PandaDoc Templates > Agreements > Shareholder Agreement Template CONTENT **BLOCKS** TEXT VIDEO **Shareholder Agreement Template** What is a shareholder agreement? A shareholder agreement is a document involving multiple shareholders of a company, detailing the specific outcomes and actions that will be taken in the event of a shareholder leaving the company, whether voluntarily, involuntarily, or if the company ceases trading. THIS AGREEMENT, dated [AGREEMENT DATE] is entered into amongst the following individuals constituting all of the current shareholders of [CORPORATION] ("Corporation"): **★** Download PDF now [SHAREHOLDER 1] Try PandaDoc template [SHAREHOLDER 2] No credit card required [SHAREHOLDER 3] [SHAREHOLDER 4] **The Sales Closing Guide: 3** (referred to collectively as "Shareholders" and individually as "Shareholder") and the **Deal Closing Methods To** Corporation. Here You 'Close' Again (On Your PandaTip: This shareholder agreement template sets out the terms of how corporate shareholders will interact with each other and what happens if one or more want to get out of the business, or something happens that forces exit of a Start Closing More Deals → shareholder or shutdown of the company. **Article 1 - Purpose of Agreement** The Shareholders are all the shareholders of the Corporation, a [STATE OF 1.1 INCORPORATION] corporation and are the sole Directors and Officers of the Corporation. The Shareholders are entering into this Shareholder Agreement to provide for the 1.2. management and control of the affairs of the Corporation, including management of the business, division of profits, disposition of shares, and distribution of assets on liquidation. i PandaTip: Modify according to the number of shareholders; sometimes there are only two. **Article 2 – Shares Subject to Agreement** The Shareholders listed above own the number of shares of common stock, and 2.1. approximate percentage of company ownership, as listed below: Number of Shares Percentage of Ownership Name [SHARES 1] [PERCENT 1] [SHAREHOLDER 1] [SHAREHOLDER 2] [SHARES 2] [PERCENT 2] [PERCENT 3] [SHAREHOLDER 3] [SHARES 3] [SHAREHOLDER 4] [SHARES 4] [PERCENT 4] The shares listed above constitute all of the issued and outstanding capital stock of the 2.2. Corporation. The Corporation acknowledges receipt from each Shareholder of the full consideration for the respective shares listed above, and each Shareholder acknowledges receipt of certificates representing his or her shares. All of the shares listed above and any additional shares of the capital stock of the Corporation that may be acquired by the Shareholders in the future shall be subject to this Agreement. **Article 3 – Management and Control** 3.1. Board of Directors. Subject to termination in accordance with this Agreement, each Shareholder to this Agreement will be a director of the Corporation. Authority of Directors. During the term of this Agreement, the directors will, when 3.2. appropriate, perform the following acts: 3.2.1. Determine in good faith the "current assets" of the Corporation for purposes of corporate distributions as required by the California Corporations Code; 3.2.2. Cause an quarterly report to be sent to the Shareholders not later than 30 days after the close of the quarter year, such quarterly report will be used to identify and approve any distributions in accordance with this Agreement; 3.2.3. After filing the Corporation's original Articles of Incorporation, file any informational certificates that may be required by the California Secretary of State; 3.2.4. Cause the Corporation to maintain the books, records, and other documents required by California law; 3.2.5. Use best efforts to cause the business of the corporation in accordance with sound business practices. President. Subject to the limitations in Section 3.7, the President of the Corporation will 3.3. be its managing officer. The President will control the day-to-day operations of the business and affairs of the Corporation, including the following: [PRESIDENT ACTIONS W/O APPROVAL]. 3.4. Vice President. Subject to the limitations in Section 3.7, the Vice President of the Corporation will [VICE PRESIDENT DUTIES]. 3.5. Treasurer. Subject to the limitations in Section 3.7, the Treasurer of the Corporation will [TREASURER DUTIES]. 3.6. Secretary. Subject to the limitations in Section 3.7, the Secretary of the Corporation will [SECRETARY DUTIES]. 3.7. Limitations on actions of officers. The following actions shall not be made by any one Officer without the approval of all Officers of the Corporation: [JOINT APPROVAL REQUIRED ACTIONS]. i PandaTip: In drafting this section, think of anything that would be upsetting to a shareholder if the action were taken without them having a say, perhaps entering into certain types of business transaction, hiring, or other significant actions. Approval of All Shareholders. Notwithstanding any contrary provisions in this 3.8. Shareholder Agreement, the written consent of all of the Shareholders is required to approve the following actions: mergers or consolidations involving the Corporation; amendment or repeal of the Articles of Incorporation of the Corporation; issuance of shares of any class or other rights relating to the issuance of shares of the Corporation; transfer of all, or substantially all, the assets of the Corporation; amendment of this Shareholder Agreement; or voluntary dissolution of the Corporation. Employment of Shareholders. Shareholders may be employed as officers of the 3.9. Corporation, as long as they hold shares of stock of the Corporation, are active in its business, and, in a satisfactory manner, perform their duties and responsibilities as set forth in this Agreement, the Articles of Incorporation and the Bylaws of the Corporation. The title, duties, and the other terms of employment, including the annual salary, will be memorialized in a separate document and must be both approved, and only may be subsequently altered, only by the unanimous written consent of the Shareholders. PandaTip: This can be a common issue for dispute among shareholders, each thinking the other is not working hard enough, getting paid too much, etc. Use of detailed Employment Agreements, or placing those terms here, can help alleviate future disputes. **Article 4 - Noncompetition and Trade Secrets** 4.1. Noncompetition. Each Shareholder agrees that as long as he or she is the owner, or in control of, any of the Corporation's shares, the Shareholder will not be employed, concerned, or financially interested, either directly or indirectly, in the same or a similar business as that conducted by the Corporation, or compete with the Corporation. 4.2. Trade Secrets. Each Shareholder acknowledges that the customer lists, trade secrets, processes, methods, and technical information of the Corporation and any other matters designated by the President or by the written consent of all Shareholders are valuable assets. Unless he or she obtains the written consent of each of the other Shareholders, each Shareholder agrees never to disclose to any individual or organization, except in authorized connection with the business of the Corporation, any customer list, or any name on that list, or any trade secret, process, or other matter referred to in this paragraph while the Shareholder holds, or has the control of, any shares of the Corporation, or at any later time. Article 5 - Distributions of Income and Losses i PandaTip: This section makes sure the shareholders have the same expectations in terms of when they can get money out of the business and ensure that distributions do not undermine the financial needs of the company. 5.1. Determination of Net Income and Loss. The net profits or net losses of the Corporation for each fiscal year will be determined on an accrual basis in accordance with generally accepted principles of accounting. Retaining Net Income. The Corporation will retain [RETAINED INCOME THRESHOLD] 5.2. (\$[RETAINED INCOME DOLLAR AMOUNT]) of its net income, plus any additional amount the Shareholders reasonably believe necessary to meet financial needs of the Corporation, including, but not limited to the development or expansion of its business. Regular Distributions of Net Income. Subject to any retained earnings and to the 5.3. statutory requirements related to corporate distributions, the net income of the Corporation may be distributed quarterly to the Shareholders in proportion to the number of shares of the Corporation owned by them. Such distributions shall be approved by all Shareholders. Shareholders may elect to not take a distribution, but instead offer the moneys as a loan to the Corporation. **Article 6 – Shareholder Loans To The Corporation** Loan conditions. A Shareholder may issue a loan to the Corporation upon approval by 6.1. all Shareholders and only under the following conditions, unless otherwise agreed upon. [SHAREHOLDER LOAN CONDITIONS]. 6.2. Repayment. Repayment of Shareholder loans by the Corporation shall occur when the Shareholders agree that there are enough corporate funds to pay the loan. Loans to Shareholders shall be paid in order of priority with the oldest loan being paid first, unless the Shareholder waives such write to first payment. **Article 7 – Dissolution of Corporation** PandaTip: Things happen in business and whether voluntarily or because of failure of the business, dissolution procedures should be agreed upon in advance to avoid costly disputes later on. 7.1. Unanimous consent required. All Shareholders must consent to voluntary dissolution. 7.2. Procedures for dissolution. On commencement of dissolution proceedings (either by election of all Shareholders or otherwise), the Corporation will cease to carry on business except as necessary to wind up its business and distribute its assets. The President, or any Shareholder or Shareholders appointed by the President, will perform the following acts, as necessary, to wind up the affairs of the Corporation: • Continue the business as necessary for the winding up of the affairs of the Corporation; • Carry out contracts and collect, pay, compromise, and settle debts and claims for or against the Corporation (including participating in litigation, whether as plaintiff or defendant relating to the same); • Sell at public or private sale, exchange, convey, or otherwise dispose of all or any part of the assets of the Corporation for cash in an amount considered reasonable by the President, or his or her appointee(s); • Make contracts and take any steps in the name of the Corporation that are necessary or convenient in order to wind up the affairs of the Corporation; and/or • Employ agents and attorneys to liquidate and wind up the affairs of the Corporation. Distribution of assets. As part of the dissolution process, the President, or the 7.3. President's appointee(s), will apply the assets of the Corporation in the following order: • To all debts and liabilities of the Corporation in accordance with the law, including the expenses of dissolution and liquidation, but excluding any Shareholder loans; • To all Shareholder loans, with unpaid interest; • To undistributed net profits of the Corporation; • To repayment of the purchase price of the shares of the Corporation actually paid by each Shareholder; and, finally, should any assets remain; • To the Shareholders in proportion to the number of shares of the Corporation held by each. **Article 8 - Transfer of Shares** 8.1. Shares Acquired for Investment. Each of the Shareholders acknowledges and represents that he or she has obtained and accepted his or her shares in good faith, for investment and for his or her own account, and not with a view to distribution or resale. PandaTip: Distribution or resale of shares to outsiders can implicate a myriad of legal regulations that this agreement is not designed to address, that is why this clause is important. Restrictions on Transfer. To accomplish the purposes of this Agreement, any transfer, 8.2. sale, assignment, or encumbrance of any of the shares of the Corporation, other than according to the terms of this Shareholder Agreement is void. Buy-Sell Upon Death of Shareholder. Upon the death of a Shareholder, the Corporation 8.3. shall purchase, and the deceased Shareholder's estate or successor or successors in interest (the "Deceased Shareholder"), shall sell, all the Corporation's stock presently owned by such Stockholder. This sale will be made within sixty (60) days after the appointment of a legal representative for the Deceased Shareholder's estate. Buy-Sell for Other Reasons. A Shareholder may voluntarily sell all the Corporation's 8.4. stock presently owned by such Shareholder ("Departing Shareholder"). Any and all sales hereunder with respect to the Departing Shareholder shall be made within sixty (60) days after written notice of intent to sell served on the Corporation and the remaining Shareholders. Right of First Refusal. In the event of mandatory or voluntary buy-sell under this 8.5. Section, the non-departing or surviving Shareholder shall have the right of first refusal to purchase all shares that would otherwise be repurchased by the Corporation at the purchase price set forth above. To exercise this right, the non-departing or surviving Shareholders provide written notice to the Corporation no later than ten (10) days prior to the effective date of sale. **Article 9 - Dispute Resolution** Any dispute relating to this Shareholder Agreement, or arising out of or relating to 9.1. operations of the Corporation, or the rights or obligations of the Shareholders, shall be settled by: [RESOLUTION OPTIONS]. Panda Tip: You can select arbitration, mediation, or perhaps a trusted third party. You may want to also designated where such a dispute would be decided and whether or not the prevailing party would be entitled to attorney fees from the other. **Article 10 - Miscellaneous Provisions** Necessary Acts. All parties to this Shareholder Agreement will perform any acts, 10.1. including executing any documents, that may be reasonably necessary to fully carry out the provisions and intent of this Agreement. Notices. All notices, demands, requests, or other communications required or 10.2. permitted by this Shareholder Agreement (other than routine communication relative to business operations) will be in writing sent to the following: [CORPORATION] [CORPORATION ADDRESS] [CORPORATION CITY], [CORPORATION STATE], CORPORATION ZIP] [SHAREHOLDER 1] [SHAREHOLDER 1 ADDRESS] [SHAREHOLDER 1 CITY], [SHAREHOLDER 1 STATE], [SHAREHOLDER 1 ZIP] [SHAREHOLDER 2] [SHAREHOLDER 2 ADDRESS] [SHAREHOLDER 2 CITY], [SHAREHOLDER 2 STATE], [SHAREHOLDER 2 ZIP] [SHAREHOLDER 3] [SHAREHOLDER 3 ADDRESS] [SHAREHOLDER 3 CITY], [SHAREHOLDER 3 STATE], [SHAREHOLDER 3 ZIP] [SHAREHOLDER 4] [SHAREHOLDER 4 ADDRESS] [SHAREHOLDER 4 CITY], [SHAREHOLDER 4 STATE], [SHAREHOLDER 4 ZIP] Attorneys' Fees. In the event of any litigation concerning this Shareholder, the 10.3. prevailing party shall be entitled, in addition to any other relief that may be granted, to reasonable attorneys' fees. Binding on Successors and Assigns. This Agreement will be binding on the parties to 10.4. the Agreement and on each of their heirs, executors, administrators, successors, and assigns. Severability. If any provision is unenforceable or invalid for any reason, the remaining 10.5. provisions shall be unaffected by such a holding. Governing Law. This Agreement shall be construed according to and governed by the 10.6. laws of the State of California. Entire Agreement. This document constitutes the entire Shareholder Agreement of the 10.7. Corporation and correctly sets forth the rights, duties, and obligations of each Shareholder and of each Shareholder to the other. Any modifications must be in writing and approved by all Shareholders. Executed on [DATE OF SIGNING] at [CITY AND STATE OF SIGNING]. THE SHAREHOLDERS [SHAREHOLDER 1] [SHAREHOLDER 2] [SHAREHOLDER 3] [SHAREHOLDER 4] Related templates Construction Joint Venture Agreement Car Purchase Agreement Website Development Services Agreement THIS AGREEMENT is made as of Agreement Date| between Party1 Name| and |Party2 Name|, collectively known as |Icint/venture Name|, Both parties agree to mutually This car purchase agreement has been entered into as off,Agreement Date! between [Sender FirstName] (Selter) and [Client FirstName] [Client,LastName] (Buyer). engage, undertake, and execute construction projects, and agree that any profits or liabilities This website development services agreement is intended as a legally binding agreement sted to such projects are subject to this joint venture agreem tween [Sender Name] (Developer) and [Client.Name] (Client), collectively known as the The total purchase price to be paid by Buyer to Seller for the vehicle listed is inclusive of all Client has agreed to allow the above developer to create, develop, test, and host a website Both parties hereby represent themselves as joint venturers for the purposes of undertaking and down payments made by Buyer. Total punchase price is broken down as follows: according to the above-mentioned scope of work. 1. Down-payment: \$[Down/Payment Amount] (Due to Seller on or before execution of this executing construction projects. veloper is interested in undertaking such work; and Client and developer mutually desire to 2. Payment Due at Delivery of Vehicle to Buyer: \$RemainingBalance Amount] set and agree to the following terms and conditions as listed. Construction Proposal and Agreement 3. Payments can be made via cash , money order ,or with prior approval check made out to Both parties agree to be jointly known as [Joint/renture Name], and agree to obtain appropriate Scope of Work Scensing in the name of [JointVenture.Name] prior to undertaking or executing construction The specific deliverables and project requirements shall be governed by the Scope of Work document which shall be reviewed and approved by the Parties as a document separate from \$0.00 (Vehicle Description) Joint & Several Obligations Prepared for JCLIENT Company! Tris website development services agreement. Submitted \$6.00 By [COMPANY FirstName] [COMPANY LastName] [COMPANY Company] The obligations under the Construction Contract shall be joint and several **Developer Requirements** Agreement Duration & Termination Vehicle Description Client hereby retains the services of Developer to design, develop and host a website and This agreement shall remain valid unless otherwise cancelled in writing with signature by both essary additional items as fisled in accordance with the proposal submitted by Developer to The vehicle being sold is as follows Client and signed on [Proposal Date]. Joint Venturers' Interests · Model: Changes to this Agreement or to any deliverables in this contract must be submitted in writing and approved by both parties prior to taking place. Both parties agree to maintain equal interests in JointVenture Namel, including claims to . Body Color: · Year Developer agrees to notify company if any risks or schedule delays may take place effecting Both parties agree to indemnify one another against any loss or liability not directly related to . Vehicle Identification Number ("VIN"): Neys Amount seys for vehicle.
Vehicle Title clean of all liens and holds. Developer agrees to personally present said website on [Presentation Date] at a location Capital Contributions Client shall provide Developer with appropriate space and resonuces for such presentation to **Construction Proposal and Website Development Construction Joint Venture Car Purchase Agreement Agreement Template Agreement Template Agreement Template Template** Construction companies often Your construction company is This car purchase agreement Freelance developers or always on the move and on template is a standard agencies can use this website enter into joint ventures in order to pool resources and agreement made completely development agreement site. Use this Construction template as a binding contract Proposal and Agreement to set pursue large projects. This customizable for your up your company's next joint venture agreement individual needs. All fields and for their services. project. template can be filled out in tokens in this agreement can minutes, helping you and your be changed and customized partner establish a legallybased on each individual binding joint venture agreement. agreement. **Disclaimer** Parties other than PandaDoc may provide products, services, recommendations, or views on PandaDoc's site ("Third Party Materials"). PandaDoc is not responsible for examining or evaluating such Third Party Materials, and does not provide any warranties relating to the Third Party Materials. Links to such Third Party Materials are for your convenience and does not constitute an endorsement of such Third Party Materials.

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