
Co-founder Agreements

— A checklist of what to agree on —

Talk, decide and get in writing:

- ❑ What will each founders specific responsibilities be? What will be their titles?
- ❑ How much time will each founder put into the business (average hours per week/month)?
- ❑ What is each founder bringing to the table in terms of past and future contributions to the business e.g. the idea for the business, domain expertise, contacts, capital, time, resources and responsibilities.
- ❑ How will equity be split amongst the founders having regard to the contributions of each founder?
- ❑ Will there be equity vesting? If so, will it be based on milestones achieved or time? What is the vesting schedule?
- ❑ Which decisions can be made by one founder alone?
- ❑ Which decisions require unanimous agreement before they can proceed? What if there's a 50:50 split?
- ❑ What capital contributions will be made by each founder and what is the basis (e.g. loan)
- ❑ What remuneration will each founder receive apart from equity?
- ❑ Does each founder agree that intellectual property (IP) is owned by the company?
- ❑ Does each founder agree not to disclose confidential business information or to compete or solicit company customers, employees/agents or suppliers?
- ❑ What dispute resolution process should there be if the founders have a dispute?
- ❑ What happens if a founder leaves the business? Can they retain or sell their shares?