Share Agreement

This Share Agreement (the “Agreement”) is made and effective [DATE]

**BETWEEN: [YOUR COMPANY NAME]** (the "Company"), a company organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

 [YOUR COMPLETE ADDRESS]

**AND: [SHAREHOLDER NAME]** (the "First Shareholder"), an individual with his main address located at OR a company organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

 [COMPLETE ADDRESS]

**AND: [SHAREHOLDER NAME]** (the "Second Shareholder"), an individual with his main address located at OR a company organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

[COMPLETE ADDRESS]

**RECITALS**

1. The above shareholders intend to continue ownership of the Company.
2. The shareholders have agreed to ensure the continuation of the ownership of the Company by restricting the transfer of the shares of the Company, both during the lifetime and the death of the shareholders.

The Company and the stockholders agree that:

1. **FIRST RIGHT OF PURCHASE IN COMPANY**

A shareholder who intends to sell or transfer any shares possessed by them, the shareholder is obligated to offer the above-mentioned shares to the Company at a price per share equal to the then book value of each of the shares as of the last day of the calendar month next preceding the date the shares are offered for sale. The book value will be ascertained and determined by the accountants of the Company and the valuation will be undertaken in a manner which is consistent with generally accepted accounting principles.

1. **OFFER TO OTHER STOCKHOLDERS IF CORPORATION DOES NOT PURCHASE**

The offer to sell must be communicated in written form by the selling shareholder to the board of directors of the Company as well as other shareholders. The company will have a period [NUMBER] days after the communication of such an offer to exercise its rights to purchase the shares at the price established by the method in section 1. If the Company does not write to the selling shareholder to communicate the intention of purchasing the shares within the [NUMBER] day period, or it is the case that the Company is prohibited by law to make such a purchase, the selling shareholder is obligated to notify, in written format, the other shareholders of the intention to sell [NUMBER] of shares; the other shareholders will have an additional period pf [NUMBER] days to accept the offer to sell on the same terms and conditions as offered to the Company. Each of the other shareholders have the right to purchase shares from the seller equal to their proportionate ownership immediately before the receipt of the offer to sell.

1. **SHAREHOLDER’S RIGHTS IF NEITHER CORPORATION NOR OTHER SHAREHOLDERS EXERCISE OPTION**

If the Company and shareholders both do not choose to exercise their rights of purchasing the shares within the time limit established above, the seller is free to sell his shares to any other person or company provided that the sale is not on less favorable terms to the selling shareholder unless the less favorable terms are re-offered to the Company or the shareholders. If the sale to any other person is not completed within [NUMBER] days then the seller must re-offer the shares to the company and other shareholders provided in this agreement.

1. **CLOSING OF SALE**

If the company or other shareholders agree to purchase the shares, the closing of the sale will take place within [NUMBER] days after the acceptance of the sale and determination of the price. The purchase price will be paid by means of a promissory note which is due [NUMBER] years from date, bearing at the rate of [NUMBER PERCENTAGE] per annum on the unpaid principal balance, principal payable in full at the end of the [NUMBER]-year term, plus interest. This promissory note does not permit prepayment at any time without penalty.

Simultaneously with such payments, the shares of the selling shareholder shall be delivered to the purchaser in such form as to effectively transfer such shares, at which time such selling shareholder’s rights as a shareholder of the corporation shall cease to exist as to the shares so transferred.

1. **DEATH OF SHAREHOLDER**

In the case of shareholder named above, the company must purchase and the estate of the deceased shareholder shall sell the deceased’s shares in the company for consideration as is mentioned by the method in section 1. If the Company does not write to the selling shareholder to communicate the intention of purchasing the shares within the [NUMBER] day period, or it is the case that the Company is prohibited by law to make such a purchase, the selling shareholder is obligated to notify, in written format, the other shareholders of the intention to sell [NUMBER] of shares; the other shareholders will have an additional period pf [NUMBER] days to accept the offer to sell on the same terms and conditions as offered to the Company.In the event of the survival of two or more stockholders of the corporation; each shall be jointly and severally liable to the decedent's estate for the purchase price, but as between them they shall share such liability in the ratio that the number of the shares of stock respectively owned by them at the time of the decedent’s death bears to the aggregate number of such shares and the shares of stock owned by the decedent’s estate shall, in like manner, be apportioned between them based on their proportionate ownership of the shares of stock of the corporation at the date of the decedent's death. The closing of the sale and purchase of the shares by the corporation or, in the event of its inability to complete the purchase by the surviving stockholders shall be made within [NUMBER] months after the date of the deceased stockholder’s death. In making the valuation of the shares, the accountants for the corporation shall determine the book value as herein provided as of the end of the calendar month next preceding the date of the decedent’s death.

1. **LEGEND ON STOCK CERTIFICATE**

No shareholder of the company is permitted to sell or offer to sell to a person not a party to this agreement. They are not permitted to transfer, assign any of his right, title or interest in or to any shares owned by the shareholder during the shareholder’s lifetime nor shall a shareholder’s heirs, personal representatives successors or in assigns make any such sale or transfer of such shares after the death of any of the stockholders except in accordance with the terms and conditions of this agreement. Certificates of stock subject to this agreement shall be endorsed as follows: “This certificate of stock is subject to a stock purchase agreement between its owners, the issuing corporation, and the other stockholders thereof, dated [DATE] and is transferable only in accordance with the agreement.”

1. **TERMINATION OF AGREEMENT**

This agreement shall terminate and become null and void on the occurrence of any of the following events:

1. Cessation of the corporate business or enterprise during the lifetime of the stockholders;
2. Bankruptcy or receivership or dissolution of the corporation;
3. Death of the stockholders simultaneously or within a period of [NUMBER] days, one from the other; or
4. Mutual agreement of termination executed by all of the stockholders of the corporation and shown in the minute book.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

COMPANY FIRST STOCKHOLDER

Authorized Signature Authorized Signature

Print Name and Title Print Name and Title

SECOND STOCKHOLDER

Authorized Signature

Print Name and Title