

# Shareholders Agreement (SHA) – Term Sheet Summary

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This document summarizes the key proposed terms for a Shareholders Agreement to be entered into upon the closing of the Seed Equity Financing.

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<b>Term</b>	<b>Description</b>
<b>Parties</b>	The Company (C51 Consulting Pty Ltd), the Founders, and all Investors participating in the Seed round.
<b>Board Composition</b>	The Board will consist of 3 directors: 1 appointed by the Founders, 1 appointed by the Lead Investor, and 1 Independent Director mutually agreed upon by both.
<b>Founder Vesting</b>	Founder shares will be subject to a 4-year vesting schedule with a 1-year cliff. 25% of shares vest after 12 months, with the remainder vesting monthly over the following 36 months.
<b>Information Rights</b>	Major Investors (holding >5% of issued capital) will receive standard information rights, including quarterly financial statements and an annual budget.
<b>Pro-Rata Rights</b>	All Investors will have the right to participate in future financing rounds to maintain their percentage ownership.
<b>Right of First Refusal (ROFR)</b>	The Company and/or Major Investors will have a right of first refusal on any proposed sale of shares by other shareholders.
<b>Co-Sale Rights</b>	If a Founder proposes to sell shares, all other shareholders will have the right to participate in the sale on a pro-rata basis.
<b>Drag-Along Rights</b>	If the holders of >75% of the Company's shares approve a sale of the Company, all other shareholders will be required to vote in favor of the transaction.
<b>Protective Provisions</b>	Certain major corporate actions will require the consent of a majority of the Investor Directors, including (but not limited to): issuing new shares, changing the rights of shares, incurring significant debt, or selling the Company.
<b>Governing Law</b>	The agreement will be governed by the laws of New South Wales, Australia.

*(This is a summary term sheet only. A full Shareholders Agreement will be drafted by legal counsel based on these principles.)*