**[Company Name]**

**Founders Agreement**

This Founders Agreement (the "Agreement") is made and entered into on this [Date] (the "Effective Date") by and between the undersigned individuals, collectively referred to as the "Co-Founders" and each individually as a "Co-Founder."

Partners:

1. [Co-Founder Name], [address], [Personal or Business ID if any] (hereinafter referred also as [initials])
2. [Co-Founder Name], [address], [Personal or Business ID if any] (hereinafter referred also as [initials])
3. [Co-Founder Name], [address], [Personal or Business ID if any] (hereinafter referred also as [initials])

**Introduction**

WHEREAS, the Co-Founders wish to establish and govern their respective rights, obligations, and responsibilities in connection with the formation and operation of [Company Name] (the "Company") and its business;

WHEREAS, the Co-Founders have contributed capital to the Company and may seek additional investment from investors in the future;

WHEREAS, it is necessary to define the ownership structure, roles, responsibilities, compensation, exit formalities, dissolution process, dispute resolution mechanism, and other miscellaneous provisions for the smooth operation of the Company;

***NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Co-Founders hereby agree as follows:***

***Agreement Terms***

**1. DEFINITION OF THE BUSINESS**

The Co-Founders hereby define the business of the Company as follows:

[Describe the nature of the business and the products/services offered].

**2. DETAILS OF CAPITAL RAISED**

a. The initial capital contributions by the Co-Founders are as follows:

|  |  |  |
| --- | --- | --- |
| Co- Founder Name | Amount | Description of contribution |
|  |  |  |
|  |  |  |

b. Any additional capital raised from investors shall be governed by separate investment agreements, subject to the approval of the Co-Founders.

**3. OWNERSHIP DETAILS**

a. The initial ownership distribution among the Co-Founders is as follows:

|  |  |  |
| --- | --- | --- |
| Co- Founder Name | No. Of Shares | % of Ownership |
|  |  |  |
|  |  |  |

b. The Co-Founders agree that any future changes to the ownership distribution shall be approved unanimously by all Co-Founders.

**4. ROLES AND RESPONSIBILITIES**

The Co-Founders shall undertake the following roles and responsibilities:

|  |  |  |
| --- | --- | --- |
| Co- Founder Name | Responsibilities | Description |
|  |  |  |
|  |  |  |

The Co-Founders may amend or modify their roles and responsibilities by mutual agreement, subject to the best interests of the Company.

**5. COMPENSATION**

a. Each Co-Founder shall be entitled to a monthly salary as follows:

|  |  |  |
| --- | --- | --- |
| Co- Founder Name | Salary | Detailed distribution |
|  |  |  |
|  |  |  |

b. The Co-Founders acknowledge that their salaries may be adjusted from time to time based on the financial performance and needs of the Company, as agreed upon by a majority vote of the Co-Founders.

**6. DETAILS OF EXIT FORMALITY FOR FOUNDERS**

a. In the event that a Co-Founder wishes to exit the Company, they shall provide written notice to the other Co-Founders at least [Notice Period] in advance.

b. The exiting Co-Founder shall transfer their ownership interest in the Company to the remaining Co-Founders or their designated successors, subject to a fair valuation determined by a mutually agreed-upon valuation method.

c. The exiting Co-Founder shall be entitled to receive their proportionate share of the Company's profits up to the date of exit.

**7. DISSOLUTION OF THE FIRM**

a. The Company may be dissolved upon the occurrence of any of the following events:

1. Unanimous agreement of the Co-Founders
2. Insolvency or bankruptcy of the Company
3. Dissolution ordered by a court of competent jurisdiction
4. Does not contribute the agreed minimum time and/or effort to The Company an on- going bases, as agreed by Co-Founders, and continues to not contribute after notification from other Co-Founders.
5. Material breach of this Agreement.
6. Gross misconduct or any serious or persistent breach of any obligation to the Company or any associated Company of the Company.

b. In the event of dissolution, the assets of the Company shall be distributed among the Co-Founders in proportion to their ownership interests after settling all outstanding liabilities and obligations.

**8. DETAILS OF DISPUTE RESOLUTION**

a. Any disputes arising out of or relating to this Agreement shall be resolved through good-faith negotiation between the Co-Founders.

b. If the dispute cannot be resolved through negotiation, it shall be submitted to mediation, conducted by a neutral mediator agreed upon by the Co-Founders.

c. If mediation fails to resolve the dispute, it shall be submitted to binding arbitration in accordance with the rules of [Arbitration Institution/Association]. The decision of the arbitrator(s) shall be final and binding on all parties.

**9. MISCELLANEOUS PROVISIONS**

**a.** **ASSIGNMENT OF INTELLECTUAL PROPERTY RIGHTS:** The Co-Founders hereby assign all intellectual property rights developed in connection with the Company to the Company. The Co-Founders shall promptly disclose and document any such intellectual property.

**b. NON-COMPETE CLAUSES:** During the term of this Agreement and for a period of [Non-Compete Period] following the termination of this Agreement, each Co-Founder agrees not to engage in any business or activity that competes with the Company's business within [Geographic Restriction].

**c. SEVERABILITY:** If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue to be binding and enforceable to the fullest extent permitted by law.

**d. GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of [Jurisdiction], without regard to its conflict of laws principles.

**e. ENTIRE AGREEMENT:** This Agreement constitutes the entire understanding between the Co-Founders with respect to the subject matter hereof and supersedes all prior discussions, negotiations, and agreements, whether written or oral.

IN WITNESS WHEREOF, the Co-Founders have executed this Founders Agreement as of the Effective Date.

Co-Founder 1 Name: [Signature] Date: [Date]

Co-Founder 2 Name: [Signature] Date: [Date]

Co-Founder 3 Name: [Signature] Date: [Date]

...

[Notary Acknowledgment]