Lauren Kingsley Strategy — Co-Founder Term Sheet

Date: August 2026 (revised from July 19, 2026)
Parties: Lauren Kingsley ("Business Founder") and Justin Henshaw ("Technical Co-Founder")
Company: Lauren Kingsley Strategy, LLC (Missouri)
Governing Law: State of Missouri
Relationship to Contractor Agreement: This Term Sheet controls over any Contractor NDA/IP Assignment Agreement. See Section 11.

1. Roles and Responsibilities

Role	Person	Scope
Business Founder	Lauren Kingsley	Sales, client relationships, marketing, company operations, customer success, domain management
Technical Co-Founder / CTO	Justin Henshaw	Product architecture, development, integrations, DevOps, technical strategy, security, code ownership

Both parties commit to active involvement. Passive equity without participation triggers review per Section 7.

Domain and DNS Access (Operational Prerequisite):
Within 14 days of signing, Justin Henshaw receives DNS administrative access (or delegated control) to `commandsovereignty.com` and all production domains. Domain registration transfers to the company entity, not either individual. Justin's ongoing obligations under this agreement are expressly conditional on this access being granted.

2. Existing Entity

The Company is **Lauren Kingsley Strategy, LLC**, a Missouri limited liability company already in existence. Equity terms herein apply to this Entity.

Non-Compete Note: Missouri law governs this agreement. If non-compete enforcement is limited by Missouri statute, the non-compete clause in Section 9 is replaced with a reasonable non-solicitation obligation (12 months post-exit).

3. Equity Ownership

Party	Equity %	Notes
Lauren Kingsley	80%	Business founder, domain holder, revenue generation
Justin Henshaw	20%	Technical co-founder, product builder, ongoing maintainer

Equity Type: Both parties hold **founder common stock** with identical rights, voting power, and dividend entitlement. Justin's shares are not options, restricted stock units, or any derivative instrument.

Anti-Dilution Protection: Any issuance of new equity, options, or convertible instruments requires unanimous written consent of both founders. Dilution from a bona fide priced financing round applies pro-rata to both founders equally.

Vesting — Credit for Work Already Delivered:
- **25% vests immediately at signing** (5% of company) — credit for 66K+ lines of code, 16 API integrations, and live Stripe billing already shipped
- Remaining 75% vests monthly over 36 months (0.625%/month)
- **No cliff** — product is already delivered
- Full vesting: End of year 3

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4. Revenue Sharing

Justin Henshaw receives 20% of gross revenue for the first **24 months** after the first paying customer generates revenue.

- **Gross revenue** = Total amount collected from customers attributable to the platform, however invoiced or collected, minus payment processor fees (Stripe, etc.) only. No other deductions. Includes annual prepayments, bundled consulting packages, enterprise deals invoiced through any entity controlled by the Business Founder, and all revenue streams that grant platform access.
- **Payout schedule:** Monthly, within 15 days of month end.
- **Late payment:** Unpaid revenue share accrues interest at 1.5% per month.
- **Audit rights:** Justin has read-only access to Stripe, QuickBooks, and all payment accounts. Quarterly financial statements provided within 30 days of quarter end. Justin has the right to audit records with reasonable notice.
- **End date:** Revenue sharing ceases after 24 months from first revenue event. After that, equity only.
- **Examples:**
- \$5,000 gross → \$1,000 to Justin (minus Stripe fees)
- \$15,000 gross → \$3,000 to Justin (minus Stripe fees)
- \$0 revenue → \$0 (both parties bear the risk)

5. Intellectual Property

Current status: All code, architecture, and integrations created by Justin Henshaw for Lauren Kingsley Strategy remain Justin Henshaw's intellectual property.

Exclusive License: Effective upon signing, Justin grants the company an **exclusive, royalty-free, non-transferable license** to use the code for operating the business.

Assignment Trigger: IP formally assigns to the company upon the earlier of: - (a) 18 months of continuous active operation, or - (b) Justin's equity fully vesting (end of year 3)

Until assignment, all rights remain with Justin Henshaw.

Retained Rights: Justin retains the right to reuse non-business-specific code (patterns, utilities, tools, generic connectors) in future projects. This reuse does not violate the non-compete.

IP Reversion: If either party terminates the partnership before assignment occurs, the license ends and all rights revert to Justin Henshaw, including all code, credentials, deployment access, source repositories, and third-party integration accounts. The Business Founder retains customer relationships and domain ownership.

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6. Decision-Making Authority

Area	Decision Maker
Technical architecture, code changes, security	Justin Henshaw (final say)
Pricing, sales, client contracts	Lauren Kingsley (final say)
Product roadmap — *what customers need*	Lauren Kingsley (input), Justin (final say on *how/when* it ships)
Product roadmap — major direction changes	Both (unanimous)
Hiring/firing technical staff	Both (unanimous)
Raising capital, selling company	Both (unanimous)
Marketing spend under $2,000	Lauren Kingsley (autonomous)
Technical infrastructure spend under $500/mo	Justin Henshaw (autonomous)
Technical infrastructure spend over $500/mo	Both (unanimous)
Issuance of new equity	Both (unanimous)

7. Operational Commitments

- Both parties commit to a minimum of **10 hours/week** of active work toward the company.
- Less than 6 hours/week for two consecutive months triggers a review meeting.
- Consistent non-participation for 3 months triggers vesting pause — determination routes through Section 9 dispute resolution process; the majority shareholder does not decide unilaterally.
- **Infrastructure costs:** Company reimburses documented hosting, API, and infrastructure costs.
- **Compensation trigger:** Once MRR exceeds $5,000, parties negotiate in good faith regarding market-rate compensation. Revenue share is not offset against salary.

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8. Exit and Termination

Voluntary exit (either party): - 90 days written notice required - Exiting party keeps vested equity; unvested equity is forfeited - Revenue share continues through 24-month term regardless of exit - Code license/IP terms per Section 5

Termination for cause: - "Cause" defined as: fraud, criminal activity, material breach of this agreement not cured within 30 days, or active development of a competing product - **Vested equity survives** and is bought back at fair market value; only unvested equity is forfeited - Revenue share continues through remaining term - Mediation process (Section 9) must be initiated before for-cause termination takes effect - IP reverts to Justin Henshaw immediately

Company sale or acquisition: - **Revenue share buyout:** Before equity split, Justin receives from sale proceeds: *(trailing 6-month average revenue × 20% × months remaining on revenue share term)* - **Vesting acceleration:** All of Justin's unvested equity vests immediately upon acquisition (single-trigger) - Remaining proceeds split according to equity percentage at time of sale

Dissolution: - Company assets (code, domain, customers, data) are divided fairly - Justin Henshaw retains all code/IP - Lauren Kingsley retains customer list and domain - Revenue share paid through dissolution date

Death or disability: - Vested equity passes to estate - IP license/reversion terms survive - Parties may negotiate buyout at fair market value

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9. Non-Compete and Confidentiality (Mutual)

Non-compete: Neither party will develop, fund, or actively participate in a competing revenue-forecasting SaaS platform for home improvement companies during the term of this agreement and for 12 months after exit.

Carve-outs: Reuse of generic tools, patterns, utilities, or connectors (per Section 5) does not violate the non-compete. General SaaS consulting or product development for home improvement companies that does not replicate the platform's core revenue-forecasting engine is not "competing."

Non-solicitation: Neither party will solicit the other's employees, contractors, or customers for 12 months post-exit.

Confidentiality: Both parties agree to keep confidential all customer data, code, financial information, pricing, and proprietary business information. Confidentiality obligations survive termination.

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10. Dispute Resolution

- Good-faith negotiation first (30 days)
- Mediation with neutral third party if unresolved
- Mediator costs split 50/50
- Arbitration only if mediation fails
- Each Party bears its own attorneys' fees and litigation costs, regardless of outcome. Neither Party is entitled to exemplary damages or additional fees under the Defend Trade Secrets Act or any other statute.

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11. Contractor Agreement Supremacy

Priority: This Term Sheet controls over any separate Contractor, NDA, IP Assignment, or Employment agreement between the Parties. To the extent any such agreement conflicts with this Term Sheet, the terms of this Term Sheet govern.

Specific Carve-Outs from Contractor Agreement: - IP assignment provisions do not apply to work performed in Justin's capacity as Technical Co-Founder under this Term Sheet - Non-compete provisions in the Contractor Agreement are superseded by the mutual non-compete in Section 9 of this Term Sheet - Revenue share obligations under this Term Sheet survive and are not waived by any "sole compensation" clause in the Contractor Agreement - Justin retains the right to use AI coding assistants, development tools, and open-source libraries without restriction from the Contractor Agreement - Justin may confirm the engagement, list the Company as a reference, and describe the work in portfolio materials without restriction - No forced disclosure of the Contractor Agreement to prospective employers

Execution Order: The Parties shall execute this Term Sheet before or concurrently with any Contractor Agreement. If the Contractor Agreement has already been signed, this Term Sheet operates as an amendment and superseding agreement.

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12. Signatures

Binding scope: This agreement is binding as to Sections 3–11 (equity, revenue share, IP, decision-making, commitments, exit, non-compete, dispute resolution, contractor agreement supremacy). Parties will execute formal long-form documents within 90 days of Entity formation.

Both parties acknowledge they have had the opportunity to seek independent legal counsel.

Lauren Kingsley (Business Founder): _____ Date: ______

Justin Henshaw (Technical Co-Founder): _____ Date: ______

This document captures intent and mutual understanding. Both parties are encouraged to have a lawyer review before signing.