

SHARE SUBSCRIPTION AGREEMENT (Short Form)

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SHARE SUBSCRIPTION AGREEMENT (Short Form)

SHARE SUBSCRIPTION AGREEMENT, in connection with (hereinafter the “Agreement”) entered into in the City of, Province of, Canada.

BETWEEN: (*name of individual*), (*occupation*), domiciled and residing at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*) doing business as (*business name*) (hereinafter the “SUBSCRIBER”),

OR

..... (*corporate name*), a legal person duly incorporated under the *Act (name of statute under which the corporation was incorporated)*, having its principal place of business at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*) (hereinafter the “ISSUER”) (at times collectively referred to as the “PARTIES”).

AND (*corporate name*), a legal person duly incorporated under the *Act (name of statute under which the corporation was incorporated)*, having its principal place of business at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*) (hereinafter the “ISSUER”) (at times collectively referred to as the “PARTIES”).

RECITALS

THE PARTIES DECLARE AS FOLLOWS:

- (A) The ISSUER is engaged in the business of (*identify business sector*);
- (B) Prior to completion of the subscription contemplated herein, the registered shareholders of the ISSUER are as appears in the table attached hereto as Schedule 0.01.18:
- (C) The SUBSCRIBER wishes to subscribe to (.....) Class “...” shares of the ISSUER’s share capital, subject to the terms and conditions herein;

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

SUBSCRIBER	ISSUER

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0.00 INTERPRETATION

0.01 Definitions

Unless otherwise indicated herein or inconsistent with the context, capitalized words and expressions appearing in this agreement will be interpreted as follows:

0.01.01 Activities

means, regarding the SUBSCRIBER, (*describe its principal business activities*) and, regarding ISSUER, (*describe its principal business activities*);

0.01.02 Agreement

means this agreement including its recitals and schedules, any related or ancillary documentation identified therein, as well as any amendments thereto that the PARTIES may make from time to time in accordance with Section 12.04 herein;

0.01.03 Breach

means, with respect to any representation or warranty, obligation or other provision of the Agreement:

- a) any misrepresentation, inaccuracy, error, or failure to disclose;
- b) any non-compliant performance or failure to perform an obligation; or
- c) any non-compliance, infringement, default or failure to satisfy any other provision;

0.01.04 Closing Date

means the date that the Subscribed Shares are issued to the SUBSCRIBER, or any other date that the PARTIES agree to for the signing of the documents required to execute the Subscription;

0.01.05 Confidential Information

means any information that is identified by the disclosing PARTY as being confidential when it is disclosed to the receiving PARTY;

0.01.06 Creditor

SUBSCRIBER	ISSUER

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means an individual creditor, a group of creditors or all of the creditors of the ISSUER, as the case may be, as at the date of the subscription as well as any new creditor of the latter after such date, until the Closing Date;

0.01.07 Encumber or Encumbrance

Encumber means to create or grant an Encumbrance, and Encumbrance means, whether created by agreement or by operation of Law, a legal cause of preference, a dismemberment of ownership rights, an ownership interest, a restriction on the right to sell or convey any security interest of any kind, including any right capable of becoming any of the foregoing;

0.01.08 Improvements

refers to any change, updating, enhancing, or other form of improving the ISSUER's existing Intellectual Property as at the effective date of the Agreement;

0.01.09 Intellectual Property

means all the intellectual assets of the ISSUER, including:

- a) those protected by contract, such as know-how, trade secrets, recipes and other similar assets; and
- b) those protected by any Law relating to patents, copyright, trademarks, industrial designs, integrated circuit topographies or plant varieties;

and includes any application made to a public authority for the purpose of securing intellectual property rights to such assets;

0.01.10 Law

means, relating to any federal, provincial municipal or foreign jurisdiction, any law, regulation, order, decree, guideline, administrative policy or other legislative or executive instrument issued by a public or quasi-public authority, any general rule of law as well as any legal or administrative decision by a competent court relating to the validity, interpretation and application thereof, and includes, when required, an international treaty or inter-provincial or inter-governmental agreement, it being understood that any reference in the Agreement to a specific Law, includes any regulations adopted thereunder, any amendments thereto as well as any law or regulation that supplements or replaces such law or regulation, as the case may be;

0.01.11 Loss

SUBSCRIBER	ISSUER