

Equity Distribution Terms Explanation

Date: [Insert Date]

To: [Recipient's Name]

Address: [Recipient's Address]

Dear [Recipient's Name],

We are writing to provide you with an explanation of the equity distribution terms related to [Project/Business Name]. As part of our agreement, the following equity distribution terms have been established:

1. Total Equity Allocation

The total equity of the company is divided into [number] shares.

2. Share Distribution

The equity will be distributed as follows:

- [Name 1] - [Percentage]% - [Number of Shares]
- [Name 2] - [Percentage]% - [Number of Shares]
- [Name 3] - [Percentage]% - [Number of Shares]

3. Vesting Schedule

The equity will vest over a period of [X years] with a cliff of [X months].

4. Conditions for Equity Transfer

Any transfer of shares will be subject to the following conditions: [Specify conditions].

We hope this letter clarifies the equity distribution terms. Should you have any questions or require further information, please feel free to reach out.

Best regards,

[Your Name]

[Your Position]

[Your Company Name]

[Your Contact Information]