

FOUNDERS AGREEMENT

Jurisdiction: General

Generated: July 30, 2024

This Founders Agreement ("Agreement") is entered into on this [Date] day of [Month], [Year], by and between Diksha Chhabra and Rakesh Kumar (collectively, the "Founders" and individually, a "Founder"). This Agreement outlines the relationship between the Co-Founders, covering equity distribution, roles, vesting schedules, intellectual property assignment, and non-compete clauses, for the purpose of establishing and operating [Company Name] (the "Company").

1. Formation of the Company

The Founders agree to establish a company named [Company Name] (or such other name as mutually agreed upon), a [Type of Entity, e.g., Corporation, LLC] in the jurisdiction of [State/Country of Formation]. The Founders shall take all necessary steps to incorporate or organize the Company as quickly as practicable.

2. Equity Distribution

2.1. The Founders agree to the following equity distribution in the Company:

- Diksha Chhabra: 60% of the total equity.
- Rakesh Kumar: 40% of the total equity.

2.2. The equity described in this Section 2 shall be subject to the vesting schedule set forth in Section 4 herein.

3. Roles and Responsibilities

The Founders shall assume the following primary roles and responsibilities within the Company, it being understood that these roles may evolve and additional responsibilities may be assigned by mutual agreement:

- Diksha Chhabra: Responsible for compliance and registration matters of the Company.
- Rakesh Kumar: Responsible for business development, client acquisition, and maintaining client relations.

4. Vesting Schedule

4.1. The equity allocated to each Founder as per Section 2 shall be subject to a vesting schedule over a period of two (2) years. 4.2. Vesting shall commence on the Effective Date of this Agreement. 4.3. A one (1) year cooling period shall apply, meaning no equity will vest during the first year of employment or service. After the one-year cooling period, the remaining equity shall vest in equal quarterly installments over the subsequent one (1) year period. 4.4. In the event a Founder's service to the Company terminates for any reason prior to full vesting, any unvested equity shall be forfeited and returned to the Company for redistribution or cancellation, unless otherwise agreed in writing by all remaining Founders or as stipulated in a separate severance agreement.

5. Intellectual Property Assignment

5.1. All intellectual property (IP), including but not limited to inventions, discoveries, designs, software, trademarks, copyrights, and trade secrets, conceived, created, developed, or reduced to practice by a Founder during the course of their engagement with the Company, whether alone or jointly with others, and that relates to the Company's business or anticipated business, shall first vest solely with the respective Founder. 5.2. Upon the creation or conception of any such IP, the Founder shall immediately assign, and hereby assigns, all right, title, and interest in and to such IP to the Company without further consideration. The Founder shall execute any and all documents and take all actions reasonably necessary to perfect such assignment and to assist the Company in obtaining and enforcing patents, copyrights, and other IP protections.

6. Non-Compete Clause

6.1. During the term of this Agreement and for a period of three (3) years following a Founder's departure from the Company for any reason (the "Non-Compete Period"), such Founder shall not, directly or indirectly, engage in, own, manage, operate, control, be employed by, participate in, or be connected in any manner with the ownership, management, operation, or control of any business that competes with the Company's business as conducted at the time of the Founder's departure, within [Geographic Area, e.g., the same market, a X-mile radius of the Company's primary location]. 6.2. This non-compete obligation is essential for the protection of the Company's legitimate business interests, including its goodwill, trade secrets, and customer relationships. 6.3. If any provision of this Section 6 is held to be unenforceable because of its duration, geographical scope, or otherwise, the parties agree that the court making such determination shall have the power to reduce the duration and/or geographical scope of such provision or to delete specific words or phrases, and in its reduced form, such provision shall then be enforceable.

7. 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.

8. Entire Agreement

This Agreement constitutes the entire agreement between the Founders with respect to the subject matter hereof and supersedes all prior discussions, negotiations, and agreements, whether oral or written.

SIGNATURES

Founder

Diksha Chhabra

Date: _____

Founder

Rakesh Kumar

Date: _____

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