

# Standard Equity Shareholder Agreement

## 1. Parties

This Equity Shareholder Agreement ("Agreement") is made and entered into on [Date], by and between:

1. **[Company Name]**, a company incorporated under the laws of [Jurisdiction], and having its principal office at [Company Address];
2. **[Shareholder Name]**, residing at [Shareholder Address].

## 2. Recitals

The Company and the Shareholder desire to set forth their agreement regarding the shareholding structure and the respective rights, obligations, and restrictions applicable to the Shareholder's equity participation in the Company.

## 3. Shareholding

The Shareholder agrees to subscribe, and the Company agrees to issue and allot, [Number] equity shares of [Nominal Value] each, comprising [Percentage]% of the issued share capital of the Company.

## 4. Rights and Obligations

1. Shareholder shall have the right to vote, receive dividends, and participate in the growth and profits of the Company as per the provisions of this Agreement and applicable law.
2. Shareholder shall act in good faith to promote the best interests of the Company.
3. Any transfer of shares shall require the prior written consent of the Board and shall be subject to pre-emption rights as described in this Agreement.

## 5. Management and Governance

1. The Board of Directors shall comprise [Number] directors, of which [Number] may be nominated by the Shareholder, subject to shareholding thresholds.
2. All major business decisions shall be made by the Board in accordance with the Articles of Association and this Agreement.

## 6. Restrictions on Transfer

1. Shares may not be sold, assigned, or otherwise transferred except with the prior written consent of the Company and in compliance with this Agreement.
2. Right of first refusal: In case of any intended transfer, the Company and remaining shareholders shall have priority to purchase such shares at the offered price.

## 7. Confidentiality

The Shareholder agrees not to disclose any confidential information relating to the Company's business, operations, or finances to any third party except as required by law.

## 8. Term and Termination

1. This Agreement shall remain in effect as long as the Shareholder holds shares in the Company.
2. It may be terminated by mutual consent or upon transfer of all shares held by the Shareholder.

## 9. Miscellaneous

1. This Agreement constitutes the entire understanding between the Parties with respect to the subject matter herein.
2. Amendments must be in writing and signed by all Parties.
3. Governing law: This Agreement shall be governed by and construed in accordance with the laws of [Jurisdiction].

## 10. Signatures

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

\_\_\_\_\_  
[Company Name]

\_\_\_\_\_  
[Shareholder Name]

## Important Notes

- This is a sample format; always consult with a qualified legal advisor to tailor the agreement to your jurisdiction and business needs.
- Key terms to pay attention to include transfer restrictions, pre-emption/first refusal rights, and board composition.
- Ensure all parties fully understand their rights and obligations before signing.
- Proper execution and registration (if applicable) are essential for enforceability.