



Redemption Agreement

Document 1416A

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REDEMPTION AGREEMENT

This REDEMPTION AGREEMENT (the “**Agreement**”) is made as of the ____ day of _____, 20__ (the “**Effective Date**”), by and between [NAME OF STOCKHOLDER] (the “**Selling Stockholder**”) and [CORPORATE NAME], a _____ corporation (the “**Corporation**”).

WHEREAS, the Selling Stockholder is the holder of [NUMBER] (____) shares of [TYPE OF] Stock of the Corporation (the “**Stock**”);

WHEREAS, the parties desire that the Corporation redeem all of the Stock upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration mutually exchanged by the parties hereto, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

1. Stock Redemption. Subject to the terms and conditions of this Agreement, the Corporation shall redeem all of the Stock as of the Effective Date.

1.1 Purchase Price. The purchase price for the Stock (the “**Purchase Price**”) shall be _____ Dollars (\$_____ USD).

1.2 Closing; Payment of Purchase Price. At the closing of the purchase of the Stock from the Selling Stockholder (the “**Closing**”), which shall be held at such place and on such date as the parties may agree, the Corporation shall pay the Purchase Price by (i) cancellation of the Selling Stockholder’s obligation to the Corporation evidenced by a promissory note dated [DATE], with an original principal amount of \$_____ and an outstanding balance as of the Effective Date of \$_____, (ii) cancellation of the Selling Stockholder’s obligation to the Corporation evidenced by a promissory note dated [DATE], with an original principal amount of \$_____ and an outstanding balance as of the Effective Date of \$_____, and (iii) delivery of a promissory note in the principal amount of _____ Dollars (\$_____) (the “**Note**”), such Note to be in the form attached hereto as Exhibit A. The parties agree that the delivery of the Purchase Price represents full consideration for the purchase of the Stock.

OR

1.2 Closing; Payment of Purchase Price. At the closing of the purchase of the Stock from the Selling Stockholder (the “**Closing**”), which shall be held at such place and on such date as the parties may agree, the Selling Stockholder agrees to sell and the Corporation agrees to redeem all the rights, title, interest, and property of the Selling Stockholder in the Stock for the Purchase Price provided in Section 1.1. The parties agree that the delivery of the Purchase Price represents full consideration for the purchase of the Stock. The Purchase Price will be payable as of the Effective Date. All payments will be made in the form of certified check, wire transfer, or bank draft of immediately available funds. In the case of a direct wire transfer the Selling

Stockholder will give notice to the Corporation of the bank account particulars at least five (5) business days prior to the Effective Date.

2. Delivery of Stock. At the Effective Date, the Selling Stockholder shall surrender to the Corporation all stock certificates evidencing the Stock, together with duly executed stock transfer powers.

3. Dividends. Any dividends earned by the Stock and payable before the Effective Date of this Agreement shall belong to the Selling Stockholder. After the Effective Date, the Selling Stockholder shall have no right to any dividends earned by the Stock and payable after the closing date.

4. Voting Rights. Any voting rights attached to the Stock before the Effective Date of this Agreement shall belong to the Selling Stockholder. After the Effective Date, the Selling Stockholder shall have no voting rights attached to the Stock.

5. Representations and Warranties.

5.1 Representations and Warranties by the Stockholder. The Selling Stockholder warrants and represents to the Corporation that the Selling Stockholder is the absolute beneficial owner of the Stock, with good and marketable title thereto, free and clear of any liens, charges, encumbrances, security interests or rights of others, and that the Selling Stockholder is exclusively entitled to possess and dispose of the same.

5.2 Representations and Warranties by the Corporation. The Corporation warrants and represents to the Selling Stockholder that the Corporation is not bound by any agreement or restricted by any provisions contained in its incorporation documents or bylaws that would prevent or prohibit the transactions contemplated in this Agreement. This Agreement is not in violation of any applicable federal or state law, rule, regulation or judgment including applicable securities acts and regulations. This Agreement does not require the approval of the Corporation's stockholders or, where such stockholders' approval is required, such approval will be obtained prior to the Closing Date.

All warranties and representations of the Selling Stockholder and the Corporation connected with this Agreement shall survive the Closing.

6. Expenses. The parties agree to pay their own costs and expenses in connection with this Agreement.

7. Incorporation of Exhibits. All exhibits annexed hereto are hereby fully incorporated into this Agreement and shall have the same force and effect as if set forth in full herein.

8. Waiver. No waiver by any party of any right on any occasion shall be construed as a bar to or waiver of any right or remedy on any future occasion.

9. Severability. If any provision of this Agreement shall be held or deemed to be invalid, inoperative or unenforceable, the remaining provisions herein contained shall nonetheless

continue to be valid, operative and enforceable as though the invalid, inoperative or unenforceable provision had not been included in this Agreement.

10. Captions. All paragraph titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the content of this Agreement.

11. Agreement Binding. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

12. Construction. This Agreement is intended to take effect as a sealed instrument and all rights, duties and remedies of the parties shall be governed as to interpretation, validity, effect and enforcement by the laws of the [STATE].

13. Gender. Where a noun or pronoun is used in this Agreement, said noun or pronoun shall be regarded as referring to the appropriate person or persons, even though it be incorrect as to gender or as to being in the singular or plural.

14. Amendment. This Agreement may be altered, amended, or modified only by a writing signed by all of the parties hereto.

15. Further Assurances. The parties hereto and their respective successors and assigns, officers and directors, shall do all such things, execute all such documents, and provide all such reasonable assurances as may be required to carry out the terms and purposes of this Agreement.

16. Counterparts. This Agreement may be executed in counterparts, all of which taken together shall be deemed one original.

[Signature page follows.]

EXECUTED as a sealed instrument effective as of the day and year first written above.

[CORPORATION NAME]

By: _____
Its:

[Selling Stockholder]

PROMISSORY NOTE

EXHIBIT A