.

(i) Any dispute, controversy or claim arising out of, relating to or in connection with this instrument, including the breach or validity thereof, shall be determined by final and binding arbitration administered by the American Arbitration Association (the "**AAA**") under its Commercial Arbitration Rules and Mediation Procedures ("**Commercial Rules**"). The award rendered by the arbitrator shall be final, non-appealable and binding on the parties and may be entered and enforced in any court having jurisdiction. There shall be one arbitrator agreed to by the parties within twenty (20) days of receipt by respondent of the request for arbitration or, in default thereof, appointed by the AAA in accordance with its Commercial Rules. The place of arbitration shall be Miami, Florida. Except as may be required by law or to protect a

legal right, neither a party nor the arbitrator may disclose the existence, content or results of any arbitration without the prior written consent of the other parties.

(j) The parties acknowledge and agree that for United States federal and state income tax purposes this SAFE is, and at all times has been, intended to be characterized as stock, and more particularly as common stock for purposes of Sections 304, 305, 306, 354, 368, 1036 and 1202 of the Internal Revenue Code of 1986, as amended. Accordingly, the parties agree to treat this SAFE consistent with the foregoing intent for all United States federal and state income tax purposes (including, without limitation, on their respective tax returns or other informational statements).

(k) The Investor agrees any action contemplated by this SAFE and requested by the Company must be completed by the Investor within thirty (30) calendar days of receipt of the relevant notice (whether actual or constructive) to the Investor.

*(Signature page follows)*

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

<b>INVESTOR (if an individual):</b>
By: _____ Name: _____

State/Country of Domicile: \_\_\_\_\_

<b>INVESTOR (if an entity):</b>
_____ Legal Name of Entity
By: _____
Name: _____
Title: _____

State/Country of Domicile or Formation: \_\_\_\_\_

The offer to purchase the instrument as set forth above is confirmed and accepted by the Company as to the aggregate purchase price for the instrument the Investor hereby irrevocably subscribes for is:

[PURCHASE AMOUNT].

**SECURITY TOKEN MARKET, LLC, A FLORIDA LIMITED LIABILITY COMPANY**

By: \_\_\_\_\_

Name:

Title:

## Exhibit A – CF Shadow Unit Proxy

### Irrevocable Proxy

Reference is hereby made to a certain Crowdfunding Simple Agreement for Future Equity (the “**SAFE**”) dated [Date of SAFE] between Security Token Market, LLC (f/k/a Security Token Platform, LLC), a Florida limited liability company (the “**Company**”) and [Investor Name] (“**Member**”). Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the SAFE. In connection with a conversion of Member’s investment in the SAFE into Equity Interests of a CF Shadow Series (as defined in the SAFE) pursuant to the SAFE, the Member and Securitize LLC or qualified successor as another holder of Equity Interests of a CF Shadow Series hereby agree as follows:

#### 1) Grant of Irrevocable Proxy.

- a) With respect to all of the units or shares of Equity Interests of CF Shadow Series owned by the Member as of the date of this Irrevocable Proxy or any subsequent date (the “**Units**”), Member hereby grants to Securitize LLC an irrevocable proxy under the applicable provisions of the Florida Statutes to vote the Units in any manner that Securitize LLC may determine in its sole and absolute discretion. For the avoidance of doubt, Securitize LLC, as the holder (“**Holder**”) of the irrevocable proxy (rather than the Member) will vote the Units with respect to all member meetings and other actions (including actions by written consent in lieu of a meeting) on which holders of Units may be entitled to vote. Securitize LLC hereby agrees to vote all Units consistently with the majority of the Equity Interests on which the CF Shadow Series is based. This proxy revokes any other proxy granted by the Member at any time with respect to the Units.
- b) Securitize LLC shall have no duty, liability, or obligation whatsoever to the Member arising out of the exercise of this irrevocable proxy by Securitize LLC. The Member expressly acknowledges and agrees that (i) the Member will not impede the exercise of the rights of Securitize LLC under this irrevocable proxy and (ii) the Member waives and relinquishes any claim, right or action the Member might have, as a member of the Company or otherwise, against Securitize LLC or any of its affiliates or agents (including any officers, managers, members, and employees) in connection with any exercise of the irrevocable proxy granted hereunder.
- c) This irrevocable proxy shall expire as to those Units on the earlier of (i) the date that such Units are converted into Common Securities of the Company or (ii) the date that such Units are converted to cash or a cash equivalent, but shall continue as to any Units not so converted.

#### 2) Legend. The Member agrees to permit an appropriate legend on certificates evidencing the Units or any transfer books or related documentation of ownership reflecting the grant of the irrevocable proxy contained in the foregoing Section 1.

#### 3) Representations and Warranties. The Member represents and warrants to Securitize LLC as follows:

- a) The Member has all the necessary rights, power and authority to execute, deliver and perform his obligations under this Irrevocable Proxy. This Irrevocable Proxy has been duly executed and delivered by the Member and constitutes such Member’s legal and valid obligation enforceable against the Member in accordance with its terms.
- b) The Member is the record owner of the Units and the Member has plenary voting and dispositive power with respect to such Units; the Member owns no other units of the Equity Interests of the

Company; there are no proxies, voting trusts, or other agreements or understandings to which such Member is a party or bound by and which expressly require that any of the Units be voted in any specific manner other than pursuant to this irrevocable proxy; and the Member has not entered into any agreement or arrangement inconsistent with this Irrevocable Proxy.

- 4) **Equitable Remedies.** The Member acknowledges that irreparable damage would result if this Irrevocable Proxy is not specifically enforced and that, therefore, the rights and obligations of Securitize LLC may be enforced by a decree of specific performance issued by arbitration pursuant to the SAFE, and appropriate injunctive relief may be applied for and granted in connection therewith. Such remedies shall, however, not be exclusive and shall be in addition to any other remedies that Securitize LLC may otherwise have available.
- 5) **Defined Terms.** All terms defined in this Irrevocable Proxy shall have the meaning defined herein. All other terms will be interpreted in accordance with the SAFE.
- 6) **Amendment.** Any provision of this instrument may be amended, waived or modified only upon the written consent of the (i) the Member and (ii) Securitize LLC.
- 7) **Assignment.**
  - a) In the event the Member wishes to transfer, sell, hypothecate, or otherwise assign any Units, the Member hereby agrees to require, as a condition of such action, that the counterparty or counterparties thereto must enter into a proxy agreement with Securitize LLC substantially identical to this Irrevocable Proxy.
  - b) Securitize LLC may transfer its rights as Holder under this instrument after giving prior written notice to the Member.
- 8) **Severability.** In the event any one or more of the terms or provisions of this instrument is for any reason held to be invalid, illegal, or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the terms or provisions of this instrument operate or would prospectively operate to invalidate this instrument, then such term(s) or provision(s) only will be deemed null and void and will not affect any other term or provision of this instrument, and the remaining terms and provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

*(Signatures page follows)*



IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

**SECURITIZE LLC:**

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**MEMBER:**

By:

Name:

Title (if an entity):