

Standard Shareholder Agreement for Preferred Shares

1. Definitions

In this Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

1. **“Company”** means [Company Name], a [Jurisdiction] corporation.
2. **“Preferred Shares”** means all Series [A/B/etc] Preferred Shares issued by the Company.
3. **“Shareholder”** means a registered holder of Preferred Shares.
4. **“Board”** means the Board of Directors of the Company.

2. Issuance and Subscription

1. The Shareholder agrees to subscribe for and purchase, and the Company agrees to issue and allot, the number of Preferred Shares as set out in *Schedule A*.
2. The subscription price per Preferred Share is set forth in *Schedule A*.

3. Rights and Preferences of Preferred Shares

1. Preferred Shares rank in priority to Common Shares with respect to dividends and liquidation.
2. The holders of Preferred Shares shall be entitled to receive dividends, if and when declared by the Board, in priority to dividends issued on Common Shares.
3. Preferred Shares may include rights such as:
 - Liquidation preference
 - Anti-dilution protection
 - Conversion rights
 - Redemption rights
 - Voting rights

4. Transfer Restrictions

1. No Shareholder may transfer any of the Preferred Shares except in accordance with this Agreement.
2. The Company and other Shareholders shall have a right of first refusal in respect of any transfer of Preferred Shares.
3. Any transferee must execute a joinder to this Agreement as a condition of transfer.

5. Board Representation

1. Holders of Preferred Shares shall be entitled to appoint [number] directors to the Board, as specified in *Schedule B*.

6. Confidentiality

1. Each Shareholder agrees to keep confidential all information concerning the Company that is not

publicly available.

7. Miscellaneous

- 1. This Agreement constitutes the entire agreement among the parties relating to the subject matter hereof.
- 2. This Agreement shall be governed by and construed in accordance with the laws of [Jurisdiction].
- 3. Any amendments to this Agreement must be in writing and signed by all parties.

8. Schedules

- 1. **Schedule A:** Details of Subscription and Preferred Shares Allocation
- 2. **Schedule B:** Board Representation Rights

Company Representative
[Name & Title]

Shareholder
[Name]