

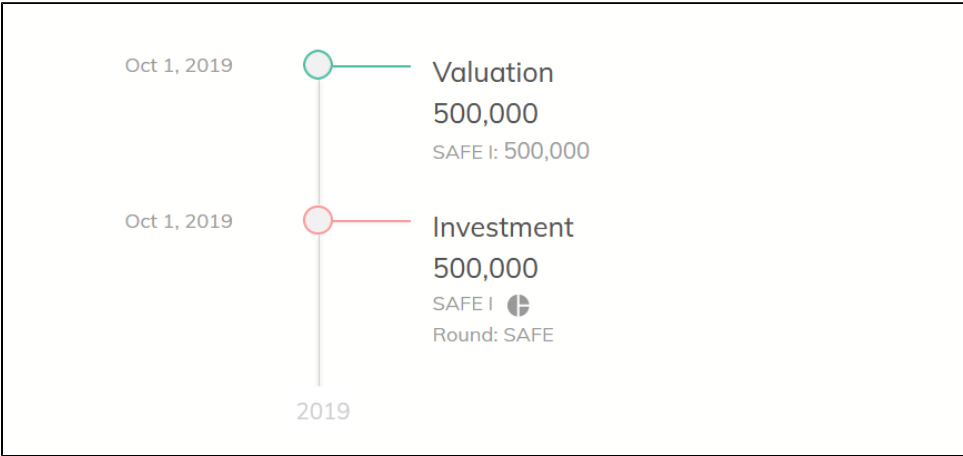
Convert Notes to Equity

Prerequisites:

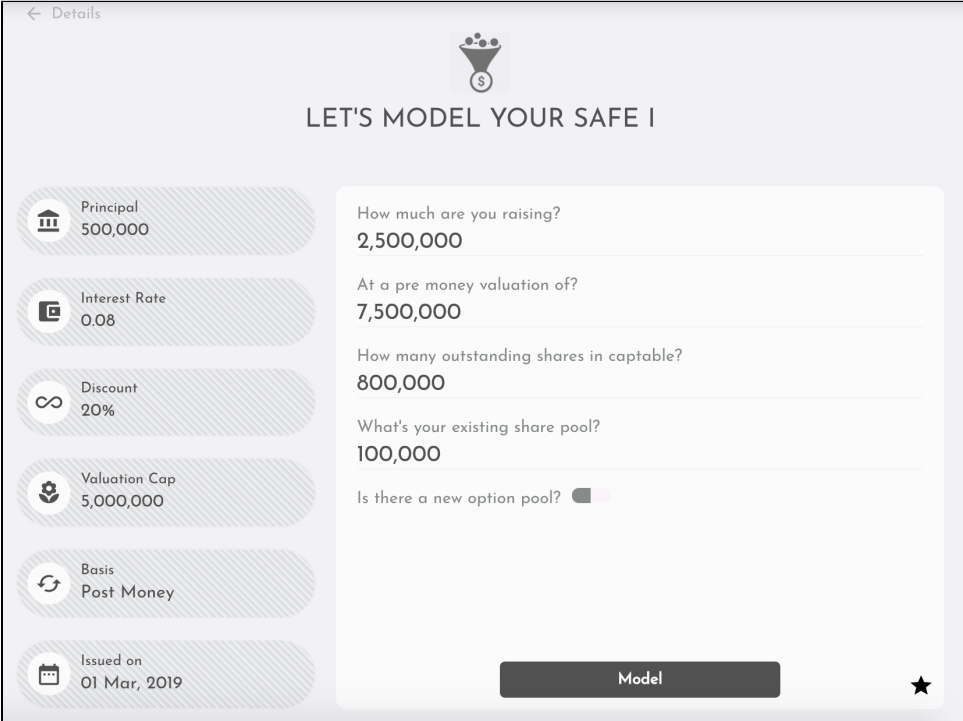
- 1. [Record an investment](#)

Step-by-step guide

- 1. Go to the 'Timeline' and tap the 'Model'  icon next to a convertible note.



- 2. Input the details for the upcoming fundraising round and tap the **Model** button.




The screenshot shows a form titled "LET'S MODEL YOUR SAFE I" with a funnel icon. On the left, there are input fields for:

- Principal: 500,000
- Interest Rate: 0.08
- Discount: 20%
- Valuation Cap: 5,000,000
- Basis: Post Money
- Issued on: 01 Mar, 2019

On the right, there are questions and answers:

- How much are you raising? 2,500,000
- At a pre money valuation of? 7,500,000
- How many outstanding shares in captable? 800,000
- What's your existing share pool? 100,000
- Is there a new option pool?

At the bottom right, there is a "Model" button and a star icon.

 **Convertible Note Modelling**
Read more on convertible notes modelling [here](#).

- 3. Tap the convert button at the bottom-right of the screen.



4. Choose the instrument in which to convert the note.

Let's invest in Hooli

Select an instrument type

- Equity
- Preferred Stock**
- Debt
- Convertible Note
- Custom Stock
- Custom Loan


5. Create a new instrument by hitting the icon. Give your instrument a name.

You Invest

Instruments

Seed **Series A Pref** (+)

Date

12/31/2019 

No. of shares
 100,000 @ USD 5 / share

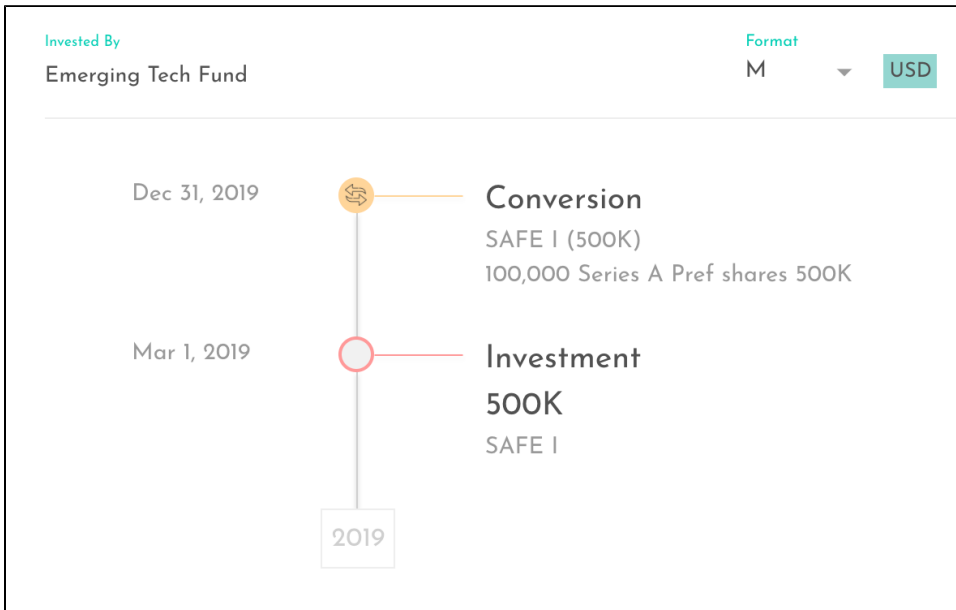
USD 500,000

Advanced ▾

Back
Invest

The values would be pre-filled based on the modelled scenario. You can modify the values manually, if required.

6. Tap the **invest** button. The timeline will update to show the investment transaction.



 Made a convertible note investment via multiple funds?

Fundwave will automatically calculate the conversion amounts as per the defined investment allocation ratio.

Read more: [how to invest in a company via multiple funds together.](#)

