



Instructions

Please complete the upcoming questions to the best of your knowledge.

We understand some concepts might be new to you. If you're unsure about any of your responses, please checkmark "I Don't Know" and one of our lawyers will contact you to discuss and advise you directly.

Note we act on behalf of the corporation when you engage us to draft this document.

If you wish to work on this form offline, please download the PDF summary [here](#) and return back to complete the form when you are ready.

Disclaimer

All legal services will be performed by Oziel Law. If you are not a client of Oziel Law, you will be asked a couple of questions relating to our engagement prior to submitting this form. Our acceptance of you as a client is subject to our review of your submission and a firm conflict check.

Detailed Shareholders Agreement

The Detailed Shareholders Agreement is used to govern the relationship between the founders of early-stage start-ups.

In the next couple of questions, we will ask you questions about the founders (and other shareholders) and how you wish to govern the relationship.

If you're unsure about your answers, don't worry! Complete this questionnaire and we will contact you directly to discuss your circumstance before advising how to proceed.

For additional information look over relevant resources at our [Learn Centre](#).

Please provide the full name of the person completing this form. *

First Name Last Name

Please provide the phone number of the person completing this form. *

Area Code Phone Number

Please provide the email address of the person completing this form. *

example@example.com

Who is our client? *

Person Completing This Form
Third Party

A Corporation
I Don't Know

Are you an existing Oziel Law client? *

YES
NO

What is the name of the client?

Please identify the name of the Corporation.

Are we allowed to take instructions from the person completing this form? *

YES
NO

If not, who is permitted to provide us with instructions?

You can provide us with more than one permitted instructor. If you're unsure, just move on to the next question.

Do you wish to create a Unanimous Shareholders Agreement? *

YES
NO

Provide the names and addresses of each current Shareholder, and the number of shares that each Shareholder currently holds.

If you are unsure how to answer this question, don't worry! Just move on to the next question.

Are any of the above Shareholders considered Founders of the Corporation?

YES

NO

Provide the name of each current Director of the Corporation.

Please provide us with full names.

Will certain Shareholders have rights to nominate or appoint a Director(s)? Please provide details.

In some USAs, certain Shareholders have the right to nominate a "seat(s) on the board". In smaller Corporations, the Shareholder would typically nominate him or herself.

Provide the names, and respective titles, of the current Officers of the Corporation.

Provide both, the name and the Office held (e.g. President).

Provide a specific description of the "business" of the Corporation. *

Describe the main business of the Corporation. For example, "Staples" is in the business of selling office supplies, technology, furniture and related services. The purpose of this answer is to help us determine how Shareholders should be restricted from competing with the Corporation.

What is the maximum dollar value that the Corporation can spend on (a) a single capital expenditure; and on (b) all capital expenditures in a financial year, without the consent of the Board of Directors?

E.g. Maximum of \$1000 for a single capital purchase and \$10,000 on all capital purchases in a year without the consent of the Board.

What is the name of your Corporate Bank?

Name of the Bank Name of the Bank Contact Person

What is the address of your Corporate Bank?

Street Address

Street Address Line 2

City

State / Province

Postal / Zip Code

What is the name of your Corporate Accountant?

Name of the Corporate Accountant Email of the Corporate Accountant

What is the address of your Corporate Accountant?

Street Address

Street Address Line 2

City

State / Province

Postal / Zip Code

Who will have the signing authority for cheques?

Any Director

President/CEO

Secretary

Treasurer/CFO

Any Officer authorized by a Director resolution

Two Officers or two Directors for cheques over \$5,000.00

Other

Please describe who will have authority to sign cheques on behalf of the Corporation.

Please include who will have authority to sign cheques and whether the rules change for cheques of a certain size.

Will there be any life insurance policies over the life of any Shareholder(s) (or principal(s) of any Corporate Shareholder(s))?

YES

NO

Please identify the type of life insurance policy purchased.

Key-Man Insurance Policy

Buy-Sell Insurance Policy

Other

Please provide details, including, the term, minimum proceeds, how the proceeds may be used (e.g. to buy-out a deceased or disabled Shareholder and/or pay off any debts owing to the deceased or disabled shareholder), etc.

Buy-Sell Provisions

In some circumstances, (typically in 50/50 situations), we may recommend including one of the following provisions:

1. **Compulsory Buy-Sell Option (i.e. Shotgun Right):** provides the opportunity for one Shareholder (Shareholder #1) to make an offer to either buy the interest of the other Shareholder (Shareholder #2), or sell his/her/it's (Shareholder's #1) own interest at the same stipulated price per share and further allows the receiving party, Shareholder #2, to decide whether to be the buyer or the seller.

2. **Auction:** provided a compulsory buy/sell (i.e. shotgun) offer has not been delivered (as explained in (A) above), a Shareholder shall be entitled to give notice to the other Shareholder to participate in an auction for the acquisition of all of the other Shareholder's Shares. A Shareholder shall not deliver a compulsory buy-sell (i.e. shotgun) offer following receipt by any Shareholder of an Auction notice. The auction will take place at the office of the Corporation's counsel and bids will be made on a per share basis. The Shareholder with the highest bid will acquire all of the other Shareholder's Shares at the successful bid price multiplied by the number of shares owned by such other Shareholder, such amount to be the aggregate purchase price for such shares.

Typically, the above provisions are not recommended if you have more than two shareholders.

For additional information look over relevant resources at our [Learn Centre](#).

Shotgun Rights

Some Founders want to set up the shareholders agreement so that they are forced to resolve issues without the ability to utilize the shotgun right for a period of time.

In the next question, we will ask you whether you wish to delay the right to use the shotgun or action clause.

Which of the following options will apply?

Compulsory Buy-Sell Option (i.e. Shotgun Right)

Auction

A combination of the above

Provide details of the Shotgun and Auction Rights. Do these rights arise (a) as of the date of the Agreement or (b) after a certain number of years following the date of the Agreement?

Drag-along vs Tag-along

A **"drag-along"** provides the Majority Shareholders the power to "force" Minority Shareholders to sell their shares if a third-party offers to take-over the whole company and the Majority Shareholders approves of such take-over.

A **"tag-along"** provides the Minority Shareholders the right to "force" Majority Shareholders to have to include such Minority Shareholders' shares as part of a buy-out to a third-party.

For additional information look over relevant resources at our [Learn Centre](#).

Will Majority Shareholders be entitled to drag-along Minority Shareholders in a take-over scenario? *

YES

NO

Will Minority Shareholders be entitled to tag-along on take-over scenarios? *

YES

NO

Are there any exceptions to the standard rule that Shareholders cannot compete with the business of the Corporation?

YES

NO

Please provide details. *

Provide details on the type of confidential information that each Shareholder will be privy to.

Comments