

CONVERTIBLE LOAN AGREEMENT

dated [date]

(the «**Agreement**»)

Between

[**Borrower**], [address]

(the «**Borrower**»)

And

[**Lender**], [address]

(the «**Lender**»)

(Borrower and Lender each a «**Party**» and together the «**Parties**»)

And

[**Shareholder 1**], [address]

[**Shareholder 2**], [address]

[**Shareholder n**], [address]

(the «**Shareholders**»)

The Parties agree on the following **Loan Terms** and **Conversion Terms**, which are specified in more detail in the following provisions of this Agreement.

LOAN AND CONVERSION TERMS

LOAN TERMS	
Loan Amount:	CHF [loan amount]
Purpose:	The loan shall serve the financing needs of the Borrower, in particular, the loan shall be used to fund growth, product development and operational expenses.
Interest Rate:	[interest rate] % p.a.
Payment Date:	Within [10] business days of signing this Agreement.
Payment Account:	Name: [Name of the Account Holder] IBAN: [IBAN] BIC/SWIFT: [BIC/SWIFT]
Maturity Date:	[date]

CONVERSION TERMS	
Qualified Financing (minimum):	CHF [financing amount]
Valuation Cap:	CHF [cap amount] [pre-money / post-money]
Discount:	[Discount] &
Maturity Valuation	CHF [maturity amount] [pre-money / post-money]

The Loan Terms and Conversion Terms serve as defined terms in the Agreement.

PREAMBLE

A) The Borrower is a [Swiss joint-stock company pursuant to art. 620 et seqq. / Limited Liability Company pursuant to art. 772 et seqq.]¹ of the Swiss Code of Obligations with its registered offices at [seat].

B) The Lender wishes to make loan to the Borrower that shall serve the financing needs of the Borrower, in particular, the loan shall be used to fund growth, product development and operational expenses. The Borrower wishes to accept the loan of the Lender.

C) The Parties intend to convert the loan later on and upon fulfilment of certain conditions into equity capital of the Borrower.

Based on the foregoing, the Parties agree as follows:

1. LOAN

The Lender hereby grants to the Borrower a loan (the «**Loan**») in the nominal amount of [CHF] [amount] (the «**Investment Amount**»).

2. INTEREST

[The Loan shall be interest-free.]

OR

[Interest shall accrue on the Investment Amount at a rate of [rate]% per annum and be calculated on the basis of the actual number of days elapsed and assuming a 365-day year, from and including the relevant value date of the Loan].

3. DISBURSMENT

The Investment Amount shall be disbursed by the Lender to the bank account of the Borrower as notified to the Lender for such purposes, free of any costs or charges, within [5] calendar days after the date of this Agreement. [If on such date, the Borrower has not received shareholder consents from [all] shareholders as set out in Annex 2 or otherwise, the Principal Amount shall be disbursed within [5] calendar days after the date such consents have been received or waived by the Lender.]

4. TERMS AND REPAYMENT

The Loan granted hereunder is granted for a fixed period of time until [end date] (the «**Maturity Date**»).

Unless otherwise provided for in this Agreement, the Loan Balance shall become due and payable without further notice on the Maturity Date, provided that the obligation of the Borrower to repay any such amounts under this Agreement shall be suspended for as long as such amounts are subject to the subordination pursuant to Section **Fehler! Verweisquelle konnte nicht gefunden werden..**

The Loan Balance may not be prepaid by the Borrower without the consent of the Lender.

[Furthermore, no Loan Balance shall be prepaid unless the Borrower has offered all other lenders in the Financing Round the opportunity to consent to a prepayment.]

¹ Note: If no company has been founded yet, it is recommended to discuss alternative strategies and arrangements.