

# Preemptive Equity Rights Overview

[Your Name]

[Your Position]

[Company Name]

[Company Address]

[City, State, Zip Code]

[Email Address]

[Date]

[Recipient Name]

[Recipient Position]

[Recipient Company Name]

[Recipient Company Address]

[Recipient City, State, Zip Code]

## **Subject: Overview of Preemptive Equity Rights**

Dear [Recipient Name],

We are pleased to provide you with an overview of our preemptive equity rights, which are designed to protect our shareholders from dilution of their ownership interests during future equity offerings.

### **What are Preemptive Equity Rights?**

Preemptive equity rights give existing shareholders the first option to purchase additional shares or securities to maintain their proportional ownership in the company before new shares are offered to outside investors.

### **Why are They Important?**

- Protects existing shareholders from dilution.
- Encourages investment stability.

- Enhances shareholder confidence in the company.

## **Implementation**

The preemptive rights will be applicable during any new share issuance and will be communicated in accordance with our bylaws and regulations.

## **Conclusion**

We believe that offering preemptive equity rights will strengthen our relationship with our current shareholders and ensure their continued engagement as we grow our company.

Thank you for your time and attention. Please feel free to reach out if you have any questions or need further clarification.

Best regards,

[Your Name]

[Your Position]

[Company Name]