

SHARE CAPITAL EQUALIZATION AGREEMENT

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

BETWEEN:

[NAME OF CORPORATION]
a Prince Edward Island 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 Prince Edward Island, having its head office at [city], in the County of [county], Prince Edward Island;
- 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
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[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.