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Investment Contract Template

Prepared for: [Investor.FirstName] [Investor.LastName] [Investor.Company]

Created by: [Sender.FirstName] [Sender.LastName] [Sender.Company]

1. Introduction

This Investment Contract (hereinafter referred to as the 'Contract') is entered into as of [Document.CreatedDate] between [Investor.FirstName] [Investor.LastName] of [Investor.StreetAddress], [Investor.City], [Investor.State] (the 'Investor') and [Sender.Company] of [Sender.StreetAddress], [Sender.City], [Sender.State] (the 'Company'), represented by [Representative.FirstName] [Representative.LastName], [Representative.Title] of [Representative.Company].

WHEREAS, the Company operates in the [industry] sector, offering [list of services or products]; and WHEREAS, the Investor wishes to contribute financial capital in exchange for an equity interest in the Company. NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

2. Objective of the Contract

The purpose of this Contract is to define the terms under which the Investor will provide financial support to the Company in exchange for ownership interest, and to ensure the mutual protection of both parties' rights and obligations.

3. Investment Terms

The Investor agrees to invest a total amount of [Investment.Amount] (the 'Investment Sum') in exchange for [number] shares of Company stock. The payment shall be made via [payment method] on the Effective Date of this Contract.

This investment may be provided on a one-time or recurring basis. In the case of recurring investments, the Investor agrees to provide the Investment Sum [number] times per year over a term of [number] years. Alternative arrangements may be set out in a separate addendum signed by both parties.

4. Governance and Oversight

The Company shall be managed by its appointed executives and overseen by a Board of Directors consisting of [number] members. The majority shareholder shall retain the authority to appoint or remove Board members and executive officers. All managerial activities shall uphold professionalism, transparency, and compliance with industry standards.

5. Profit Allocation

Profits generated by the Company, exceeding operational costs, shall be distributed to shareholders in proportion to their ownership shares on a [quarterly/annual] basis. Distributions shall be made through electronic transfer or check on specified dates.

Distributions may be deferred in cases where Company reserves must be maintained for operational stability.

6. Termination or Liquidation

If this Contract is terminated or the Company is dissolved, the Investor shall be entitled to recover the original Investment Sum and [number]% of the appreciated value based on their current shareholding. The Investor shall not claim rights to Company assets beyond the agreed share value.

7. Voting Rights

Shareholders with ownership exceeding [amount]% shall have the right to vote on Company matters. Each share shall correspond to [number] votes. Voting shall occur biannually or as otherwise agreed by the Board.

8. Confidentiality and Data Protection

The Investor agrees to maintain the confidentiality of all proprietary information, trade secrets, and non-public data obtained from the Company. Disclosure to any unauthorized party is strictly prohibited and may result in legal action.

9. Restrictive Covenant (Non-Compete)

During the duration of this Contract and for a period of three (3) years thereafter, the Investor shall not engage, either directly or indirectly, in any business that competes with the Company’s operations.

10. Contract Termination

Either party may terminate this Contract upon written notice given at least 60 days before the intended termination date. The majority shareholder shall retain the first right of refusal to purchase the Investor’s shares upon termination.

11. Severability Clause

If any provision of this Contract is deemed invalid or unenforceable, the remaining provisions shall remain in full effect. The parties agree to negotiate a replacement clause consistent with the original intent of this Contract.

Signatures

[Investor.Title]

____

Date: ___________

[Investor.FirstName] [Investor.LastName]

[Representative.Title]

____

Date: ___________

[Representative.FirstName] [Representative.LastName]