



## Setting up a Leapfunder Special Purpose Vehicle for your Leapfunder Note investors



- You have raised funding through a Leapfunder Note. There has been a qualifying event, or you have agreed a conversion in another way. The start-up is responsible for managing the set-up of the SPV. What needs to happen?
  - The start-up is responsible for setting up the SPV, but you cannot do this without the support of a legal professional
  - Leapfunder uses pre-approved legal professionals. Please ask Leapfunder to put you in touch with the relevant legal professional in your jurisdiction
  - A conversion requires a number of calculations to be carried out carefully. The start-up is responsible for the accuracy of these calculations, but:
    - Leapfunder has template spreadsheets which you can use
    - You may wish to have a formal double-check carried out by an accountant or another independent professional. Leapfunder can put you in touch with the relevant independent expert in your jurisdiction
- The steps the start-up needs to go through:
  1. Contact Leapfunder for an introduction to the process
  2. Calculate the conversion equivalents, using a standard model or otherwise
  3. Optional: have your calculation double-checked by an independent professional
  4. Optional: submit your checked calculations to your Leapfunder investors for a review
  5. Instruct the legal professional that you wish to create the SPV, appoint the board of the SPV, and issue start-up shares to the SPV
  6. Instruct the SPV to issue SPV Shares to the Leapfunder investors