

## ASSET PURCHASE AGREEMENT

THIS AGREEMENT dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BETWEEN:

**[PURCHASER]**  
(hereinafter referred to as the "Purchaser")  
- and -

**[VENDOR]**  
(hereinafter referred to as "the Vendor")

### ARTICLE I - DEFINITIONS

- 1.01 In this Agreement, including the recitals, the following terms shall have the following meanings:
- (a) "Closing" and "Closing Date" shall mean *[insert date of closing]*, or such other date as the parties hereto may agree;
  - (b) "Effective Date" shall mean *[insert effective date of transaction]*; and
  - (c) "Purchased Assets" shall mean the assets of the Vendor described in Schedules "A" and "B" attached hereto.

### ARTICLE II - AGREEMENT TO PURCHASE AND SELL

2.01 The Vendor hereby agrees to and with the Purchaser to sell, transfer and assign the Purchased Assets to the Purchaser for the Purchase Price hereinafter set out.

### ARTICLE III - PURCHASE PRICE

3.01 The Purchase Price for the Purchased Assets shall be equal to the fair market value of the Purchased Assets, as determined by the accountants for the parties (the "FMV" and "Purchase Price", respectively), payable as follows:

- (a) For the Purchased Assets listed in Schedule "A", the Purchaser will deliver to the Vendor on Closing a promissory note for the full amount of the Purchase Price payable on demand, fully open, no interest except on default at which time interest will accrue on any outstanding principal at the rate of ##% per year, as per the form of note set out in Schedule "C";
- (b) For the Purchased Assets listed in Schedule "B", the Purchaser will deliver to the Vendor on Closing:
  - (i) a promissory note for the full amount of the Vendor's adjusted cost base for such Purchased Assets as determined by the parties' accountants (the "ACB"), payable on demand, fully, open, no interest except on default at which time interest will accrue on any outstanding principal at the rate of ##% per year, as per the form of note set out in Schedule "C"; and
  - (ii) #### Class \_\_\_ Preference Shares of the Purchaser with a cumulative Redemption Amount equal to the difference between the FMV of those Purchased Assets and their ACB as determined under subparagraph (i) above.

3.02 The parties agree that a preliminary estimate of the ACB and FMV of the Purchased Assets is set out in Schedules "A" and "B" respectively. The parties further agree that a final assessment of ACB and

FMV of the Purchased Assets shall be made by their accountants as soon as possible following Closing, and that such final determination shall be final and binding upon the parties except as set out in Articles IV and V below.