**Shareholders Agreement**

This shareholders agreement (the **Agreement**) is signed on [●] (the **Signing Date**) between:

[●], registration number: [●], legal address [●] (the **Company**), represented by [●],

[●], registration number: [●], legal address [●] (the **Investor**), represented by [●],

[●], registration number: [●], legal address [●] (the **Founder**), represented by [●],

*[Please add other parties, as required]*

(each also a **Party** and together the **Parties**).

**WHEREAS:**

1. On the date of this Agreement the Parties have signed an investment agreement in respect of the Company.
2. The Parties wish to cooperate in good faith to ensure the development of the Business and the growth of the Company resulting in the increase in value of the Company’s shares for the benefit of its Shareholders.
3. The Parties want to set forth their mutual understanding regarding the principles of their co‑operation with respect to the affairs of the Company by concluding this Agreement.
4. [*Please add other recitals, as necessary*][[1]](#footnote-1)

The Parties conclude the following Agreement:

1. **Definitions**
   1. The capitalized terms used in this Agreement have the meanings set forth in Schedule 1.
2. **Purpose and General Obligations**
   1. The purpose of this Agreement is to set out the principles of cooperation of the Shareholders, to determine the procedures for management of the Company, as well as to set out other obligations and liability of the Shareholders during the term of the validity of this Agreement.
   2. Each Party shall always undertake to do everything within its powers, including but not limited to passing or procuring the passing of resolutions and using its rights under this Agreement in a manner designed to procure that the provisions of this Agreement are observed and performed.
3. **Business**
   1. The Business shall be carried out according to the following principles:
      1. the Company’s main business activity shall always be carrying out the Business;
      2. the Business shall be conducted in accordance with the annual strategy approved by the Shareholders;
      3. the Business shall be carried out on a financially profitable basis;
      4. the Company shall conduct its business with due diligence and efficiency and in accordance with sound and prudent financial and business practices;
      5. the Company shall conduct its business in accordance with this Agreement and applicable laws.
4. **Management** 
   1. The management bodies of the Company are the Shareholders Meeting and the Management Board[[2]](#footnote-2).
5. **Shareholders Meeting**
   1. The Shareholders Meeting has the competence set out by law and the Articles of Association, and it shall also adopt resolutions in the matters that must be resolved by the Shareholders Meeting pursuant to the terms and conditions of this Agreement. Furthermore, the following issues shall belong to the exclusive competence of the Shareholders Meeting:
6. adopting and amending strategic guidelines for the management of the Company;
7. adopting and amending the annual budget;
8. acquisition or disposal of an interest in another company;
9. establishing or liquidating a subsidiary;
10. obtaining, disposing or liquidating an enterprise or branch;
11. acquisition, disposal or encumbrance of immovables or registered movable property;
12. taking loans or obligations in excess of EUR [●];
13. issuing loans, guaranteeing obligations or otherwise incurring obligations, if it is beyond the Ordinary Course of Business;
14. hiring, dismissing and amending employment terms, including remuneration package, of key employees;
15. concluding a transaction or series of related transactions (whether at one time or over a period of one year) beyond the Ordinary Course of Business or in value exceeding EUR [●];
16. concluding agreements regarding lease of premises;
17. concluding long term financial arrangements of the Company;
18. creating Encumbrance over the property of the Company;
19. deciding issues regarding litigation or arbitration involving the Company, including the selection of advisors for the Company;
20. concluding any transaction with any officer, director, shareholder or other interested party, or any other party related, directly or indirectly, to any of these: establishment, incorporation, acquisition, sale or merger by Company or any of its subsidiaries of any new subsidiary or affiliate;
21. appointment of the representative of Company at the shareholders meeting of subsidiaries;
22. electing of the members of the supervisory and management boards of subsidiaries;
23. any change of the signatory rights in the Company or the subsidiaries;
24. any material changes in the nature or the termination of the Business or the commencement of any new business that is incidental or not ancillary to such business;
25. approval of employees’ option plan or similar document and any amendments to it and its termination;
26. [description of other exclusive competence].[[3]](#footnote-3)
    1. The Shareholders Meeting shall be convened as required under the law. The notice of calling the Shareholders Meeting shall be sent via registered mail to the address set out in the folio of shareholders register at least two weeks (or possible longer term if required by the applicable law) prior to the scheduled Shareholders Meeting. In addition, the notice of calling the Shareholders Meeting shall be sent via e‑mail to the address set out in this Agreement on the same day of sending the notice via registered mail. Failure to send the notice in accordance with this Section is not considered a breach of this Agreement, if all Shareholders arrive and are present at the Shareholders Meeting and do not object to conducting the Shareholders Meeting before the Shareholders Meeting is opened.
    2. The Shareholders Meeting shall not have a quorum to adopt resolutions unless [all Shareholders] / [more than 50% [or more] of the share capital and votes][[4]](#footnote-4) are represented at the meeting. The Shareholders Meeting shall adopt resolutions by simple majority or by majority required by applicable law.
27. **Management Board**
    1. The Management Board is responsible for the everyday management of the Company as well as has the competence set out by law.
    2. The Management Board shall consist of [●] members: [[●] member(s) of the Management Board shall be nominated by the Investor and [●] shall be nominated by the Founder. The Parties shall procure that the persons so nominated are appointed to the Management Board. [Management Board member nominated by the Founder shall be elected as the Chairperson of the Management Board. [The chairperson shall have the casting vote.]]
    3. Each Management Board member shall have the power to convene Management Board meetings.
    4. The notice on convening the Management Board meeting of the Company shall be sent via e-mail at least 3 Business Days (or possible longer term if required by the applicable law) prior to the scheduled Management Board meeting. Failure to send the notice in accordance with this Section shall not be considered a breach of this Agreement, provided that all Management Board members are present at the meeting and do not object to conducting the meeting before its opening.
    5. The Management Board meeting shall not have a quorum to adopt resolutions unless [all Management Board members] / [more than 50% of the Management Board members] are present at the meeting. The Management Board shall adopt all its resolutions by [unanimous vote] / [simple majority].
    6. Provided all the Management Board members agree to it and sign a respective resolution, any Management Board meeting may also be held and resolutions passed via phone or in written form without convening a meeting at the request of any Management Board member.
28. **Transfer of shares [[5]](#footnote-5)**
    1. **General provisions**
       1. Each Shareholder agrees not to transfer any of its shares (in whole or in part) except as in strict compliance with all the terms, conditions and provisions of this Agreement.
       2. The Shareholders agree that in the event of any transfer of shares to a third party such transferee prior, and as a condition precedent, to such transfer shall have agreed to be bound by the terms of this Agreement applicable to the transferring Shareholder in writing by signing an accession deed reasonably acceptable to the Shareholders and in any case shall be deemed to have known and to be bound by the terms of this Agreement applicable to the transferring Shareholder.
       3. Each Shareholder shall procure that no Encumbrance is created in respect of its shares without the prior written consent of the other Shareholders.
    2. **Right of First Refusal, Tag-Along Right, Drag-Along Right**
       1. The Shareholder (the **Selling Shareholder**) intending to transfer some or all of its shares shall notify other Shareholders and the Company of this intention at least 45 calendar days before the planned transaction (the **Planned Transaction Date**). Such notice shall identify the person intending to acquire the shares (the **Buyer**), the number of the shares for sale, the sale price for the shares for sale (the **Planned Sale Price**); the binding offer by the Buyer shall be enclosed in the offer. Upon receiving the notice, the other Shareholders shall be entitled:
          1. to exercise the **Right of First Refusal** by notifying the Selling Shareholder, the other Shareholders and the Company at least 15 calendar days prior to the Planned Transaction Date. Upon exercising the Right of First Refusal, the Shareholder has the right to purchase all the shares for sale for the Planned Sale Price on the Planned Transaction Date. The Selling Shareholder shall be obliged to sell, and such Shareholder shall be obliged to buy, the shares for sale for the Planned Sale Price on the Planned Transaction Date. If more than one Shareholder exercises the Right of First Refusal, the shares for sale shall be sold to, and purchased by, such Shareholders pro rata to their shareholdings in the Company;
          2. to exercise the **Tag-Along Right** by notifying the Selling Shareholder, the other Shareholders and the Company at least 15 calendar days prior to the Planned Transaction Date. Upon exercising the Tag-Along Right, the Shareholder has the right to sell the same proportion of its total shares as the Selling Shareholder to the Buyer on the Planned Transaction Date at the Planned Sale Price and on the same terms as the Selling Shareholder;
          3. to accept the proposed transaction by respective notice to the Selling Shareholder, the other Shareholders and the Company. Failure to present any notice shall be deemed as an acceptance. In the event of acceptance, the Shareholder is deemed to have waived its right of pre-emption under applicable laws and/or the Articles of Association as well as is deemed to have consented to a third-party transferee accessing the Agreement, and at the first request of the Selling Shareholder the Shareholder shall submit a respective written waiver. The waiver shall not be valid if the actual transaction between the Selling Shareholder with the Buyer is concluded on terms and conditions different from originally notified.
       2. In the event that (i) Shareholders holding shares representing 75% of all shares accept a *bona fide* offer to sell their shares to a third person, and (ii) such sale is conditioned upon the sale of all or any of the shares held by other Shareholders at the time of sale to such third person, the other Shareholders shall be required to sell their shares in such transaction on the same terms and conditions (**Drag-Along Right**). The Selling Shareholder(s) shall notify the other Shareholders and the Company of the exercise of the Drag-Along Right at least 45 calendar days prior to the Planned Transaction Date, and shall include the Planned Sale Price, as well as other information set out above in Section 7.2.1. Upon receiving the notice, the other Shareholders may exercise the Right of First Refusal set out above in this Section 7.
29. **Deadlock**
    1. The following events shall be considered as a **Deadlock**:
       1. any Shareholders Meeting fails to adopt a resolution requiring approval by a qualified majority of the Shareholders or any Management Board meeting fails to adopt a resolution due to absence of a quorum or otherwise for at least 3 consecutive occasions;
       2. any Shareholder has committed a material breach of the terms of the Agreement that has not been cured within 30 days of receipt of notice by any of the other Shareholders. [All actions or decisions by a Party to the contrary of Section 7 shall be considered a material breach of this Agreement][[6]](#footnote-6);
       3. any Shareholder has initiated legal action (civil, administrative or criminal proceedings) against any of the other Shareholders, their nominees to the Management Board or the Company.
    2. In the event of a Deadlock, any Shareholder (with respect to the circumstances described under Section 8.1.(b) and 8.1.(c)), any Shareholder that is not responsible for the occurrence of the events considered a Deadlock) can serve notice to the other Shareholders to initiate the Deadlock resolution procedure.
    3. On declaration of a Deadlock, the Parties agree that the Parties shall within 5 Business Days as of such declaration enter in good faith into direct discussions for a period of 5 Business Days from the beginning of such discussions in order to agree on a mutually satisfactory resolution of the Deadlock. Should such discussions fail to result in a mutually satisfactory resolution of the Deadlock within a period of 5 Business Days from the beginning of such discussions, the Party declaring the Deadlock may give notice triggering the **Buy-Sell Mechanism**.
    4. To trigger the Buy-Sell Mechanism a Party (the **Triggering Party**) shall serve to the other Parties (the **Receiving** **Party**) a written notice (the **Trigger Notice**) indicating that it triggers the Buy-Sell Mechanism as well as its offered purchase price on a per share basis, which shall be equal to EUR [●] per share (the **Buy-Sell Price**).
    5. Within 5 Business Days of receipt of the Trigger Notice, the Receiving Party shall respond to the Triggering Party in writing declaring its intention (the **Buy-Sell Election**) to either:
       1. sell all of its shares to the Triggering Party at the Buy-Sell Price; or
       2. acquire all shares of the Triggering Party at the Buy-Sell Price;

and the Triggering Party, as well as the Receiving Party, shall be bound to proceed in accordance with the Buy-Sell Election.

* 1. The sale and purchase of the shares shall be made on a date agreed between the Parties or, in the absence of such agreement, on the 10th Business Day following the date of the Buy-Sell Election.
  2. Should the Receiving Party fail to respond within 5 Business Days of receipt of the Trigger Notice, the Triggering Party shall, within a further 5 Business Days period from the expiry of such period of 5 Business Days, make the Buy-Sell Election, advising the Receiving Party accordingly in writing and the Receiving Party shall be bound to proceed in accordance with such Buy-Sell Election as if such Buy-Sell Election had been made by the Receiving Party.
  3. For the purposes of this Section the Shareholders may cooperate and act jointly.

1. **employee Option pool**
   1. The Parties agree that the persons other than the Shareholders may be granted an option to acquire up to [●]%[[7]](#footnote-7) of all the shares of the Company as a motivational package (the **Employee Option Pool**), provided that the persons who acquire the Shares shall adhere to this Agreement on the side of the Shareholder and shall undertake to fulfil the same obligations under the Agreement without any deviations as from the day of acquisition of the shares in the Company.
2. **Information rights**
   1. The Shareholders shall procure that the Company provides to a Shareholder, at the request of such Shareholder:
      1. audited annual accounts, as soon as possible after such accounts have been prepared, but not later than [●] months from the end of each financial year; and
      2. [●].[[8]](#footnote-8)
   2. The Shareholders shall be entitled to request, and the Company shall provide any other information and documents related to the Company.
3. **Liability and remedies**

A Shareholder shall be liable for the actions of the members of the Management Board nominated by it, and for the actions of the representatives, employees, members of the governing bodies and advisors of the Shareholder and of other persons that the Shareholder uses for the performance of its rights and/or obligations or uses permanently in its economic activities as for its own actions.

1. **Notices**
   1. Any notice or other formal communication under the Agreement must be in English and in writing and must be addressed to the e-mail address or address of each Party specified on the signature page.
   2. All notices and other communications under the Agreement shall be deemed to have been received by a Party, when: a) sent by registered mail or courier, on the fifth Business Day after posting, unless actually received earlier (if sent from outside the European Union, it shall be deemed to have been received by a Party on the day of delivery), or b) delivered by hand, on the day of delivery, or c) when sent by e-mail, on the day the receiving Party confirms its receipt (the confirmation to be provided by e-mail).
2. **Non-Compete and Non-Solicitation**
   1. Each of the Shareholders hereby undertake and covenant that (save for any interest in the shares or other securities of a company traded on a securities market so long as such interest does not extend to more than 5% of the issued share capital of the company or the class of securities concerned) he/she/it shall not as long as he/she/it is a direct or indirect Shareholder and [●][[9]](#footnote-9) months thereafter in any countries where the Company and/or its Affiliates operates or intends to operate (if investments or actions have been made to enter such markets) at the relevant time:
      1. carry on or be concerned, engaged or interested directly or indirectly in any capacity whatsoever in any trade or business competing with the Business; or
      2. either on his/her/its own behalf or in any other capacity whatsoever directly or indirectly endeavour to entice away from the Company or solicit or engage any person or company who is client, customer, supplier, agent, distributor or employee of the Company.
   2. The obligations on a Party under this Section 13 shall survive any transfer of all or any Shares and shall survive, in the case the Party is a natural person, him/her ceasing to be a Management Board member or employee of or consultant to the Company.
3. **CONFIDENTIALITY**
   1. Each Party undertakes to keep confidential the terms and conditions of the Agreement and not to use or disclose any Confidential Information unless:
      1. required to do so by law or pursuant to any order of court or other competent authority or tribunal;
      2. required to do so by any applicable stock exchange regulations or the regulations of any other recognised market place, or audit and compliance procedures and any other applicable regulations or procedures;
      3. such disclosure has been consented to by the other Parties in writing;
      4. the information is already in the public domain other than through breach of confidentiality obligations under the Agreement;
      5. disclosed to its professional advisers or Affiliates (who are bound to such Party by a duty of confidentiality which applies to any information disclosed).
   2. If a Party becomes required, in circumstances contemplated by 14.1 (a) or (b) to disclose any information, the disclosing Party shall use its reasonable endeavours to consult with the other Parties prior to any such disclosure. For the avoidance of doubt, a Party may disclose the Confidential Information to its Affiliates only to such extent as reasonably necessary.
   3. Confidentiality undertakings under this Section 14 shall not be affected by the termination or expiry of the Agreement.
4. **Term and Termination of the Agreement**
   1. The Agreement shall enter into force on the date of its signature by the Parties.
   2. The Agreement may be terminated at any time by a mutual written agreement between the Parties.
   3. In case of the transfer of the entire share owned by one Party in accordance with this Agreement, this Agreement shall terminate with regard to the transferring Party and the third person who received the share shall be obliged to become party to this Agreement.
   4. For the avoidance of doubt, termination (including but not limited to cancellation) of this Agreement shall not affect the enforceability of the provisions the validity of which is expressly stated to be longer or the context of which requires the validity beyond termination of this Agreement.
5. **Miscellaneous**
   1. Unless the Parties have agreed otherwise, each Party shall pay its own costs and expenses in connection with negotiation, preparation, execution and/or performance of the Agreement and/or transactions contemplated under the Agreement, including but not limited to all fees and expenses of the representatives, agents, brokers, legal and financial advisers and authorities.
   2. The Agreement contains the entire understanding between the Parties hereto and supersedes any arrangements, understandings, promises or agreements made or existing between the Parties prior to the Agreement.
   3. Any amendments to the Agreement shall be made in writing and signed by the Parties.
   4. The failure of a Party to claim performance of any term of the Agreement shall not be considered a waiver of any right hereunder, nor shall it deprive that Party from the right to claim performance of that term.
   5. In case any of the provisions of the Agreement becomes or appears to be invalid or unlawful, it shall not affect the validity, lawfulness or enforceability of the remaining provisions hereof, and the Parties shall make their best efforts to replace such provision within reasonable time with another provision that complies with the applicable laws and is the most similar to the original provision and aim of the Parties.
   6. The Agreement shall be governed by the substantive laws of Latvia.
   7. [Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be English.] [Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be settled by the courts of Latvia.]

**Schedules**

This Agreement has the following Schedules:

Schedule 1 Definitions and Rules of Interpretation

**THE PARTIES HAVE SIGNED THIS AGREEMENT AS FOLLOWS:**

**THE COMPANY:**

|  |  |
| --- | --- |
| Name: | **[●]**,incorporated under the laws of Latvia, registration number [●] |
| Signature: |  |
|  |  |
| Represented by: | [●] |
| Title | [●] |
| Address: | [●] |
| E-mail: | [●] |
|  |  |

**THE INVESTOR:**

|  |  |
| --- | --- |
| Name: | **[●]**,incorporated under the laws of Latvia, registration number [●] |
| Signature: |  |
|  |  |
| Represented by: | [●] |
| Title | [●] |
| Address: | [●] |
| E-mail: | [●] |
|  |  |

**THE FOUNDER:**

|  |  |
| --- | --- |
| Name: | **[●]**,incorporated under the laws of Latvia, registration number [●] |
| Signature: |  |
|  |  |
| Represented by: | [●] |
| Title | [●] |
| Address: | [●] |
| E-mail: | [●] |

|  |  |
| --- | --- |
|  |  |

**Schedule 1****Definitions and Rules of Interpretation**

In this Agreement the following capitalized terms shall have the following meanings:

|  |  |
| --- | --- |
| **Affiliate** | shall mean any person:  (a) who directly or indirectly Controls, or is Controlled by, or is under the common Control of a Party; or  (b) who directly or indirectly beneficially owns or holds 50 (fifty) per cent or more of the voting shares, or any class of voting shares in a Party; or  (c) in whom 50 (fifty) percent (or more) of the voting shares are directly or indirectly beneficially owned or held by a Party as the case may be; or  (d) who is either directly or indirectly Controlled by a Person who is an Affiliate of a Party; or  (e) who is a member of the management board of a Party or an Affiliate of the Party; or  (f) who is the spouse, parent, sibling or child of the owner of an Affiliate or the management board member of the Party or its Affiliate. |
| **Agreement** | shall mean this Shareholders Agreement together with all appendices, schedules and amendments hereto as may be concluded in writing by the Parties from time to time. |
| **Articles of Association** | shall mean the Articles of the Association of the Company [as attached in Schedule [●]]. |
| **Business** | shall mean the business of the Company, i.e., [●]. |
| **Business Day** | shall mean any day when commercial banks are generally open in Latvia and [●][[10]](#footnote-10) for banking operations, excluding in any case Saturday, Sunday and public holidays. |
| **Buyer** | defined in Section 7.2(a). |
| **Buy-Sell Election** | defined in Section 8.5. |
| **Buy-Sell Price** | defined in Section 8.4. |
| **Control**, **Controlled** and **Controlling** | in relation to any entity, an entity is deemed Controlled by another person if that other person, whether directly or indirectly:  (a) holds by the right of ownership more than 50% of the share capital (or other ownership interest) of that entity, whether or not such holding give de facto control; or  (b) whether by ownership of the share capital (or other ownership interest), possession of voting power, contractually or otherwise appoints and/or removes (or has a right to appoint and/or remove) the majority of the members of other managing and/or supervisory body of that entity; or  (c) otherwise controls or has a power to control affairs and policies of that entity. |
| **Company** | a person referred to as a “Company” on the signature page. |
| **Encumbrance** | means any pledge, mortgage, seizure, option, pre-emptive right (or right of first refusal or similar rights), usufruct, lease or any other right or encumbrance or restriction, or any agreement to create any of the foregoing in the future, including conditional arrangements, to the benefit of any third party. |
| **Founder** | a person referred to as a “Founder” on the signature page. |
| **Investor** | a person referred to as an “Investor” on the signature page. |
| **Management Board** | the management board of the Company. |
| **Ordinary Course of Business** | the ordinary course of Business of the Company consistent with sound business practices, past customs and business practices and the arms’ length principle. |
| **Party** or **Parties** | defined in the preamble. |
| **Planned Sales Price** | defined in Section 7.2(a). |
| **Planned Transaction Date** | defined in Section 7.2(a). |
| **Receiving Party** | defined in Section 8.4. |
| **Selling Shareholder** | defined in Section 7.2(a). |
| **Signing Date** | the date of signing of this Agreement. |
| **Shareholders** | the Investor and the Founder. |
| **Shareholders Meeting** | the meeting of the Shareholders of the Company. |
| **Trigger Notice** | defined in Section 8.4. |
| **Triggering Party** | defined in Section 8.4. |

1. In this Agreement, except where the context or the express provisions of this Agreement require otherwise, the following rules of interpretation apply:
   1. References to words “include” or “including” (or any similar term) are not to be construed as implying any limitation and general words introduced by the word “other” (or any similar term) shall not be given a restrictive meaning because they are preceded or followed by words indicating a particular class of acts, matters or things.
   2. Except where the context specifically requires otherwise, words importing one gender shall be treated as importing any gender, words importing the singular shall be treated as importing the plural and vice versa, and words importing the whole shall be treated as including a reference to any part thereof.
   3. References to “writing” or “written” include electronic form; and references to “form reproducible in writing” include electronic mail (including pdf).
   4. References to “person”, “third party” or “individual” include private individuals, legal entities, unincorporated associations and partnerships and any other organisations, whether or not they have separate legal personality.
   5. Reference to a “Party” includes the successors and permitted assignees (immediate or otherwise) of that Party.
   6. The section and paragraph headings used in this Agreement are inserted for ease of reference only and shall not affect construction.
   7. Any reference to a section, paragraph or a schedule means a reference to section, paragraph or schedule of this Agreement.

1. NOTE TO DRAFT: Other background information could be included in the recitals, if necessary. [↑](#footnote-ref-1)
2. NOTE TO DRAFT: If the Parties wish, also a Supervisory Board may be created. The Supervisory Board has no representation rights, however, oversees the activities of the Management Board. It is quite common to appoint Investor’s representatives to the Supervisory Board. [↑](#footnote-ref-2)
3. NOTE TO DRAFT: The list may be amended or supplemented as necessary. [↑](#footnote-ref-3)
4. NOTE TO DRAFT: For majority of decisions the Commercial Law sets out quorum and voting requirements of majority. Higher thresholds can be set by the Articles of Association of the Company. The Shareholders may agree on the principle in the Agreement and it should be subsequently reflected in the Articles of Association of the Company. [↑](#footnote-ref-4)
5. NOTE TO DRAFT: It is common to include certain provisions concerning share transfers in the Company, however, none of the provisions of Section 7 are mandatory and may be deleted, if not necessary for the specific transaction. [↑](#footnote-ref-5)
6. NOTE TO DRAFT: If provisions concerning restrictions of share transfers are included in the Agreement, it would be advisable to set their breach as a material breach of the Agreement. [↑](#footnote-ref-6)
7. NOTE TO DRAFT: The common size of the option pool is 10% of the total share capital of the Company. [↑](#footnote-ref-7)
8. NOTE TO DRAFT: Other specific information to be provided to Shareholders may be included as necessary. [↑](#footnote-ref-8)
9. NOTE TO DRAFT: The most common term of the validity of non-compete and non-solicitation provisions is 2 years. The term can be shorter, if so agreed between the Parties. Setting longer term may not be possible due to competition law restrictions – please consult with lawyers. [↑](#footnote-ref-9)
10. NOTE TO DRAFT: The countries of banks used by all Parties shall be indicated. [↑](#footnote-ref-10)