

## Hypothetical NEWCO Capitalization Table

	\$ Amount Raised	Shares	% Ownership	% Ownership Founders & Seed Invstrs	% Ownership Founders, Seed & 1st round Invstrs	% Ownership Founders, Seed, 1st, 2nd round Invstrs
<b>Start-up</b>						
BCM Technologies / Office of Tech Admin Inventor Shares		150,000	15.00%	6.00%	3.75%	3.00%
Department Shares		425,000	42.50%	17.00%	10.63%	8.50%
Baylor College of Medicine		212,500	21.25%	8.50%	5.31%	4.25%
Total Technology Shares	\$ -	1,000,000	100.00%	40.00%	25.00%	20.00%
<b>TOTAL VALUE OF NEWCO at this Stage (\$0 x 1M shares = \$0M)</b>						
<b>Management Shares</b>	\$ -	500,000		20.00%	12.50%	10.00%
<b>Seed Round</b>						
Seed Round Investors (@ \$0.50 per share)	\$ 500,000	1,000,000		40.00%	25.00%	20.00%
TOTAL SHARES (after seed round)		2,500,000		100.00%	62.50%	50.00%
TOTAL AMOUNT RAISED (after seed round)	\$ 500,000					
<b>TOTAL VALUE OF NEWCO at this Stage (\$0.50 x 2.5M shares = \$1.25M)</b>						
<b>1st Round</b>						
Angel or Venture Capital (@ \$2.00 per share)	\$ 3,000,000	1,500,000			37.50%	30.00%
TOTAL SHARES (after 1st round)		4,000,000			100.00%	80.00%
TOTAL AMOUNT RAISED (after 1st round)	\$ 3,500,000					
<b>TOTAL VALUE OF NEWCO at this Stage (\$2.00 x 4.0M shares = \$8.0M)</b>						
<b>2nd Round</b>						
Venture Capital (@ \$4.00 per share)	\$ 4,000,000	1,000,000				20.00%
TOTAL SHARES (after 2nd round)		5,000,000				100.00%
TOTAL AMOUNT RAISED (after 2nd round)	\$ 7,500,000					
<b>TOTAL VALUE OF NEWCO at this Stage (\$4.00 x 5.0M shares = \$20.0M)</b>						