

Founders' Agreement and Start Up Early Stages - What to Consider ?

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A Founders Agreement – is it necessary?



- **Do you really know your Partner?** DD is legitimate!
- **Expectations:**
 - Role (past experience, technical orientation, business orientation . . .)
 - Time contribution
 - Ownership %



A Founders Agreement – is it necessary?



- **What to do when a founder does not deliver/quits**
(reverse vesting, termination, BMBY, Arbitration)
- **IP Assignment** – is undoing the assignment possible?



Establishing a COMPANY



- **Why? (corporate veil)**
- **When? (expenses, far from investment)**
- **Board of Directors (total size, per name, %)**
- **Important Decisions (investments, licenses, Exit)**



Establishing a COMPANY



- **IP Assignment (current employers, provisional applications)**
- **Financing –**
 - ✓ 3F, angels, VCs
 - ✓ Other Funding sources – what to do? (OCS funding, Bi-National Funds, EU Funds, loans, convertible BL, internal rounds)
- **Finders – what's important to remember**

non exclusive, list of names, 5% + 5%, commensurate with infusion of funds, term & termination



- **Document your obligations (NDAs, finder fees, consulting, employment)**
- **Keep track of your documents**
- **Open source licenses**



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