

# SHARE CAPITAL EQUALIZATION AGREEMENT

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

**BETWEEN:**

[NAME OF CORPORATION]  
a New Brunswick corporation  
(the "Corporation")

**OF THE FIRST PART**

- and -

**THE SHAREHOLDERS OF THE CORPORATION AS LISTED ON THE SHARE REGISTER OF THE CORPORATION AS AT THE DATE HEREOF**  
(individually, a "Shareholder" and collectively, the "Shareholders")

**OF THE SECOND PART**

**WHEREAS:**

- A. The Corporation is a body corporate, incorporated under the laws of the Province of New Brunswick, having its head office at [city], in the County of [county], New Brunswick;
- B. The Shareholders are collectively the owners of all the issued and outstanding shares in the Corporation;
- C. There has been an unequal input of capital by the Shareholders for the operation of the Corporation;
- D. This Agreement is being entered into for the purpose of equalizing the capital contribution by the respective Shareholders within the time period as stated in this Agreement;
- E. The Corporation has joined as party to this Agreement for the purpose of confirming its consent to an approval of the terms.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the sum of One Dollar (\$1.00) of lawful money of Canada, the receipt of which is hereby acknowledged, and the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. Upon the distribution of the shares of the Corporation, the Secretary will issue a Share Certificate or Certificates evidencing that the shares of the Corporation are owned as follows:

**Name of shareholder**

**Number & class of shares**

[list of shareholders and number of shares owned by each]

2. Notwithstanding anything contained in paragraph 1, [SHAREHOLDER1] shall, within \_\_\_\_\_ (\_\_\_\_) years from the date of execution of this Agreement, be obligated to pay [SHAREHOLDER2] the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) in equal yearly installments of \_\_\_\_\_ Dollars (\$\_\_\_\_\_).
3. [SHAREHOLDER1] shall have the right to pay [SHAREHOLDER2] the amounts set out in paragraph 2 above out of his/her share of the profits of the Corporation.

**THIS IS A 3-PAGE DOCUMENT.**