# SCH er>>

# 1. Interpretation

In this Schedule the following out opposite each respectively

"Buyer's Group"

"the Buyer's Accountants"

"EBIT"

"Earn-Out Period"

"Profits"

"the Seller('s)(s') Accountants"

"Subsidiary"

shall have the meanings set

a company (wherever company, any company of sidiary (its holding company) osidiaries of any such holding ch company in a group is a pup;

ext otherwise requires, the definition of Group to any me will apply to the company.

ame>> of <<Insert firm's

ess's Earnings Before Interest

d comprising the Business's m <<Insert range of years e.g. ive)>>;

ness's EBIT shown by the Business's relevant financial e Earn-Out Period, and ch case in accordance with s Schedule:

ame>> of <<Insert firm's

mpany wherever incorporated ny) means a "subsidiary" as 1159 of the Companies Act other company which is a defined) of a company which y of such holding company;

ext otherwise requires, the definition of Subsidiary to any me will apply to the company

# 2. Consideration

### 2.1 Purchase Price

The Purchase Price Deferred Considera

## 2.2 Initial Consideration

The Buyer shall pa (<<Amount in words the Seller(s)) ("the I

## 2.3 **Deferred Consider**

The Deferred Con average Profits di multiplier>>, less th cash.

## 2.4 Payment Date for I

The Deferred Con Accounts for the las determined (the "Pa

# 2.5 Events where De partially paid)

If <<Name(s)>> ce member of the Buye

- 2.5.1 by reason of his serventhe Buyer except or agreemen Considera
- 2.5.2 save as p entitled to calculated proportion employed receive ar otherwise

## 2.6. Cap on Considerat

The maximum agg Deferred Considera paid that amount Deferred Considera Agreement or volu payable by the Buy Deferred Considera Initial Consideration and the

m of £<<Amount in figures>> r('s)(s') Solicitors (on behalf of

se an amount equal to the riod, multiplied by <<Insert uch amount to be satisfied in

be paid within 7 days of the rn-Out Period being agreed or

# will not be paid (or only

by the Business or by any e end of the Earn-Out Period:

udiatory breach or termination usiness (or by any member of Name(s)>> is/are employed) dismissal under such service be entitled to the full Deferred ragraph 2.3 above; and

.1 above the Seller(s) shall be if the Deferred Consideration above, which is equal to the hich <<Name(s)>> was/were it/they shall not be entitled to deration to which it/they might

Initial Consideration and the think the Land the It.

Initial Consideration and the It to the provisions of this erred Consideration shall be this Agreement relating to the riod shall cease to apply.

## 2.7 Interest on Deferre

If the Deferred Cons 105 days after t Consideration shall, interest from such annum equal to << time of the Bank.

## 2.8 Method of Paymen

Unless otherwise s Buyer to the Seller( of a [banker's dra (whose receipt the Itelegraphic transfer

Bank: << >>

Branch: << >>

Sort Code: << >>

Account Name: <<

Account Number: <

eatisfied before the date falling e amount of the Deferred lined, be increased to include actual payment at a rate per ve the base rate from time to

required to be made by the raph 2 shall be made by way ler(s)] [Seller('s)(s') Solicitors discharge to the Buyer)]] OR

#### 2.8 Set Off

Subject to Clause 1 off against the Defe of any claim under Covenant that is ad is obtained by the Consideration shall

3. Profits

3.1 For the purpose of Buyer's Accountants party and the Se practicable following Period (respectively

3.2 The Seller(s) shall such draft Accounts to review and agre draft Accounts as at

3.3 The Buyer shall giv give, and each mem Seller('s)(s') Accou appointed pursuant

Buyer shall be entitled to setole to the Seller(s) the amount of the Warranties) or the Tax r in respect of which judgment er(s), such that the Deferred be reduced accordingly.

s, the Buyer shall cause the the Buyer and deliver to each draft Accounts as soon as cial year during the Earn-Out

days after receipt of each of "Agreement Period") in which t of the EBIT shown by such

the Buyers' Accountants shall shall give to the Seller(s), the pendent professional valuer Schedule reasonable and full



access during non relation to tangible of

3.3.1 the Buyer

3.3.2 the Busine purpose of the extended than a me or are legal

3.4 The amount of EBI absence of the serv Agreement Period the amount so dete agreement between Profits respectively.

3.5 In the event that the Period have not be Period then the part dispute. If the part Days of the date determination of s professional valuer determined by the F Accountants in Er independent profes representations to determination of the appointed pursuant arbitrator and his ce and binding on the valuer appointed pu the parties as he determination, equa the Buyer notify the is in dispute, he s between the parties

## 4. Earn Out Protection

- 4.1 The Business sh commercially and in with the interests of
- 4.2 No business shall, Business to any me Seller(s) (such cons
- 4.3 Goods and services course of its busine Group without the unreasonably withher

asonable notice, to (and, in ormation, copies of):

papers; and

and relevant personnel for the ccounts as aforesaid save to fidential to any person (other up or the Buyer's Accountants)

Ints shall in each case in the ute Notice") within the relevant eller(s) on the Buyer disputing onstitute the final and binding buyer as to the amount of the

ial year during the Earn-Out ry of the relevant Agreement ble endeavours to resolve the e dispute within 10 Business elevant Dispute Notice, the referred to an independent parties or, failing agreement, ng of the Institute of Chartered Having appointed any such shall have the right to make ofessional valuer as to the dependent professional valuer hall act as expert and not as ence of manifest error) be final any independent professional h 3.5 shall be borne between the absence of any such Unless either the Seller(s) or any relevant opening balance opening balance is agreed

Out Period be conducted maximising Profits consistent

eriod be transferred from the oup without the consent of the bly withheld or delayed).

ess are to be used only in the other member of the Buyer's (s) (such consent not to be