

SHARE EXCHANGE AGREEMENT

THIS AGREEMENT made effective the ____ day of _____, _____.

BETWEEN:

an individual residing at _____,
(hereinafter called the "Shareholder")

- and -

an _____ corporation having a head office address
at _____,
(hereinafter called the "Corporation")

WHEREAS:

- A. The Shareholder owns ____ Class ____ shares in the Corporation's capital, represented by Share Certificate # ____ (hereinafter called the "Exchanged Shares").
- B. The Corporation's shareholders have determined to reorganize the Corporation's outstanding capital, effective as at the effective date hereof as first above written (hereinafter called the "Effective Date").
- C. Pursuant to the said reorganization, the Shareholder is to exchange the Exchanged Shares for newly authorized Class ____ Shares in the Corporation's capital issued by the Corporation directly to the Shareholder (hereinafter called the "Received Shares"), such that there will be no immediate income tax cost to either the Shareholder or the Corporation.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto (hereinafter called the "parties") agree as follows:

1. The Shareholder hereby transfers and conveys to the Corporation, and the Corporation hereby accepts directly from the Shareholder, all the Shareholder's rights, title and interest in and to the Exchanged Shares.
2. The Shareholder's transfer of the Shares to the Corporation is in exchange for the Received Shares, the number of which shall be _____.
3. The Shareholder undertakes, represents and warrants to the Corporation:
 - (a) The Exchanged Shares are, as at the Effective Date, free and clear of all mortgages, encumbrances and charges, and the Shareholder is entitled at law and in equity to sell, assign and transfer to the Corporation clear title to the Exchanged Shares; and,
 - (b) The Shareholder is, as at the Effective Date, a resident of Canada for purposes of the *Income Tax Act (Canada)*.
4. Each of the Parties will from time to time at the request of the other, but without further consideration, execute and deliver all such additional documents and do all other acts as may be reasonably necessary to carry out the intent and meaning of this Agreement.

THIS IS A 4-PAGE DOCUMENT.