CONVERTIBLE LOAN AGREEMENT

Location: ______________________________ Execution Date: ________________________________

PARTIES:

Lender Name: ____

Lender Address: ____

Borrower Name: ____

Borrower Address: ____

RECITALS:

WHEREAS, Lender agrees to loan Borrower certain funds under the terms and conditions set forth in this Convertible Loan Agreement (the "Agreement"); and WHEREAS, Borrower desires to borrow such funds and understands that the loan may convert into equity under the conditions set forth herein.

1. Loan Amount and Disbursement

Lender agrees to loan Borrower the principal sum of __________ USD (the "Loan"). The Loan shall be disbursed to Borrower upon execution of this Agreement and fulfillment of any conditions precedent.

2. Interest Rate

The Loan shall bear interest at a fixed annual rate of ________ percent (___%) compounded annually from the date of disbursement until conversion or repayment.

3. Maturity Date

The Loan shall mature on __________ (the "Maturity Date"), at which time all unpaid principal and accrued interest shall be due and payable unless earlier converted pursuant to Section 5.

4. Use of Proceeds

Borrower shall use the Loan proceeds solely for lawful business purposes as described in the business plan provided to Lender.

5. Conversion

The outstanding principal and accrued but unpaid interest on the Loan shall automatically convert into shares of Borrower's capital stock (the "Conversion Shares") upon the closing of a qualified equity financing of at least __________ USD, at a conversion price per share equal to the lesser of (i) a discount of _______ percent (___%) to the price per share paid by the investors in such financing or (ii) a valuation cap of __________ USD on Borrower's pre-money valuation.

6. Prepayment

Borrower may prepay the Loan in whole or in part at any time prior to conversion or maturity without penalty, provided that any accrued but unpaid interest shall be paid in full at the time of prepayment.

7. Representations and Warranties of Borrower

Borrower represents and warrants to Lender that (a) Borrower is duly organized, validly existing and in good standing under the laws of its jurisdiction; (b) Borrower has full power and authority to enter into this Agreement and perform its obligations; (c) the execution and delivery of this Agreement have been duly authorized; and (d) this Agreement constitutes a valid and binding obligation enforceable against Borrower in accordance with its terms.

8. Representations and Warranties of Lender

Lender represents and warrants that (a) Lender has full power and authority to enter into this Agreement; (b) Lender is acquiring the Loan for investment purposes only and not with a view to distribution; and (c) Lender has had the opportunity to ask questions and receive information about Borrower to its satisfaction.

9. Events of Default

The occurrence of any of the following shall constitute an Event of Default: (a) Borrower fails to pay principal or interest when due; (b) Borrower becomes insolvent or subject to bankruptcy or receivership proceedings; (c) Borrower breaches any material provision of this Agreement and fails to cure within thirty (30) days after written notice.

10. Remedies Upon Default

Upon an Event of Default, Lender may declare the entire unpaid principal and accrued interest immediately due and payable and pursue any remedies available at law or in equity, including specific performance and injunctive relief.

11. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of __________ without regard to its conflict of laws principles.

12. Notices

All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given upon delivery to the parties at their respective addresses set forth above or at such other address as a party may specify by notice.

13. Amendments and Waivers

Any term or provision of this Agreement may be amended or waived only by a written instrument signed by the party against whom enforcement is sought.

14. Assignment

Neither party may assign this Agreement or any rights or obligations hereunder without the prior written consent of the other party; provided, however, that Lender may assign this Agreement without Borrower’s consent to an affiliate or successor.

15. Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior discussions, agreements or understandings of any kind.

16. Severability

If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remaining provisions shall remain in full force and effect.

17. Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

18. No Waiver

No failure or delay by any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof.

19. Binding Effect

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

20. Further Assurances

Each party shall execute and deliver such further documents and take such further actions as may be necessary or desirable to effectuate the purposes of this Agreement.

LENDER'S SIGNATURE	BORROWER'S SIGNATURE
Signature: ___________________________	Signature: ___________________________