**The Fairest Founder Collaboration Agreement™**

The Collaborators signed to this agreement are exploring a business concept and/or technology relating to <IDEA> (the “**Technology**”) with the understanding that, if successfully developed, the Technology would be transferred to a Start-Up Company that they would form. If the Start-Up Company should come to be formed, the Collaborators hereby agree as follows:

1. Upon the formation of the Start-Up Company, each Collaborator will assign to the Startup-Up Company all of his or her right, title, and interest in and to the Technology, with full title guarantee, for the full term of such rights and all renewals and extensions. Furthermore, each Collaborator shall do everything and sign all documents required by the Start-Up Company to vest absolute legal and beneficial ownership of the Technology in the Start-Up Company.
2. The Collaborators hereby agree to perform and execute all documentation exercises called for herein. In particular, the time logs and receipts called for in Section 4(b) below must be turned in within 30 days of the end of every month, or if those time logs and receipts represent work and expenses incurred before the signing of this agreement, within 30 days of the signing of this agreement. Failure to submit within 30 days will void the Collaborator’s claim to consideration of Past Contributions arising from work performed or expenses incurred in that period.
3. Upon formation of the Start-Up Company, the ownership shall be split among the Collaborators in consideration of Past and Forecast Contributions and the following hourly rates:
* <NAME OF PERSON 1> at an effective rate of <$/hr>;

The Methodologies for calculating Past and Forecast Contributions and the Vesting Schedule are set forth below. The Methodology will be performed either by a Collaborator or a third party they designate prior to incorporation (the Designee). At time of incorporation, the Designee will:

* 1. For each Collaborator, sum the Past Contribution (defined below) and Forecast Contribution (defined below) to find the Collaborator Contribution;
	2. Sum all Collaborator Contributions to determine “Total Contributions;”
	3. For each Collaborator, divide the Collaborator Contribution by the Total Contributions and multiply by the number of shares being issued to determine the **Collaborator Shares**. (In the event that an ownership unit other than “shares” is used, this document shall read everywhere as if the word “shares” were written as the appropriate name for those other units.)
1. The Methodology calculating a Collaborator’s Past Contribution shall be as follows:
	1. Define the Time Horizon For Past Work as the length of time between a.) the start of this work at some now forgotten date in the past, and b.) the filing date on which the Start-Up Company is incorporated.
	2. During the Time Horizon For Past Work, Collaborators shall track their time to the nearest hour (or other such increment as may be mutually agreed upon) on a monthly time log and save all receipts for purchases related to collaboration. Purchases shall be deemed unrelated to the collaboration if not accompanied by written or email authorization from another collaborator. Time only may be, if invested prior to the signing of this agreement, estimated as of the signing of this agreement.
	3. Upon creation of the Start-Up Company, the Designee will, for each Collaborator:
		1. Use Collaborator time logs to sum level-of-effort (labor hours) at the effective hourly rate indicated above over the Time Horizon For Past Work to determine the dollar value of “Past Sweat Equity” (the Designee will not include hours for which any cash compensation was given, even if such cash compensation was below market rates and/or not equal to the above rate);
		2. Use Collaborator receipts to sum the Past Cash Contribution;
		3. Add Past Sweat Equity to Past Cash Contribution to arrive at “Past Contribution.”
2. The Methodology for calculating a Collaborator’s Forecast Contribution shall be as follows:
	1. Define the Time Horizon For Forecast Work as the length of time between a.) the filing date on which the Start-Up Company is incorporated, and EITHER 1.) the first day of the quarter in which according to the best forecast available on the filing date the Start-Up Company will reach break-even profitability after accounting for all wages and expenses appropriate to running the business, or 2.) four years from the filing date on which the Start-Up Company was incorporated.
	2. Upon creation of the Start-Up Company, the Designee will:
		1. Create and sign a document defining this Time Horizon For Forecast Work.
		2. In collaboration with the Collaborators, forecast level-of-effort (labor hours) at the effective hourly rate above over the Time Horizon For Forecast Work to determine the dollar value of “Forecast Sweat Equity” for each Collaborator (the Designee will not include hours for which any cash compensation is forecast, even if such cash compensation is below market rates and/or not equal to the above rate);
		3. Forecast the total dollars to be invested (“Forecast Cash Contribution”) by each Collaborator;
		4. For each Collaborator, add Forecast Sweat Equity and Forecast Cash Contribution to arrive at “Forecast Contribution.”
3. The Collaborator Shares shall vest to each Collaborator such that if any Collaborator terminates his or her relationship with the Start-Up Company or is terminated for cause during the Time Horizon for Forecast Work, all unvested shares shall be returned to the Start-Up Company, in accordance with the following Vesting Schedule:
	1. Define “Q,” the Quarters for Vesting, as the total number of quarters in the Time Horizon for Forecast Work.
	2. Each quarter a Collaborator vests 1/Q times their Collaborator Shares, provided however that no shares shall vest within the first year of the Time Horizon for Forecast Work, and that 4/Q shares shall vest upon the completion of this first year.
4. Any dilution resulting from signing on additional Collaborators shall dilute all Collaborators equally and require a modification to this agreement to be signed by all Collaborators listed.
5. Each Collaborator hereby acknowledges that they have no authorization to take any payments from customers or investors nor incur any liabilities on behalf of the Technology or (an)other Collaborator(s) or the future Start-Up Company, and that if by their action or inaction they should receive any payment or incur any liability in connection with their collaboration, they will effective as of the moment before the first instance of payment or liability have exited this agreement by waving any and all claims herein and have taken that payment or liability upon themselves only, subject to the following clarifications:
	1. Donations from non-customer non-investors, e.g., Kickstarter backers, are allowed.
	2. One-time or pay-as-you-go direct expenses are allowed under 4(b) above.
	3. No Collaborator is authorized to travel on collaboration business.
	4. Any Collaborator seeking to take payment or incur liability should before proceeding call for and await formation of the Start-Up Company.
6. This agreement shall terminate upon the date of filing of the Start-Up Company provided that the Start-Up Company shall have been incorporated with shares allocated per the methodology described herein.

Each Collaborator hereby asserts and promises to the other Collaborators that he or she is not signed on to any other agreement or arrangement that would prevent his or her ability to perform the obligations set forth above, and furthermore, that no third party can claim any rights to the Technology.

This Agreement shall be governed by and construed in all respects in accordance with the laws of the Commonwealth of Massachusetts in the United States.

The parties have signed this Agreement on the [ ] day of [ ], 2013.

<name of person 1> of <address of person 1>

<name of person 2> of <address of person 2>

<name of person 3> of <address of person 3>

<name of person 4> of <address of person 4>