

The Startup Funding Glossary

01



Angel investor

An angel investor is an individual who provides capital to Startups typically in exchange for either equity or convertible debt.

02



Boot-Strapping

Using “friends and family” cash to get going

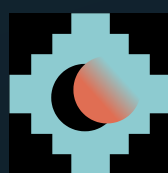
03



Bridge Loan

A short term loan from investors to hold you over until the next round of funding or more capital can be secured

04



Convertible Note

A convertible note is a loan issued towards a round of future funding, designed to convert to equity when the company raises more money. A Convertible Note has a maturity date and an interest rate.

05



Follow-on funding

A repeat investment from a funder who previously provided capital, now at a later stage in the business.

06



Priced Round

An investment where the valuation of the company is determined as a negotiation between the company and the investor, and includes a price-per-share so it's clear how much of the company everyone owns.

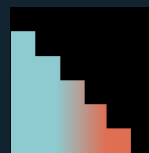
07



SAFE Note

IA non-debt convertible security, converting into equity in a future investment round

08



Seed Funding

The first official round of startup funding or equity funding

09



Series A Funding

The second stage of startup funding, but the first stage of venture capital financing

10



Series B Funding

The second stage of venture capital financing. It sometimes features many of the same investors from the previous round, Series A, but may bring in additional prospects.