# Writing a Subscription Agreement

This playbook outlines the step-by-step process to draft a subscription agreement. A subscription agreement outlines the terms of an equity purchase in a private company.

### Step 1: Preparation

Gather all necessary information about the investment and the involved parties. This includes company details, investor details, the amount of investment, and the number of shares being purchased.

### Step 2: Drafting

Create a first draft of the subscription agreement. Ensure to include key clauses such as investment amount, share price, company valuation, investor's rights and obligations, governing law, and any representations and warranties.

### Step 3: Review

Carefully review the draft to ensure that all terms are clear and legally sound. Check for any errors or omissions in the agreement.

### Step 4: Feedback

Share the draft with relevant parties, such as legal advisors and the investor, for feedback. Incorporate any suggestions or corrections they might have.

### Step 5: Finalize

Finalize the subscription agreement by making the necessary revisions. Ensure that both the company and the investor approve the final terms.

### Step 6: Execution

Arrange for all parties to sign the agreement. Ensure that all signatures are collected and the agreement is dated.

### Step 7: Record Keeping

Keep a copy of the executed agreement securely filed. Distribute copies to all parties involved for their records.

## General Notes

### Legal Compliance

Always ensure that the subscription agreement complies with the relevant securities laws and regulations.

### Professional Advice

Consider obtaining professional legal and financial advice to tailor the subscription agreement to the specific circumstances.