

COMPENSATION AGREEMENT

DATED the ___ day of _____, _____.

BETWEEN:

CORPORATION, a corporation incorporated pursuant to the laws of _____ (hereinafter called the "Corporation");

OF THE FIRST PART

- and -

CORPORATION2, ("CORP2"), a corporation incorporated under the laws of _____, and **SHAREHOLDER**, an individual residing in _____, (the "Management Shareholder");

OF THE SECOND PART

WHEREAS:

- A. SHAREHOLDER has been providing management services ("Management Services") to the Corporation in an executive capacity;
- B. SHAREHOLDER holds shares in the Corporation indirectly through CORP2;
- C. On the date of this Agreement, the Corporation and CORPORATION3 ("CORP3") have entered into a share purchase agreement whereby CORP3 has purchased _____ percent (____%) of the issued and outstanding shares in the capital of the Corporation;
- C. The Corporation desires to assure itself of the continued Management Services of the Management Shareholder for an indefinite term and the parties are entering into this Agreement for that purpose and in order to set forth the terms of the Agreement.

NOW THEREFORE in consideration of the premises and of the mutual covenants set forth herein, the parties agree as follows:

1. Term of Management Services

The Corporation hereby continues to request the Management Services of the Management Shareholder, and CORP2 hereby covenants to provide the services of the Management Shareholder and the Management Shareholder hereby agrees to continue to provide Management Services to or through CORP2 for the benefit of the Corporation, for a period commencing on the date hereof for an indefinite term or until terminated pursuant to the provisions of this Agreement ("Management Term").

2. Duties of Management Shareholders

- 2.1 The Management Shareholder shall do and perform all services, acts and things necessary or advisable in that capacity in connection with the conduct of the business of the Corporation, subject to the instructions of and policies and limitations set by its Board of Directors.

- 2.2 The Management Shareholder shall devote their full time services during normal business hours to the business of the Corporation during the Management Term, except that a Management Shareholder may devote time and effort to personal activities to the extent that such activities do not materially interfere with the performance of his duties hereunder. If the Corporation advises the Management Shareholder that, in its good faith judgment, such activities are materially interfering with the performance of the Management Shareholder's duties hereunder, the Management Shareholder will promptly take steps to appropriately limit such activities. Subject to the foregoing, the Management Shareholders shall not directly or indirectly render any services of a business, commercial or professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of the Board of Directors of the Corporation.

THIS IS A 5-PAGE FORM.