

# SHAREHOLDERS AGREEMENT

Company Name: \_\_\_\_\_

ABN/ACN: \_\_\_\_\_

## Parties to the Agreement:

Shareholder 1 Name: \_\_\_\_\_

Shareholder 1 Address: \_\_\_\_\_

Shareholder 1 Shareholding (%): \_\_\_\_\_

Shareholder 2 Name: \_\_\_\_\_

Shareholder 2 Address: \_\_\_\_\_

Shareholder 2 Shareholding (%): \_\_\_\_\_

## 1. Interpretation

In this Agreement, unless the context otherwise requires, expressions defined in the Corporations Act 2001 (Cth) have the same meaning. Headings are for convenience only and do not affect interpretation.

## 2. Purpose

The purpose of this Agreement is to regulate the relationship between the Shareholders in respect of their shareholdings and management of the Company and to provide mechanisms for decision making, dispute resolution, and transfer of shares.

## 3. Share Capital

The share capital of the Company is as set out above. No Shareholder shall dispose of or otherwise deal with their shares except in accordance with the terms of this Agreement.

## 4. Management and Control

The Shareholders agree that the Company shall be managed by the Board of Directors. Major decisions require either unanimous or majority approval as specified herein.

## 5. Meetings

Shareholder meetings shall be held at least annually and at other times as required. Notice of meetings must be given in writing at least seven days prior to the meeting.

## 6. Dividend Policy

Dividends shall be declared and paid in accordance with the Corporations Act 2001 (Cth) and only when the Company is solvent. Dividend amounts and timings shall be decided by the Board.

## 7. Transfer of Shares

No Shareholder may transfer shares without first offering them to the other Shareholders on the same terms. Transfers are subject to pre-emptive rights and approval by the other Shareholders.

## 8. Right of First Refusal

If a Shareholder wishes to sell shares, the other Shareholders have a right of first refusal to purchase those shares on the terms offered by a third party.

## 9. Drag-Along Rights

If Shareholders holding a specified majority propose to sell their shares to a third party, minority Shareholders shall be

required to sell their shares on the same terms.

#### **10. Tag-Along Rights**

If a Shareholder proposes to sell shares to a third party, other Shareholders have the right to join the sale on a pro-rata basis under the same terms.

#### **11. Confidentiality**

Shareholders agree to keep confidential all information obtained through their relationship with the Company, except as required by law.

#### **12. Non-Compete**

Shareholders agree not to engage, directly or indirectly, in any business that competes with the Company during the term of this Agreement and for a reasonable period thereafter.

#### **13. Dispute Resolution**

Any disputes arising under this Agreement shall be resolved firstly by negotiation between Shareholders, failing which by mediation, and if unresolved, then by arbitration under the rules of the Australian Centre for International Commercial Arbitration.

#### **14. Term and Termination**

This Agreement shall continue in force until terminated by unanimous agreement or by operation of law. Termination shall not affect accrued rights.

#### **15. Governing Law and Jurisdiction**

This Agreement is governed by the laws of Australia. The parties submit to the exclusive jurisdiction of courts in the relevant Australian state or territory.

#### **16. Notices**

Notices shall be in writing and delivered by hand, post, or email to the addresses last notified by the parties.

#### **17. Entire Agreement**

This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations and understandings.

#### **18. Amendments**

Any amendment to this Agreement must be in writing and signed by all Shareholders.

#### **19. Severability**

If any provision is invalid, illegal or unenforceable, the remainder shall continue in full force and effect.

#### **20. Counterparts**

This Agreement may be executed in counterparts, each of which is an original and together constitute one instrument.

#### **21. Execution**

The parties have executed this Agreement as of the date first written above.

**SHAREHOLDER 1 SIGNATURE**

**SHAREHOLDER 2 SIGNATURE**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Original source of this document:

<https://legaltemplates-au.com/shareholders-agreement/>

Did you find this template helpful?

Find more updated templates at:

<https://legaltemplates-au.com/>

[View more templates](#)

This template is intended exclusively for personal, non-commercial use.  
If distributed or published, the source must be mentioned.

This template is provided for guidance only and does not constitute legal advice.  
It is recommended to consult a legal professional for each specific case.