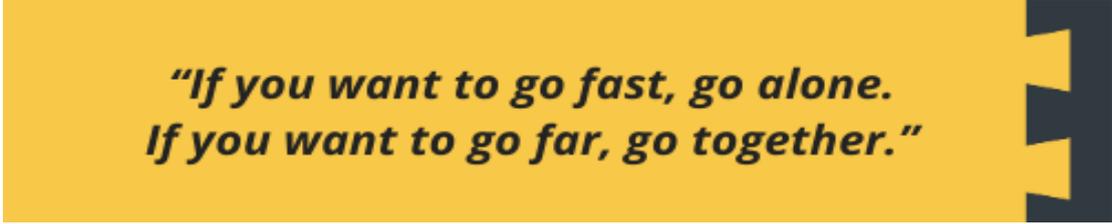


COFOUNDER CHARTER TEMPLATE

A yellow rectangular graphic with a dark blue stylized 'C' icon on the right side. Inside the yellow area, the quote is written in a bold, italicized, dark blue font.

*“If you want to go fast, go alone.
If you want to go far, go together.”*

INSTRUCTIONS

1. Why you need this?

It is impossible to foresee all possible situations your team might face in the future. Writing a Cofounder Charter – to define, agree and document the main guiding principles of your team and the company you set out to build - will give you a map from which you – as a team - can navigate in the unpredictable future – and remind you how you want to work together – and why.

Majority of businesses do not fail because of lack of ideas or cash – they fail because of teams. Make this an important part of starting your business.

2. How to use this template

- Use the Likeminded Cofounding Worksheet as a starting point.
- Writing things down is very helpful to confirm that everyone has the same understanding.
- This document is not meant to be legally binding. It is meant to provide you a useful map for future working together.
- It is usually the ‘soft stuff’ that proves to be the make or break of the teams.
- Use simple, clear and understandable language.
- Use it as a living document – recommended to review & update at least annually.

COFOUNDER CHARTER

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1. COFOUNDERS ALIGNEMENT

1.1 Company values

On which values do you want to build your business. What are the personal values of the cofounders.

Example: integrity, fun, learning, authenticity, professionalism, customer centric, competency, value creation.

1.2 Company purpose

Why are you starting the business in the first place?

Very important to check for alignment of the cofounders. This is your big Why. This is the alignment that matters most in the long term.

1.3 Company culture

What do you want your company to look like?

Formal vs informal? Hierarchical vs flat? Open feedback? Learning? Approach to failure? Control mechanism vs trust? Independent vs collective decision making?

2. COFOUNDERS COMMITMENT

How are the cofounders committed and dedicated to the business.

Can be expressed in estimated time or milestones – or combination. This is crucial part to be able to discuss how well (or not) are the team members performing and address potential gaps as soon as possible – especially if you have mix of full and part time cofounders!

Refer to section 3.2. of the Likeminded Cofounding Worksheet.

3. WORKING TOGETHER

For implementation – devil is in the detail. And having it clear from the start will save you many headaches later. This section includes:

- *How will we work together?*
 - *Availability*
 - *Tools*
 - *In times of crisis.... (weekend? Nights?)*

- *How do we want to communicate?*
 - *Means - writing, email, phone, slack...*
 - *Frequency - we want to have a touch point minimum weekly – especially important to define for teams who work remote or with part time cofounders*
 - *Expected response time*

- *How do we want to decide?*
 - *What are the limits where the cofounders can decide individually (expenses, liabilities)*
 - *Which decisions are within the role's competency and which you want to decide as a team together*
 - *For important decisions – in writing? WhatsApp enough? Phone enough?*

- *How do we want to resolve disputes?*
 - *This can go in more detail than your cofounder agreement*
 - *You can consider appointing third person or mediator*

Refer to section 4.1. of the Likeminded Cofounding Worksheet.

4. COFOUNDERS EXPECTATIONS, NEEDS & RISKS

What are the expectations the cofounders have of each other's contributions?

What are the cofounders' expectations from joining the business?

You are likely to spend together significant amount of time and go through exhilarating as well as exhausting (both sides of the scale) times. For being as strong as possible as a team, you need to understand how you work together and your individual needs.

This section should include the individual needs & risks of each cofounder – and how the team is prepared to mitigate.

Example:

- *Martin needs flexible working times and changing scenery. The team commits to take that into account when scheduling team times.*
- *Andrew tends to be conflict averse. The team commits to help him voice his concerns.*
- *Eva has challenge with estimating time required to finished task. The team commits to help by double checking the input.*
- *Claire needs time to decide. The team commits to calculate that in with for important company decisions.*

Refer to section 4.2. of the Likeminded Cofounding Worksheet.

5. COFOUNDERS ROLES AND MILESTONES

This is likely to change over time, however useful to have clarity on who is responsible for what, what are the expected deliverables and against which KPI's (key performance indicators) can a cofounder performance be measured.

Remember, what gets measured gets done!

In case you have equity recovery framework (i.e. what happens in the unfortunate situation that one cofounder is underperforming) – this is absolutely critical part of your agreement!

Refer to section 5.1. of the Likeminded Cofounding Worksheet.