

Shareholder Rights Agreement

This Shareholder Rights Agreement ("Agreement") is entered into as of [Date], by and among [Company Name], a [State/Country of Incorporation] corporation (the "Company"), and the undersigned Shareholders (each, a "Shareholder").

1. Purpose

The purpose of this Agreement is to set forth the rights and obligations of the Shareholders with respect to their equity stake in the Company.

2. Definitions

- **Equity Stake:** The shares of common or preferred stock in the Company held by a Shareholder.
- **Shareholder:** Any party that owns Equity Stake in the Company and has executed this Agreement.

3. Shareholder Rights

- **3.1 Voting Rights:** Each Shareholder shall have the right to vote such shares held by them in accordance with the Company's bylaws and charter.
- **3.2 Dividend Rights:** Shareholders shall be entitled to receive dividends as and when declared by the Board of Directors.
- **3.3 Information Rights:** Shareholders shall have access to financial statements and other reports distributed to equity holders.
- **3.4 Transfer Restrictions:** No Shareholder may transfer, assign, or sell any Equity Stake in the Company except in accordance with the terms set forth herein.

4. Restrictions on Transfer

Shareholders shall not transfer any shares unless such transfer complies with applicable laws and the right of first refusal provisions, if any, of this Agreement.

5. Rights of First Refusal

Prior to transferring any shares, a Shareholder must provide written notice to the Company and the other Shareholders, who shall have the right to purchase such shares on the same terms offered by a bona fide third party purchaser.

6. Tag-Along Rights

If a majority Shareholder proposes to sell their shares, minority Shareholders shall have the right to participate in such sale on a pro rata basis.

7. Drag-Along Rights

In the event of an approved sale of the Company, Shareholders agree to sell their shares on the same terms and conditions as approved by holders of the majority of shares.

8. Miscellaneous

- **8.1 Amendment:** This Agreement may be amended only with the written consent of holders of a majority of the outstanding shares.
- **8.2 Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of [State/Country].
- **8.3 Entire Agreement:** This document constitutes the entire agreement among the parties with respect to the subject matter herein.

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

[Company Name] Representative

Date: _____

Shareholder Name

Date: _____