

Awake Cofounder Agreement

Version 1.0 — California LLC holding interests in a Delaware corporation

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Last legal review: Not recorded; independent counsel review required

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Structure and completion status

This template assumes one combined two-tier structure: [\[REQUIRED: VENTURE NAME\]](#) **Cofounders LLC**, a California limited liability company, acts as the founders' governance and holding vehicle and holds securities of [\[REQUIRED: VENTURE NAME\]](#) **Platform Corporation**, a Delaware corporation used for operations and fundraising. It is not a choose-one California-or-Delaware form.

Visible bracketed fields are intentional template fields and must be resolved before signature:

- [\[REQUIRED: ...\]](#) must be completed.
- [\[SELECT ONE: ...\]](#) requires a selection and deletion of the alternatives.
- [\[OPTIONAL: ...\]](#) must be affirmatively retained or deleted.
- [\[COUNSEL: ...\]](#) requires individualized legal or tax review.
- [\[DRAFTING NOTE: ...\]](#) must be removed from a signing copy.

Use the separate [drafting and completion guide](#). A final signing copy must not contain unresolved brackets, examples, highlighting, or drafting instructions.

Limited Liability Company Operating Agreement of

[REQUIRED: VENTURE NAME] COFOUNDERS LLC

a California limited liability company (Cal. Corp. Code § 17701.01 et seq.), governing the Cofounders' interests in the Venture and in [REQUIRED: VENTURE NAME] Platform Corporation, a Delaware corporation

Dated: [REQUIRED: EFFECTIVE DATE]

1. Parties

This Awake Cofounder Agreement (the “Agreement”) is entered into on [REQUIRED: EFFECTIVE DATE] by and between:

- (a) [REQUIRED: NAME OF COFOUNDER 1], residing at [REQUIRED: NOTICE ADDRESS] (the “Majority Cofounder”); and
- (b) [REQUIRED: NAME OF COFOUNDER 2], residing at [REQUIRED: NOTICE ADDRESS] (the “Minority Cofounder”), each a “Member” or “Cofounder” and together the “Members” or “Cofounders”. Additional Cofounders may be added only by listing them in Schedule A, obtaining the consents required under this Agreement (admission of any new Member requires Unanimous Consent under Clause 11), and execution by the new Cofounder of a deed of adherence.

2. Recitals

2.1 The Cofounders wish to come together to build and scale a new venture under the name [REQUIRED: VENTURE NAME] (the “Venture”), carried on through [REQUIRED: VENTURE NAME] Cofounders LLC, a limited liability company organized or to be organized under the California Revised Uniform Limited Liability Company Act, Cal. Corp. Code § 17701.01 et seq. (“RULLCA”) (the “LLC”), and through one or more Group Entities, including [REQUIRED: VENTURE NAME] Platform Corporation, a corporation incorporated or to be incorporated in the State of Delaware (the “Company”).

2.2 The Cofounders intend that this Agreement governs their equity, economic entitlements, governance rights, and obligations toward one another — both within the LLC and, through the LLC’s holding and exercise of securities, within every Group Entity — for the duration of the Venture, and that it may be changed only by mutual agreement as set out in Clause 17.

2.3 The Cofounders specifically acknowledge that the Minority Cofounder is joining to help scale the Venture to a higher valuation, and that the protections in this Agreement — in particular Clauses 6, 7, 8, 9, 12 and 17 — exist so that no Member, regardless of the size of their Membership Interest, can unilaterally alter the equity, economic rights, or governance rights of any other Member, whether at the level of the LLC or of any Group Entity.

3. Definitions

“Capital Contribution” means the cash, property, intellectual property, or services contributed by a Member to the LLC, as recorded in Schedule A.

“Company” means [REQUIRED: VENTURE NAME] Platform Corporation, a Delaware corporation, and any successor to it.

“Fair Market Value” means the value of a Membership Interest determined by an independent valuer jointly appointed by the Members (or, failing agreement within 30 days, appointed under the dispute-resolution process in Clause 19), valuing the LLC — including the look-through value of all Group Entity Securities it holds — as a going concern without minority or marketability discounts.

“Founder Equity” means the Membership Interests held by the original Cofounders identified in Clause 1, and excludes interests issued to investors, advisors, employees, option holders, or other subsequent participants. References to a percentage of Founder Equity are measured against the total Membership Interests held by the original Cofounders, so that dilution caused by the admission of investors or other later participants does not, by itself, reduce a Cofounder’s percentage of Founder Equity.

“Group Entity” means the Company and any other corporation, limited liability company, partnership, or other entity in which the LLC holds (directly or indirectly) any shares, membership interests, or other securities, each formed in connection with the Venture.

“Group Entity Securities” means all shares, options, warrants, convertible instruments, and other securities of any Group Entity held by the LLC from time to time.

“Membership Interest” means a Member’s entire ownership interest in the LLC, including rights to profits, losses, distributions, and governance rights, expressed as a percentage in Schedule A, and including that Member’s indirect pro-rata interest in all Group Entity Securities.

“Reserved Matters” means the matters listed in Schedule B (Part 1 for the LLC and Part 2 for Group Entities), which require the consent described in Clause 8.

“Supermajority Consent” means the prior written consent of Members holding at least [REQUIRED: SUPERMAJORITY THRESHOLD] % of the issued Membership Interests, which must include the written consent of the Minority Cofounder for any matter identified in Schedule B as requiring Minority Consent.

“Unanimous Consent” means the prior written consent of every Member.

4. The LLC and the Venture

4.1 Name of the Venture. The Venture shall be carried on under the name [REQUIRED: VENTURE NAME] (or such other name as the Members unanimously agree). The trade name, brand, and all associated goodwill belong to the LLC or the relevant Group Entity, not to any individual Member.

4.2 Formation, Filings, and Principal Office. The Members shall cause Articles of Organization for the LLC to be filed, and thereafter maintained, with the California Secretary of State under RULLCA, shall designate and maintain an agent for service of process in California, shall file the initial and biennial Statements of Information when due, and shall pay when due the annual franchise tax and any limited liability company fee imposed under the California Revenue and Taxation Code. The principal office of the LLC shall be at [REQUIRED: CALIFORNIA PRINCIPAL OFFICE].

4.3 Business Purpose. The business of the LLC is (a) to hold, manage, vote, and exercise the Group Entity Securities; (b) to govern the relationship among the Cofounders; and (c) [OPTIONAL: ADDITIONAL BUSINESS PURPOSE; OTHERWISE DELETE]. Any material change to the business purpose is a Reserved Matter.

4.4 Duration. The LLC continues for the duration of the Venture until dissolved in accordance with this Agreement and applicable law. This Agreement remains in force for so long as a Member holds a Membership Interest, unless changed by mutual agreement under Clause 17.

4.5 Limited Liability. In accordance with Cal. Corp. Code § 17703.04, the debts, obligations, and other liabilities of the LLC, whether arising in contract, tort, or otherwise, are solely those of the LLC, and no Member is personally liable for them, or for the acts or omissions of any other Member, solely by reason of being or acting as a Member. Each Member remains responsible for their own wrongful acts and for any obligation they personally guarantee.

5. Capital Contributions and Equity

5.1 Each Member shall make the Capital Contribution set out opposite their name in Schedule A. Contributions may take the form of cash, intellectual property, or sweat equity (services), and Schedule A records the agreed value of each.

5.2 The Membership Interests of the Members are as set out in Schedule A. Membership Interests determine each Member’s share of profits, losses, and distributions — including all economic value flowing from Group Entity Securities — unless this Agreement expressly provides otherwise.

5.3 No Mandatory Further Contributions. No Member is obliged to make any further Capital Contribution without their own written consent. A Member’s refusal to make a further contribution shall not, by itself, reduce that Member’s Membership Interest except through a new issuance carried out in full compliance with Clauses 6 and 8.

6. Equity Protection and Anti-Dilution

6.1 No Unilateral Change to Equity. No Member's Membership Interest, profit share, distribution rights, or governance rights may be reduced, cancelled, reallocated, subordinated, or otherwise adversely altered without that Member's prior written consent — whether by action taken within the LLC or by action taken in or through any Group Entity. Any purported change made without such consent is void and of no effect as between the Members.

6.2 New Issuances. The creation or issuance of any new Membership Interest (including to a new partner, investor, employee, or advisor) is a Reserved Matter. Any permitted issuance shall dilute all Members pro rata to their then-current Membership Interests, unless every affected Member consents in writing to a different treatment.

6.3 Pre-emptive Rights. Before any new Membership Interest is issued, each existing Member has the right (but not the obligation) to subscribe for their pro-rata share of the new interest on the same terms, exercisable within [REQUIRED: 30 OR OTHER] days of written notice setting out the price and terms.

6.4 Equal Treatment. Any issuance, repurchase, redemption, distribution, or restructuring must treat all Members of the same class identically on a per-percentage basis. The LLC shall not repurchase or redeem any interest from one Member without offering the same terms pro rata to all Members, except a buyout expressly permitted under Clauses 12 or 13.

6.5 Vesting (Optional — keep or delete with counsel). If the Members elect vesting, each Member's Membership Interest vests as set out in Schedule A (suggested default: 4-year vesting, 1-year cliff, monthly thereafter, with full acceleration on a Sale of the Venture or on termination of a Member's involvement without Cause). Unvested interests of a departing Member may be repurchased at the lower of cost and Fair Market Value; vested interests may only ever be repurchased at Fair Market Value and only in the circumstances expressly permitted by this Agreement.

7. Profits, Losses, and Distributions

7.1 Profits and losses of the LLC — including dividends, distributions, and sale proceeds received in respect of Group Entity Securities — shall be allocated among the Members in proportion to their Membership Interests.

7.2 Distributions shall be made at the times and in the amounts decided under Clause 8, and always pro rata to Membership Interests. No distribution may be made to one Member without a simultaneous pro-rata distribution to all Members.

7.3 Remuneration. Any salary, drawing, management fee, bonus, or other compensation paid to a Member by the LLC or by any Group Entity (beyond pro-rata distributions and arm's-length employment compensation approved under Schedule B) must be approved as a Reserved Matter and recorded in writing. This prevents a majority Member from extracting value through compensation in place of distributions.

8. Governance and Decision-Making

8.1 Day-to-Day Matters. The LLC is member-managed. Decisions in the ordinary course of business may be taken by the Member(s) designated in Schedule C or by Members holding a simple majority of the issued Membership Interests, acting in good faith and consistently with the approved budget and business plan.

8.2 Reserved Matters. Notwithstanding Clause 8.1, none of the Reserved Matters listed in Schedule B may be undertaken — whether by the LLC directly or through the exercise (or deliberate non-exercise) of rights attaching to Group Entity Securities —without the consent level specified in Schedule B (Unanimous Consent, or Supermajority Consent including Minority Consent). This Clause 8.2 is the principal protection ensuring no Member can unilaterally affect the equity or rights of another Member.

8.3 Information Rights. Every Member is entitled to: (a) monthly management accounts of the LLC and each Group Entity within [REQUIRED: 15 OR OTHER] days of month end; (b) annual financial statements; (c) reasonable access during business hours to the books, records, contracts, bank statements, cap-table records, and stock ledgers of the LLC

and each Group Entity (to the extent within the LLC's control); and (d) prompt notice of any material event, litigation, or proposed Reserved Matter. These rights may not be reduced without the consent of the Member concerned.

8.4 Meetings. Any Member may convene a Members' meeting on [REQUIRED: 7 OR OTHER] days' written notice. Quorum requires every Member (or their proxy); if quorum fails twice, the adjourned meeting may proceed with the Members present, but no Reserved Matter may be decided without the consents required by Schedule B.

8.5 Filing Responsibility. The Members named in Schedule C shall serve as the Members responsible for statutory filings and compliance of the LLC. Appointment and removal of such a Member is a Reserved Matter. Serving in that capacity confers no additional equity or voting power, and does not make the LLC manager-managed.

8.6 Good Faith and Fiduciary Duty. Each Member owes the LLC and the other Members duties of good faith, loyalty, and full disclosure — which supplement, and do not replace, the fiduciary duties and the contractual obligation of good faith and fair dealing under Cal. Corp. Code § 17704.09, which under RULLCA may be shaped but not eliminated — and shall not use majority position, control of bank accounts, control of registrations, or any office held in a Group Entity to disadvantage any other Member.

9. Group Entities and the Company

9.1 Structure. The Venture is conducted through a two-tier structure: this LLC is the Cofounders' governance and holding vehicle, and the Company ([REQUIRED: VENTURE NAME] Platform Corporation, a Delaware corporation) is the principal operating and fundraising vehicle. The internal corporate affairs of the Company are governed by Delaware law; this Agreement governs how the LLC and the Members exercise their own rights in respect of the Company and every other Group Entity.

9.2 LLC as Holder of Record. All founder equity in the Company and in every other Group Entity shall be issued to, and held of record by, the LLC. No Member shall acquire or hold shares or other securities of any Group Entity directly or through any other vehicle except with Unanimous Consent (for example, where investors require direct founder shareholdings, in which case the Members shall first put in place a stockholders' agreement replicating the protections of this Agreement at the Company level).

9.3 Exercise of Securities Is a Reserved Matter. Any vote, written consent, waiver, election, conversion, exercise, or transfer of, or other action or deliberate omission in respect of, Group Entity Securities concerning any matter listed in Schedule B Part 2 requires the consent specified there. No Member, officer, or agent of the LLC may sign, vote, or deliver any such instrument on behalf of the LLC without that consent, and any instrument signed in breach is unauthorized.

9.4 Minority Cofounder Board Seat. The Minority Cofounder shall be entitled to designate one director to the board of the Company for so long as the Minority Cofounder holds at least [REQUIRED: BOARD-RIGHT THRESHOLD] % of the outstanding Founder Equity. The LLC shall vote and exercise its Group Entity Securities, and the Members shall take all actions reasonably within their power, to cause that nominee's election and to oppose that nominee's removal other than for cause. This nomination right may not be reduced without the Minority Cofounder's written consent. Because it is measured against Founder Equity rather than fully-diluted equity, ordinary dilution from admitting investors or other later participants does not, by itself, terminate this right.

9.5 No Circumvention. No Member shall use any position as a director, officer, employee, or advisor of any Group Entity to accomplish indirectly anything this Agreement prohibits the Members from doing directly (including diluting, diminishing, or restructuring another Member's direct or indirect interest). If a conflict arises between this Agreement and the organizational documents of any Group Entity, then, as between the Members and to the maximum extent lawful, this Agreement prevails, and the Members shall exercise all rights within their power (including voting the Group Entity Securities) to amend the conflicting documents or otherwise give effect to this Agreement. The Members acknowledge that directors of the Company owe fiduciary duties under Delaware law and nothing in this Agreement requires any director to breach those duties; where such duties prevent an action, the Members shall implement the intent of this Agreement by lawful alternative means.

9.6 Look-Through Economics and Exits. All amounts received by the LLC in respect of Group Entity Securities (dividends, redemption proceeds, sale proceeds, or otherwise) shall be distributed pro rata under Clause 7. Any proposed sale or transfer of Group Entity Securities is subject to Clause 12 (Transfers), applied mutatis mutandis, so that the tag-along, drag-along safeguards, and right of first refusal protect each Member's indirect interest in the Company exactly as they protect Membership Interests in the LLC.

9.7 Implementation at the Company Level. Promptly after incorporation of the Company (and of any later Group Entity), the Members shall cause the LLC to exercise its rights so that, to the extent lawful under Delaware law, the certificate of incorporation, bylaws, and/or a stockholders' agreement of the Company reflect protective provisions consistent with Schedule B Part 2 (including protective consent rights and board composition), and shall obtain tax advice on the holding structure (including eligibility for qualified small business stock treatment under Section 1202 and any Section 83(b) elections) before shares are issued.

10. Roles, Responsibilities, and Commitment

10.1 Each Member's role, title, and expected time commitment — in the LLC and in any Group Entity — are set out in Schedule C. Changes to a Member's own role require that Member's consent.

10.2 No Removal Without Cause. A Member may be removed from their operational role (in the LLC or in any Group Entity, to the extent within the Members' control) only for Cause, meaning: fraud; material and persistent breach of this Agreement unremedied [REQUIRED: 30 OR OTHER] days after written notice; conviction of a serious criminal offence; or sustained incapacity exceeding [REQUIRED: 6 OR OTHER] months. Removal for Cause requires the affirmative vote of all other Members and does not, by itself, divest the removed Member of any vested Membership Interest, which remains subject to Clause 13.

11. Admission of New Members and Investors

11.1 Admission of any new Member, investor, or holder of any economic or governance interest in the LLC is a Reserved Matter requiring Unanimous Consent. Investment into a Group Entity (for example, a venture financing of the Company) is governed by Schedule B Part 2.

11.2 Any new Member must execute a deed of adherence agreeing to be bound by this Agreement before acquiring any interest.

11.3 Consent to Financing Not Unreasonably Withheld. No Member shall unreasonably withhold, condition, or delay consent to a bona fide third-party financing (whether at the LLC or Company level) that is reasonably necessary for the Venture's operations or growth and that does not disproportionately or adversely affect such Member relative to the other Members. This Clause does not require any Member to consent to a financing on terms that are commercially unreasonable in light of prevailing market conditions, that disproportionately dilutes or burdens one Member, that materially impairs a Member's rights under this Agreement, or that contains unreasonable terms; and in all cases dilution shall be borne pro rata under Clause 6.2, and no Member's rights under this Agreement may be stripped, reduced, or subordinated without that Member's written consent.

12. Transfers of Membership Interests

12.1 Lock-In. No Member may transfer, pledge, or encumber any Membership Interest except as permitted by this Clause 12. The same restrictions apply, mutatis mutandis, to any transfer by the LLC of Group Entity Securities (see Clause 9.6).

12.2 Right of First Refusal. A Member wishing to sell must first offer the interest to the other Members pro rata, on the same terms as the proposed third-party sale, by written notice. The other Members have [REQUIRED: 30 OR OTHER] days to accept.

12.3 Tag-Along (Minority Protection). If any Member (alone or together with affiliates) proposes to sell Membership Interests representing more than [REQUIRED: TAG-ALONG THRESHOLD] % of the LLC to a third party — or if the LLC proposes to sell more than [REQUIRED: TAG-ALONG THRESHOLD] % of the Group Entity Securities of the Company — every other Member has the right to participate pro rata in the sale at the same price per percentage point (or per share) and on the same terms. The proposed sale may not complete unless the buyer purchases the tagging Members' interests accordingly.

12.4 Drag-Along (with Safeguards). Members holding at least [REQUIRED: SUPERMAJORITY THRESHOLD] % of the issued Membership Interests may require all Members to join a sale of 100% of the LLC or of the Company, provided that: (a) all Members receive the same price per percentage point (or per share) and the same terms; (b) the price is supported by a Fair Market Value opinion from an independent valuer; (c) no Member is required to give indemnities beyond several (not joint) liability capped at their own proceeds; and (d) the buyer is not an affiliate of any dragging Member.

12.5 Permitted Transfers. A Member may transfer to a family trust or wholly-owned holding entity that executes a deed of adherence, provided the transferring Member remains responsible for the transferee's obligations.

12.6 Any transfer in breach of this Clause 12 is void, and the LLC shall not register it.

13. Departure, Buyout, and Valuation

13.1 Voluntary Exit. A Member may resign from active involvement on [REQUIRED: 90 OR OTHER] days' written notice. The remaining Members (or the LLC) shall have the option, exercisable within [REQUIRED: 60 OR OTHER] days, to purchase the departing Member's vested Membership Interest at Fair Market Value, payable in up to [REQUIRED: 12 OR OTHER] equal monthly instalments. If the option is not exercised, the departing Member remains a non-operational Member with full economic and information rights.

13.2 Death or Incapacity. On death or permanent incapacity, the Member's vested interest passes to their estate or nominee, subject to the same buyout option at Fair Market Value.

13.3 No Forced Buyout. Except as expressly provided in this Agreement, no Member may be compelled to sell their Membership Interest, and no Member's interest may be diluted, forfeited, or cancelled as a penalty.

13.4 Valuation Floor for Minority Interests. In every buyout under this Agreement, Fair Market Value is determined on a whole-enterprise basis — including the value of all Group Entity Securities — multiplied by the Member's percentage, with no minority discount and no marketability discount.

14. Intellectual Property

14.1 Each Member hereby assigns to the LLC (or, where the Members agree, directly to the Company) all intellectual property created by that Member in connection with the Venture, whether before or after the date of this Agreement, and shall execute any documents needed to perfect the assignment. Any onward assignment or exclusive license of Venture IP between the LLC and a Group Entity shall be documented in writing and is subject to Schedule B.

14.2 Background IP owned by a Member before the Venture and listed in Schedule A remains that Member's property and is licensed to the LLC and the Group Entities on a royalty-free, non-exclusive basis for the duration of the Venture.

14.3 If the LLC is dissolved without a sale, Venture IP held by the LLC shall be dealt with as the Members unanimously agree, failing which it shall be sold and proceeds distributed pro rata.

15. Confidentiality, Non-Compete, and Non-Solicitation

15.1 Each Member shall keep confidential all non-public information of the LLC and every Group Entity, during the Venture and for [REQUIRED: 3 OR OTHER] years after ceasing to be a Member.

15.2 While a Member, each Member owes the LLC the statutory duty of loyalty under RULLCA and shall not compete with the Venture or divert its opportunities without Unanimous Consent of the others. Further, pursuant to California Business and Professions Code § 16602.5, each Member agrees that, upon or in anticipation of a dissolution of the LLC or the termination of that Member's Membership Interest, the departing Member shall not, for [COUNSEL: 12 OR OTHER] months, carry on a business similar to the Venture within [COUNSEL: SPECIFY ENFORCEABLE TERRITORY OR DELETE], so long as the LLC (or any person deriving title to its goodwill or its Membership Interests) carries on a like business therein. In addition, no Member shall at any time misappropriate trade secrets of the LLC or any Group Entity, or use them to solicit employees, contractors, customers, or suppliers. The Members acknowledge that California Business and Professions Code § 16600 renders most other post-termination restraints on competition void, and this Clause shall be construed to apply only to the maximum extent enforceable within the statutory exceptions, including § 16602.5.

16. Deadlock

16.1 A Deadlock arises when a Reserved Matter is proposed and the required consent is not obtained at two consecutive meetings held at least [REQUIRED: 14 OR OTHER] days apart.

16.2 Following unsuccessful good-faith negotiation between principals for [REQUIRED: 14 OR OTHER] days and mediation under Clause 19, a Deadlock shall be resolved as follows:

(a) Existential matters. A Deadlock involving a proposed sale of the Venture, merger, dissolution, recapitalization, or financing reasonably necessary to avoid imminent insolvency or cessation of operations (as determined by the independent expert under paragraph (f) if disputed) shall be resolved through the buy-sell process in paragraphs (b)–(e).

(b) Any Member (the “Initiating Member”) may issue a written buy-sell notice specifying a single price per one percent (1%) of Membership Interest for all Membership Interests.

(c) Each receiving Member may elect, within [REQUIRED: 30 OR OTHER] days, either (i) to purchase the Initiating Member's Membership Interest at that price, or (ii) to sell their own Membership Interest to the Initiating Member at that price. If more than one Member elects to buy, they purchase pro rata.

(d) Minority safeguards on the buy-sell. Notwithstanding paragraphs (b)–(c): (i) the price per one percent specified in any buy-sell notice shall not be less than Fair Market Value per one percent as determined under Clause 13.4, so the mechanism cannot be used to acquire a Member's interest below independently-valued worth; (ii) a Member required to sell may elect to receive the purchase price in up to [REQUIRED: 12 OR OTHER] equal monthly instalments on the terms of Clause 13.1; and (iii) the buy-sell process may not be invoked where the underlying matter can instead be resolved by a Fair Market Value exit under Clauses 12 or 13 that all Members are willing to pursue. These safeguards preserve the Minority Cofounder's protection against a forced sale below fair value under Clause 13.3.

(e) Completion shall occur within [REQUIRED: 60 OR OTHER] days of the receiving Member's election (subject to any instalment terms elected).

(f) All other Reserved Matters. A Deadlock on any other Reserved Matter shall be referred to an independent expert (acting as expert and not arbitrator), jointly appointed by the Members or, failing agreement within [REQUIRED: 10 OR OTHER] days, appointed on application of any Member by the mediator then engaged under Clause 19 or, if no mediator is then appointed, by the arbitration institution specified in Clause 19, whose determination is final and binding.

(g) Pending resolution under this Clause, the status quo remains in effect and no Member may take unilateral action on the deadlocked matter, whether in the LLC or through any Group Entity.

17. Amendments — Mutual Agreement Only

17.1 Unanimous Written Amendment. This Agreement, Schedule A (equity), and Schedule B (Reserved Matters) may be amended, varied, waived, or terminated only by a written instrument signed by every Member. No majority of Members, however large, may amend this Agreement or any Schedule without the signature of each Member.

17.2 Any resolution, side agreement, statutory filing of the LLC, or amendment to the organizational documents of the LLC or of any Group Entity that conflicts with this Agreement is, as between the Members, ineffective to the extent of the conflict, and the Members shall exercise their rights to give effect to this Agreement.

17.3 No waiver of any right under this Agreement is effective unless in writing and signed by the Member waiving it, and applies only to the specific instance.

18. Representations and Warranties

18.1 Each Member represents that they have full capacity and authority to enter this Agreement; that doing so breaches no other obligation binding on them; and that all Background IP listed by them in Schedule A is owned by them free of encumbrances.

19. Governing Law and Dispute Resolution

19.1 This Agreement and the internal affairs of the LLC are governed by the laws of the State of California (including RULLCA), without regard to conflict-of-laws rules. The Members acknowledge that the internal corporate affairs of the Company are governed by the laws of the State of Delaware.

19.2 Disputes shall be resolved by: (a) good-faith negotiation for [REQUIRED: 21 OR OTHER] days; failing which (b) mediation administered by [REQUIRED: MEDIATION PROVIDER] ; failing which (c) binding arbitration seated in [SELECT ONE: LOS ANGELES / SAN FRANCISCO / SAN DIEGO] , California under the rules of [REQUIRED: ARBITRAL INSTITUTION AND RULES] , by a sole arbitrator jointly appointed (or appointed by the institution if the Members cannot agree). Nothing prevents a Member seeking urgent injunctive relief from a court, including to restrain a breach of Clauses 6, 8, 9, 12, or 17.

20. General Provisions

20.1 Entire Agreement. This Agreement (with its Schedules) is the entire agreement between the Members regarding the Venture and supersedes all prior discussions.

20.2 Notices. Notices must be in writing, delivered by hand, courier, or email (with confirmation of receipt) to the addresses in Schedule A.

20.3 Severability. If any provision is unenforceable, it shall be modified to the minimum extent necessary, and the remainder remains in force.

20.4 Survival. Clauses 6 (to the extent of accrued rights), 9.6, 14, 15, 17, 19, and 20 survive a Member ceasing to be a Member and any termination of this Agreement.

20.5 Counterparts. This Agreement may be signed in counterparts, including by electronic signature.

Execution

IN WITNESS WHEREOF, the Members have executed this Agreement as of the date first written above.

Majority Co-founder

Signature: _____

Name: [REQUIRED: NAME OF COFOUNDER 1]

Date: _____

Minority Co-founder

Signature: _____

Name: [REQUIRED: NAME OF COFOUNDER 2]

Date: _____

Additional Cofounder (If Any)

Signature: _____

Name: [REQUIRED: NAME OF ADDITIONAL COFOUNDER]

Date: _____

Schedule A — Members, Contributions, and Equity

Complete one row for every Member. Add rows only in accordance with Clause 11 and the required approvals.

Member and notice address	Capital contribution (description and agreed value)	Background IP	Membership interest	Vesting terms
[REQUIRED: NAME AND ADDRESS OF COFOUNDER 1] (Majority Cofounder)	[REQUIRED: CASH, IP, SERVICES, AND AGREED VALUE]	[REQUIRED: LIST OR "NONE"]	[REQUIRED: __ %]	[SELECT ONE: NO VESTING / SPECIFY SCHEDULE, COMMENCEMENT, CLIFF, ACCELERATION, AND REPURCHASE TERMS]
[REQUIRED: NAME AND ADDRESS OF COFOUNDER 2] (Minority Cofounder)	[REQUIRED: CASH, IP, SERVICES, AND AGREED VALUE]	[REQUIRED: LIST OR "NONE"]	[REQUIRED: __ %]	[SELECT ONE: NO VESTING / SPECIFY SCHEDULE, COMMENCEMENT, CLIFF, ACCELERATION, AND REPURCHASE TERMS]
Total			100%	

Schedule B — Reserved Matters

The following require **Unanimous Consent** unless marked [SM], in which case they require **Supermajority Consent including the written consent of the Minority Cofounder**.

Part 1 — Matters of the LLC

1. Any amendment to this Agreement, Schedule A, or this Schedule B. For the avoidance of doubt, no amendment affecting Clause 6 (equity protection), Clause 9.4 (Minority Cofounder board seat), Clause 12 (transfers), Clause 16 (deadlock), or any Member's information rights or board nomination rights shall be effective without the written consent of the Minority Cofounder.
2. Any change to any Member's Membership Interest, profit share, distribution rights, or voting/consent rights.
3. Issuance of any new Membership Interest or instrument convertible into one; admission of any new Member or investor to the LLC.
4. Repurchase, redemption, cancellation, or forfeiture of any Membership Interest.
5. Sale, merger, reorganization, or dissolution of the LLC, or sale/exclusive license of all or substantially all assets or IP held by the LLC.
6. Removal of a Member from their role, or appointment/removal of a Member responsible for statutory filings.

7. Any transaction between the LLC and a Member, their family member, or their affiliate (related-party transactions). [SM]
8. Any compensation, salary, drawing, or fee paid to a Member by the LLC. [SM]
9. Incurring indebtedness or giving guarantees above [REQUIRED: AMOUNT] in aggregate. [SM]
10. Annual budget and business plan, and any material deviation from them. [SM]
11. Material change to the nature or geographic scope of the business. [SM]
12. Commencing or settling litigation above [REQUIRED: AMOUNT] . [SM]
13. Declaring distributions outside the agreed distribution policy. [SM]
14. Changing the LLC's name, state of registration, auditors, or financial year. [SM]

Part 2 — Exercise of Group Entity Securities

Per Clause 9.3, the LLC shall not vote, consent, waive, or otherwise act (or deliberately omit to act) in respect of Group Entity Securities on any of the following without the consent indicated:

1. Voting for, consenting to, or waiving rights in respect of any amendment to the certificate of incorporation or bylaws of the Company (or equivalent documents of any Group Entity).
2. Approving any issuance of shares, options, warrants, or convertible securities by a Group Entity, including any venture financing, other than issuances already approved under this Schedule. [SM]
3. Creating or expanding any employee option/equity incentive pool of a Group Entity. [SM]
4. Electing, removing, or replacing directors of a Group Entity, except as required to give effect to the nomination rights in Clause 9.4.
5. Approving any merger, consolidation, sale of all or substantially all assets, dissolution, liquidation, or recapitalization of a Group Entity.
6. Selling, transferring, pledging, or otherwise disposing of any Group Entity Securities held by the LLC (subject to Clauses 9.6 and 12).
7. Approving any transaction between a Group Entity and a Member, their family member, or their affiliate. [SM]
8. Approving compensation of any Member by a Group Entity beyond an arm's-length package previously approved under this Schedule. [SM]
9. Consenting to a Group Entity incurring indebtedness or giving guarantees above [REQUIRED: AMOUNT] in aggregate. [SM]
10. Waiving pre-emptive, anti-dilution, information, or registration rights held by the LLC in any Group Entity. [SM]

Schedule C — Roles and Statutory Responsibilities

Member	Role, title, and key responsibilities (LLC and Group Entities)	Time commitment	Responsible for statutory filings?
[REQUIRED: NAME OF COFOUNDER 1] (Majority Cofounder)	[REQUIRED: ROLE, TITLE, AND RESPONSIBILITIES]	[REQUIRED: TIME COMMITMENT]	[SELECT ONE: YES / NO]
[REQUIRED: NAME OF COFOUNDER 2] (Minority Cofounder)	[REQUIRED: ROLE, TITLE, AND RESPONSIBILITIES]	[REQUIRED: TIME COMMITMENT]	[SELECT ONE: YES / NO]

Adaptation notice

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