

**Why this guideline?** This document helps founders build a cap table that is investable. Building on 4TU experience, this guideline provides insight into how investors typically assess cap table structures. A future-proof cap table should distinguish between active and non-active founders, recognize the value of academic advisors, and ensure any equity granted reflects long-term strategic value.

## Role at the spin-off: what requirements apply?

No role	Advisor	Part-time (1-<4 days)	Near full-time (4-5 days)	Full-time
University employment possible.	University employment possible.	University employment possible (0.2 -0.8 fte).	University employment possible (< 0.2 fte).	No university employment possible.
Combined university + spin-off employment cannot exceed 1.0 fte.				
No spin-off service agreement.	Spin-off service agreement.	Spin-off employment agreement or service agreement.	Spin-off employment agreement.	Spin-off employment agreement.
<b>No shares</b> if you have no role in the spin-off.	Very limited percentage of shares. Preferably <b>max 4.99%</b> for all advisors combined.	Limited percentage of shares. <b>Max 10%</b> per part-timer.	<b>No limit</b> on share percentage.	<b>No limit</b> on share percentage.
All shares are subject to a vesting arrangement.				

## What needs to be formally arranged?

Short checklist:

- ☒ Arrangements with the advisor/employee need to be documented in a service agreement / employment agreement (rights & obligations). You can use the Founder Institute FAST template for the service agreement. *Please note that a service agreement is about consultancy services for the spin-off. You can make additional arrangements about research and resulting IP with the university (faculty).*
- ☒ Vesting and leaver arrangements need to be included. For advisors this can be arranged in the service agreement and/or is part of the employee participation plan (ESOP) and for employees also being a shareholder in the shareholders' agreement.
- ☒ University employees need approval from their employer (faculty) for side activities. The faculty might agree to part-time activities (1-<4 days) for a maximum duration (e.g. max 1-3 years).

## What does the percentage depend on?

Three questions founders should ask themselves:

1. What exactly is this person's role?
2. How much time is this person spending (now and in the future)?
3. Is this person's contribution unique to the company's (future) roadmap?

## What this means for you

This guideline protects your company's investability, prevents misaligned incentives, and ensures that advisors contribute under clear and fair conditions - ultimately helping you build a future-proof company.