

Affirmology AI

A plain-English description of what we are raising and what investors get

01 - THE COMPANY

Affirmology LLC, a Wyoming limited liability company.

Pre-launch AI-personalized audio platform based on astrology, Gene Keys, Human Design, and proprietary heart coherence methodology. Founded by Jeff Parker (CEO, CTO). Co-founded by Sol (Chief Brand Officer). Wyoming LLC for anonymous ownership, asset protection, and tax efficiency. Foreign qualified in Florida for physical operations.

02 - WHAT WE ARE RAISING

\$150K to \$250K in direct LLC membership units.

No SAFEs. No convertible notes. Investors purchase actual ownership in the company at signing. They become members of Affirmology LLC the moment they wire funds.

Why direct ownership instead of a SAFE: Affirmology is built to operate profitably and distribute earnings to its owners. A SAFE only converts at an exit or a future priced round. Direct ownership gives investors immediate distribution rights from the day the company starts paying out

earnings. Cleaner, more honest, more aligned with how we actually plan to run the company.

03 - THE INVESTMENT LADDER

One valuation. Three check-size options.

| INVESTMENT | EQUITY AT \$1.5M POST-MONEY | FOR |
|------------|--------------------------------|---|
| \$150K | 10.0% | Lead investor entry point. Full structural package. |
| \$200K | 13.3% | Major lead investor. Strategic involvement option. |
| \$250K | 16.7% | Anchor lead investor. Maximum Round 1 commitment. |

How the ladder works: Single valuation of \$1.5M post-money across all check sizes. Same price per equity unit, whatever quantity the investor chooses. Founders retain 78% to 83% combined across the ladder, preserving meaningful room for a Round 2 at higher valuation post-Faena conference traction. Larger investors get more ownership for more capital at fair, consistent pricing.

Optional Add-On for Major Investors: Hybrid Loan Structure

In addition to the equity investment, any major investor (\$100K+) may layer on a separate \$25K to \$50K personal note to founder Jeff Parker. Terms: 4-6% annual interest, 18-24 month payback, earmarked specifically for founder debt clearance and operational housing (Coconut Grove move). Loan is independent of equity, paid back from founder salary or any future liquidity event. Gives the investor three different time horizons for return: long-term equity upside, ongoing

distributions when company hits profitability, and the loan repayment as a defined short-term return.

04 – WHAT INVESTORS RECEIVE

Real ownership, real rights, real economics from day one.

- **LLC membership units.** Actual ownership in the company, recorded in the operating agreement. Yours the day you sign.
- **Distribution rights.** When the company declares quarterly or annual distributions of profits, you receive your proportional share automatically.
- **Voting rights on Major Decisions.** Sale of the company, taking on significant debt, issuing new equity above defined thresholds, hiring or firing key executives, materially changing the business model.
- **Information rights.** Quarterly financial reports, annual budget, access to books and records.
- **Tag-along rights.** If founders sell their stake, you can participate in the sale on the same terms.
- **Drag-along rights.** Standard provision allowing the majority to compel a qualified sale.

05 – THE THREE-TIER INVESTMENT LADDER

What your money buys at \$1.5M post-money valuation.

| INVESTMENT | EQUITY OWNERSHIP | POSITION |
|------------|------------------|---|
| \$150,000 | 10.0% | Lead investor entry point. Full structural package. |
| \$200,000 | 13.3% | |

| INVESTMENT | EQUITY OWNERSHIP | POSITION |
|------------|------------------|--|
| | | Major lead investor. Strategic involvement option. |
| \$250,000 | 16.7% | Anchor lead investor. Maximum Round 1 commitment. |

Valuation held steady at \$1.5M post-money across all check sizes. Same price per equity unit, whatever quantity the investor chooses. Plus optional \$25K to \$50K personal loan to founder (4-6% interest, 18-24 month payback) layered on top for short-term return component.

06 — OPTIONAL ADD-ONS

Tailoring the deal to fit different investor preferences.

Any investor can request the following optional provisions during deal negotiation:

- **Liquidation preference (1x).** If the company is ever sold, you get your original investment back BEFORE remaining proceeds are distributed to other shareholders. Protects downside in exit scenarios.
- **Board seat.** Available to investors at \$50K+ by invitation. Quarterly board meetings, fiduciary involvement in major company decisions.
- **Advisor equity grant.** If you actively contribute beyond capital (sales, partnerships, ongoing strategic guidance), additional equity is available on a vesting schedule.
- **Pro-rata rights.** Right to invest proportional capital in any future round to maintain your ownership percentage.
- **Hybrid structure (equity + loan).** For major investors who want to deploy capital in multiple ways: equity investment for ownership, plus

a separate note to founder or company for short-term liquidity. Terms negotiated case by case.

07 — CONNECTOR & FINDER REWARD

How introductions get rewarded.

For investors brought in via introduction from a connector (advisor, partner, network friend), the connector receives equity recognition for the value of the relationship and introduction. This rewards relationship-builders without requiring them to write personal checks themselves.

Structure

- **Baseline advisor equity:** 2 to 3 percent vesting over 2 years for ongoing strategic involvement with the company.
- **Finder reward:** 1 percent additional advisor equity per \$50,000 of qualified capital brought in (minimum \$25K check size to qualify). Capped at 5 percent total finder reward.
- **Personal investment option preserved:** connectors retain the right to invest personally at any tier alongside their advisor equity.

Lead Investor Package (At Any of the Three Tiers)

Whether the lead investor commits at \$150K, \$200K, or \$250K, the structural package includes:

- **Equity from investment:** 10%, 13.3%, or 16.7% depending on check size.
- **Hybrid loan option:** \$25-50K personal note to founder, 18-24 month payback at 4-6% interest, earmarked transparently. Adds short-term return component alongside equity.
- **Advisor equity:** 1-2% additional vesting over 2 years if operationally involved.
- **Board seat:** observer rights with full speaking access initially (3-member voting board: Jeff, Sol, Colin). Growth path to voting seat when board expands to 5 members (triggered by Gabby Ballard's investment commitment as part of follow-on capital).

- **Pro-rata rights** on Round 2 (maintain ownership percentage at higher valuation).
- **Right of first refusal** on Round 2 capital (first crack before opens to outside investors).
- **Named lead investor recognition** in deck, press, conferences.
- **Corporate events vehicle co-founder priority** (separate entity, additional ownership in the broader transformational events business Jeff is building).

Why \$1.5M Post-Money Preserves Round 2 Room

At \$1.5M post-money with \$150-\$250K raised in Round 1, founders combined retain ~80% to 83%. This leaves real room for a Round 2 at \$4-\$6M post-money once Faena conference traction (September 2026) and Sprint 3 revenue land. Round 2 would raise an additional \$300K to \$750K at the higher valuation. Lead investor has first-crack via pro-rata and ROFR. This sequencing maximizes total capital raised over time while limiting founder dilution at each stage.

Connector example: Connector C introduces Investor I who writes \$150K. I receives 10% equity at \$1.5M post-money. C receives baseline advisor equity (2-3%) plus finder reward (3% from 1% per \$50K of qualified capital introduced), for 5-6% total advisor equity. If C also brings additional qualified capital later, finder reward continues to scale, capped at 5%. C retains the right to invest personally on top.

08 — FOUNDER ALLOCATION (PRE-ROUND)

Who owns what before any investor capital comes in.

| MEMBER | UNITS | PRE-MONEY % | VESTING |
|--------------------|--------|-------------|-----------------------|
| Jeff Parker | 72,000 | 72% | 4 years, 1-year cliff |
| | | | |

| MEMBER | UNITS | PRE - MONEY % | VESTING |
|------------------|--------|---------------------|--|
| Sol | 20,000 | 20% | 5% immediate vested + 15% on 4-year vest with 3-month cliff. Earn-in path to 25% via investor bring-in. |
| Team Pool | 8,000 | 8% | Future grants (Randy Green, Glo, Lauren Martinez, advisors, future CTO; future CEO grant from pool + Jeff's stake if needed) |

After a \$250K raise at \$1.5M post-money valuation, founders combined retain approximately 78% of the company. Healthy for ongoing control. Future CEO grant comes from team pool first; if pool insufficient, additional dilution comes from Jeff's stake specifically. Sol's stake is protected from CEO-grant dilution.

09 - DISTRIBUTION POLICY

How and when investors get paid back.

Once the company is profitable, surplus cash (above operating reserves) gets distributed quarterly to all members proportional to their ownership percentage.

- **Operating reserve target:** 6 months of operating expenses + growth capital must be in the company's bank before distributions begin.
- **Distribution timing:** Quarterly, beginning the quarter after operating reserves are fully funded.
- **Founder salaries:** Drawn from operating budget (separate from distributions), modest at first, growing with revenue.

- **Reinvestment vs distribution split:** Determined annually by the company. Default: 50% reinvested into growth, 50% distributed once operating reserves are met. Adjustable based on opportunities.

10 – EXPECTED OUTCOMES

What your investment could return in three scenarios.

Example: \$150K investment at \$1.5M post-money = 10.0% ownership.

| PATH | YEAR 3 OUTCOME | YOUR ANNUAL DISTRIBUTIONS | YOUR EXIT VALUE (IF SOLD) |
|-----------------------------------|-------------------------------------|---------------------------|-----------------------------|
| Optimistic (100K subs) | \$26.4M ARR, \$14M net profit | ~\$1.4M/yr | ~\$13-26M at acquisition |
| Conservative (35K subs) | \$9.2M ARR, \$4M net profit | ~\$400K/yr | ~\$5-9M at acquisition |
| Stall (5K subs) | \$1.1M ARR, \$400K net profit | ~\$40K/yr | ~\$550K-1.1M at sale |
| Failure | Company shuts down | \$0 | \$0 |

Key reality check: Even the Stall path produces ongoing distributions of \$40K/year against a \$150K investment. That is meaningful real income that compounds annually. Most early-stage investments return zero in the stall scenario. Affirmology's high-margin distribution model means

that a company that survives but does not become a unicorn still pays its investors meaningfully over time.

11 - DECISION TIMELINE

When we are closing.

- **Lead investor commit:** Target by end of May 2026
- **Full round closing:** Target by end of June 2026
- **Capital deployment:** July through September 2026 (demo build, Faena conference activation)
- **First profit distributions:** Targeted for late Year 1 or early Year 2 depending on growth trajectory

Decision protocol: Interested investors review this term sheet, the executive summary, and the pitch deck. NDA in place before deeper diligence. Operating agreement and final investment paperwork drafted and signed within 30 days of verbal commitment.