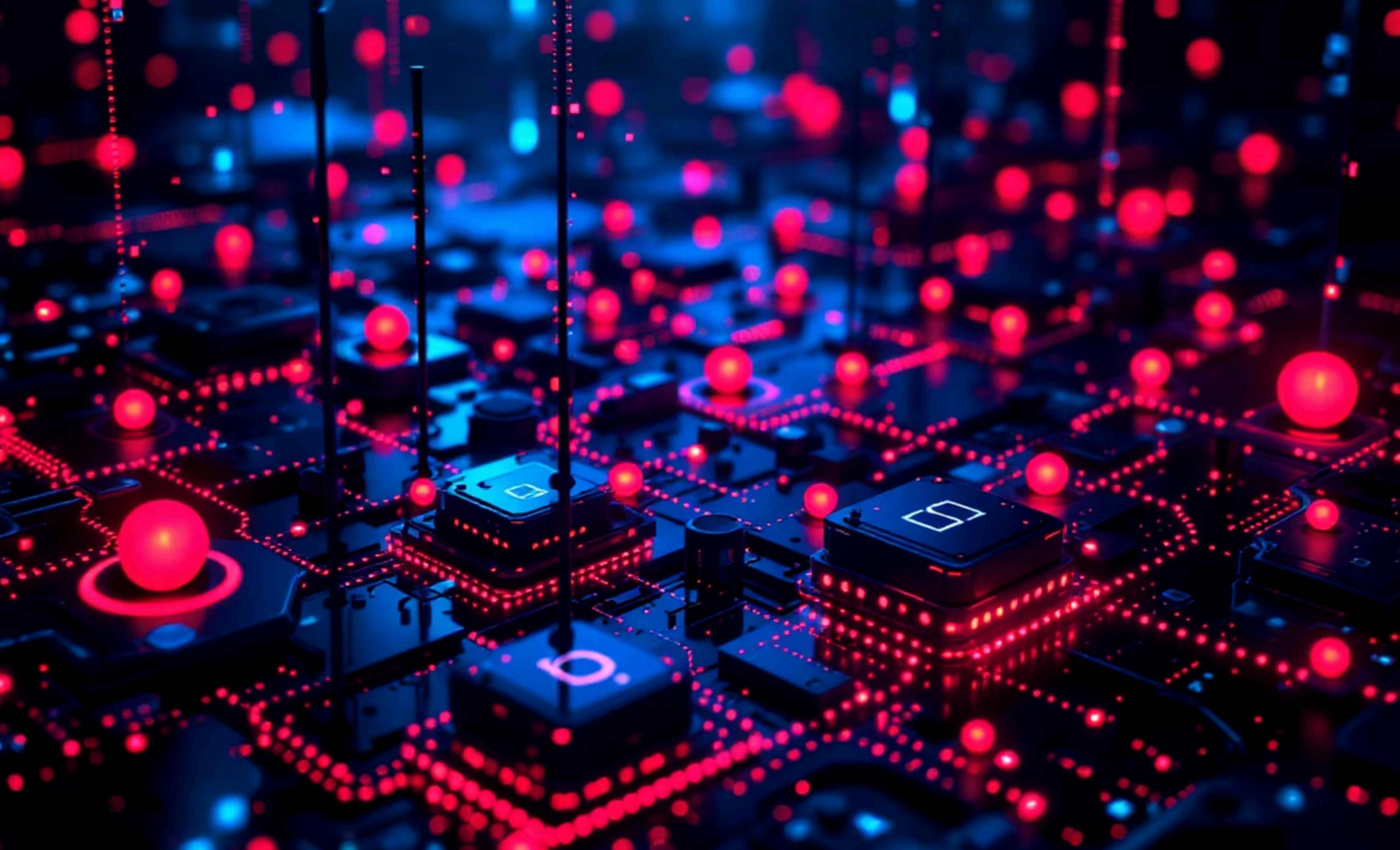




SAFE vs SAFT vs SAFE+T

The startup fundraising contracts reshaping crypto and Web3. Swipe to decode the future of early-stage investment.



What Is a SAFE?

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No Immediate Equity

Investors receive rights to future shares, not upfront ownership.

Conversion Triggers

Equity issued during funding rounds or acquisition events.

No Debt

Unlike convertible notes, SAFEs don't accrue interest or require repayment.



What Is a SAFT?

A contract allowing investors to purchase rights to future tokens, delivered after network launch.

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1

Token-Based Fundraising

Investors receive tokens, not equity stakes.

2

Private Rounds Only

Typically limited to accredited investors with strict KYC.

3

TGE Conversion

Tokens delivered after Token Generation Event goes live.

SAFE vs SAFT vs SAFE+T

Feature	SAFE	SAFT	SAFE+T
Core Promise	Future equity	Future tokens	Equity + tokens
Trigger Event	Funding round	Network launch	Both events
Complexity	Low	Medium	High
Best For	Early dev labs	Token protocols	Hybrid projects



SAFE+T: The Hybrid Solution

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Dual Exposure

Investors gain rights to both equity and tokens simultaneously.



Maximum Flexibility

Founders can delay token issuance without breaching contracts.



Negotiable Terms

Token allocation based on equity ownership or fixed rates.



Legal Landmines to Avoid

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Use Token SPV

Structure SAFTs in crypto-friendly jurisdictions for compliance.



Avoid Retail Promotion

SAFTs must target accredited investors only unless regulated.



Clear Disclaimers

Include comprehensive risk disclosures in all fundraising materials.

Courtroom Lessons

1

Crashfund v. FaZe Clan (2020)

Company used merger to dodge SAFE equity promises. Court ruled founders must act fairly.

2

Rostami v. Open Props (2023)

SAFT investor sued over worthless tokens. Court dismissed: hype isn't fraud, investors must research.

3

Seed River v. AON3D (2023)

SAFE required updates, company stayed silent. Court ruled this broke contract terms.



When to Use Each Instrument

Use SAFE

- Early development stage
- Tokenomics undefined
- Quick raise needed
- Minimal legal overhead

Use SAFT

- Token model defined
- Clear launch timeline
- Institutional investors
- Legal review complete

Use SAFE+T

- Want dual exposure
- Flexible token timing
- Unsure about tokens
- Hybrid strategy



Key Takeaways



Choose Wisely

Match instrument to your project stage, token strategy, and investor profile.



Stay Compliant

Navigate SEC and FCA regulations carefully with proper legal counsel.



Build Trust

Honesty and transparency are non-negotiable in fundraising agreements.

Ready to Fundraise?

Understanding SAFE, SAFT, and SAFE+T is more than legal housekeeping—it's shaping your venture's future and building investor trust from day one.

"Are you selling equity, tokens, or both?" The answer will guide everything that follows.

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