



Template startup shareholders' agreement

User notes

This is a simple startup shareholders' agreement for use during the earliest stage of a company's development, i.e. while the founders are the only material shareholders and before the company receives institutional funding.

This agreement is intended to cover matters that are often important to founders but that are not always covered in standard form early stage constitutions, specifically:

- ▲ the composition of the board
- ▲ pre-emptive rights on new share issues
- ▲ rights of first refusal on transfers of existing shares
- ▲ non-compete undertakings
- ▲ assignment of intellectual property rights.

This agreement is not intended for use in connection with a financing round from an institutional investor. A new shareholders' agreement will normally be required at that stage to set out the rights of the incoming investor.

applicable law

This document is intended for use by companies domiciled in Southeast Asia. Because the laws in each Southeast Asian country are different, you may need to have the document reviewed by a local lawyer. We have suggested (as a placeholder) that the document be subject to Singapore law as this is the most common domicile of tech companies raising capital in Southeast Asia, and Singapore is well respected as a jurisdiction.

using this template

The **User Notes** and the statements in the footer below (all marked in red) are included to assist in the preparation of this document. They are for reference only – you should delete all user notes and the statements in the footer from the final form of your document.

The use of [*square brackets*] around black text means that:

- ▲ the requested details need to be inserted
- ▲ there are different options for you to consider within a clause
- ▲ the whole clause is optional and you need to consider whether to include it, based on the company's circumstances and the user notes.

Before finalising your document, check for all square brackets to ensure you have considered the relevant option and ensure that all square brackets have been deleted. Also, if you delete any clauses or schedules, remember to cross reference check the document.

STARTUP SHAREHOLDERS' AGREEMENT

DATE

PARTIES

- 1 **[User note: Use this wording for each party that is an individual.]** **[INSERT NAME]**
(passport/ID number: *[insert]*) of *[address]*)
- 2 **[User note: Use this wording for each party that is a company.]** **[INSERT NAME OF COMPANY]**, company number *[insert]*, a company incorporated in *[insert]* whose registered office is at *[insert]*
- 3 **[INSERT NAME OF COMPANY]** (company number *[insert]*), a company incorporated in *[insert]* whose registered office is at *[insert]* (**Company**)

AGREEMENT

The parties wish to record arrangements for the governance and business of the Company on the terms of this Agreement.

[User note: Use the following signature block for each party that is a company.]

SIGNED for and on behalf of **[INSERT**)
NAME OF COMPANY] by:)

Signature of authorised signatory

Print full name of authorised signatory

TERMS OF THIS AGREEMENT

1 INTERPRETATION

1.1 **Definitions:** In this Agreement the following words have the following meanings:

Definition	Meaning
Agreement	this agreement, including the Schedules.
Board	the Directors from time to time acting as a board of directors.
Business	<i>[insert description of the business of the Company, e.g. the development, commercialisation and sale of [insert a description of the Company's products]],</i> and any other activities carried on by the Company from time to time.
Business Day	Monday to Friday, other than any public holiday that occurs in <i>[Singapore]</i> .
Constitution	the constitution of the Company (as amended from time to time).
Deed of Accession	a deed of accession to be entered into by each person becoming a shareholder of the Company in accordance with clause 5.7 or 6.15, in the form attached as Schedule 1.
Director	a director of the Company.
ESOP	an employee share or option plan (or similar) adopted by the Company.
Intellectual Property Rights	includes copyright and all rights conferred under statute, common law or equity relating to inventions (including patents), registered or unregistered trade marks and designs, circuit layouts, data and databases, confidential information, know-how, and all other rights resulting from intellectual activity. Intellectual Property has a consistent meaning.
Securities	any Share and any security that may be converted into Shares or that gives the holder of the security the right to have Shares issued to it (including options and warrants).

Shareholder a shareholder of the Company.

Shares ordinary shares in the Company and any other class of shares in the Company.

1.2 Interpretation:

- a a reference to:
 - i a **clause** or a **Schedule** is to a clause in or a Schedule to this Agreement;
 - ii a **person** includes a body corporate, an association of persons (whether corporate or not), a trust, governmental or other regulatory body, authority or entity, in each case whether or not having a separate legal personality;
 - iii **including** and similar words do not imply any limitation;
 - iv a **statute** includes references to that statute as amended or replaced from time to time;
 - v a **party** is a reference to a party to this Agreement, and includes that party's permitted assigns; and
 - vi **\$** or **dollars** are to [*Singapore*] currency;
- b the **headings** in this Agreement are for convenience only and have no legal effect; and
- c the **singular** includes the plural and vice versa.

2 TERM

2.1 **Term:** This Agreement commences on the date that it is signed by all parties and will continue in force until terminated under clause 2.2.

2.2 **Termination:** This Agreement must terminate when:

- a all of the parties agree in writing that it will be terminated, in which case it must terminate on the agreed date;
- b a single Shareholder holds 100% of the Shares;
- c an order is made, or a resolution is passed, to appoint a liquidator to the Company; or
- d the Shares are listed.

- 2.3 **Exiting Shareholder:** A party ceases to be bound by, and to be a party to, this Agreement if, having complied with clause 6, it ceases to hold any Shares (except that clauses 7 and 10.2 will continue to apply).

3 CONDUCT OF THE PARTIES

The Shareholders must exercise all voting rights and other powers of control available to them in relation to the Company, in their capacity as Shareholders and through their appointed Directors, to give effect to this Agreement (as far as they are able by the exercise of such rights and powers).

4 BOARD OF DIRECTORS

[User note: Typically, each Founder will have the right to appoint a director (at least in the early stages of the Company's development). This clause provides a mechanism for those appointments. The remaining Board seats (if any) are to be filled by the majority vote of the Shareholders. Depending on the appointment rights and the relative shareholdings, one Shareholder could have the right to appoint a majority of the Directors and therefore control the Board. You should think about who is in control of the Company. From a commercial perspective, it is usually not desirable to have one person able to control the Board.]

4.1 Board size and composition:

- a The maximum number of Directors will be *[insert number]*.

[User note: Delete clauses 4.1b and c below if directors are to be appointed by the holders of a simple majority of the Shares (i.e. no shareholders are to be given specific director appointment rights).]

- b *[At the date of this Agreement, the Board comprises:*

[Insert name] (appointed by [insert name of appointing Shareholder])

[Insert name] (appointed by [insert name of appointing Shareholder])

[Insert name] (appointed by [insert name of appointing Shareholder]).]

- c *[Each Shareholder has[, while he or she holds at least [insert]% of the Shares,] the right to appoint one Director by written notice to the Board. A Shareholder who*

appointed a Director under clause 4.1b or this clause 4.1c may remove or replace that Director at any time by written notice to the Board.]

- d The Shareholders may appoint, remove or replace additional Directors by ordinary resolution, up to the maximum stated in clause 4.1a.

[User note: Delete clause 4.1e below if clauses 4.1b and 4.1c above have been deleted.]

- e *[If a Shareholder wishes to exercise its right to appoint a Director under clause 4.1c but the maximum number of Directors permitted under clause 4.1a has been reached, the Shareholders must cause a Director who is not appointed under either clause 4.1b or 4.1c (**Additional Director**) to resign. If there is more than one Additional Director and the Shareholders cannot agree on which of them is to resign, the Additional Director to resign will be determined by drawing of lots.]*

- f The Board will appoint one of the Directors to act as chairman of the Board on the following basis:

- i he or she will hold office for 12 months;
- ii each chairman will, at the expiry of his or her term, be eligible for re-appointment and will be deemed to have been removed from that office unless he or she has been re-appointed before the end of that term; and
- iii at meetings of the Board, the chairman will vote in his or her capacity as a Director only and will not have a separate casting vote.

- g Each Director may appoint an alternate Director to act on his or her behalf in his or her absence.

4.2 **Quorum:** A quorum for a meeting of the Board will be a majority of Directors. If a quorum is not present within half an hour of the scheduled time of a meeting, the meeting will automatically be adjourned to the same day, location and time on the following week. If that day is not a Business Day, the meeting will be held on the next Business Day. The Directors present at an adjourned meeting will constitute a quorum for that meeting.

4.3 **Board meetings:** The Board will meet monthly or as otherwise agreed by a majority of the Board. Board meetings may take place in person or by audio or audio and visual communication as permitted by the Constitution. Unless otherwise expressly provided in this Agreement or the Constitution, decisions will be by majority vote. The Company must, at least five Business Days before each Board meeting provide each Director with an agenda, all relevant Board papers for that meeting and any other information requested by the Board.

[User note: Clause 4.4 relates to Directors' fees. Generally, directors of early stage companies are not paid a Directors' fee.]

- 4.4 **[No Directors' fees:** *Directors will not receive fees for attending Board meetings. Directors who are also executives of the Company will not receive additional remuneration for Board duties.]*

OR

[Directors' fees: *All non-executive Directors will be paid Board fees of \$[insert amount] per month but otherwise attendance at Board meetings will not be remunerated.]*

- 4.5 **Director expenses:** Despite clause 4.4, each Director will be entitled to have expenses reasonably and properly incurred in attending meetings of the Directors and otherwise in relation to the discharge of duties reimbursed by the Company.

[User note: Clause 5 provides that before the Company can issue new Securities to any person, it must first offer those Securities to all of the existing Shareholders, in proportion to their shareholdings in the Company.]

5 ISSUE OF SECURITIES

- 5.1 **Pre-emptive rights:** The Board may issue additional Securities of any class (including redeemable Shares) at any time, to any person and in the numbers the Board thinks fit, subject to the rights of pre-emption set out in in this clause 5, except that such pre-emptive rights will not apply:
- a to the issue of Securities pursuant to any ESOP;
 - b to the issue of Securities for nil consideration under any pro rata bonus issue, consolidation or subdivision of any Securities or any reduction or cancellation of the Company's share capital (or any similar reorganisation of the capital of the Company) which affects all Shareholders equally; or
 - c on the conversion of any option, warrant or other convertible Security.
- 5.2 **Securities to be offered pro-rata:** All new Securities proposed to be issued by the Company (**New Securities**) must be offered to the existing Shareholders (**Offerees**) in proportion to the number of Shares held. Any fractional entitlements to New Securities must be disregarded.
- 5.3 **Offer notice:** The offer must be made by written notice, specifying:

- a the number, class and terms of the New Securities offered, including the number of New Securities to which the Offeree is entitled;
 - b the issue price and payment conditions; and
 - c the date (being not less than 7 days nor more than 28 days after the date of the written notice) by which the Offeree must give an acceptance notice in writing to the Company containing the details set out in clause 5.4.
- 5.4 **Acceptance notices:** Each acceptance notice must state whether or not the Offeree wishes to purchase:
- a the Offeree's entitlement or some lesser number of New Securities; and
 - b any New Securities offered to, but declined by, other Offerees (**Declined New Securities**) and if so, what number.
- 5.5 **Securities not accepted:** New Securities offered to the Offerees under clause 5.3 and not accepted will be used to satisfy requests for allocations under clause 5.4b. If there are insufficient Declined New Securities to satisfy those requests, the Declined New Securities must be divided among those Offerees who request Declined New Securities, in proportion to their existing shareholdings in the Company, except that no Offeree will be allocated more Declined New Securities than the number which that Offeree has requested and New Securities remaining unallocated after that proportional division (or any subsequent division) will be used to satisfy the requests for Declined New Securities which remain unsatisfied, in proportion to the existing shareholdings of the relevant Offerees.
- 5.6 **Residual shares:** New Securities remaining unallocated after compliance with clauses 5.2 to 5.5 may, at any time within 4 months of the date the New Securities are offered to Offerees under clause 5.3, be disposed of by the Board in the manner it thinks most beneficial to the Company and may be offered to any person or persons the Board is prepared to register as a Shareholder, provided that the consideration for and terms of the issue must not be more favourable than those offered to the Offerees under clause 5.3.
- 5.7 **Deed of Accession:** No issue of Shares by the Company to a third party will be valid unless and until the third party enters into a Deed of Accession and agrees to become bound by the terms of this Agreement. Each of the parties agrees that from the date of issue of the Shares to the third party this Agreement will be read as if that third party was a party to it, having all the rights and obligation of a party under this Agreement.

[User note: Clause 6 provides that before a Shareholder can transfer any Shares, they must first offer those Shares to all of the other Shareholders, in proportion to their shareholdings in the Company.]

6 TRANSFER OF SECURITIES

- 6.1 **Transfer of Shares:** Subject to any restriction contained in this Agreement and to the terms on which the Share is issued, a Shareholder may transfer any Share to another person by an instrument of transfer.
- 6.2 **Restriction on transfer:** No Shareholder may sell, transfer or otherwise dispose of the legal or beneficial ownership of, or mortgage or otherwise charge any of its Shares unless the rights of first refusal set out in this clause 6 have been exhausted.
- 6.3 **Transfer Notice:** A Shareholder proposing to sell or otherwise transfer any Shares (**Proposing Transferor**) must give written notice to the Board specifying the Shares to be sold and a price at which the Shares are for sale (**Transfer Notice**). The Transfer Notice constitutes an offer to sell the Proposing Transferor's Shares to the other Shareholders in accordance with this clause 6. It also constitutes an appointment of the Company as the Proposing Transferor's agent for the transfer of the shares under this clause 6. If a Transfer Notice includes several Shares it is not to operate as if it were a separate notice in respect of each Share and the Proposing Transferor is under no obligation to sell or transfer part only of the Shares specified in the Transfer Notice. No Transfer Notice may be revoked by a Proposing Transferor except with the consent of the Board.
- 6.4 **Contents of Transfer Notice:** A Transfer Notice must specify:
- a the number of Shares the Proposing Transferor intends to sell or transfer (**Sale Shares**); and
 - b the proposed sale price and terms of sale including payment terms (**Proposed Sale Price**).
- 6.5 **Notice:** Within 7 days of receipt of a Transfer Notice the Board must send to each other Shareholder (**ROFR Offeree**) a notice stating:
- a the number of Sale Shares which the ROFR Offeree is entitled to purchase, which will be in proportion to that Shareholder's existing shareholding;
 - b the Proposed Sale Price; and

- c the date (being not less than 7 days and not more than 28 days after the date of receipt by the Company of the Transfer Notice) by which the ROFR Offeree must give an acceptance notice in writing containing the details set out in clause 6.6.

6.6 **Acceptance notices:** Each acceptance notice must state whether or not the ROFR Offeree wishes to purchase:

- a the ROFR Offeree's entitlement on the terms specified in the Transfer Notice; and
- b any additional Sale Shares on the terms specified in the Transfer Notice which have been offered to, but declined by, other ROFR Offerees (**Declined Shares**) and if so, what number.

If the ROFR Offeree fails to give an acceptance notice by the required date, the ROFR Offeree will be deemed to have rejected the offer.

6.7 **Notice to proposing transferor:** After receipt of acceptance notices from all ROFR Offerees or after the expiry of the date specified in the Board's notice given under clause 6.5c (whichever is the earlier), the Board must within 7 days send to the Proposing Transferor copies of all acceptance notices received or notify the Proposing Transferor that no acceptance notices have been received.

6.8 **Sale and purchase:** If the acceptance notices received contain sufficient acceptances to enable the purchase of all of the Sale Shares, upon receipt of notice under clause 6.7 the Proposing Transferor must sell the Sale Shares to the accepting ROFR Offerees in accordance with clauses 6.9 to 6.12. If the acceptance notices received do not contain sufficient acceptances to enable the purchase of all of the Sale Shares (or if no acceptance notices are received), the Proposing Transferor is not bound to sell any of the Sale Shares to the ROFR Offerees, and clause 6.13 will apply.

6.9 **Purchasers:** The purchasers of the Sale Shares will be determined as follows:

- a if all ROFR Offerees have accepted their entitlements then each ROFR Offeree must purchase the number of Sale Shares equivalent to that ROFR Offeree's entitlement; or
- b if not all ROFR Offerees accept their entitlement, but there are still sufficient acceptances to purchase all of the Sale Shares, each accepting ROFR Offeree will become bound to purchase that number of Shares equal to the ROFR Offeree's entitlement plus the number of any Declined Shares that the ROFR Offeree agreed to accept in the ROFR Offeree's acceptance notice. If there are insufficient Declined Shares to satisfy those requests, the Declined Shares must be divided among those ROFR Offerees who requested Declined Shares in proportion to their existing

shareholdings in the Company as among each other (except no Shareholder will be allocated more Declined Shares than the number which that Shareholder has requested) and any Declined Shares remaining unallocated after that proportional division (or any subsequent division) must be used to satisfy the requests for Declined Shares which remain unsatisfied, in proportion to the existing shareholdings in the Company of the relevant ROFR Offerees or on any other basis the Board considers is fair and reasonable.

6.10 **Settlement:** Settlement of the sale and purchase of the Sale Shares must take place within 30 days after the Proposing Transferor becomes bound to sell the Sale Shares under clause 6.8 (or on any other date agreed by the parties).

6.11 **Payment and transfer:** On settlement:

- a each accepting ROFR Offeree must pay the price for the Shares purchased by them to the Proposing Transferor in immediately available, same day cleared funds without set-off or deduction; and
- b the Proposing Transferor must deliver to each ROFR Offeree a signed share transfer form and relevant share certificate(s) for those Shares.

6.12 **Board may effect transfer:** If a Proposing Transferor defaults in transferring any Sale Shares in accordance with this clause 6, the Company may execute a transfer of the relevant Shares on behalf of the Proposing Transferor. Subject to deduction of any amount in respect of which the Company has a lien over the Shares, the Company must hold the purchase price in trust for the Proposing Transferor. The receipt of the Company will constitute a valid discharge of the purchase price and no question will be raised as to the title of any ROFR Offeree after entry of the name of the ROFR Offeree in the share register as the holder of the relevant Shares.

6.13 **Proposing Transferor's right to sell:** If no acceptance notices are received, or if acceptance notices are received which do not contain acceptances for all of the Sale Shares, then subject to the Constitution the Proposing Transferor may, within 60 Business Days of the date specified by the Board in its notice under clause 6.5c, sell or transfer all of the Sale Shares (but not part only) to a third party at a price which is not less than the Proposed Sale Price and otherwise on terms no more favourable to that third party than the terms offered to the Shareholders in the Proposing Transferor's Transfer Notice.

6.14 **Requirement to refuse registration:** The Board must refuse the registration of a transfer of any Share if clauses 6.2 to 6.13 have not been complied with.

- 6.15 **Deed of Accession required:** No sale, transfer or other disposition of any Shares by a Shareholder will be valid unless and until the proposed transferee enters into a Deed of Accession and agrees to become bound by the terms of this Agreement. Each of the Shareholders agrees that from the later of the date of the Deed of Accession and the date of the sale, transfer or other disposition of any Shares to the proposed transferee, this Agreement will be read as if that proposed transferee was a party to it, having all the rights and obligations of a party under this Agreement.
- 6.16 **Exempt transfers:** The restrictions in clauses 6.2 to 6.13 do not apply to any transfer of Shares which has been approved by a special resolution of Shareholders.

7 NON-COMPETITION

[User note: Clause 7 states that no Shareholder can compete with the Company while he or she is a Shareholder, or for 12 months after he or she stops being a Shareholder.]

Each Shareholder agrees and undertakes that, at any time during which he or she (or any entity over which he or she has a controlling interest) is a Shareholder, and for a further period of [12] months after ceasing to be a Shareholder, he or she will not anywhere in [*Singapore or [insert names of any other countries in which the Company operates or expects to operate]*]:

- a directly or indirectly engage in, conduct, carry on or be involved or interested in any business the same as or similar to, or that is a material competitor of, the Business, provided that this does not prevent the parties from holding in aggregate not more than 5% of the issued share capital of any public company listed on the [*Singapore Stock Exchange's main board*] or any other stock exchange of similar or better standing;
- b solicit or entice any of the officers, employees or contractors of the Company to terminate their position, employment or relationship with the Company otherwise than as a result of normal recruiting practices which are not targeted at any particular officer, employee or contractor; or
- c solicit or entice any of the customers or suppliers of the Company to terminate their relationship with the Company.

8 INTELLECTUAL PROPERTY

All Intellectual Property created by a Shareholder in the course of working for the Company or otherwise in connection with the Business will be owned by the Company from the date of

its creation. Each Shareholder must, if requested by the Company, execute any documents required to vest the ownership of any of that Intellectual Property in the Company.

9 RECEIPT OF DOCUMENTS BY ELECTRONIC MEANS

Each Shareholder notifies the Company that:

- a it wishes to receive by electronic means all notices, statements, reports, accounts and other documents to be sent to Shareholders; and
- b the email address to send such documents to is the email address of that Shareholder listed in Schedule 2, or as otherwise notified to the Company from time to time in writing.

10 GENERAL

10.1 **Conflict with Constitution:** To the extent of any inconsistency or conflict, the provisions of this Agreement will prevail over the provisions of the Constitution. In order to give effect to this clause 10.1, if any such inconsistency or conflict is identified or becomes apparent then the parties must do all things and sign all documents, including where necessary making amendments to the Constitution, as may be necessary to remove the inconsistency or conflict.

10.2 **Confidentiality:** Each party must keep this Agreement, its terms and information it receives about the Company and its business in connection with this Agreement (**Confidential Information**) confidential, and must not use or disclose that Confidential Information without the prior written consent of the other parties except to the extent that:

- a disclosure is required by law;
- b the relevant information is already in the public domain;
- c it is reasonably required to obtain professional advice; or
- d it is reasonably necessary in connection with any proposed:
 - ▲ financing of that party;
 - ▲ sale of that party's interest in the Company; or
 - ▲ sale of all or part of the business of, or the shares in, that party,

and the party receiving the Confidential Information has entered into confidentiality undertakings substantially the same as those set out in this clause.

10.3 **Notices:** All notices and communications given under this Agreement must be in writing and will be delivered personally, sent by post, sent by email, to the address or email address set out in Schedule 2 (or at such other address as notified from time to time by the party changing its address).

10.4 **Time of service:** Any notice given under this Agreement will be deemed to be validly given:

- a in the case of delivery, when received;
- b in the case of posting, on the second day following the date of posting; or
- c if emailed, one hour after the email is sent unless a return mail is received by the sender within that one hour period stating that the addressee's email address is wrong or that the message cannot be delivered,

provided that any notice received after 5 pm on a Business Day or on any day that is not a Business Day will be deemed to have been received on the next Business Day.

10.5 **Entire agreement:** This Agreement contains all of the terms agreed between the parties relating to the matters dealt with in this Agreement and supersedes all prior discussions and agreements covering the subject matter of this Agreement.

10.6 **Further assurances:** The parties must each sign all further documents, pass all resolutions and do all further things as may be necessary or desirable to give effect to this Agreement.

10.7 **Amendments:** This Agreement may only be amended by agreement of the parties in writing.

10.8 **Waiver:** No exercise or failure to exercise or delay in exercising any right or remedy will constitute a waiver by that party of that or any other right or remedy available to it.

10.9 **No partnership:** Nothing contained in this Agreement will be deemed or construed to constitute any party to be a partner, agent or representative of any other party, or to create any trust or commercial partnership.

10.10 **No assignment:** No party may assign any of its rights or obligations under this Agreement without the prior written consent of the other parties.

10.11 **Costs:** Except as otherwise provided in this Agreement, the parties will meet their own costs relating to the negotiation, preparation and implementation of this Agreement.

10.12 **Partial invalidity:** If any provision of this Agreement becomes invalid or unenforceable to any extent, the remainder of this Agreement and its application will not be affected and will remain enforceable to the greatest extent permitted by law.

10.13 **Signature:** This Agreement may be executed in two or more counterparts, each of which is deemed an original and all of which constitute the same Agreement. A party may enter into this Agreement by signing and sending (including by email) a counterpart copy to each other party.

11 GOVERNING LAW

This Agreement, and disputes or claims arising from or in connection with it, will be governed by, and interpreted in accordance with, the laws of [Singapore].

[User note: Clause 12 provides that disputes that are not settled will be referred to the Singapore International Arbitration Centre (SIAC). SIAC is seen as a leading venue for the holding of commercial arbitration and is used by companies across Southeast Asia.]

12 [DISPUTE RESOLUTION:

- 12.1 **Dispute:** *If any dispute, controversy or claim (**Dispute**) arises out of or relating to this Agreement, or to the interpretation, breach, termination or validity of this Agreement, the parties to the Dispute (**Disputing Parties**) must use their best efforts to resolve the Dispute through consultation or mediation. The consultation or mediation between the Disputing Parties must begin as soon as practicable after one Disputing Party has delivered to the other Disputing Party or Parties a written notice setting out the matter of the Dispute (**Dispute Notice**).*
- 12.2 **Arbitration:** *If a Dispute is not settled under clause 12.1 within 30 days after the date of the relevant Dispute Notice, the Dispute must be referred to and resolved by arbitration in Singapore in accordance with the Rules of the Singapore International Arbitration Centre (**SIAC Rules** and **SIAC** respectively). The tribunal will consist of one arbitrator, to be appointed by the President of the SIAC. The language of the arbitration will be English.*
- 12.3 **SIAC Rules:** *The SIAC Rules are deemed to be incorporated by reference in this clause 12. However, to the extent that the SIAC Rules are in conflict with the provisions of this clause 12, the provisions of this clause 12 will prevail.]*

SCHEDULE 1

Deed of Accession

[Insert name, registered number (if applicable) and address of transferee or subscribing shareholder] (**New Shareholder**) confirms that:

- 1 [it][he][she] has been given and has read a copy of the Shareholders' Agreement between [insert names of the parties to the Agreement] dated [insert date of Agreement] (**Shareholders' Agreement**);
- 2 with effect from the date of transfer or issue of any shares in [insert Company name] to the New Shareholder, the New Shareholder agrees to be bound by all the terms of the Shareholders' Agreement as if the New Shareholder were a party to the Agreement; and
- 3 with effect from the date of this Deed, the Shareholders' Agreement will be read as if the New Shareholder was a party to the Shareholders' Agreement, having all the rights and obligations of a party under that agreement.

[User note: Use the following signature block if the New Shareholder is a company.]

SIGNED AS A DEED for and on)
behalf of [**INSERT NAME OF**)
NEW SHAREHOLDER] by:)

_____	_____
Signature	Signature
_____	_____
Print full name	Print full name
_____	_____
Print title	Print title

[User note: Use the following signature block if the New Shareholder is an individual.]

SIGNED AS A DEED by [*INSERT*)
NAME OF NEW SHAREHOLDER])

[insert name of New Shareholder]

Signature of witness

Name of witness

Occupation of witness

Address of witness

SCHEDULE 2**Details for Notices**

[INSERT NAME OF PARTY]	
Contact name	[insert]
Company	[insert]
Address	[insert]
Email address	[insert]

[INSERT NAME OF PARTY]	
Contact name	[insert]
Company	[insert]
Address	[insert]
Email address	[insert]

[INSERT NAME OF COMPANY]	
Contact name	[insert]
Address	[insert]
Email address	[insert]