

DUE DILIGENCE AGREEMENT
(Between Purchaser and Vendor of Company Shares)

BETWEEN:
.....
.....
(hereinafter referred to as the "Purchaser")

01

AND:
.....
.....
(hereinafter referred to as the "Vendor")
(the Purchaser and the Vendor are hereinafter collectively referred to as the "Parties")

PREAMBLE

WHEREAS on, a letter of intent (hereinafter referred to as the "Letter of Intent") was signed by the Purchaser and subsequently accepted by the Vendor with respect to the acquisition of the shares held by the Vendor in the share capital of the company "....." (hereinafter referred to as the "Company");

WHEREAS in order to allow the Purchaser to accurately assess the adequacy of the proposed transaction and to obtain all information required in that regard, the Purchaser wishes to carry out a due diligence review of the Company;

WHEREAS the Vendor has agreed that the Purchaser may carry out a due diligence review of the Company, in accordance with the terms and conditions set forth in this Agreement (hereinafter referred to as "this Agreement");

WHEREAS the Parties wish to evidence their agreement in writing;

WHEREAS the Parties are duly authorized and have the capacity to enter into and perform this Agreement;

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1.00 PREAMBLE

The preamble hereto shall form an integral part hereof.

2.00 OBJECT

2.01 Due Diligence Review of the Company

The Vendor agrees that the Purchaser may carry out a due diligence review of the Company,

Purchaser	Vendor

in accordance with the terms and conditions set forth in this Agreement.

2.02 Object of the Due Diligence Review

The due diligence review shall relate exclusively to the following elements:

(examples)

- a) legal;
- b) accounting;
- c) tax matters;
- d) computing;
- e) Internet;
- f) environment;
- g)

3.00 CONSIDERATION

02 3.01 Compliance with Agreements Between the Parties

As consideration, the Purchaser undertakes in favour of the Vendor to comply with the provisions of this Agreement, as well as with those of any other agreement entered into or which may be entered into between the Vendor and the Purchaser with respect to the proposed transaction, including, without limitation, the following agreements:

(examples)

- a) Confidentiality and Non-Disclosure Undertaking;
- b) Non-Compete Undertaking;
- c) Undertaking Not to Solicit Customers;
- d) Undertaking Not to Solicit Personnel;
- e)

03 3.02 Compliance with Company Policies

In addition, the Purchaser undertakes in favour of the Vendor to comply with the Company's policies, including, without limitation, the following policies:

(examples)

- a) Internet Use Policy
- b) Email Use Policy;
- c) Computer System Use Policy;
- d) Telephone Use Policy
- e) Fax Use Policy
- f) Photocopier Use Policy
- g) Intellectual Property Policy
- h) Confidential Information Policy
- i)

The Purchaser declares that it has taken cognizance of the said policies and agrees to be bound thereby for purposes of this Agreement.

4.00 SPECIFIC PROVISIONS

4.01 Representatives of the Parties

Each of the Parties acknowledges that the person designated hereinbelow by that Party (or any other person replacing the designated person, pursuant to a notice to that effect given to the other Party) shall represent that Party and shall have full authority to take all steps, make all decisions and give all consents required with respect to the performance of this Agreement:

Purchaser	Vendor