

# PROMISSORY NOTE AND SHARE PURCHASE AGREEMENT

THIS AGREEMENT made as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**BETWEEN:**

**[NAME OF PARTY SELLING THE SHARES]**

[address of vendor]

**("Vendor")**

**- and -**

**[NAME OF PARTY PURCHASING THE SHARES]**

[address of purchaser]

**("Purchaser")**

**RECITALS:**

- A. The Vendor holds ### Class "\_\_\_\_" shares representing \_\_\_\_% of the issued and outstanding shares in the capital of \_\_\_\_\_ [insert name of company] (the "Company") (the "Shares") and a Promissory Note (the "Note") in the amount of \$\_\_\_\_\_ from the Company, to secure the repayment of a shareholder loan made by the Vendor to the Company.
- B. The Purchaser desires to purchase the Shares and the Note held by the Vendor, and the parties hereto have by mutual agreement determined the value of the Shares in the Company held by the Vendor.
- C. The parties wish to set out the terms and conditions upon which the Purchaser shall purchase the Shares and the Note.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

## **1. Sale and Purchase**

The Purchaser hereby purchases from the Vendor and the Vendor hereby agrees to sell to the Purchaser the Shares and the Note on the terms and conditions hereafter set out.

## **2. Consideration and Method of Payment**

In consideration of the sale by the Vendor of the Shares to the Purchaser, the Purchaser hereby agrees to pay to the Vendor \$\_\_\_\_\_ per Share for a total purchase price of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) in the aggregate in lawful money of Canada (the "Cash to Close").

## **3. Representations and Warranties**

3.01 The Purchaser represents and warrants to the Vendor that the Purchaser has the requisite power, capacity and authority to enter into this Agreement.

**THIS IS A 2-PAGE FORM.**