

DOYENNE

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INVESTOR ACCELERATOR PROGRAM: PREP FOR WEBINARS #2 & #3

Vocab Prep for Investment Agreements and Cap Tables



WORDS TO KNOW

- *Debt financing/equity financing*
 - debt instruments/equity instruments
 - ways companies bring in funding
 - different priorities in event of liquidation
 - convertible
- *SAFEs, Warrants*

WORDS TO KNOW

- *Option pool/employee pool*
 - Common stock
 - Set aside for future use
 - Granting
 - Vesting
 - Exercising
 - Authorized v. issued
 - 83(b) tax election

WORDS TO KNOW

- *Preferred stock*
 - A class of stock that carries special rights
 - Associated rights may include:
 - liquidation preference
 - participation preference
 - participation cap
 - Stacked or pari passu/blended
 - Can always convert to common

WORDS TO KNOW

- *Waterfall*
 - Models the distribution of proceeds in event of a liquidation event
 - Will vary depending on type and magnitude of liquidation event

WEEKS 5 & 6: WEBINARS!