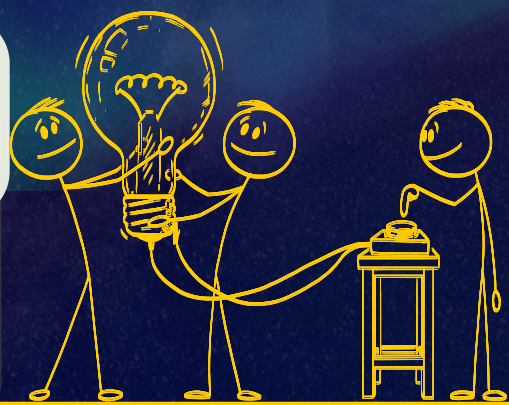




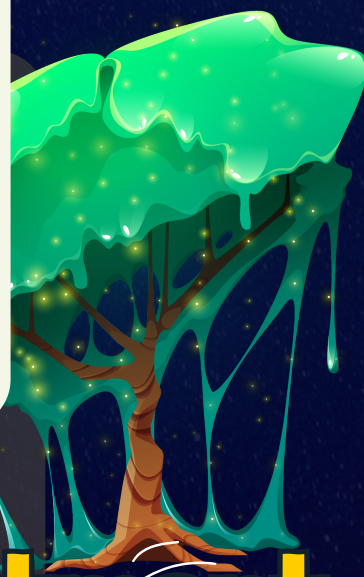
# ROCKETING THROUGH A GUIDE FOR STARTUP EXPLORERS

A simple guide to stuff founders need to know when they're starting out



## #1. Equity

- Be clear about how **ownership works** and what happens if **co-founders leave**
- Set clear **vesting terms** and map out **potential exit solutions if things don't work well** between co-founders



## #2. Terms of Investment

- Investors support startups in hopes of making a **significant profit** when the startup succeeds - but this should not inhibit **the operational capability** of founders
- Understand the investment agreements and **discuss key investor's rights** to avoid **potential roadblocks** e.g. **most favoured nation clause**, **veto rights**, **reserved matters**, **terms of preference shares** and **key information rights**

## #3. Sweat Equity

- Equity is cheap until it isn't, try not to give up equity easily
- Establish an **ESOP**, **Advisor Vesting Letter** or a **Shareholders' Agreement** to help **govern the issuance/transference** of your startup's shares
- Keep yourself safe and your Company safer!

