

FlexUp Founders Agreement – General Conditions (Founders-GC)

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Preamble

The present FlexUp Founders Agreement – General Conditions ("**Founders-GC**") set out the general terms governing the relationship between one or more persons (the "**Founders**") who commit to pursue a common initiative (the "**Project**"). They apply independently of the legal structure used for this Project – whether a Grouping, a Subaccount owned by one Founder or by an external Incubator, a dedicated Legal Entity, or any other form – and remain in force through transitions from one legal structure to another.

The Founders Agreement is a Founder relationship layer within the FlexUp framework. Its purpose is to formalise the mutual commitments, governance rules, obligations, and rights that exist between the Founders themselves, separately from the rules governing their relationship with the Holder, the Project, or third parties.

The Founders-GC are to be read together with the FlexUp General Conditions ("**FlexUp-GC**"), which set out the general terms applicable to all contracts under the FlexUp contractual framework. In the event of any inconsistency between the Founders-GC and the FlexUp-GC, the Founders-GC shall prevail to the extent of the inconsistency.

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Article 1. Composition of the Contract

- 1.1 The Founders Agreement is composed of the following documents, in descending order of priority:
 - a) the FlexUp Founders Agreement – Special Conditions ("**Founders-SC**"), which identifies the Founders and its specific parameters;
 - b) the FlexUp Founders Agreement – General Conditions ("**Founders-GC**"), the present document;
 - c) the FlexUp Non-Disclosure Agreement – General Conditions ("**NDA-GC**"), which governs confidential information; and
 - d) the FlexUp General Conditions ("**FlexUp-GC**"), which applies to all FlexUp contracts that refer to them.
- 1.2 The documents listed in Article 1.1 form an inseparable contractual whole and are collectively referred to as the "**Founders Agreement**" or in this document as the "**Contract**". In the event of any inconsistency between these documents, the order of priority set out in Article 1.1 shall apply.
- 1.3 The Founders-GC, the NDA-GC, and the FlexUp-GC (collectively referred to as the "**General Conditions**") are incorporated by reference and are not required to be appended to the Founders-SC.
- 1.4 The applicable versions of the General Conditions are the latest versions published on the FlexUp website (www.flexup.org/contract-templates) as of the date of signature of the Founders-SC, subject to the update mechanisms described in the FlexUp-GC.

Article 2. Definitions and interpretation

Capitalised terms within this Contract are defined terms, whose definitions are given in the table below or, if not here, elsewhere in the Contract or in the FlexUp Glossary (available on www.flexup.org/glossary).

Defined Term	Definition
Founder(s)	The persons identified in the Founders-SC who have entered into this Contract.
Founders Agreement	The contract formed by the Founders-SC, the Founders-GC, the NDA-GC, and the FlexUp-GC, as described in Article 1.
Founders' Representative	The Founder designated in the Founders-SC to act on behalf of the Founders in connection with this Contract, as described in Article 6.
Founders' Assembly	The decision-making body composed exclusively of the Founders, governing decisions relating to this Contract, as described in Article 7.
Pre-Charter Phase	The period from the date of signature of the Founders-SC until the date on which the Charter-SC is signed for the Project in connection with the Holding Structure selected by the Founders.
Holding Structure	The Holding Structure selected, or to be selected, by the Founders in accordance with Article 8 and as specified in the Founders-SC: a Grouping, a Subaccount, or a deferred decision ("Postponed").
Project	The common initiative pursued by the Founders, as described in the Founders-SC: – Before the Charter: the Project refers to the Founders' common initiative as described in the Founders-SC, before any formal Holding Structure is in place; – After the Charter: the Project takes its meaning as defined in the Charter (the Account to which the Charter-SC relates).
Project IP	All IP created specifically for the Project in the course of activities under this Contract, as further described in Article 12.
Change of Control	In respect of a Founder that is a legal entity, any transaction or series of transactions that results in a change of the persons who directly or indirectly control that Founder, as further described in Article 10.4.

Article 3. Purpose and scope

- 3.1 **Purpose.** The purpose of this Contract is to formalise the relationship between the Founders: their commitment to pursue the Project together, the way they agree on each Founder's initial contribution, ongoing contributions, the governance of their collective decisions, and their mutual obligations regarding confidentiality, IP, non-competition, exit, and related matters.
- 3.2 **Scope.** This Contract governs only the inter-Founder relationship. It does not, by itself:
- create a partnership, joint venture, company, or legal entity;
 - create any form of *affectio societatis* or external collective liability;
 - confer on any Founder any authority to represent or bind the Project, the Holder, or any other Founder vis-à-vis third parties, except as expressly provided in this Contract or in the applicable Holding Structure documents;

- d) require the Founders to use the FlexUp Economic Model, unless the Founders-SC, the Charter-SC, or another applicable document expressly provides so;
- e) replace or modify the Charter once applicable; or
- f) grant any Founder rights in the Project beyond those conferred by the Charter, their Associate Contracts, the Founders-SC, or the applicable corporate or holding documents.

Article 4. Third-Party Rights and Incorporation

- 4.1 Before incorporation into a FlexUp Grouping Agreement, a FlexUp Incubation Agreement, or another agreement implementing the Project's holding structure, the Founders Agreement binds only the Founders who have signed the Founders-SC. It does not create rights or obligations for any Incubator, Grouping, Holder, Dedicated Entity, or other third party, unless that person has expressly signed, accepted, or been granted enforceable rights under the relevant agreement.
- 4.2 The Founders-SC, including its appendices and any amendments, must be appended to a FlexUp Grouping Agreement, a FlexUp Incubation Agreement, or another agreement implementing the Project's holding structure. Where so incorporated, the Founders Agreement remains a separate agreement governing the Founders' relationship, subject to the specific third-party enforcement rights expressly provided in the incorporating agreement or in this Contract.
- 4.3 Where the Founders Agreement is incorporated into a FlexUp Incubation Agreement, the Incubator may enforce the provisions of the Founders Agreement that protect the Incubator, the Project, the Subaccount, the Transfer, or the operation of the Incubation structure. The Incubator does not, by reason of such incorporation, become a party to the Founders Agreement and does not assume any obligation under it.
- 4.4 **Independence from Holding Structure.** This Contract shall remain force independently of the Holding Structure in place. It survives the dissolution of a Grouping, a change of Holder, and any transition from one structure to another, unless dissolved by the Founders in accordance with Article 18.
- 4.5 **Use cases.** This Contract may be used before any formal Holding Structure exists, alongside a Grouping, a Subaccount held by one of the Founders or by an external Incubator, a Dedicated Entity, or as a transitional agreement before the Founders choose one of those structures. It may also be used where the Founders use the FlexUp App and the Charter account framework without using flexible remuneration or flexible equity.
- 4.6 **Solo Founder.** This Contract may be signed by a single Founder, where required as a precondition to entering into an Incubation Agreement, a Grouping Agreement, or any other Holding Structure agreement. The sole Founder is bound by the obligations set out herein to the extent they are capable of being performed unilaterally. Provisions concerning inter-Founder relations take effect upon admission of additional Founders in accordance with Article 17.

Article 5. Relationship with the Charter

- 5.1 **Before the Charter.** During the Pre-Charter Phase, no Charter governs the Project. The relationships between the Founders are governed by this Contract and any applicable law.
- 5.2 **After the Charter.** Once the Charter-SC is signed:
 - a) the Charter governs contributions, economic recognition, the Council, and the Assembly, and binds all Associates including the Founders;
 - b) this Contract continues to govern the specific inter-Founder obligations, confidentiality, IP, non-compete, exit, and Founders' Assembly decisions; and
 - c) in the event of any conflict between this Contract and the Charter, the Charter prevails.

- 5.3 **No circumvention of financial rules.** No provision of this Contract may relax, override, or circumvent any budgetary controls, reserve rules, approval thresholds, or economic conditions established under the Charter.
- 5.4 **Charter required for Groupings and Subaccounts.** Irrespectively of the use of the FlexUp Economic Model, Founders shall sign a Charter-SC and use the FlexUp App in order to operate under Groupings and Subaccounts within the FlexUp account framework.
- 5.5 **Classic remuneration or equity within the Charter account framework.** Where the Founders-SC selects classic remuneration or equity, the Charter still governs the Account, Subaccount, Project perimeter, Associates, governance, records, and app-based operation where the selected structure requires it. The Founders-SC, the Charter-SC, or the applicable corporate or holding documents shall specify which remuneration, equity, or exit rules do not use flexible remuneration or flexible equity.

Article 6. Founders' Representative

- 6.1 **Appointment.** A Founders' Representative shall be designated in the Founders-SC. The Founders' Representative shall be a Founder.
- 6.2 **Role.** Unless otherwise stated in the Founders-SC, the Founders' Representative shall:
- a) collect votes from the Founders and formally declare when a decision threshold has been reached, in accordance with Article 7;
 - b) issue and receive notices, communications, and requests under this Contract on behalf of the Founders collectively;
 - c) co-sign the Charter-SC as an attesting witness where provided in Article 8.4; and
 - d) act as the primary point of contact with the Holder on matters relating to this Contract.
- 6.3 **Distinction from other roles.** The Founders' Representative is distinct from the Grouping Representative (defined in the Grouping-GC), the Secretary (defined in the Charter), and any Manager designated under an Incubation Agreement. These roles may, where appropriate, be held by the same person, provided that each is exercised within its respective scope.
- 6.4 **Replacement.** The Founders may replace the Founders' Representative by a Simple Decision of the Founders' Assembly.

Article 7. Founders' Assembly

- 7.1 **Composition.** The Founders' Assembly is composed exclusively of the Founders, who may choose to so through a duly appointed representative.
- 7.2 **Scope.** The Founders' Assembly has competence exclusively over decisions relating to this Contract:
- a) the selection or change of the Holding Structure;
 - b) the amendment of this Contract;
 - c) the dissolution of this Contract;
 - d) the replacement of the Founders' Representative;
 - e) the admission of new Founders; and
 - f) the exclusion of a Founder.
- 7.3 **Pre-Charter Phase – voting rules.** During the Pre-Charter Phase:
- a) unless otherwise specified in the Founders-SC, each Founder holds one vote.
 - b) the Founders-SC may specify different voting weights per Founder, for example to reflect agreed initial contribution levels, roles, or negotiated percentages.

- c) a **"Simple Decision"** requires votes in favour exceeding 50% of the total votes held by all Founders.
 - d) a **"Major Decision"** requires votes in favour representing more than 75% of the total votes held by all Founders.
 - e) There is no quorum. The denominator for all thresholds is always the total votes held by all Founders, whether or not they participate in the vote.
- 7.4 **Post-Charter Phase – voting rules.** From the date on which the Charter-SC is first signed for the Project, the voting rules of the Founders' Assembly shall follow the same rules as the Charter Assembly, but only Founders participate and vote, with votes weighted by each Founder's Token balance in the Project at the time of the vote.
- 7.5 **Decision process.** A decision of the Founders' Assembly may be taken:
- a) at a meeting, whether in person or by any remote means; or
 - b) in writing, by collecting individual signed approvals from the Founders over any period of time.
- In both cases, the decision is made as soon as the required threshold is reached. There is no deadline and no requirement for simultaneous participation. The Founders' Representative declares the decision once the threshold has been confirmed.
- 7.6 **Record of decisions.** The Founders' Representative shall maintain a record of all decisions of the Founders' Assembly and make it available to any Founder.

Article 8. Holding Structure and implementation

- 8.1 **Holding Structure options.** The Founders shall designate in the Founders-SC one of the following Holding Structures:
- a) **Grouping:** the Founders intend to implement a FlexUp Grouping Agreement in accordance with the Grouping-GC;
 - b) **Subaccount:** the Founders intend for the Project to be held as a Subaccount under the Charter and in the FlexUp App, by a Holder identified in the Founders-SC, which may be either one of the Founders or an external Incubator. The Holder and the Subaccount shall enter into an Incubation Agreement in accordance with the Incubation-GC; or
 - c) **Postponed:** the decision between a Grouping and a Subaccount is deferred and shall be taken by the Founders' Assembly by a Simple Majority when the Founders are ready to proceed.
- 8.2 **Non-binding intent.** Designating an Holding Structure does not implement it and does not bind the Founders to that specific structure. Implementation requires the separate signing or adoption of the applicable agreement or document, such as the Grouping-SC, Incubation-SC, Charter-SC, or any mandate required under the Incubation Agreement. This Contract remains in force until implementation is complete, and continues thereafter in accordance with Article 4.4.
- 8.3 **Changing the Holding Structure.** Before implementation, the Founders may change the Holding Structure by a Simple Majority of the Founders' Assembly at any time.
- 8.4 **Charter-SC co-signature.** Where the Founders implement a structure involving a Charter-SC:
- a) The Charter-SC is signed by the Holder as the sole party.
 - b) The Founders' Representative shall co-sign the Charter-SC as an attesting witness, confirming that the version signed is the version agreed by the Founders. This co-signature is not a signature as a party to the Charter and does not, by itself, create any Charter obligation for the Founders' Representative or the other Founders by virtue of that signature alone.
- 8.5 **Appending the Founders-SC.** When the Founders sign a Grouping-SC, Incubation-SC, or other Special Conditions incorporating the Founders Agreement, the current signed Founders-SC, including its

appendices and any amendments, shall be appended thereto. The General Conditions may be incorporated by reference and are not required to be appended.

- 8.6 **Grouping one-to-one rule.** Where the Holding Structure is a Grouping, the Founders under this Contracts and under the Grouping-SC must at all times be the same persons. No person may join or exit one the Grouping SC without simultaneously joining or exiting this Contract, and vice-versa.
- 8.7 **Pre-Structure Commitments.** Before a Holding Structure is implemented, the Project has no separate legal personality and cannot itself enter into contracts or assume commitments.
- a) The Founders may, by Major Decision or as specified in the Founders-SC, authorise one or more Founders, including the Founders' Representative, to enter into limited commitments in connection with the Project (the "**Pre-Structure Commitments**").
 - b) Any Pre-Structure Commitment shall be entered into by the authorised Founder(s) in their own name and, where applicable, on behalf of the other Founders who expressly authorised the commitment. The relevant contract shall disclose that the Project is a common initiative without separate legal personality and that no Holder, Subaccount, Grouping, Incubator, or Dedicated Entity exists for the Project unless expressly stated in that contract.
 - c) Unless the relevant contract expressly provides otherwise, the Founders who authorised a Pre-Structure Commitment are jointly liable towards the counterparty and shall allocate the related cost, benefit, liability, or recourse internally in accordance with the Founders-SC or a Major Decision of the Founders' Assembly.
 - d) A Founder who enters into a Pre-Structure Commitment without authority, or beyond the limits of their authority, shall be personally and solely liable for all consequences of that act, without right of recourse against the other Founders except to the extent expressly approved by the Founders' Assembly.

Article 9. Economic terms among Founders.

The Founders-SC shall record, for each Founder, the intended initial contribution, ongoing contributions, remuneration, and any other aspect the Founders deem relevant in respect of the Project. These shall be consistent with the Charter once a Charter-SC is signed and, in case of conflict, the Charter prevails as set out in Article 5.2.

Article 10. Representations, warranties, and obligations

- 10.1 **Representations and warranties.** Each Founder represents and warrants to the other Founders, as of the date of signature of the Founders-SC and on a continuing basis throughout the term of this Contract:
- a) **Capacity.** They have full legal capacity to enter into, execute, and perform this Contract and, where they are a legal entity, they are duly incorporated and in good standing under the laws of their jurisdiction.
 - b) **Authority.** This Contract has been duly authorised and constitutes their valid, binding, and enforceable obligation.
 - c) **No conflict.** The execution and performance of this Contract does not breach any material obligation to which they are subject, violate any applicable law or regulation, or require any authorisation not yet obtained.
 - d) **No insolvency.** They are not subject to any bankruptcy, insolvency, or analogous proceeding, and no such proceeding is pending or, to their knowledge, threatened.
- 10.2 **General obligations.** Each Founder shall:
- a) act in good faith and in the interest of the Project;

- b) comply with the terms of this Contract and, once applicable, with the Charter, and the Holding Structure selected for the Project;
 - c) cooperate in a timely and constructive manner and provide all information and resources reasonably required for the proper functioning of the collaboration;
 - d) declare any conflict of interest in connection with the Project or this Contract promptly upon becoming aware of it; and
 - e) comply with all applicable laws and regulations.
- 10.3 **Anti-corruption.** Each Founder shall comply with all applicable anti-corruption laws and regulations. No Founder shall offer, give, authorise, solicit, or accept any bribe, kickback, or other improper benefit — to or from any person, whether a public official or private party — in connection with the Project or this Contract. Breach of this obligation constitutes a material breach entitling the other Founders to proceed immediately to exclusion under Article 16 without the cure period set out in Article 14.
- 10.4 **Change of Control.** Where a Founder is a legal entity, they shall notify the other Founders promptly, and in any event within 10 (ten) calendar days of becoming aware, of any proposed or actual Change of Control affecting them. Following notification, the Founders' Assembly may, by a Simple Majority within 30 (thirty) calendar days of receiving the notification, require:
- a) the acquirer or new controlling person to accede to this Contract as a Founder in accordance with Article 17; or
 - b) the affected Founder to exit this Contract in accordance with Article 15.

If the Founders' Assembly does not act within that 30 (thirty)-day period, the Change of Control shall not by itself trigger any further obligation under this Article.

In regard to the Founder's Assembly vote in this specific matter, the Affected Founder shall abstain from voting, and their vote shall not be used towards calculating the majorities required.

Article 11. Restrictive Covenants

- 11.1 The Flexup-GC determines the existence of four optional covenants: Non-Compete, Non-Circumvention, Non-Poaching, and Client Non-Solicitation covenants (referred to them collectively as the "**Restrictive Covenants**" and any one of the covenants individually and indistinctly as a "**Restrictive Covenant**"), and have four levels of activation: "Not Applicable", "Basic", "Strict" and "Custom".
- 11.2 Unless otherwise specified in the Founders-SC, the "Basic" level applies to each of the Restrictive Covenants as defined in the Flexup-GC.
- 11.3 If the Founders-SC selects a Custom option for a Restrictive Covenant (i.e. not defined in the FlexUp-GC), it must specify the restricted scope, duration, territory where relevant, and carve-outs. The practical summaries provided in the Founders-SC are for informational purposes only and have no legal effect and does not modify, limit, or override the wording of this Article
- 11.4 Breach of Article 11 constitutes a material breach of this Contract. The non-breaching Founders, and any Incubator holding enforcement rights under an incorporated Incubation Agreement, may seek remediation, exclusion, injunctive or equivalent protective relief where available, and compensation for damages suffered by the Project, the Founders, the Incubator, or the Associates.
- 11.5 **Confidentiality.** The Founders' confidentiality obligations are governed by the General Conditions, with the parameters set out in this article. Unless the Founders-SC provides otherwise, those obligations apply during the term of this Contract and for 5 (five) years following Cessation or individual exit, notwithstanding longer confidentiality periods applicable to trade secrets, personal data, regulated information, or information that must remain confidential by law or by its nature.

Article 12. Intellectual Property

- 12.1 **Project Intellectual Property ("IP").** All IP created specifically for the Project in the course of activities under this Contract belongs to the Project collectively, irrespective of which Founder authored or co-authored it. Project IP does not include FlexUp IP or any Founder's pre-existing IP.
- 12.2 **Pre-existing IP.** Each Founder retains full ownership of IP that existed before this Contract. Any use of a Founder's pre-existing IP for the Project must be expressly agreed In Writing and does not transfer ownership.
- 12.3 **No transfer by implication.** Nothing in this Contract transfers ownership of a Founder's IP to the Project or to another Founder, except as expressly provided.
- 12.4 **Continuity on transition.** Where the Project transitions to a new Holding Structure or to a Dedicated Entity, the rights and obligations under this Article continue without interruption, and Project IP vests in the Project as constituted under the new structure.

Article 13. Liability between Founders

- 13.1 **Acts within scope.** Acts performed by a Founder within the scope of authority granted by this Contract or a valid collective decision are deemed acts of the Founders collectively.
- 13.2 **Acts outside scope.** A Founder who acts outside the scope of authority granted by this Contract, or in breach of any obligation herein, shall be personally and solely liable for all resulting damages, without right of recourse against the other Founders.
- 13.3 **No joint liability.** Except as expressly agreed In Writing for a specific transaction, Founders shall not be jointly or severally liable vis-à-vis third parties solely by reason of this Contract.

Article 14. Remediation and breach

- 14.1 If any Founder is considered to have breached their obligations under this Contract (the "**Defaulting Founder**"), any other Founder (the "**Non-Defaulting Founder**") may issue a written notice to the Founders' Representative as well as to the Defaulting Founder specifying the breach in detail.
- 14.2 The Defaulting Founder shall have 15 (fifteen) calendar days from receipt of such notice to remedy the breach or, if the breach cannot reasonably be remedied within that period, to propose a fair remedy, which the other Founders shall consider in good faith.
- 14.3 If the breach is not remedied and no acceptable alternative remedy is agreed within the cure period, the Founders' Assembly may decide on the consequences, which may include:
 - a) the exclusion of the Defaulting Founder under Article 16; and
 - b) a claim for compensation for damages incurred.

In regard to the Founder's Assembly vote in this specific matter, the Defaulting Founder shall abstain from voting, and their vote shall not be used towards calculating the majorities required.

Article 15. Voluntary exit of a Founder

- 15.1 A Founder may exit this Contract at any time by giving written notice to the Founders' Representative of at least 30 (thirty) days, unless otherwise specified in the Founders-SC.
- 15.2 **Treatment of rights.** Credits, Tokens, shares, contractual rights, and other rights held by the exiting Founder shall be treated in accordance with the Charter, the Founders-SC, and any applicable Subaccount mandate, shareholders' agreement, articles of association, or equivalent corporate or holding document.
- 15.3 **Survival of obligations.** The exiting Founder's obligations under Article 12, together with all obligations of the exiting Founder under the NDA-GC as activated and parameterised in the Founders-SC, survive

exit for the periods specified in those provisions or in the Founders-SC, as if the NDA-GC had Ceased vis-à-vis the exiting Founder on the effective date of exit.

Article 16. Exclusion of a Founder

- 16.1 A Founder may be excluded from this Contract by a Major Decision of the Founders' Assembly in any of the following circumstances:
- a) material breach of this Contract not remedied under Article 14;
 - b) conduct that materially damages the Project's reputation or interests;
 - c) fraud or unlawful conduct; or
 - d) any other ground specified in the Founders-SC.
- 16.2 The Founder proposed for exclusion shall be given the opportunity to present their case before any decision is taken.
- 16.3 The treatment of the excluded Founder's rights shall follow the rules applicable to voluntary exit under Article 15.

Article 17. Admission of new Founders

- 17.1 A new Founder may be admitted to this Contract by a Major Decision of the Founders' Assembly.
- 17.2 Once approved, the new Founder must sign an Act of Adhesion to enter the Founder's Contract and the Grouping Contract or Incubation Contract, whichever is applicable, a model of which can be found in the appendages to this Contract.
- 17.3 From the signature date of the Act of Adhesion, the new Founder assumes all rights and obligations under this Contract.

Article 18. Duration and dissolution

- 18.1 **Duration.** This Contract has an indefinite duration.
- 18.2 **Dissolution by the Founders.** The Founders' Assembly may dissolve this Contract at any time by Simple Majority. Dissolution takes effect on the date agreed by the Assembly.
- 18.3 **Automatic termination.** If the Contract was signed by two or more Founders, it automatically terminates if only one Founder remains following exits or exclusions, unless the remaining Founder elects to continue the Contract as a solo-Founder commitment. In all cases, this Contract automatically terminates if the Project is definitively discontinued.
- 18.4 **Effect of dissolution or termination.** Dissolution or termination does not affect rights and obligations accrued before the effective date, nor the provisions that survive Cessation as set out in Article 19.

Article 19. Survival

- 19.1 The following provisions survive Cessation for as long as necessary to give them effect:
- a) Article 10,
 - b) Article 12, and
 - c) Article 13.
- 19.2 The provisions of the FlexUp-GC and NDA-GC that are stipulated, activated, and parameterised in the Founders-SC, together with any other provisions of this Contract that are intended to survive by their nature, survive Cessation in accordance with the article "Survival" of the FlexUp-GC and NDA-GC.