

June 25, 2021

PRIVATE AND CONFIDENTIAL

[Insert names of students/recipients]

[Insert addresses if you want, or just names/emails if sending by email]

**Re: Letter of Intent
Simple Agreement for Future Equity (SAFE)**

The Board of Trustees of the University of Illinois, a body corporate and politic of the State of Illinois (“Investor”), through the Grainger College of Engineering at the University of Illinois at Urbana-Champaign, is pleased to propose the investment of \$[AMOUNT] (“Purchase Amount”) in a business organization to be formed by [Insert names of students/recipients] (collectively, “Recipients”), subject to the terms and conditions of this Letter of Intent (“LOI”). This LOI is effective as of the date signed by the Recipients, but otherwise is void if not fully executed and delivered to Investor by the Deadline stated below.

1. **SAFE and Pro Rata Agreement.** Investor’s obligation to invest the Purchase Amount is conditioned on Company (as defined below) and Investor entering into a Simple Agreement for Future Equity substantially in the form of Exhibit A (“SAFE”) and an agreement for pro rata equity purchases (“Pro Rata Agreement”) on or before the Expiration Date, as defined in Section 10 below.
2. **Formation of the Company.** As a condition precedent to Investor entering into the SAFE, Recipients have formed or must form a corporation or limited liability company (“Company”). Company must have:
 - (a) The exclusive purpose of carrying on the business of Recipients consisting of [DESCRIBE BUSINESS] (“Business”), where Investor has sole discretion to withdraw the offer of investment and terminate this LOI if Business has changed from what is stated, or in accordance with other terms of this LOI.
 - (b) Rights to all intellectual property, or can demonstrate access to all intellectual property on commercially reasonable terms, required to conduct the Business.
 - (c) At least the team lead (as listed on the application) will join the Company as an employee or hold ownership in Company.

Investor and Recipients will endeavor to close on the SAFE and fund the Purchase Amount as soon as practicable, but in no event no later than 45 days following satisfaction of all conditions to the closing set forth in this LOI and in the SAFE.

3. **Establishment as Vendor.** Recipients agree to fill out a Vendor Information Form (“VIF”), supplied by Investor, to allow Recipients or Recipients’ Company to receive the Purchase Amount from Investor.
4. **Termination.** If Company has not entered into the SAFE with Investor by the Expiration Date, as defined in section 10 below, then this LOI shall be void and Investor shall have no obligation to enter into the SAFE or to provide the Purchase Amount. Investor may terminate this LOI with notice to Recipients and will have no further obligation to either close on the SAFE or fund the Purchase Amount if Investor determines there has been a material change to the nature of the Business as described in this LOI or to the prospects of Company.
5. **Access to Information.** To enable Investor to monitor the potential transaction contemplated in this LOI, Recipients and Company, when formed, will provide Investor and its representatives with reasonable updates on the progress and status of the formation of Company and prospects of the Business, together with access to all books, records, and properties relating to the Business, including bylaws and operating agreement.
6. **Expenses.** Each party shall pay its own expenses and costs incidental to the completion of the transactions contemplated by this LOI, including legal fees.
7. **Non-disclosure; Publicity.** Neither party shall, without the prior written consent of the other party, disclose to any third party the terms and conditions of this LOI, except (i) to the extent required by law, or as necessary to consummate the transaction contemplated in this LOI; (ii) to potential employees, financing sources, or other potential investors who are bound by a duty of confidentiality; or (iii) to professionals retained by such party in connection with this transaction who are bound by a duty of confidentiality.
8. **Acceptance; Amendment.** This LOI is effective only if signed by Recipients and delivered to Investor before 5 p.m. (Central Time) on [DATE], 2021 (“Deadline”). The effective date this LOI shall be the date signed by Recipients. If Recipients do not deliver the signed Letter of Intent to Investor on or before the Deadline, this LOI is automatically void as of the Deadline, and Investor shall have no obligation to enter into the SAFE or to provide the Purchase Amount. This LOI may be modified only by a writing signed by each party’s authorized signatory.
9. **Expiration.** This LOI shall terminate at 11:59 p.m. on [DATE], 2021, unless amended in writing between the parties (“Expiration Date”).
10. **Governing Law.** This LOI shall be construed by application of Illinois law without regards to its conflict of laws rules.
11. **No Third Party Rights.** This LOI creates no rights in favor of any third parties except as specifically set forth herein and subject to the terms and conditions set forth herein.

* * * * *

If the foregoing is agreeable, kindly sign the enclosed counterpart of this LOI and return the same as evidence our agreement.

Sincerely,

The Board of Trustees of the University of Illinois

By: _____

Name: Avijit Ghosh

Title: Comptroller

Accepted and Agreed

_____, 2021

RECIPIENTS

By: _____

Name: _____

Title (if any): _____

By: _____

Name: _____

Title (if any): _____

By: _____

Name: _____

Title (if any): _____

By: _____

Name: _____

Title (if any): _____

By: _____

Name: _____

Title (if any): _____

By: _____

Name: _____

Title (if any): _____

EXHIBIT A
SEE ATTACHED