

ILLINOIS SHAREHOLDERS RESTRICTIVE AGREEMENT

As a client of Spiegel & Utrera, you have the opportunity to benefit from our wealth of information, business experience, expert legal advice and services. Your corporation's ownership structure is of particular concern and requires special attention right from the beginning.

When two or more people join together and begin a business venture, their intent can usually be summarized as follows: To provide a product or service that will fill a need in the marketplace and allow them to profit from the undertaking.

In pursuing this goal, they will inevitably face special situations that can get a little sticky. (We won't bother providing examples here; you can probably think of several on your own and may have experienced a few.) The point is that every joint undertaking, whether in the form of a corporation or otherwise, should have a written agreement executed between the principals involved.

We call this a **SHAREHOLDERS RESTRICTIVE AGREEMENT**.

Just look at its many possible provisions:

- Provides a frame work for the settlement of disputes between shareholders.
- Prevents a shareholder from selling his stock to a third party without first offering it to existing shareholders.
- Provides a framework for the purchase of stock by the remaining shareholders in the event a shareholder dies, or becomes disabled.
- Prevents a shareholder from competing against the Corporation both now and as an ex-shareholder for a specific period of time.
- Requires shareholders to maintain the confidentiality of all customer names and other corporate records.
- Prevents a shareholder from impairing the goodwill of the Corporation.
- Prevents a shareholder from soliciting customers of the corporation except for the Corporation's business.

Obviously, this is a very thorough and legally binding agreement. It is drafted by attorneys and used by business owners such as yourself.

But there's an added benefit!

As mentioned before, as a client of Spiegel & Utrera, you have direct access to our attorneys for assistance in your particular situation. We will work with you on an individual basis to *CUSTOMIZE* the agreement and address your specific concerns. For instance, you can spell out the contributions of capital, labor or both expected of each shareholder.

You tell us what you want and we'll put it in it's proper form! This agreement is very versatile and an absolute necessity for a company with multiple shareholders. Remember the old adage, "**An ounce of prevention is worth a pound of cure.**"

To order your Shareholders Restrictive Agreement, call the Spiegel & Utrera office nearest to you.

If you have any questions, please call any Spiegel & Utrera office listed below:

MIAMI, FL CALL: 305-854-6000 800-603-3900 FAX: 305-857-3700	NEW YORK CITY, NY CALL: 212-962-1000 800-576-1100 FAX: 212-964-5600	TAMPA, FL CALL: 813-871-5400 800-658-5900 FAX: 813-870-2500	LAS VEGAS, NV CALL: 702-364-2200 888-530-4500 FAX: 702-458-2100
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