

Draft: Shareholder Contract for New Capital Injection

Date: _____

This Shareholder Contract (â€œAgreementâ€) is made and entered into by and among:

1. **Company:** [Company Name], a [Country/State] corporation with registered office at [Address] (â€œCompanyâ€);
2. **Shareholder(s):**

- o [Name 1], residing at [Address]
- o [Name 2], residing at [Address]

3. **New Investor(s):**

- o [Investor Name], residing at [Address]

Recitals

1. The Shareholders and the Company desire to increase the capital of the Company by issuing new shares to the New Investor(s).
2. All parties wish to define their respective rights and obligations in relation to this capital injection.

1. Capital Injection

The parties agree that:

- The New Investor(s) will subscribe to [Number] of new shares for a total amount of [Currency] [Amount].
- The subscription price per share is [Currency] [Price].
- Payment for the shares shall be made no later than [Payment Deadline Date].

2. Share Allocation and Rights

- Upon completion of the injection, the shareholding of all parties shall be as follows:
 - o [Name 1]: [x]%
 - o [Name 2]: [x]%
 - o [Investor Name]: [x]%
- New shares rank pari passu with existing shares.
- Voting, dividend, and other shareholder rights will adjust accordingly.

3. Warranties and Representations

- The Company warrants that the information provided is true and correct.
- Each party represents it has necessary power and authority to execute this Agreement.

4. Miscellaneous

- This Agreement is governed by the laws of [Jurisdiction].
- Any amendments shall be in writing and signed by all parties.
- If any provision is held to be invalid, the remainder shall continue in full force.

For the Company

Existing Shareholder

New Investor

Important Notes:

- This draft is for illustration only and should be reviewed and tailored by qualified legal counsel.
- Capital injection may impact voting rights, control, and dilution of existing shares.
- Ensure compliance with local laws, tax and regulatory requirements regarding capital increases.
- Consider pre-emption rights of existing shareholders before proceeding with new issues.
- All key terms, including timelines and payment structures, must be detailed clearly.