

SHARE PURCHASE AND ROLLOVER AGREEMENT

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SHARE PURCHASE AND ROLLOVER AGREEMENT, entered into in the City of
Province of Quebec, Canada.

BETWEEN: V1 (*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*);

OR

V2 (*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*), and duly registered under the designating
number in accordance with the Act (*name of the statute
respecting the legal publicity of enterprises under which the corporation is registered*);

V2.1 (Authorized Representative) (to be added after V2, if applicable)

, represented by (*name of representative*), its (*title of
representative*), duly authorized for the purposes hereof, as he/she so declares;

V2.2 (Authorized Representative by Resolution) (to be added after V2, if applicable)

, represented by (*name of representative*), its (*title of
representative*), duly authorized for the purposes hereof as indicated in the resolution of the
sole director [OR board of directors], attached hereto as Schedule A;

OR

V3 (*common business name*), [a general partnership], **OR** [a limited
partnership represented by (*name of its general partner*), its general
partner] **OR** [an undeclared partnership], **OR** [a joint venture], **OR** [a collaboration], **OR** [a
group of persons] exercising an organized economic activity of a commercial nature, duly
formed under the [..... Act (*identify applicable statute*)] **OR** [Civil Code of
Québec] **OR** [applicable general law], having its head or registered office at
..... (*civic number and street name*), in the City of (*name of
city*), Province of (*name of province*), (*postal code*), and
duly registered (*as the case may be*) under the designating number in
accordance with the Act (*name of the statute respecting the legal publicity
of enterprises under which the corporation is registered*) represented by
(*name of representative*), its (*title of representative*), duly authorized for
the purposes hereof as he/she so declares **OR** [as indicated in the resolution of the partners
of the general partnership], **OR** [as indicated in the resolution of the sole director [or Board
of Directors] of the general partner of the limited partnership], **OR** [as indicated in the

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resolution of the partners of the undeclared partnership], **OR** [as indicated in the resolution of the sole director [or Board of Directors] of each participant in the joint venture, **OR** [as indicated in the resolution of the sole director [or Board of Directors] of each participant in the collaboration], **OR** [as indicated in the resolution of the members of the group of persons], attached hereto as Schedule A;

HEREINAFTER REFERRED TO AS THE “VENDOR”;

AND: *(identify purchaser)*;

HEREINAFTER REFERRED TO AS THE “PURCHASER”;

HEREINAFTER COLLECTIVELY REFERRED TO AS THE “PARTIES”.

RECITALS

THE PARTIES DECLARE AS FOLLOWS:

- A) The VENDOR is the holder of record of (.....) Class “...” shares of the share capital [**OR** stated capital *(if federally incorporated)*] of the corporation (defined hereinafter), which shares are fully paid and not subject to any call option;
- B) The VENDOR wishes to sell the shares to the PURCHASER, who wishes to acquire same;
- C) The VENDOR and the PURCHASER are not dealing at arm’s length within the meaning of the Canada *Income Tax Act*, RSC 1985, c 1 (5th Supp);
- D) The PARTIES truly intend to transfer the shares at their fair market value and to ensure that the price stipulated hereinafter reflects what the PARTIES consider to be the fair market value, which was fairly and reasonably determined after conferring with the Corporation’s chartered professional accountants;
- E) The existence of a non-arm’s length relationship between the PARTIES may be grounds for a reassessment of the fair market value of the shares by the federal or provincial governmental authorities responsible for administering the various tax laws;

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- F) Accordingly, the PARTIES have agreed that, if necessary, the fair market value of the shares may be adjusted according to the value determined by the above-mentioned competent governmental authorities and according to the provisions of this agreement;
- G) The PARTIES wish to record the terms of their agreement regarding such purpose in a private instrument;
- H) It is the intent of the PARTIES that their agreement be construed as a contract by mutual agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

0.00 INTERPRETATION

0.01 Terminology

Unless otherwise indicated, capitalized words and expressions appearing in the Agreement [or in any ancillary or subordinate documentation] will be interpreted as follows:

0.01.01 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 12.05 herein;

0.01.02 CBCA

means the *Canada Business Corporations Act*, RSC 1985, c C-44;

0.01.03 Corporation

means (*corporate name*) and may, when the text so requires, include its subsidiaries and affiliates;

0.01.04 ITA

means the *Canada Income Tax Act*, RSC 1985, c 1 (5th Supp);

0.01.05 QTA

means the *Québec Taxation Act*, CQLR, c I-3;

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0.01.06 Shares

means the (.....) of Class “...” shares of the share capital of the Corporation that will be sold by the VENDOR to the PURCHASER hereunder representing PERCENT (..... %) of the duly issued and outstanding shares of that Class.

0.02 Entire Agreement

The Agreement constitutes the entire understanding between the PARTIES relating to the purposes stated herein. It supersedes any other written or verbal promise or covenant made prior to the date it was signed, any schedules attached to the Agreement, and any future amendments agreed upon by the PARTIES that do not comply with Section 12.05 of the Agreement. In the event of a conflict between the provisions of the Agreement and the provisions of any ancillary agreement, the Agreement will prevail.

0.03 Applicable Law

The Agreement will be interpreted and performed in accordance with the applicable Law of the Province of (name of province), Canada.

0.04 Non-Compliance

0.04.01 Severability

In the event that any provision of the Agreement is deemed to be invalid or unenforceable, that provision must, whenever possible to do so, be interpreted, construed, limited or, if necessary, severed to the extent necessary to eliminate such invalidity or unenforceability, and all the remaining provisions of the Agreement will remain valid and continue to bind the PARTIES.

0.04.02 Substitute Provision

If required, the PARTIES agree to negotiate in good faith a valid and enforceable substitute provision that most nearly reflects the PARTIES’ original intent or, in the event no substitute provision can be added, that provides any equitable adjustment that may be necessary.

0.05 Miscellaneous

0.05.01 Cumulative Rights

All rights referred to in the Agreement are cumulative and not mutually exclusive.

0.05.02 No Waiver

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Any waiver of the enforcement of a right granted by one of the PARTIES for the benefit of another PARTY may, under no circumstances, be interpreted or construed as a waiver of the enforcement of any other right granted hereunder unless, as a matter of exception, the wording of a provision of the Agreement requires that particular interpretation or construction.

0.05.03 Time and Days

a) Time of the Essence

Unless otherwise indicated in the Agreement, time is of the essence. No extension of or amendment to the Agreement may operate as a waiver of this provision, unless clearly stated as such.

b) Computation of Time

When calculating any deadline or time limit, the following rules apply:

- i)* the day marking the commencement of the deadline or time limit is excluded, but the day the deadline or time limit expires is included;
- ii)* non-business days are included; however, where the deadline or expiry of the time limit falls on a non-business day (Saturday, Sunday or statutory holiday), the deadline or time limit will be extended to the following business day;
- iii)* in the Agreement, the term “month” means a calendar month; and
- iv)* unless otherwise expressly provided in the Agreement, the term “year” means a calendar year [OR any twelve-month period following the effective date of the Agreement].

c) Delays

If any deadline or time limit for the performance of any duty or obligation hereunder is delayed as a result of:

- i)* any Breach by the PARTY owing the obligation that affects the performance thereof;
- ii)* any event of Force Majeure; or
- iii)* any amendment to the Agreement;

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