

Minority Shareholder Rights Agreement

This Minority Shareholder Rights Agreement ("Agreement") is entered into as of [Date], by and between:

- **[Company Name]**, a [State/Country] corporation ("Company"); and
- **[Minority Shareholder Name]** ("Shareholder").

1. Purpose

This Agreement sets forth specific rights and protections for the Minority Shareholder concerning their ownership in the Company.

2. Definitions

- **Minority Shareholder:** A shareholder owning less than 50% of the total shares of the Company.
- **Shares:** The shares of common stock held by the Shareholder as of the execution of this Agreement.

3. Information Rights

The Shareholder shall have the right to receive:

- Annual financial statements
- Quarterly management reports
- Notice of shareholder meetings
- Any other materials distributed to majority shareholders

4. Tag-Along Rights

In the event that majority shareholders agree to sell their shares to a third party, the Shareholder shall have the right to participate in such sale on a pro-rata basis and under the same terms.

5. Preemptive Rights

If the Company issues new shares, the Shareholder shall have the opportunity to purchase their pro-rata share of such new issuance to maintain their current ownership percentage.

6. Board Observer Rights

The Shareholder may appoint a non-voting observer to attend meetings of the Company's Board of Directors.

7. Dividend Rights

The Shareholder shall be entitled to receive dividends on a pro-rata basis, should dividends be declared by the Company.

8. Miscellaneous

1. **Governing Law:** This Agreement shall be governed by the laws of [Jurisdiction].
2. **Entire Agreement:** This Agreement represents the full understanding of the parties regarding its subject matter.
3. **Amendments:** Any changes must be in writing and signed by all parties.

4. **Counterparts:** This Agreement may be executed in counterparts.

Company Representative:

Name & Title

Minority Shareholder:

Name