

OPTION AGREEMENT

THIS AGREEMENT is made as of the 25th day of January, 2013

BETWEEN:

K2 WIND ONTARIO INC., as general partner of **K2 WIND ONTARIO LIMITED PARTNERSHIP**, a limited partnership formed under the laws of the Province of Ontario

(hereinafter referred to as "K2 WIND")

-and-



(together herein referred to as the "Landowners")

WHEREAS the Landowners are the owners, subject to any registered encumbrances, of those certain lands in the Township of Ashfield-Colborne-Wawanosh, in the County of Huron, in the Province of Ontario, described as follows:

PT LT 6 CON 7 ED ASHFIELD AS IN R26622; S/T HWP3057; TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH
Being the whole of PIN 41095-0047 (comprising about 100 acres, more or less)
(the "Land");

AND WHEREAS the Landowners granted Capital Power Development Management Inc., as general partner of Capital Power (Ontario) Limited Partnership ("Capital Power"), an option to purchase the Land by an Option Agreement dated January 25, 2010, notice of which was registered against title to the Land on October 21, 2010 by Instrument No. HC70553 (the "Prior Option Agreement");

AND WHEREAS Capital Power assigned its interest in the Prior Option Agreement to K2 Wind;

AND WHEREAS the Prior Option Agreement expires on January 25, 2013 and K2 WIND wishes to enter into a new Option Agreement to take effect upon the expiry of the Prior Option Agreement;

AND WHEREAS the Landowners have agreed to grant K2 WIND an option to purchase the Land, to take effect upon the expiry of the Prior Option Agreement, subject to and in accordance with the terms of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained, the parties covenant and agree as follows:

OPTION

1. (1) The Landowners hereby grant K2 WIND an option to purchase the Land (the "Option") for the Purchase Price set out below. The Option may be exercised by K2 WIND at any time during the one (1) year period commencing on the date hereof and thereafter during such extended period as may be applicable pursuant to paragraph 1(2) below (such period, as potentially extended, is referred to herein as the "Term").

(2) K2 WIND shall pay the Landowners [REDACTED] as compensation in full for the grant of the Option in respect of the first year of the Term, such payment to be paid by cheque within 20 days of the date of this agreement. K2 WIND shall have the option to extend the Term by one year (potentially resulting in a total Term of 2 years) by giving notice to the Landowners on or before January 25, 2014, together with a cheque payable to the Landowners in the amount of [REDACTED] (the "Extension Payment"), which shall be accepted by the Landowners as compensation in full for the grant of the Option in respect of the second year of the Term.

(3) The Purchase Price shall be [REDACTED] if the Option is exercised on or before January 25, 2014, or [REDACTED] if the Option is exercised after January 25, 2014. If the Extension Payment of [REDACTED] is paid, it shall be credited towards the Purchase Price.

(4) The Option may be exercised by K2 WIND giving written notice to the Landowners, provided that the Landowners receive or are deemed to have received such written notice prior to the expiry of the Term.

(5) The Option shall be irrevocable by the Landowners and may be exercised by K2 WIND at any time during the Term. The completion of the purchase and sale of the Land shall occur on the first business day that is

- (a) 30 days after K2 WIND has exercised the Option, or
- (b) if a variance, rezoning or other permits, consents or approvals are required with respect to K2 WIND's planned use of the Land for purposes of a transformer substation and switchyard ("Approvals"), 30 days after the date all Approvals have been granted or 30 days after the date that K2 WIND gives the Landowners notice that it will complete the purchase of the Land despite not having all Approvals,

whichever is later, or on such other date as the parties may agree (the "Purchase Date").

(6) In the event of and upon the exercise of the Option, the transaction shall be completed in accordance with the terms and conditions contained in the standard Agreement of Purchase and Sale attached hereto as Schedule "A". In the case of a conflict or inconsistency between a term, condition or provision in Schedule "A" and a term, condition or provision contained in the body of this Agreement, the latter will govern.

(7) It is understood and agreed that K2 WIND has no obligation to purchase the Land and if K2 WIND fails to give the notice referred to herein with respect to exercising the Option, then the Option shall, at the expiration of the Term, become null, void and of no effect and the parties hereto shall be released from all obligations relating to the Option.

(8) In the event an Approval remains outstanding such that the transaction of purchase and sale is not completed within 365 days of the exercise of the Option by K2 WIND ("Approval Period"), either party shall be entitled to terminate the transaction, and the parties hereto shall be released from all obligations relating to the Option and the purchase. Notwithstanding the foregoing, if an Approval remains outstanding such that the transaction is not completed within 365 days of the exercise of the Option but K2 WIND is in the process of appealing a decision relating to an Approval, then the Approval Period shall be extended to a date which is thirty (30) days following the determination of the appeal, provided that K2 WIND shall diligently pursue such appeal.

PLANNING ACT

2. The parties agree that this Option Agreement is subject to the condition that it shall be effective only if the provisions of section 50 of the *Planning Act* (Ontario) are complied with.

REZONING and OTHER APPROVALS

3. If rezoning of the Land or other permits or approvals (including without limitation site plan approval, a building permit and an entrance permit for the access road) should be required to enable the use of the Land for the purpose set out in clause 1(5)(b) above, the Landowners agree that they shall support such rezoning, permit or variance applications as may be required or as may be deemed advisable by K2 WIND and shall execute all such consents and other documents as may be reasonably required by K2 WIND, both before and after the Purchase Date, with all costs for same being the responsibility of K2 WIND.

SURVEYS

4. (1) The Landowners hereby grant K2 WIND, its employees, agents, contractors and consultants, the right to enter the Land before the Purchase Date, on notice to the Landowners, to conduct surveys, tests and soil examinations, provided that K2 WIND shall restore or compensate the Landowners for any damage caused to the Land or tiles, fences or crops thereon, and for the loss related to future crops.

(2) K2 WIND shall maintain public liability insurance in respect of its activities on the Land prior to the Purchase Date in an amount not less than \$5,000,000.00 per occurrence, and shall provide proof of same to the Landowners, if requested.



(3) K2 WIND covenants and agrees to indemnify and save harmless the Landowners from any and all claims arising from its activities on the Land prior to the Purchase Date except for any claims arising out of the negligence or wilful act or omission of the Landowners, their agents or employees.

CONTAMINATION

5. The Landowners warrant that to the best of their knowledge and belief, the Land do not contain any materials defined as hazardous waste, hazardous recyclable material, or prescribed non-hazardous waste pursuant to the *Canadian Environmental Protection Act, 1999* (Canada) or as hazardous waste under the General Regulation - Waste Management made under the *Environmental Protection Act* (Ontario).

CROP DAMAGE

6. Until the Purchase Date, the Landowners may continue to farm the Land in the normal course. If a crop is standing on the Land on the Purchase Date, the Landowners shall be entitled to enter the Land to harvest the crop subject to first obtaining the consent of K2 WIND and complying with any conditions required by K2 WIND to ensure that there is no interference with K2 WIND's construction operations. K2 WIND shall compensate the Landowners for the value of any standing crops that it damages or that cannot be harvested by the Landowners. The value of any crop shall be the market price for such crop on the date 30 days after such damage, or September 30 of the year of damage, at the Landowners' option. Yield shall be based on the Landowners' historic or actual yields, or the average used for crop insurance purposes, at the Landowners' option. Damages shall be paid in full within 14 days after the value of the crop is determined.

LEASE AFTER CLOSING

7. Subject to the Landowners entering into a lease with K2 WIND on terms acceptable to K2 WIND, acting reasonably, the Landowners shall be entitled to continue to occupy and use the dwelling on the Land and surrounding outbuildings for a period of 180 days after the Purchase Date as tenants of K2 WIND, for a rental of \$2.00. Any chattels of Landowner remaining on the Land after the Purchase Date shall be kept in the vicinity of the house and outbuildings to avoid interference with the operations of K2 Wind, unless otherwise agreed.

CHATTELS AND FIXTURES

8. All chattels on the Land shall remain the property of the Landowners and shall be removed from the Land within 180 days of the Purchase Date, failing which K2 WIND may dispose of any chattels left on the Land, by sale or otherwise, with no further obligation to the Landowners. If K2 WIND intends to demolish any buildings or structures on the Land within one year of the Purchase Date, it shall give the Landowners a reasonable opportunity to salvage and remove any fixtures and materials that K2 WIND does not need.

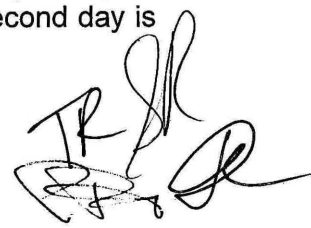
TAXES

9. K2 WIND shall be responsible for provincial land transfer taxes and Harmonized Sales Tax (HST), if applicable. The Landowners shall be responsible for any income taxes that may be assessed against them as a result of this Option Agreement or the sale of the Land. The Landowners confirm they are registered for HST and their HST number is [REDACTED]

NOTICES

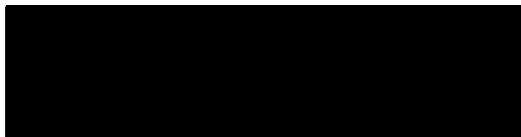
10. Any notice, demand or request which any party shall give to any other party shall be in writing and may be delivered or mailed by registered mail and shall be deemed:

- (a) in the case of delivery to have been given when the same is personally delivered to the addressee at the address set forth below; and
- (b) in the case of dispatch by registered mail, except during a postal disruption, to have been duly given at 5:00 in the afternoon (local time to the sender) on the second (2nd) day after the day the same was deposited in a public post box or post office (on the first business day thereafter if such second day is



not a business day), if addressed to such party at its address set forth below.

to the Landowners as follows:



and to K2 WIND as follows:

c/o Pattern Renewable Holdings Canada ULC
100 Simcoe Street, Suite 105
Toronto, ON M5H 3G2

Attention: Project Lead, K2 Wind

with a copy to:

Capital Power Corporation
1720 – 70 York Street
Toronto, ON M5J 1S9

Attention: Project Lead, K2 Wind

Any party may change its address for notices by notice given as aforesaid.

SEVERABILITY

11. If any covenant, obligation or agreement in this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent possible.

HEADINGS

12. The section headings in this Agreement have been inserted for convenience of reference only shall not be referred to in the interpretation of this Agreement.

APPLICABLE LAW

13. This Agreement shall be construed in accordance with the laws of the Province of Ontario and no action or other proceeding shall be brought to construe or enforce this Agreement except in those courts having jurisdiction in the Province of Ontario.

REGISTRATION

14. It is understood and agreed that K2 WIND shall be entitled to register a notice of this Agreement on title to the Land, recording the fact that K2 WIND has an option to purchase the Land.

ASSIGNMENT

15. K2 WIND shall on notice to the Landowners have the right at any time and from time to time to assign or convey to other persons or corporations, all or any of the powers, rights and interests obtained by or granted to it hereunder.

ENTIRE AGREEMENT

16. Except for the Prior Option Agreement, this Agreement represents the entire agreement between K2 WIND and the Landowners relating to the Land and supersedes all prior agreements, representations, undertakings and understandings between Capital Power and the Landowners and between K2 WIND and the Landowners, relating to the Land.

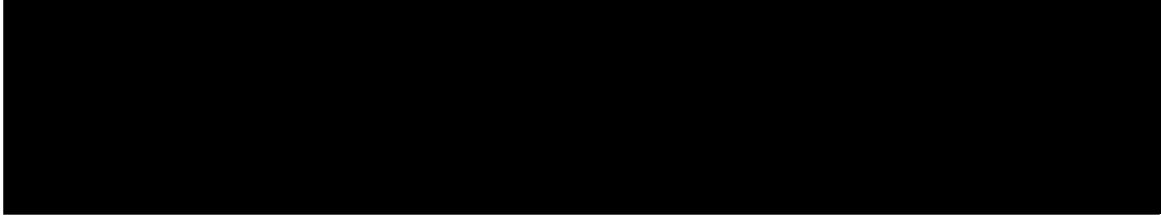
Two handwritten signatures in black ink, one above the other, located in the bottom right corner of the page.

FURTHER ASSURANCES

17. The Landowners and K2 WIND agree that they will each do and perform all such acts and things and execute all such deeds, documents and writings and give all such assurances as may be necessary to give effect to this Agreement.

ADDITIONAL PROVISIONS

18. (1) The Landowners shall have the following encumbrances deleted from the title to the Land prior to the Purchase Date:



(2) The Landowners hereby authorize K2 WIND to take steps to have these encumbrances released from title and appoint K2 WIND as their agent for that purpose, but this shall not be construed as modifying the Landowners' obligation to do so, as set out in paragraph 18(1) above.

(3) The Landowners further agree to have the Charge/Mortgage of Land in favour of [redacted] deleted from the title to the Land prior to the Purchase Date or in the alternative cause their solicitors to provide an undertaking to have the Charge/Mortgage deleted from title within a reasonable time after closing.

SURVIVAL

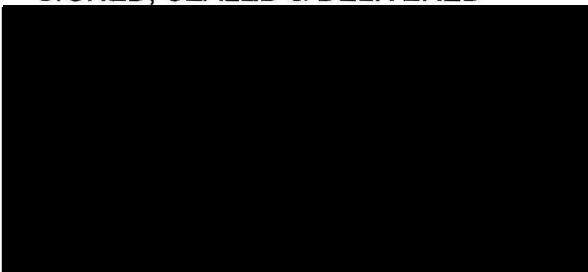
19. The provisions of paragraphs 3, 4(3), 5, 6, 7, 8, 9, 10, 17 and 18 hereof shall survive closing of the transaction on the Purchase Date.

ENUREMENT

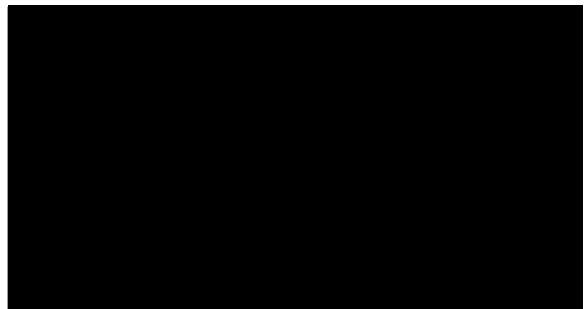
20. This Agreement shall run with the Land and shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns, as the case may be.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

SIGNED, SEALED & DELIVERED



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K2 WIND ONTARIO INC., as general partner of K2 WIND ONTARIO LIMITED PARTNERSHIP

By:

Name: Paul F. Wendelgass

Title: Authorized Signatory

I have authority to bind the Corporation

Schedule "A"

Agreement of Purchase and Sale Commercial

Form 500 for use in the Province of Ontario

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

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

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

REAL PROPERTY:

Address... fronting on the ... side of... in the ...

and having a frontage of ... more or less by a depth of ... more or less

and legally described as ...

(Legal description of land including easements not described elsewhere) (the "property").

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

.....Dollars

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...

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 (Seller/Buyer) until ... a.m./p.m. on the ... day of ... 20....., after which time, if not accepted, this Offer shall be null and void...

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. NOTICES: Seller hereby appoints the Listing Brokerage as Agent for the purpose of giving and receiving notices pursuant to this Agreement. Only if the Co-operating Brokerage represents the interests of the Buyer in this transaction, the Buyer hereby appoints the Co-operating Brokerage as Agent for the purpose of giving and receiving notices pursuant to this Agreement.

FAX No. (For delivery of notices to Seller) FAX No. (For delivery of notices to Buyer)

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

4. **CHATELS INCLUDED:**.....
5. **FIXTURES EXCLUDED:**.....
6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
7. **GST: If this transaction is subject to Goods and Services Tax (GST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect GST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the GST payable and file the prescribed form and shall indemnify the Seller in respect of any GST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If this transaction is not subject to GST, Seller agrees to certify on or before closing, that the transaction is not subject to GST.
8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the day of....., 20....., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.
9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 



12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **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 may be tendered by bank draft or cheque certified by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
21. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
22. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
23. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
24. **CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**
25. **AGREEMENT IN WRITING:** 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 or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. 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.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



26. **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/Authorized Signing Officer) (Seal) DATE.....
 (Witness) (Buyer/Authorized Signing Officer) (Seal) DATE.....

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the Listing Brokerage the unpaid balance of the commission together with applicable Goods and Services 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 Listing Brokerage to my lawyer.

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

.....
 (Witness) (Seller/Authorized Signing Officer) (Seal) DATE.....
 (Witness) (Seller/Authorized Signing Officer) (Seal) DATE.....

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

.....
 (Witness) (Spouse) (Seal) DATE.....

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..... a.m./p.m. this.....day of....., 20.....
 (Signature of Seller or Buyer)

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 Agent to forward a copy to my lawyer.
 DATE.....
 (Seller)
 DATE.....
 (Seller)
 Address for Service.....
 Tel.No.....
 Seller's Lawyer.....
 Address.....
 Tel.No. FAX No.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer.
 DATE.....
 (Buyer)
 DATE.....
 (Buyer)
 Address for Service.....
 Tel.No.....
 Buyer's Lawyer.....
 Address.....
 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) |

Schedule A

Agreement of Purchase and Sale – Commercial

Form 500
for use in the Province of Ontario

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):



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