

[[Company Name]]

COMMON STOCK PURCHASE AGREEMENT

This Common Stock Purchase Agreement (the “**Agreement**”) is made as of DATE by and among COMPANY, a Delaware corporation (the “**Company**”), INDIVIDUAL1, INDIVIDUAL2, (collectively, the “**Founders**”), and PURCHASER (the “**Purchaser**”).

In consideration of the mutual covenants and representations set forth below, the Company, the Founders and Purchaser agree as follows:

1. ***Purchase and Sale of the Shares.*** Subject to the terms and conditions of this Agreement, the Company agrees to sell to Purchaser and Purchaser agrees to purchase from the Company SHARES BEING SOLD shares of the Company’s Common Stock (the “**Shares**”) at a price of [[**Per Share Sale Price of Common Stock**]] per share (the “**Purchase Price**”), for an aggregate purchase price of [[**Aggregate Purchase Price of Common Stock**]]. Purchaser will deliver the aggregate Purchase Price set forth above to the Company by wire transfer or check, and the Company will issue the Shares to Purchaser by entering such Shares in Purchaser’s name as of such date in the books and records of the Company or, if applicable, a duly authorized transfer agent of the Company. As promptly thereafter as practicable, the Company will deliver to Purchaser a notice of issuance reflecting the uncertificated Shares, or a stock certificate registered in the name of the Purchaser reflecting the Shares. All references to the number of Shares in this Agreement will be adjusted to reflect any stock split, stock dividend or other change in the Shares that may be made after the date of this Agreement.

2. ***Company Representations***

(a) **Organization and Good Standing.** The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company has the requisite corporate power and authority to own and operate its properties and assets, to carry on its business as presently conducted, to execute and deliver this Agreement, and to issue and sell the Shares.

(b) **Capitalization.** Schedule I attached hereto sets forth the authorized shares and the outstanding shares of each class and series of capital stock of the Company as of immediately prior to the execution of this Agreement. The outstanding shares have been duly authorized and validly issued in compliance with applicable laws, and are fully paid and nonassessable. The Shares, when issued and delivered and paid for in compliance with the provisions of this Agreement, will be duly and validly issued, fully paid and nonassessable.

(c) **Authorization.** All corporate action on the part of the Company and its directors, officers and stockholders necessary for the authorization, execution and delivery of the Agreement, the authorization, sale, issuance and delivery of the Shares has been taken. The Agreement, when executed and delivered by the Company, will constitute a valid and binding obligation of the Company, enforceable in accordance with its terms.

(d) Confidential Information and Invention Assignment. Each Founder and all other employees of the Company have executed a Confidential Information and Invention Assignment Agreement in substantially the form reviewed and approved by the Purchaser (the “**Confidentiality Agreement**”). To the knowledge of the Company, no Founder or other employee is in violation of such Confidentiality Agreement or any prior employee contract or proprietary information agreement with any other corporation or third party.

3. ***Founders’ Representation***. Each Founder represents to the Purchaser that he or she has executed the Confidentiality Agreement.

4. ***Purchaser Representations***

(a) No Registration. Purchaser understands that the Shares have not been, and will not be, registered under the Securities Act of 1933, as amended (the “**Securities Act**”) by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of such Purchaser's representations as expressed herein or otherwise made pursuant hereto.

(b) Investment Intent. Purchaser is acquiring the Shares for investment for its own account, not as a nominee or agent, and not with the view to, or for resale in connection with, any distribution thereof, and Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. Purchaser further represents that it does not have any contract, undertaking, agreement or arrangement with any person or entity to sell, transfer or grant participation to such person or entity or to any third person or entity with respect to any of the Shares.

(c) Investment Experience. Purchaser has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company and acknowledges that Purchaser can protect its own interests. Purchaser has such knowledge and experience in financial and business matters so that Purchaser is capable of evaluating the merits and risks of its investment in the Company.

(d) Speculative Nature of Investment. Purchaser understands and acknowledges that the Company has a limited financial and operating history and that an investment in the Company is highly speculative and involves substantial risks. Purchaser can bear the economic risk of Purchaser’s investment and is able, without impairing Purchaser's financial condition, to hold the Shares for an indefinite period of time and to suffer a complete loss of Purchaser's investment.

(e) Accredited Investor. Purchaser is an “accredited investor” within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission under the Securities Act.

(f) Rule 144. Purchaser acknowledges that the Shares must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser is aware of the provisions of Rule 144 promulgated under the Securities Act which permit limited resale of shares purchased in a private placement subject to

the satisfaction of certain conditions, including among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale occurring not less than one year after a party has purchased and paid for the security to be sold, the sale being effected through a “broker’s transaction” or in transactions directly with a “market maker” and the number of shares being sold during any three-month period not exceeding specified limitations. Purchaser understands that the current public information referred to above is not now available and the Company has no present plans to make such information available. Purchaser acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time Purchaser wishes to sell the Shares, and that, in such event, Purchaser may be precluded from selling such securities under Rule 144, even if the other requirements of Rule 144 have been satisfied. Purchaser acknowledges that, in the event all of the requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Shares. Purchaser understands that, although Rule 144 is not exclusive, the Securities and Exchange Commission has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

(g) No Public Market. Purchaser understands and acknowledges 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 the Company’s securities.

5. *Legends; Lock-Up Agreement*

(a) Legends. Purchaser understands and agrees that any notice of issuance referencing the Shares, or certificate evidencing the Shares, or any other securities issued in respect of the Shares upon any stock split, stock dividend, recapitalization, merger, consolidation or similar event, will bear the following legends or notices, as applicable (in addition to any legend or notices, as applicable, required by applicable state securities laws):

“THE SHARES REFERENCED HEREIN OR REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SUCH ACT AND/OR APPLICABLE STATE SECURITIES LAWS, OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL OR OTHER EVIDENCE, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED.

THE SHARES REFERENCED HEREIN OR REPRESENTED HEREBY ARE SUBJECT TO A RIGHT OF FIRST REFUSAL HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE COMMON STOCK PURCHASE AGREEMENT BETWEEN THE ISSUER AND

THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH RIGHT OF FIRST REFUSAL IS BINDING ON TRANSFEREES OF THESE SHARES.”

(b) Lock-Up Period. If so requested by the Company or the underwriters in connection with the initial public offering of the Company’s securities registered under the Securities Act of 1933, as amended, Purchaser will not sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of the Shares without the prior written consent of the Company or such underwriters, as the case may be, for 180 days from the effective date of the registration statement, plus such additional period, to the extent required by FINRA rules, up to a maximum of 216 days from the effective date of the registration statement, and Purchaser shall execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of such offering.

6. ***Purchaser’s Rights.*** Purchaser will have the following rights with respect to the Shares:

(a) Ownership. As of the date of this Agreement, the Founders hold in the aggregate [[Aggregate Percentage Ownership of All Founders]]% of the Company’s total authorized stock (the “**Founders’ Percentage Ownership**”). As of the date of this Agreement, the Shares constitute [[Percentage Ownership of YC Shares]]% of the Company’s total authorized stock (the “**Purchaser’s Percentage Ownership**”). In the event that (i) the Company issues and sells additional equity securities to any or all of the Founders, or (ii) any or all of the Founders receive any equity securities of the Company from any third party (in each case, excluding (1) any shares issued to the Founders pursuant to any option plan, purchase plan or other employee stock incentive program, or other arrangement made in connection with the Founders’ status as service providers to the Company and (2) any purchase by a Founder of such securities in connection with an institutional financing), and such issuance(s) increase the Founders’ Percentage Ownership, then Purchaser will have the right to purchase additional shares of Common Stock (“**Additional Shares**”) such that the increase in the Purchaser’s Percentage Ownership is proportional to the increase in the Founders’ Percentage Ownership. At the option of the Purchaser, the Additional Shares may be in the form of a warrant, with an exercise price equal to the fair market value of such Additional Shares at the time of grant.

(b) Information. The Company will furnish to the Purchaser the following:

(i) Information regarding any Company securities sold in connection with fund-raising activities, such as convertible promissory notes and preferred stock. The furnished information will include, but not be limited to, pre-money valuation, dollar amounts invested, “target” valuations and discounts; and

(ii) Information regarding proposed mergers, acquisitions, sales of assets or a proposed Change of Control transaction.

(c) Approvals. So long as any of the Shares remain outstanding, the Company will not (directly or indirectly, by merger or otherwise), without the prior written approval or consent of the Purchaser (which will not be unreasonably withheld):

(i) enter into a Change of Control transaction; *provided, however*, that no such approval will be required if the proceeds to the Company or its stockholders upon the consummation of such Change of Control transaction are at least equal to \$900,000 in cash and/or publicly-traded stock;

(ii) adopt any equity incentive plan (a “**Plan**”), or issue any equity securities, or securities convertible into or exercisable for equity securities, to any employee, consultant or director of the Company except pursuant to a Plan, *provided, however*, that any Plan duly adopted by the Company’s Board of Directors prior to the date of this Agreement does not require Purchaser’s approval and *provided, further*, that the approval of Purchaser for any action in this subsection (ii) may be obtained by electronic mail (without the need for a separate document evidencing consent);

(iii) form any wholly-owned subsidiary of the Company or otherwise acquire the securities of any other entity;

(iv) waive any provision of the Confidentiality Agreements (as defined above) or any other agreement between the Company and any of the Founders; or

(v) agree to do any of the foregoing that is not expressly made conditional on obtaining the affirmative written approval of the Purchaser.

7. **Purchaser Obligations.** Purchaser will have the following obligations with respect to the Shares:

(a) Company’s Right of First Refusal. Before any Shares may be sold, transferred, encumbered or otherwise disposed of in any way (whether by operation of law or otherwise) by the Purchaser or any subsequent transferee (each a “**Holder**”), such Holder must first offer such Shares or beneficial interest to the Company and/or its assignee(s) as follows:

(i) *Notice of Proposed Transfer.* The Holder will deliver to the Company a written notice stating: (A) the Holder’s bona fide intention to sell or otherwise transfer the Shares; (B) the name of each proposed transferee; (C) the number of Shares to be transferred to each proposed transferee; (D) the bona fide cash price or other consideration for which the Holder proposes to transfer the Shares; and (E) that by delivering the notice, the Holder offers all such Shares to the Company and/or its assignee(s) pursuant to this section and on the same terms described in the notice.

(ii) *Exercise of Right of First Refusal.* At any time within thirty (30) days after receipt of the Holder’s notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the proposed transferees. The purchase price for the Shares purchased by the Company and/or its assignee(s) under this section will be the price listed in the Holder’s notice. If the price listed in the Holder’s notice includes consideration other than cash,

the cash equivalent value of the non-cash consideration will be determined by the Board of Directors of the Company, which determination must be reasonable. Payment of the purchase price will be made, at the option of the Company and/or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness of the Holder to the Company and/or its assignee(s), or by any combination thereof within thirty (30) days after receipt by the Company of the Holder's notice (or at such later date as is called for by such notice).

(iii) *Holder's Right to Transfer.* If all of the Shares proposed in the notice to be transferred are not purchased by the Company and/or its assignee(s) as provided in this section, then the Holder may sell or otherwise transfer such Shares to that proposed transferee; provided that: (A) the transfer is made only on the terms provided for in the notice, with the exception of the purchase price, which may be either the price listed in the notice or any higher price; (B) such transfer is consummated within seventy-five (75) days after the date the notice is delivered to the Company; (C) the transfer is effected in accordance with any applicable securities laws, and if requested by the Company, the Holder will have delivered an opinion of counsel acceptable to the Company to that effect; and (D) the proposed transferee agrees in writing to receive and hold the Shares so transferred subject to all of the provisions of this Agreement, including but not limited to this section, and there will be no further transfer of such Shares except in accordance with the terms of this section. If any Shares described in a notice are not transferred to the proposed transferee within the period provided above, then before any such Shares may be transferred, a new notice will be given to the Company, and the Company and/or its assignees will again be offered the right of first refusal described in this section.

(b) Investors' Right of First Refusal. The Purchaser agrees, subject to (i) Section 8(b) below and (ii) the Company's primary right of first refusal described in subsection (a) above, that the Shares may be subject to a secondary right of first refusal in favor of the Company's preferred stock investors if the Company so requests.

8. *Covenants*

(a) The Company will cause each current and future employee to execute a Confidentiality Agreement.

(b) In connection with Section 7(b), the Purchaser agrees to execute and deliver to the Company and its preferred stock investors a written agreement regarding such investors' right of first refusal regarding the Shares; provided that (i) the terms of such agreement are reasonable (as determined by the Purchaser in its sole discretion) and (ii) the Shares are not subject to a right of co-sale in favor of any preferred stock investor, other securityholder of the Company, or any third party.

(c) The Company agrees that any requests for Purchaser execution of any consents, waivers, documents or agreements delivered to the Purchaser in connection with this Agreement, including but not limited to voting agreements and right of first refusal agreements, will be given no less than four (4) business days in advance of the date that the Purchaser's signature is required.

9. *Termination*

(a) The Purchaser's approval rights set forth in Section 6(c) will terminate upon the earlier to occur of: (A) such time as the Company's board of directors includes at least one member who (x) is not a Founder and (y) has made an equity investment in the Company (either individually or as part of a fund or other investment vehicle); or (B) the Company's consummation of a Qualified Equity Financing.

(b) Notwithstanding the foregoing, this Agreement as a whole will terminate on the closing date of the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, or on the closing date of a Change of Control transaction, whichever occurs first.

For purposes of this Agreement, a "**Qualified Equity Financing**" means an equity financing pursuant to which the Company sells shares of its preferred stock with an aggregate sales price of not less than \$500,000, including any convertible promissory notes that are converted into such preferred stock. A "**Change of Control**" means either (1) the acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation or stock transfer, but excluding any such transaction effected primarily for the purpose of changing the domicile of the Company), unless the Company's stockholders of record immediately prior to such transaction or series of related transactions hold, immediately after such transaction or series of related transactions, at least 50% of the voting power of the surviving or acquiring entity (provided that the sale by the Company of its securities for the purposes of raising additional funds will not constitute a Change of Control hereunder) or (2) a sale of all or substantially all of the assets of the Company.

10. ***General Provisions***

(a) Notices. Any notice, request or other communication required or permitted to be given by either the Company or the Purchaser pursuant to the terms of this Agreement (a "**Notice**") must be in writing. Notices may be sent by electronic mail (and/or, by U.S. mail (First Class)).

(b) Choice of Law. This Agreement will be governed by the internal substantive laws, but not the choice of law rules, of Delaware.

(c) Integration. This Agreement represents the entire agreement between the parties with respect to the purchase of the Shares by the Purchaser and supersedes and replaces any and all prior written or oral agreements regarding the subject matter of this Agreement.

(d) Successors. Unless this Agreement has terminated pursuant to Section 9(d), any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets will assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "**Company**" will include any successor to the Company's

business and/or assets which executes and delivers the assumption agreement described in this section or which becomes bound by the terms of this Agreement by operation of law.

(e) Waiver. Either party's failure to enforce any provision of this Agreement will not in any way be construed as a waiver of any such provision, nor prevent that party from thereafter enforcing any other provision of this Agreement. The rights granted both parties hereunder are cumulative and will not constitute a waiver of either party's right to assert any other legal remedy available to it.

(f) Severability. Should any provision of this Agreement be found to be illegal or unenforceable, the other provisions will nevertheless remain effective and enforceable to the greatest extent permitted by law.

(g) Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement. Facsimile copies of signed signature pages will be binding originals.

(h) Independent Review. The parties acknowledge that, regardless of which party had primary responsibility for the drafting of this Agreement, each of the parties had the opportunity to review this Agreement in its entirety prior to signing and, if such party so chose, to consult with independent legal counsel.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Common Stock Purchase Agreement as of the date first above written.

COMPANY:

COMPANY

Address:

IN WITNESS WHEREOF, the parties hereto have executed this Common Stock Purchase Agreement as of the date first above written.

PURCHASER:

Address:

IN WITNESS WHEREOF, the parties hereto have executed this Common Stock Purchase Agreement as of the date first above written.

FOUNDER(S):

Schedule I

Class or Series of Stock	Number of Share Authorized	Number of Shares Outstanding
[[Class or Series of Stock]]	[[Number of Shares Authorized]]	[[Number of Shares Outstanding]]

SEE RESTRICTIVE NOTICE(S) INCLUDED HEREWITH

NOTICE OF ISSUANCE OF COMMON STOCK

***[[Number of Shares]]* Shares**

COMPANY

A Delaware Corporation

This certifies that PURCHASER is the record holder of [[Number of Shares of Common Stock Sold to PURCHASER]] shares of Common Stock of COMPANY, a Delaware corporation (the “**Company**”), transferable only on the books of the Company upon receipt by the Company of proper transfer instructions from the record holder or such person's duly authorized attorney.

The shares referenced in this notice are uncertificated shares and are issued and will be held subject to all the provisions of the Certificate of Incorporation and the Bylaws of the Company and any amendments thereto, copies of which are on file at the principal office of the Company and made a part hereof as fully as though the provisions of said Certificate of Incorporation and Bylaws were printed in full in this notice of issuance, to all of which the registered holder, by acceptance of the shares referenced in this notice, assents.

A statement of all of the rights, preferences, privileges and restrictions granted to or imposed upon the respective classes and/or series of shares of stock of the Company and upon the holders thereof may be obtained by any stockholder upon request and without charge, at the principal office of the Company, and the Company will furnish any stockholder, upon request and without charge, a copy of such statement.

IN WITNESS WHEREOF, the Company has caused this notice of issuance to be signed by its duly authorized officers on DATE

COMPANY

By: _____

Its: _____

RESTRICTIVE NOTICE(S)

THE SHARES REPRESENTED HEREBY OR REFERENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SUCH ACT AND/OR APPLICABLE STATE SECURITIES LAWS, OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL OR OTHER EVIDENCE, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED.

THE SHARES REPRESENTED HEREBY OR REFERENCED HEREIN ARE SUBJECT TO A RIGHT OF FIRST REFUSAL HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE COMMON STOCK PURCHASE AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH RIGHT OF FIRST REFUSAL IS BINDING ON TRANSFEREES OF THESE SHARES.