

This Agreement of Purchase and Sale dated this..... day of ..... 20.....

**BUYER,**....., agrees to purchase from  
(Full legal names of all Buyers)

**SELLER,**....., the following  
(Full legal names of all Sellers)

all the assets of the Business known as.....  
(including the chattels, fixtures and inventory of the Business set out in schedule "A" as are now located upon the premises  
and inspected and approved by Buyer)

situated at .....(the "Business")  
together with the lease of the premises, and the trade name and goodwill of the Business (the "Assets").

**PURCHASE PRICE:** ..... Dollars (CDN\$).....

.....Dollars

which total Purchase Price includes the amount of \$.....in respect of inventory of the Business.

**DEPOSIT:** Buyer submits .....  
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

..... Dollars (CDN\$).....

by negotiable cheque payable to..... "Deposit Holder"  
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.  
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the  
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that,  
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's  
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

**Buyer agrees to pay the balance as more particularly set out in Schedule A attached.**

**SCHEDULE(S) A**.....**attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by ..... until ..... on  
(Seller/Buyer)

the ..... day of ..... 20....., after which time, if not accepted, this  
offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the ..... day  
of ..... 20..... . Upon completion, vacant possession of the property shall be given to the  
Buyer unless otherwise provided for in this Agreement.

3. **HST:** The parties hereto agree that this transaction shall be a taxable supply in accordance with the provisions of the  
Excise Tax Act (Canada), R.S.C. 1985, e-15, as amended. The Seller and Buyer agree to file the necessary Form electing  
not to have the Harmonized Sales Tax (HST) apply. The Buyer agrees to file the requisite election Form containing the  
prescribed information, together with a return for the Buyer's reporting period in which the transaction occurs, under the  
Excise Tax Act (Canada), as amended, on or prior to the date prescribed by such Act for making such election.

**INITIALS OF BUYER(S):** .....

**INITIALS OF SELLER(S):** .....

4. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: .....  
(For delivery of Documents to Seller)

FAX No.: .....  
(For delivery of Documents to Buyer)

Email Address: .....  
(For delivery of Documents to Seller)

Email Address: .....  
(For delivery of Documents to Buyer)

5. **NON-COMPETITION:** Seller and the undersigned.....jointly and severally covenant not to carry on or be engaged in or concerned with (either directly or indirectly in any manner whatsoever including without limitation as a principal, agent, partner or shareholder) any business competitive with or similar to the Business as presently carried on, within a radius of.....kilometers of the premises for.....months after completion. The aforesaid covenant shall survive the completion of the transaction provided for herein.

6. **SELLER REPRESENTS AND WARRANTS** that:

(a) the Assets are now and shall at the time of completion be owned by Seller free and clear of all encumbrances, liens or charges and no other person has now or shall at the time of closing have any interest in the assets except

(b) Seller is not now and shall not at the time of completion be a non-resident person within the meaning of Section 116 of the Income Tax Act (Canada);

(c) Seller is not in default of any agreements related to the Business and there are no actions, suits or proceedings against or on behalf of the Seller, pending or threatened, which may affect the Business, and the Seller is not aware of any existing grounds on which any such action, suit or proceeding might be commenced;

(d) there is a good, valid and subsisting lease of the premises for a term of.....years at a monthly rental of \$..... expiring

on the.....day of....., 20..... (a copy of which lease is attached hereto);

(e) there are not now and shall not at the time of completion be any employees of the Business except the following, all of whom can be dismissed on the minimum applicable statutory notice period without further liability:

INITIALS OF BUYER(S):

\_\_\_\_\_

INITIALS OF SELLER(S):

\_\_\_\_\_



- (f) the Business has been carried on in the ordinary course and all financial statements and other information provided to Buyer are true, accurate and correct in all material respects and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis and Seller shall, at the time of completion, have no liabilities, contingent or otherwise, except as reflected therein or in the statement to be delivered pursuant to the Bulk Sales Act (none of which shall be inconsistent with past practice or materially adverse);
- (g) no expenditures shall be made out of the ordinary course of business prior to closing and the Business shall be carried on up to the time of completion in the ordinary course and in a commercially reasonable manner with a view to preserving the goodwill of the Business; and
- (h) the tangible Assets are now and shall at the time of completion be in good condition, subject only in the case of equipment to reasonable wear and tear.

**7. SELLER COVENANTS:**

- (a) to comply with Section 6 of the Retail Sales Tax Act;
- (b) to comply with the Bulk Sales Act;
- (c) to deliver to Buyer at or before the time of completion the written consent of the lessor to the assignment of the lease of the premises to Buyer; and
- (d) to indemnify and save harmless the Buyer from and against all liabilities, claims and demands in connection with the purchased business existing or incurred as at the time of completion and not shown on the financial statements provided to the Buyer or in the statement delivered pursuant to the Bulk Sales Act or expressly agreed to be assumed by the Buyer in this Agreement.

**8. BUYER REPRESENTS AND WARRANTIES** that Buyer is not now and shall not at the time of completion be a non-eligible person within the meaning of the Investment Canada Act.

**9. BUYER COVENANTS** to pay all applicable retail sales tax and federal sales tax on completion (or furnish appropriate exemption certificates) eligible in respect to this transaction.

**10. THE OBLIGATION OF BUYER** to complete this transaction shall be subject to satisfaction of the following conditions (which may be waived in whole or in part by Buyer without prejudice to any claim for breach of covenant, representation or warranty):

- (a) the representations and warranties of Seller shall be true at and as of completion as if given at that time;
- (b) Seller shall have performed all covenants to be performed by Seller at or prior to the time of completion.

**11. INVENTORY:** Prior to completion, either party may elect by written notice to the other that the inventory shall be physically counted after the close of business on the day prior to completion and valued at Seller's cost thereof in which case the total Purchase Price shall be increased or decreased to the extent that the valuation so obtained is greater than or less than the amount set for inventory stated above. Failing such an election, neither Seller nor Buyer may dispute the amount of valuation of inventory.

**12. ADJUSTMENTS:** Any business taxes, insurance, rent, hydro, water, fuel, employee's wages and vacation pay and usual prepaid items being transferred to Buyer, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to the Buyer.

**13. THE BILL OF SALE** and other transfer documents are to be prepared at Seller's expense and any security documents are to be prepared at the expense of Buyer, and each party is to pay the costs of registration of their own documents.

**14. RISK:** All the assets of the Business shall be and remain at risk of Seller until the completion of the transaction provided for herein.

**15. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

**16. AGREEMENT IN WRITING:** This offer when accepted shall constitute a binding agreement of purchase and sale, and time shall in all respects be of the essence of this Agreement. There is no representation, warranty, collateral agreement or condition affecting this Agreement other than as expressed herein. If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

**17. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the Business is located.



**INITIALS OF BUYER(S):**

**INITIALS OF SELLER(S):**





18. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

..... (Witness)	..... (Buyer)	 DATE.....
..... (Witness)	..... (Buyer)	 DATE.....

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

..... (Witness)	..... (Seller)	 DATE.....
..... (Witness)	..... (Seller)	 DATE.....

**THE UNDERSIGNED**.....in consideration of Buyer entering into this Agreement, hereby executes this Agreement for the purpose of Clause 5.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

..... (Witness)	..... (Signature of Seller or Buyer)	 DATE.....
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**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at..... this.....day of....., 20.....

**INFORMATION ON BROKERAGE(S)**

Listing Brokerage.....	Tel.No. ....
.....	
Co-op/Buyer Brokerage.....	Tel.No. ....
.....	

**ACKNOWLEDGEMENT**

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

..... DATE.....  
(Seller)

..... DATE.....  
(Seller)

Address for Service.....  
..... Tel.No. ....

Seller's Lawyer.....

Address.....

Email.....

..... Tel.No. .... FAX No. ....

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

..... DATE.....  
(Buyer)

..... DATE.....  
(Buyer)

Address for Service.....  
..... Tel.No. ....

Buyer's Lawyer.....

Address.....

Email.....

..... Tel.No. .... FAX No. ....

FOR OFFICE USE ONLY

**COMMISSION TRUST AGREEMENT**

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:

In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS Rules and shall be subject to and governed by the MLS Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

.....  
(Authorized to bind the Listing Brokerage)

.....  
(Authorized to bind the Co-operating Brokerage)

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER**,....., and

**SELLER**,.....

for the purchase and sale of .....

..... dated the ..... day of ....., 20.....

Buyer agrees to pay the balance as follows:

This form must be initialed by all parties to the Agreement of Purchase and Sale.

**INITIALS OF BUYER(S):**

**INITIALS OF SELLER(S):**

