

AGREEMENT FOR SALE OF SHARES

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

BETWEEN:

VENDOR
[address]
(the "Vendor")

OF THE FIRST PART

- and -

PURCHASER
[address]
(the "Purchaser")

OF THE SECOND PART

- and -

PRINCIPAL
[address]
(the "Principal")

OF THE THIRD PART

WHEREAS:

- A. The Vendor is the beneficial owner and owner of record of _____ Class "___" [common] shares of CORPORATION, which shares represent all of the issued and outstanding shares in the capital of CORPORATION;
- B. CORPORATION carries on business in _____ under the trade name of [trade name];
- C. PRINCIPAL is the sole director of CORPORATION and the principal of the Vendor;
- D. The Vendor has provided to the Purchaser and the Purchaser has relied upon unaudited financial statements and notes thereto attached as Schedule "____" hereto;
- E. The Vendor is desirous of selling and the Purchaser is desirous of purchasing all of the Vendor's right, title and interest in and to all of the issued and outstanding shares in the capital of CORPORATION on the terms and conditions hereinafter set forth.

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:

ARTICLE 1 – DEFINED TERMS

1.01 Where used herein or in any amendments hereto, the following terms shall have the following meanings:

- (a) "Accountant" means the firm of [accountants], Chartered Accountants;
- (b) "Bank" means the [bank], which bank is providing a portion of the Purchase Price by way of loan to the Purchaser;
- (c) "Business" means the business of _____ operated by the Corporation;

- (d) "Closing Date" means the ____ day of _____, _____ or such earlier or later date as may be mutually agreed upon by the parties hereto;
- (e) "Consulting Agreement" means that consulting agreement respecting services to be provided by PRINCIPAL subsequent to the Closing attached as Schedule "___" hereto;
- (f) "Corporation" means CORPORATION;
- (g) "Effective Date" means the ____ day of _____, _____;
- (h) "Financial Statements" means those internally generated (ie. prepared by management) balance sheets of the Corporation and the accompanying statements of income and retained earnings as reported by the Corporation for the year ended _____ which statements are attached as Schedule "___" hereto;
- (i) "Purchaser" means PURCHASER;
- (j) "Purchase Price" means the amount of _____ THOUSAND (\$_____) DOLLARS payable pursuant to Clause 3.01 hereof;
- (k) "Purchaser's Counsel" means [lawyers], [address];
- (l) "Promissory Note" means that form of promissory note attached as Schedule "___" hereto;
- (m) "Release" means that form of release attached as Schedule "___" hereto;
- (n) "Restrictive Covenant" means that form of covenant attached as Schedule "___" hereto;
- (o) "Review Engagement Financial Statement" means financial statements produced by the Accountant on a review engagement basis as of _____;
- (p) "Shares" means the _____ Class "___" [common] shares in the share capital of the Corporation issued and outstanding in the name of the Vendor;
- (q) "Trade Name" means the words [trade name];
- (r) "Vendor" means VENDOR;
- (s) "Vendor Take-back" means the amount of \$_____ being a portion of the Purchase Price to be paid to the Vendor over time subsequent to the Closing Date in accordance with the provisions of Article 3; and
- (t) "Vendor's Counsel" means the law firm of [lawyers], [address].

1.02 The following schedules are attached hereto, form part of and are incorporated in this Agreement:

- Schedule "___" - Unaudited Financial Statements of the Corporation;
- Schedule "___" - Restrictive Covenant;
- Schedule "___" - Consulting Agreement;
- Schedule "___" - Release; and
- Schedule "___" - Form of Promissory Note.

1.03 The headings of the Articles of this Agreement are inserted for convenience of reference only and shall not affect the meaning, interpretation or construction thereof.

1.04 Whenever the singular or masculine or neuter is used in this Agreement the same shall be construed as meaning the plural or feminine or body politic or corporate and vice versa as the context requires.

1.05 Except as otherwise provided for herein, "this Agreement", "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular section, subsection, paragraph, subparagraph, clause, subclause or other portions thereof.

ARTICLE 2 – PURCHASE OF SHARES

2.01 Subject to the terms and conditions hereof, the Vendor hereby covenants and agrees to sell, assign and transfer to the Purchaser and the Purchaser hereby covenants and agrees to purchase from the Vendor all of the Shares of the Corporation owned by the Vendor, which represent all of the issued and outstanding shares of the Corporation at and for the Purchase Price subject to adjustments, if any, to be paid and satisfied as provided in Article 3 hereof.