

# SHIFTAI CAPITAL

## GOLD MEMBER PARTICIPATION TERM SHEET

CONFIDENTIAL — FOR DISCUSSION PURPOSES ONLY

THIS TERM SHEET IS NOT A BINDING LEGAL COMMITMENT. IT IS INTENDED SOLELY TO SUMMARIZE PROPOSED TERMS FOR DISCUSSION AND IS SUBJECT TO NEGOTIATION, DUE DILIGENCE, AND EXECUTION OF DEFINITIVE AGREEMENTS.

### 1. TRANSACTION SUMMARY

|                      |                                                             |
|----------------------|-------------------------------------------------------------|
| Issuer               | Shiftai Capital (the “Company”)                             |
| Instrument           | Gold Member Participation Agreement                         |
| Participation Amount | USD \$115,000 (the “Participation Amount”)                  |
| Member Tier          | Gold Member — Day-1 Activation upon receipt of full payment |
| Effective Date       | [DATE OF EXECUTION]                                         |
| Term                 | Twenty-four (24) months from Effective Date (the “Term”)    |
| Governing Law        | [State / Jurisdiction TBD]                                  |

### 2. REVENUE PARTICIPATION RIGHTS

#### 2.1 Ecopay Commissions — New Member Referrals

The Gold Member shall earn standard Ecopay commissions at the rates then in effect under the Company’s Ecopay commission schedule for each new member enrolled through the Gold Member’s referral link or downline. Ecopay commission rates are subject to the Company’s standard schedule and may be updated by the Company with written notice to Members.

### 3. ANNUAL GUARANTEED RETURN

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#### 3.1 Return Rate

On each of the first and second anniversaries of the Effective Date (each, a “Return Payment Date”), the Company shall pay the Gold Member a guaranteed annual return equal to ten percent (10%) per annum calculated on the Unpaid Balance (as defined below).

#### 3.2 Unpaid Balance Defined

The “Unpaid Balance” means the Participation Amount of \$115,000, reduced (but not below zero) by the cumulative total of all Ecopay commissions actually paid to the Gold Member during the applicable annual period. For the avoidance of doubt:

- If cumulative Ecopay commissions paid during Year 1 equal or exceed \$115,000, no Annual Return is payable for Year 1.
- The Year 2 Unpaid Balance is calculated using total cumulative Ecopay commissions paid through the end of Month 24.
- The 10% Annual Return is calculated on the Unpaid Balance as of each Return Payment Date, not on the original \$115,000 if commissions have reduced that balance.

#### 3.3 Payment Timing

Annual Return payments shall be made within thirty (30) calendar days following each Return Payment Date. Late payments shall accrue interest at the lesser of (i) 1.5% per month or (ii) the maximum rate permitted by applicable law.

#### 3.4 Full Earnings Threshold — Automatic Termination of Return and Conversion Rights

If, at any point during the twenty-four (24) month Term, the Gold Member’s cumulative Ecopay commissions equal or exceed the full Participation Amount of \$115,000 (the “Full Earnings Threshold”), then effective as of the date such threshold is reached (the “Threshold Date”):

- The Annual Guaranteed Return described in Sections 3.1 through 3.3 shall immediately and automatically terminate. No further Annual Return payments shall accrue or become payable for any period following the Threshold Date.
- The Equity Conversion Right described in Section 4 shall immediately and automatically terminate. The Gold Member shall have no right to convert any Outstanding Balance into Conversion Shares of Shiftai Capital.
- Any Annual Return payments already paid prior to the Threshold Date shall be retained by the Gold Member and are non-refundable.
- The final calculation of the cumulative Ecopay commissions shall also include the amount of AI credits used valued at the current market value.

Once the Gold Member has recouped the full Participation Amount through Ecopay commissions, the Company’s obligations under this Term Sheet are deemed fully satisfied. The Company shall provide written notice to the Gold Member within ten (10) business days of determining that the Full Earnings Threshold has been reached, together with a supporting calculation. Disputes shall be resolved per Section 7.5.

## 4. EQUITY CONVERSION RIGHT

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### 4.1 Conversion Trigger

If, as of the end of the twenty-fourth (24th) month following the Effective Date (the “Maturity Date”), any portion of the Participation Amount remains unpaid after crediting all Ecopay commissions and Annual Return payments (such remaining amount, the “Outstanding Balance”), the Outstanding Balance shall be eligible for conversion into non-voting equity shares of Shiftai Capital (the “Conversion Shares”) at the election of the Gold Member.

### 4.2 Conversion Mechanics

|                             |                                                                                                 |
|-----------------------------|-------------------------------------------------------------------------------------------------|
| <b>Conversion Valuation</b> | USD \$100,000,000 (pre-money)                                                                   |
| <b>Share Price</b>          | $\text{Outstanding Balance} \div \$100,000,000 = \text{Percentage Equity}$                      |
| <b>Share Class</b>          | Non-Voting Common or Non-Voting Preferred (as designated by the Company)                        |
| <b>Election Deadline</b>    | Gold Member must deliver written Conversion Notice within 30 days of the Maturity Date          |
| <b>Failure to Elect</b>     | If no election is made, Outstanding Balance shall remain as a payable obligation of the Company |

### 4.3 Illustrative Example (Non-Binding)

For illustration only: if the Outstanding Balance at Maturity is \$57,500, the Gold Member would receive equity representing 0.0575% of Shiftai Capital at a \$100,000,000 valuation ( $\$57,500 \div \$100,000,000$ ).

### 4.4 Non-Voting Nature

Conversion Shares shall carry no voting rights of any kind with respect to any matter requiring a vote of the Company’s equity holders. Conversion Shares shall carry no right to sit on or appoint members to the Board of Directors. All other economic rights attach as set forth in the Company’s then-current operating or shareholder agreement.

## 5. REPRESENTATIONS AND ACKNOWLEDGMENTS

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By executing this Term Sheet or any definitive agreement incorporating these terms, the Gold Member represents and acknowledges that:

- The Gold Member has received, read, and understands this Term Sheet in its entirety.

- The Gold Member has had the opportunity to consult with independent legal, tax, and financial advisors prior to execution.
- The Participation Amount of \$115,000 is being paid from the Gold Member's own funds and the Gold Member has sufficient liquidity to bear the risk of loss of such amount.
- The Gold Member understands that Ecopay commissions, Connect Pay, and Club Pay earnings are not guaranteed and depend on the Gold Member's activity and the Company's revenue performance.
- The Annual Return and equity conversion right are subject to the Company's financial condition and ability to pay; this instrument does not constitute a guarantee of return.
- The Gold Member is not relying on any oral statements or representations outside of this Term Sheet or the definitive agreements.
- The Conversion Shares, if issued, have not been registered under any federal or state securities laws and may be subject to transfer restrictions.

## 6. CONDITIONS PRECEDENT

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This Term Sheet and any resulting participation are conditioned upon:

- Receipt by the Company of the full Participation Amount of \$115,000 in cleared funds.
- Execution of a definitive Gold Member Participation Agreement by both parties.
- Completion of any applicable Know Your Customer (KYC) or Anti-Money Laundering (AML) verification required by the Company.
- No material adverse change in the Company's business, financial condition, or legal standing between the date of this Term Sheet and the Effective Date.

## 7. GENERAL TERMS

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### 7.1 Confidentiality

This Term Sheet and all discussions related hereto are confidential. Neither party shall disclose the existence or terms of this Term Sheet to any third party without the prior written consent of the other party, except to legal or financial advisors bound by equivalent confidentiality obligations or as required by law.

### 7.2 Non-Binding Nature

This Term Sheet is intended solely as a summary of proposed terms for discussion purposes. It does not constitute a binding agreement between the parties. No binding obligation shall arise until execution of a definitive Gold Member Participation Agreement by both parties.

### 7.3 Exclusivity

[Optional — to be negotiated] During a period of [30] days following execution of this Term Sheet, the Company shall not solicit competing offers for Gold Member participation from other prospective members on materially better economic terms without first offering such terms to the Member.

### 7.4 Amendment

No modification or amendment to the definitive agreement shall be effective unless made in writing and signed by duly authorized representatives of both parties.

### 7.5 Governing Law & Dispute Resolution

The definitive agreement shall be governed by the laws of [State TBD], without regard to conflict-of-law principles. Any disputes shall be resolved by binding arbitration under the rules of [JAMS / AAA] in [City, State], or as otherwise agreed by the parties.

## 8. EXECUTION

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*The undersigned parties agree to negotiate in good faith toward a definitive Gold Member Participation Agreement on the terms set forth herein.*

|                        |                    |
|------------------------|--------------------|
| <b>SHIFTAI CAPITAL</b> | <b>GOLD MEMBER</b> |
|                        |                    |
| Authorized Signatory   | Signature          |
|                        |                    |
| Name & Title           | Printed Name       |
|                        |                    |
| Date                   | Date               |

#### LEGAL NOTICE

This document was prepared for discussion purposes and does not constitute legal advice. Shiftai Capital recommends that all parties retain qualified legal counsel prior to executing any definitive agreement. Participation interests may constitute securities under applicable federal and state laws; compliance with applicable securities laws is the responsibility of the Company and its counsel.