CompanyFormationWiki
The free encyclopedia of company formation
companyformationwiki.com

Shareholders' agreement

From CompanyFormationWiki, the free encyclopedia of company formation · Last updated 28 November 2026

In short: A shareholders' agreement is a private contract between some or all shareholders. It typically covers how decisions are taken, what happens when someone wants to sell, leaves or dies, how deadlocks are resolved and how founders vest their shares. Unlike the articles, it is usually not filed with the registry.

Common clauses include pre-emption rights (existing shareholders get the first chance to buy shares), drag-along and tag-along rights on a sale, reserved matters that need unanimous or investor approval, good-leaver and bad-leaver rules, non-compete undertakings and dispute resolution. Where the agreement and the articles conflict, the articles usually bind the company, so the two should be drafted together.

See also

- Articles of association
- Share capital

References

1. Model articles of association for limited companies . GOV.UK. Accessed November 2026.
2. Set up a limited company . GOV.UK. Accessed November 2026.

Source: https://companyformationwiki.com/shareholder-agreement/
Version: last updated 28 November 2026. Check the online version for later changes.

© 2026 CompanyFormationWiki. CompanyFormationWiki is a free encyclopedia of company formation, business structures and international tax across 222 jurisdictions. General information, not legal or tax advice. Confirm with the official registry, the tax authority or a qualified adviser before acting.