

# Convertible Note Shareholder Agreement

This Convertible Note Shareholder Agreement (the "Agreement") is made as of [Date] by and between:

Company Name	
Company Address	
Shareholder(s)	
Shareholder Address	

## 1. INTRODUCTION

WHEREAS, the Company desires to issue a convertible promissory note to the Shareholder(s) (the "Noteholder") under the terms set forth in this Agreement;

NOW, THEREFORE, the parties agree as follows:

## 2. PRINCIPAL TERMS

- Principal Amount:** .....
- Interest Rate:** .....
- Maturity Date:** .....
- Conversion Terms:** Upon qualified financing or at maturity, the Noteholder has the right to convert the outstanding principal and interest into equity shares of the Company as per terms described below.

## 3. CONVERSION EVENT

Upon the occurrence of a qualified financing event, the outstanding principal and accrued interest of the Note shall automatically convert into shares of the Company at a conversion price of [Conversion Price / Discount] per share or in accordance with the agreed valuation cap of [Valuation Cap, if any] .

## 4. WARRANTIES AND REPRESENTATIONS

- Each party warrants that it has the authority to execute this Agreement.
- The Noteholder is acquiring the Note for investment purposes only.
- The Company has the full power to issue the Note pursuant to this Agreement.

## 5. COVENANTS

- The Company shall provide the Noteholder with annual and quarterly financial statements.
- No dividends shall be paid until the Note is fully repaid or converted, except as otherwise provided.

## 6. MISCELLANEOUS

- This Agreement shall be governed by the laws of [Jurisdiction] .
- Any amendments must be in writing and signed by both parties.
- If any provision is declared invalid, the rest of this Agreement remains in effect.

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Authorized Signatory, Company

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*Shareholder*

Date: .....