TERM SHEET

Confidential — For Discussion Purposes Only

Borrower: COMPANY, Inc. (the "Borrower"), with Co-Borrowers (if applicable) to be determined upon final review of the corporate structure.

Lender: Growth Capital Partners (the "Lender")

1. Senior Revolving Line of Credit

Facility Amount

Committed Amount	$5,000,000 committed at Closing
Accordion	$2,500,000 uncommitted accordion ($7,500,000 total)
Availability	Lesser of (a) Commitment Amount or (b) Borrowing Formula

Availability & Borrowing Formula

- Borrowings up to 900% of US Monthly Recurring Revenue (MRR) on a trailing 3-month average basis
- US MRR = GAAP revenue from software license subscriptions recognized in a given month
- Effective Advance Rate = 900% x (1 - Net Revenue Churn)
- Net Revenue Churn = lost revenue from cancellations/downsizing + upsell, trailing 3-month annualized (not less than 0%)

Step-downs in Advance Rate:

- Through 7/31/2026: 900% x (1 - Net Revenue Churn)
- 8/1/2026 - 7/31/2027: 750% x (1 - Net Revenue Churn)
- 8/1/2027 - Maturity: 600% x (1 - Net Revenue Churn)

Example: If trailing 3-month MRR = $365K and churn = 5%, advance rate = 855%, availability = $3.12M.

Collections & Repayment

- All A/R collections flow through Lender-controlled cash collection account (CCA) and lockbox
- Borrower has until 10/31/2025 to direct customer payments to CCA
- Interest payable monthly; principal due at maturity
- Lender reserves right to sweep collections against outstanding borrowings

Fees

Commitment Fee	0.30% of Commitment Amount payable in three installments: 0.10% at Closing, 0.10% at 1st Anniversary, 0.10% at 2nd Anniversary
Unused Fee	0.25% of unused Commitment Amount, payable quarterly in arrears
Early Termination	1.00% of Commitment Amount if terminated within 12 months; waived if refinanced with Lender

Interest Rate & Maturity

Rate	WSJ Prime + 0.50% (floating)
Floor	5.50%
WSJ Prime (current)	7.50%
Maturity	August 31, 2028

Financial Covenants

1. Minimum Annual Recurring Revenue (ARR) — tested quarterly:

Test Date	Minimum ARR
9/30/2025	$5.5M
12/31/2025	$6.25M
3/31/2026	$7.25M
6/30/2026	$7.75M
9/30/2026	$9.1M
12/31/2026	$10.0M
Post-2026	Levels mutually agreed annually within 30 days of fiscal year-end

2. Minimum Cash: At least $1.5M unrestricted cash with Lender (tested monthly and at all times)

3. Field Exam (Collateral Audit): Annually or as reasonably required. Initial exam within 60 days of close (borrowings capped at $1.0M until complete). Borrower responsible for costs (capped at $1,500/day + expenses, once per 4 quarters unless in default).

Warrant

- Warrant to purchase common stock equal to 0.075% of fully diluted ownership:
- 0.025% at close
- 0.025% upon LOC > $1.5M
- 0.025% upon LOC > $2.5M

- Strike price = FMV per latest 409a valuation
- 10-year exercisability; cashless exercise permitted
- Exempt from pay-to-play until exercised
- Survives merger/acquisition (except all-cash or public stock acquisitions)

2. Senior Growth Capital Term Loan ("Venture Debt")

Facility Amount

Total	$2,500,000 total, drawn in increments of $500,000
Draw Period	Available through 8/31/2027

Repayment

• Interest-only through 8/31/2027
• Thereafter: 24 equal monthly installments of principal + interest

Fees & Interest

Commitment Fee	None
Interest Rate	WSJ Prime + 0.75% (floor = 5.50%)
Unused Fee	None
Prepayment Fee	2.00% if prepaid before 1st Anniversary (waived if refinanced with Lender)
Maturity	August 1, 2029
Financial Covenants	None

Warrant

• 0.0375% at close
• 0.0375% pro-rata upon each draw
• Same terms as Line of Credit warrant above

3. Other Terms & Conditions

Total Debt Cap

• Total debt (Senior LOC + Term Loan) cannot exceed 1.0x Global ARR (tested monthly)
• Global ARR = most recent month-end GAAP SaaS revenue x 12
• If exceeded, Borrower must immediately repay, prioritizing LOC before Term Loan

Collateral

• First-priority security interest in all assets
• Negative pledge on IP

Reporting Requirements

• Monthly: Consolidated financials, A/R and A/P agings, Borrowing Base Report with SaaS metrics
• Annual: Audited financials (due within 180 days of FY-end, starting FY25)
• Annual: Board-approved projections (due within 60 days of FY-end or first board meeting)

Banking Relationship

• Borrower to maintain 85% of global operating accounts and excess cash with Lender
• All primary banking (LOCs, credit cards, LCs) with Lender
• Carve-outs for normal course operations to be agreed

Other Terms

Events of Default	Customary, including Material Adverse Change

Standard Covenants	Affirmative and negative covenants including limitations on debt, liens, investments, restricted payments, M&A;, asset sales, capex, leases, and affiliate transactions, subject to baskets and exceptions
HoldCo Transition	Borrower must establish a U.S. holding company as loan party within 12 months
Good Faith Deposit	$15,000 at signing (balance refunded net of costs)
Confidentiality	Term sheet contents remain confidential except where disclosure is required by law

4. Process & Closing

Execution Deadline	8/29/2025
Closing Date	Within 30 days of execution (extendable by 30 days if parties negotiate in good faith)
Binding Nature	Non-binding. This term sheet is not a loan commitment; definitive documentation and credit approvals required.

Conditions Precedent

- No revisions to board-approved forecast provided to Lender
- Repayment of all existing debt at or prior to Closing
- Completion of due diligence (business, legal, shareholder calls)
- Final internal credit approval by Lender
