**Founders' Agreement**

THIS FOUNDERS' AGREEMENT (the "Agreement") is made as of [Insert Date] by and among [Insert Company Name] (the "Company"), and the following founders (the "Founders"):

• [Insert Founder Name]  
• [Insert Founder Name]

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

**I. BUSINESS VENTURE**

The Founders have created [Insert brief description of business] (the "Business Venture").

The Company's initial place of business is located at [Insert Company Address]

**II. INITIAL CAPITAL**

Each Founder agrees to contribute $[Insert Amount] as non-refundable initial capital to account for expected and potential company expenses.

Additional capital contributions may be made to support the Company's ongoing operating costs. These additional capital contributions are to be made only through the mutual written consent of all the Founders.

**III. OWNERSHIP STRUCTURE**

Upon the formation of the company, ownership shares will be divided among the Founders as follows:

[Insert description of share allocation]

These shares are meant to establish the initial proportional ownership of the Founders of the Company. These shares are not transferable and do not constitute securities of any kind.

**IV. VOTING**

If a matter arises that pertains to the Business Venture and requires a majority vote in order to proceed, voting powers shall align with the distribution of each Founder's percentage of shares.

In the case of a split vote, [Insert Name] shall administer the deciding vote.

**V. VESTING SCHEDULE**

Should the Founders elect to do so, they may create a vesting schedule. The shares issued to each Founder shall vest on a vesting schedule to be established at a later time by mutual consent of all of the Founders.

If a Founder terminates his or her relationship with the Company for any reason, prior to the full vesting of all shares entitled to the Founder, the remaining portion of such shares will be returned to the Company.

**VI. INTELLECTUAL PROPERTY OWNERSHIP**

Each Founder shall grant and assign all of his or her right, title, and interest in the Business Venture to the Company, including all ideas (however formed or unformed) and work product that results from any task performed by the Founder for the full term of this agreement. Each Founder shall also perform all such actions that may be necessary to bestow absolute legal ownership of the Business Venture and any related intellectual property to the Company.

Any other agreement that requires an ownership interest in the Business Venture and related intellectual property to be transferred to a third party must be agreed upon by each Founder. In the event of such an agreement, the obligations of this Agreement must be disclosed to that third party.

The provisions in this section do not pertain to any inventions developed by a Founder entirely on his or her own time, entirely unrelated to the Business Venture, without the utilization of any of the Company's resources such as, without limitation, equipment, supplies, and facilities.

**VII. AMENDMENT AND WAIVER; TERMINATION**

This Agreement may not be orally changed, modified, or terminated, nor shall any oral waiver of any of its terms be effective. This Agreement may only be changed, modified, or terminated by an agreement in writing signed by the Founders. This Agreement shall terminate upon the closing of the Company's initial public offering as a result of which shares of the Company (or any successor entity) of the same class as the Shares are registered under Section 12 of the Securities Exchange Act of 1934, as amended, and publicly traded on NASDAQ Global Market or any national security exchange.

**VIII. RESIGNATION AND REMOVAL**

Any Founder may resign from the Company by giving written notice to the other Founders. Upon a Founder's resignation, the Company will pay out to the resigning Founder any positive capital account balance within 180 days of resignation. Should all of the Founders resign, the Company shall dissolve and this Agreement will terminate immediately upon completion of the winding up of the Company's affairs and distribution of its assets and liabilities in accordance with this agreement. Each Founder further agrees that a majority vote will be required for the removal of any Founder in accordance with the voting provisions contained in this Agreement.

**IX. MISCELLANEOUS PROVISIONS**

**A. CONFIDENTIALITY.**

The Founders shall take necessary steps to ensure that anything deemed "Confidential Information" will remain confidential. Confidential Information shall include, without limitation, business records and plans, trade secrets, technical data, product ideas, contracts, financial information, pricing structure, discounts, computer programs and listings, source code and/or object code, copyright and intellectual property, inventions, sales leads, strategic alliances, partners, and customer and client lists. The nature of the information and the manner of disclosure are such that a reasonable person would understand it to be confidential. Disclosure of Confidential Information will only occur on an as-needed basis and only upon consent of all the Founders.

This Agreement is in compliance with the Defend Trade Secrets Act and provides civil or criminal immunity to any individual for the disclosure of trade secrets: (i) made in confidence to a federal, state, or local government official, or to an attorney when the disclosure is to report suspected violations of the law; or (ii) in a complaint or other document filed in a lawsuit if made under seal.

**B. DISPUTE RESOLUTION.**

If a dispute, controversy, or claim arises out of or relates to this Founders' Agreement or the breach thereof, and if the dispute cannot be settled through negotiation, the Founders agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association, or a similar dispute resolution service. If the Founders are unsuccessful at resolving the dispute through mediation, the Founders agree to arbitration administered by the American Arbitration Association, or a similar dispute resolution service. Judgment on the Award may be entered in any court having jurisdiction.

**C. SEVERABILITY.**

If a court holds any provision of this Agreement to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect and the parties will amend this Agreement to give effect to the stricken clause to the maximum extent possible.

**D. ENTIRE AGREEMENT.**

All understandings and agreements previously existing between the parties, if any, are merged into this Agreement, which alone fully and completely expresses their agreement. Neither party will rely upon any statement or representation made by the other not embodied herein. This Agreement may be modified only by a written amendment by all parties.

IN WITNESS WHEREOF, the parties hereto have caused this Founders' Agreement to be duly executed as of the date first set forth above.

FOUNDER #1

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[Insert Founder Name]

FOUNDER #2

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[Insert Founder Name]