

Section 85 Rollover – Shares for Shares/Promissory Note

Corporate Manager ET will also process a Rollover of Shares by a Principal from one Company to another Company. To complete this transaction, a Principal must exist in a Corporation (Not Sole Proprietor) and hold shares of that Company.

Switch to the **Section 85** section on the **Capital Tab**, select any Asset to be transferred and select **New transaction** on the dropdown menu to start the Rollover Wizard.

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Г	Transaction	Vendor	CRA	Purchaser Corpor	1					
F	-	A W C Ja /Ja /Ja			+	Vendor:	George	Sample Jone	s	
F		Agatha Sample Wilson								
L		Joseph Sample Ritchie	 			CRA Office:	Georae	Sample Jone	s	
μ		New Transaction			+		Bircheliff			
F		🐻 View Transaction			H	⊢Assets & Lia	Agatha S	Sample Wilso	n	
		Archibald Sample Jones			+		Heather	Sample Ritc	hie	

Enter the number of shares and Purchase Price of the Shares being rolled over to the Purchasing Corporation. If there are residual shares, enter the Residual Certificate Number.

endor: RA Office:	George S	ample Jon	es	▼ Se	arch		Tr <u>ansaction</u> Date	* 01/10/2019
Assets & L	abilities	being t	ransferred t	o Purchase	r.			
	ription		No. Transferred	Price Per Item	Original Value	Purchase Price	Note	Residual Cert #
	hares - Geor	1500	1500	\$0.00	\$0.00	\$10.00		C-17
	ares · Georg	10000	10000	\$0.01	\$100.00	\$100.00		CA-3
*								
Jriginal Value o			\$100.00				or Assets & Liabilities :	\$110.0
		a Highland			Search	Purchase Price f		Promissory Note:
Jriginal Value o		a Highland	s Inc.	<u>v</u>		I Promiss		Promissory Note:
Jriginal Value o	Caledonia Add Venc	a Highland Ior as Dire	s Inc.	- Number of a	Search	I⊽ Promiss I⊽ Transfe	ory Note	, ·

Select the tickboxes for transfer for Shares, and/or a Promissory Note. You can create a new Share Class in the Purchasing Corporation or select a class of shares to issue. Issue the number of shares and enter the Certificate Number. It is also possible to view any used certificate numbers for this class.

If a Promissory Note is part of the transaction, enter the amount.

The Vendor can also be added as a Director in the Purchasing Corporation.

The results of this transaction are:

- If there are residual shares, the Vendor will remain a shareholder in the originating company.
- If a Promissory Note was given as part of the transaction, it will show as an Asset in the Vendor Matter and a Liability in the Purchasing Corporation
- The Vendor will become a Shareholder in the Purchasing Company.
- If **Add Vendor as Director** was checked, the Vendor will become a Director of the Company elected as of the transaction date.

Emergent





Combination S.85/S.86 Share Exchange/Estate Freeze

There are a number of steps in this process, starting with both Corporate Records must be entered in Corporate Manager ET.

- Perform the S.85 as set out above;
- Issue Shares in the Originating Corporation to the Purchasing Corporation;
- Exchange the Shares held by the Originating Corporation using the Common Tasks/Exchange Wizard.