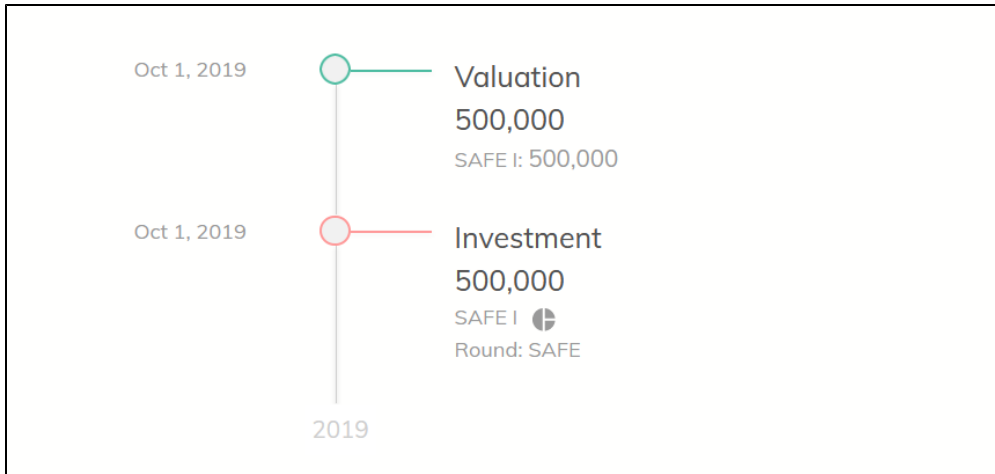


Model Your Convertible Notes

Fundwave makes it possible for investors to plug in variables such as valuation caps, discount rates, pre-money valuation and size of the option pool to determine the value of your convertible note after your portfolio company raises a new round.

Go to a portfolio company, and select 'Timeline' from the left menu, followed by the 'model' icon next to a convertible note.



1. Input the details for the upcoming fundraising round and tap the **Model** button.
 - a. **Amount raised:** The amount company plans to raise in the upcoming round
 - b. **Pre-money valuation** at which the company is raising funds
 - c. **Outstanding shares:** The number of shares on the captable
 - d. **Existing share pool:** Options not yet issued
 - e. **New option pool:** Option pool size after next round
 - f. **Any other notes being converted:** Select the notes being converted alongside your note

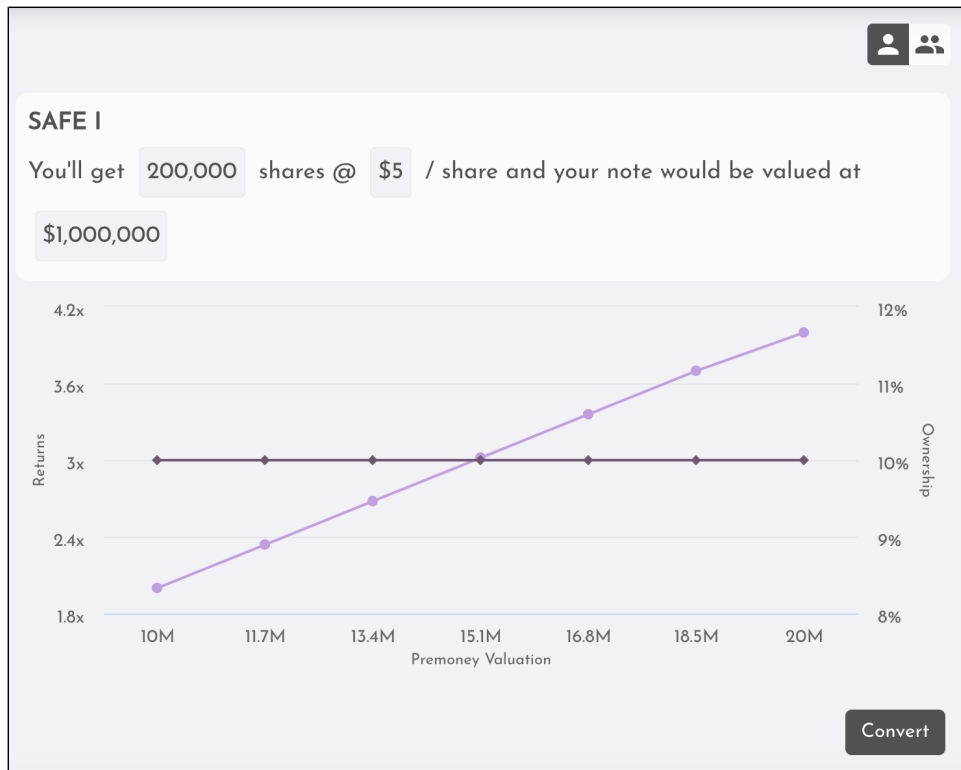
The screenshot shows the 'Model Your SAFE I' form. On the left, there are six input fields for instrument details: Principal (500,000), Interest Rate (0.08), Discount (20%), Valuation Cap (5,000,000), Basis (Post Money), and Issued on (01 Jan, 2019). On the right, there are five questions with input fields: 'How much are you raising?' (2,000,000), 'At a pre money valuation of?' (10,000,000), 'How many outstanding shares in captable?' (1,400,000), 'What's your existing share pool?' (100,000), and 'Is there a new option pool?' (toggle off). Below these are 'What's the target pool percentage?' (10) and 'Any other notes you want to convert?' (SAFE II and Note I, 8% selected). A 'Model' button and a star icon are at the bottom right.

Update instrument details

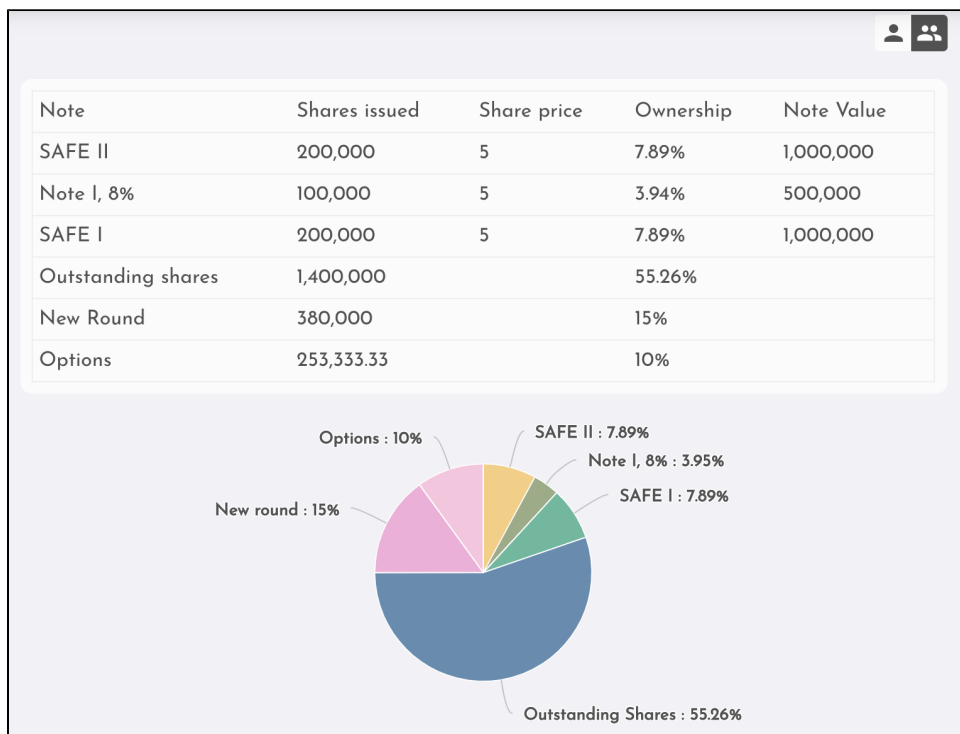
To record key clauses such as discount rates and valuation caps, select the details icon on the top-left, or choose the instrument on the timeline.

2. Outputs

- a. **Ownership:** The number of shares you will be issued. The ownership chart shows a range of outcomes across multiple valuation markers



- b. **Capitalization:** This section will show you what the cap table would look like if the modelled fundraising round was to be completed.



Save a scenario



Click on the **Star** icon to save the scenario for future reference

Next steps: [Record a convertible note conversion](#)