



FOUNDERS' FRAMEWORK AGREEMENT

ElimuX College Consulting

Effective Date: 6th June 2025

Parties:

- **Nick Mathenge** – Co-Founder
- **Nestone Joseph** – Co-Founder

1. Company Overview

ElimuX College Consulting (“ElimuX” or “the Company”) is a Kenya-based educational consultancy that provides digital SAT preparation, personalized college application support, scholarship guidance, and mentorship for students seeking admission to top universities worldwide. The company is committed to making world-class university access more achievable for talented students across Africa.

2. Ownership Structure

ElimuX is jointly owned by Nick Mathenge and Nestone Joseph.

- Both founders agree to maintain **equal ownership (50% each)**.
- Any changes to ownership, such as share transfers, dilution, or reallocation, must be discussed and agreed upon in writing.
- The company recognizes that the shareholding is being realigned from an earlier arrangement, and both parties are committed to keeping the structure equitable and future-proof.



3. Capital Contributions

While earlier operational, branding, and technical development contributions were undertaken individually, the company recognizes all such efforts as foundational. Moving forward, **capital contributions, if needed, shall be raised or committed equally**, unless agreed otherwise.

4. Roles and Responsibilities

Each founder shall hold defined responsibilities within the organization, with flexibility to adapt based on growth and operational demands.

Nestone Joseph – Academic Director

- SAT instruction oversight and curriculum updates
- Recruitment and mentorship of tutors and consultants
- Student academic performance monitoring and analysis
- Essay coaching and admissions document review
- Consultation with students, parents, and educators
- Tutor onboarding and academic quality assurance

Nick Mathenge – *Chief Operating Officer

- Website design, development, and maintenance
- Branding, graphics, and digital content strategy
- Marketing, advertising, and outreach campaigns
- CRM setup and operations automation
- Business development and partnerships (schools, NGOs)
- Consultation with parents and prospective clients
- Internal systems, reporting, and performance tracking

Both founders will:

- Collaborate on cohort planning, pricing, and strategy
- Represent the brand in public engagements and partnerships



- Co-lead ElimuX's growth direction and internal reviews

5. Salaries and Compensation

- **Founders shall not receive fixed salaries** until profitability and sustainability allow, and both parties agree.
 - Any additional roles taken by a founder (e.g., tutoring, consulting) shall be **compensated from the expense budget**, agreed before engagement, and logged transparently.
 - No founder shall claim compensation or reimbursements without the other founder's knowledge and agreement.
-

6. Profit Distribution

- Profits are defined as **net income** after all expenses have been paid.
- Distributions will be **equal (50%/50%)** between founders.
- Profit shall be calculated and disbursed **at the end of each month** after:
 - Paying tutors, consultants, and operational costs
 - Settling marketing, tech, referral commissions, and subscriptions
 - Setting aside a reserve fund (typically 10–15% of revenue)



7. Use of Funds and Expense Management

- All business revenue shall be deposited in the ElimuX business account.
- Both founders shall be registered signatories.
- **No founder may withdraw funds without notifying the other.**
- **All expenses must be jointly approved**, especially those exceeding KES 10,000.
- Company funds must not be used for personal expenses under any circumstances.
- Monthly expense reports and profit distribution records must be accessible to both parties.

8. Intellectual Property

- All content, designs, systems, curriculum, and brand assets developed under ElimuX belong **solely to the company**.
- No founder may independently repurpose, sell, or transfer company-owned IP without mutual consent.

9. Conflict of Interest

- No founder may engage in or associate with a competing SAT prep or college consulting business **unless agreed upon by both founders in writing**.
- Founders must disclose any external affiliations that may influence ElimuX operations.



10. Exit and Buyout Clause

Voluntary Exit

- A founder who wishes to leave ElimuX must give at least **60 days' written notice**.
- Shares will be valued by an independent third-party evaluator.
- The remaining founder shall have **first right of refusal** to purchase exiting shares.
- Third-party sales shall require the written approval of the remaining founder.

Involuntary Exit

- Grounds for involuntary exit include gross misconduct, dereliction of duties, or extended inactivity (>60 days).
- A performance review shall precede any action.
- If unresolved, a third-party mediator shall be engaged.

11. Underperformance and Restructuring

- If a founder is consistently underperforming or unavailable:
 - A formal notice shall be issued.
 - The founder has 30 days to improve or resume contributions.
 - Failing that, equity or role restructuring discussions may begin, with mediation if necessary.

12. Dispute Resolution

- All disputes will first be resolved through direct communication.
- If unresolved, the founders agree to engage a **mutually selected neutral mediator**.



- Formal legal proceedings shall be considered only after good faith mediation efforts have failed.
-

13. Amendments

- This agreement may only be modified in writing, signed by both founders.
 - No oral agreements shall override or replace this document.
-

SIGNATURES

Signed on: _____

Nick Mathenge

Signature: _____

Nestone Joseph

Signature: _____