

ADVISORY AGREEMENT FOR CALIFORNIA-BASED STARTUP COMPANY

Via Email Only

Re: Advisory Services to _____

Dear _____:

This letter agreement is to confirm our understanding with respect to your role as an advisor to [[Company]], a _____ corporation (the “**Company**”). The Company looks forward to a continued mutually beneficial association with you on the following terms, which are hereby made effective as of [[Date]] (the “**Effective Date**”):

1. Services. From time to time, I and possibly other members of the Company’s management may contact you to provide advice relating to the Company’s business. We are expecting you to be available to the Company’s management for consultations by telephone, mail or in person (for good reason), as your time and other business activities permit. We also would like you to attend meetings, if reasonably necessary, which we anticipate will occur infrequently.

2. Compensation. The Board of Directors of the Company (the “**Board**”) has approved the right and authorization for you the right to receive shares of the Company’s Common Stock, of which shall vest immediately upon execution of this Agreement (the “**Stock Award**”), subject to the restrictions set forth in the Restricted Stock Award Agreement to be entered into by and between you and the Company. For so long as you remain an active advisor to the Company, the Stock Award will vest on a pro rata monthly basis over a -month period beginning with the Effective Date. There will also be a chance to accelerate your vesting if certain milestones are met. For example, upon a merger or acquisition of the Company, your interests will accelerate to full vesting of all your unvested shares, if any.

3. Independent Contractor. Until you undertake any executive or officer position with the Company, your relationship with the Company will be that of an independent contractor, and you will not be an agent, employee or representative of the Company. You understand that you will have no authority to enter into contracts or create obligations on behalf the

Company. Accordingly, until such time, you acknowledge that you will not be eligible for any employee benefits, and that the Company will not make any tax withholdings on your behalf. You agree that you are obligated to report as income all consideration that you receive in connection with your services under this letter agreement, and you agree to pay all self-employment and other taxes thereon.

4. Section 83(b). You will be responsible to file a Section 83(b) notice with the IRS within 30 days following the date the Restricted Stock is granted to you.

5. Property of the Company. For purposes of this letter agreement, “**Designs and Materials**” shall mean all designs, discoveries, inventions, products, computer programs, procedures, improvements, developments, drawings, notes, documents, information and materials made, conceived or developed by you alone or with others that result from or that are made, conceived or developed in connection with the services you provide to the Company pursuant to this letter agreement. You hereby irrevocably transfer and assign to the Company any and all of your right, title and interest in and to Designs and Materials, including but not limited to all copyrights, patent rights, trade secrets, trademarks and moral rights. You agree: (a) to disclose promptly in writing to the Company all Designs and Materials; (b) to cooperate with and assist the Company to apply for, and to execute any applications and/or assignments to obtain, any patent, copyright, trademark or other legal protection for Designs and Materials in the Company’s name as the Company deems appropriate; and (c) to otherwise treat all Designs and Materials as “**Confidential Information**,” as defined below.

6. Confidential Information. You recognize that, in the course of performing your services under this letter agreement, you will acquire information and materials from the Company and knowledge about information of a confidential or secret nature concerning the Company, including without limitation, knowledge about the Company’s business, products and planned products, marketing plans, financial information, forecasts, personnel, customers, clients, suppliers, experimental work and programming techniques. All such knowledge, information and materials acquired, the existence, terms and conditions of this letter agreement, and all Designs and Materials, are and will be the trade secrets and confidential and proprietary information of the Company (collectively, the “**Confidential Information**”). You agree to hold all such Confidential Information in strict confidence, not to disclose it to others or use it in any way, commercially or otherwise (including without limitation lecturing upon or publishing articles concerning Confidential Information), except in performing your obligations under this letter agreement, and not to allow any unauthorized person access to it. Confidential Information will not include, however, any information which is or becomes part of the public domain through no fault of yours, is independently developed by you without use or reference to any Confidential Information, is authorized for release by prior written consent of the Company, is required to be disclosed by law, or that the Company regularly gives to third parties without restriction on use or disclosure. You agree to return to the Company promptly upon request, and in any event after termination or expiration of this letter agreement, any and all records, paper, media or other embodiment containing any Confidential Information.

7. Conflicts of Interest; Non-Contravention. You hereby represent that the obligations

contemplated hereby do not, in any way, conflict with, violate or breach any other agreement and/or commitment on your part, including any employment agreement or policies of your employer. You agree to inform the Company promptly and in writing if any such conflict, violation or breach arises. You agree that you will not disclose to the Company any proprietary information that you currently have obtained, or may obtain in the future, from any other individual or organization.

8. Non-Solicitation. During the term in which you provide services to the Company pursuant to this letter agreement and for one year thereafter, you will not directly or indirectly solicit away any employees or consultants of the Company for your benefit or for the benefit of any other person or entity.

9. Termination. Either you or the Company may terminate this letter agreement on delivery of written notice to the other party. The provisions of Sections 4, 5, 6, 7, 8, 9 and 10 of this letter agreement will survive any expiration or termination of this letter agreement.

10. Interpretation. The terms contained in this letter agreement are subject to interpretation under the laws of the State of California, without giving effect to that body of laws pertaining to conflict of laws, and can be amended only in writing and by joint agreement of both you and the Company. If any provision of this letter agreement is determined by any court or arbitrator of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision will be enforced to the maximum extent possible given the intent of the parties hereto. If such provision cannot be so enforced, such provision shall be stricken from this letter agreement and the remainder of this letter agreement shall be enforced as if such invalid, illegal or unenforceable provision had (to the extent not enforceable) never been contained in the letter agreement. This letter agreement constitutes the complete and exclusive understanding and agreement of you and the Company and supersedes all prior understanding and agreements, whether written or oral, with respect to the subject matter hereof. This letter agreement may be executed in two or more counterparts, including by facsimile or electronic signature transmission, with the same force and effect as if each of the signatories had executed the same instrument.

If the foregoing represents your understanding of your role as an advisor to the Company, please sign below and return the executed letter agreement to me. The enclosed copy is for your files. Once again, we appreciate your interest in _____ and look forward to a stimulating and mutually beneficial association with you.

Very truly yours,

[[Company]]

By:

AGREED:

Schedule A

Based on the below range, the parties agree for an advisor compensation equal to:

_____ %

Advisor Performance Level

- 1. Standard
 - 1. Idea Stage: 0.25%
 - 2. Startup Stage: 0.20%
 - 3. Growth Stage: 0.15%

- 2. Strategic
 - 1. Idea Stage: 0.50%
 - 2. Startup Stage: 0.40%
 - 3. Growth Stage: 0.30%

- 3. Expert
 - 1. Idea Stage: 1.00%
 - 2. Startup Stage: 0.80%
 - 3. Growth Stage: 0.60%

Type of Security:

The parties agree that the above compensation will be paid as:

Option to purchase:

Common Stock

or

Restricted Common Stock

Total Number of Shares of Common Stock:

The parties agree that the above compensation is equal to _____ shares so long as Advisor satisfies the Performance Level of Service as indicated above*

If the Company's capitalization structure is currently unknown, fill in 'TBD' above.

Vesting Period:

All shares (other than the bonus level of shares) shall vest on a pro rata basis monthly over a _____ year period with a _____-month cliff period. The

bonus shares shall vest if Advisor has satisfied the bonus level of service as determined by the Company at the end of the _____-year period or prior to the sale of the Company.

_____ % of unvested shares shall vest on closing of sale of the Company

**Advisor's performance level of service shall be determined by the Company, and its determination shall be final and binding; provided that Advisor may request confirmation of the level of service at least each quarter.*

Company Stage

The Company Stage is determined using the guidelines below.

Stage Characteristics

Idea Team: The team consists of only part-time founder(s).

Customers: The company is in discussions with potential customers to determine demand in the market. The pricing/revenue structure has been developed, but needs market validation.

Revenue: The company has no revenue.

Investors: At least one group consisting of the founder(s), their friends or family has invested.

Product: The specifications for a minimum viable product including wireframes and system designs are complete.

Startup Team: The team consists of full-time founder(s) and is in the process of hiring initial employees as needed.

Customers: The company has received letters of intent or customer commitments and the market need has been validated.

Revenue: The company may be collecting revenue.

Investors: Investment may have been raised via friends/family or professional investors (angel, venture capital, etc.).

Product: The launch of the minimum viable product is imminent.

Growth Team: The team consists of full time founder(s) and is in the process of hiring employees as needed.

Customers: The company has achieved significant traction and user-based growth.

Revenue: The company is collecting revenue.

Investors: Prior investment may have been raised and the founders are prepared to pitch to professional investors if additional capital is needed.

Product: The product has been launched and is periodically refined based on customer feedback.

