

DATE

<<Date>>

(1) <<Name of the Company>>

AND OTHERS

(2) <<Name of the Company>>

LIMITED/PLC

SHARE SALE AND PURCHASE AGREEMENT

AGREEMENT

<<Name of the Company>>

LIMITED/PLC

**THIS AGREEMENT** is made on <<Date>> between:

- (1) THE INDIVIDUALS whose names are set out in column 1 of Schedule 1 of this Agreement (and collectively “the Sellers”); and
- (2) <<Name of Buyer>> a company registered in England under number <<Insert company number>> whose registered office is at <<Insert registered office address>>

**IT IS AGREED AS FOLLOWS:**

**1. INTERPRETATION**

In this Agreement:

- 1.1 The following words and phrases have the meanings set out below:

“the Accounts” means the accounts of the Company and of each subsidiary comprising (in each case) an income statement as at the Accounts Date and an audited profit and loss account for the period ended on the Accounts Date;

“the Group Accounts” means the consolidated accounts of the Group comprising (in each case) an audited consolidated balance sheet as at the Accounts Date and an audited consolidated profit and loss account for the period ended on the Accounts Date;]

“the Reports” means (in each case) with the reports of the directors of the Company, the cash flow statements and all notes to the Accounts;

“the Accounts Date” means <<Accounts Date>>;

“the Act” means the Companies Act 2006;

“Business Day” means any day (other than a Saturday) on which clearing banks are open for banking business in London;

“the Buyer’s Solicitors” means <<Buyer’s Solicitors>> or any successor firm;

“the Company” means <<Company name>> Limited/PLC (of which the Seller is the sole member given in part 1 of Schedule 1);

“Completion” means the sale and purchase of the Shares in accordance with the terms of this Agreement;

“Completion Date” means the date of Completion;

“Confidential  
Information”

“the Disclosure Letter”

“the Disclosed  
Schemes”

“Encumbrance”

“GPP”

“the Group”

“Intellectual Property”

“Intellectual Property  
Rights”

“Intellectual Property  
Agreements”

“Life Assurance  
Scheme”

[“the Management

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Confidential commercial, financial and  
, know-how, trade secrets, inventions,  
and other information whatsoever and  
medium and whether disclosed orally  
with all reproductions in whatsoever  
any part or parts of it;

Sellers’ Solicitors to the Buyer with the  
agreement;

Assurance Scheme, the Pension  
Personal Pension Scheme(s) and the  
;

y of any person (including any right to  
right of pre-emption) or any mortgage,  
assignment, hypothecation, security,  
on or any other security agreement or  
er monetary or not;

personal pension plan underwritten by  
Provider>>;

ny and the Subsidiaries;

marks, service marks, registered  
s and rights to apply for any of those  
ess and company names, internet  
e-mail addresses, unregistered trade  
marks, copyrights, database rights,  
designs and inventions;

ences, consents, orders, statutes or  
to a right in paragraph (a);

ne or similar effect or nature as or to  
(a) and (b) which now or in the future

for past infringements of any of the

erty owned, used or required to be  
y;

or arrangements relating (wholly or  
l Property or to the disclosure, use,  
enting of any invention, discovery,  
ss, formulae or other know-how;

rt Name of Group Life Assurance  
ten by <<Insert Name of Provider>>;

counts of the Company, of each of the  
the Group, in each case for the period

Accounts”	S	ate to <<Date>> copies of which are losure Letter;]
“Notice”	A	ce, demand, consent or other
“Pension Scheme(s)”	M	me of scheme(s) (to be used for n schemes)>>;
“Personal Pension Scheme(s)”	P	scription of each scheme (to be used n schemes excluding group personal
“Proportions”	L	ase price due for the Shares to which d respectively, details of which are set chedule 1;
“Release”	E	er or compromise or any other / kind having similar or analogous
“Relevant Business”		s which consists of or includes to a ecify nature of business>>;
“Restricted Area”		ographical area>>;
“the Sellers’ Solicitors”		yer's Solicitors>> or a successor firm;
“the Shares”		capital of the Company;
“Stakeholder Scheme”		er pension scheme designated by the derwritten by <<Insert Name of
“the Subsidiaries”		d in part 2 of Schedule 2 (each a
["the Tax Covenant”		the part of the Sellers set out in
["Tax”		le 3;]
["the Tax Warranties”		t in Schedule 3;]
“the Warranties”		out in Schedule 4 [and the Tax word “Warranty” followed by a number be a reference to the paragraph of number;
1.2 Unless the context oth		es, words and expressions which

- are otherwise defined in this Agreement, but “company” and “body corporate”, as in each
- 1.3 A reference to a particular provision or subordinate legislation is a reference to it as it is in force at the time of this Agreement, taking account of any amendment or re-enactment of that provision or subordinate legislation. It is provided that it would not impose any new or extended obligation on, or otherwise adversely affect the rights of, any party.
- 1.4 The schedules form part of this Agreement.
- 1.5 A reference to any gender includes the other and neuter gender and a reference to a “person” includes any corporate or unincorporated body (whether or not having legal personality).
- 1.6 The singular includes the plural.
- 1.7 A document referred to in this Agreement as “the Terms” shall be in the form of that document signed or initialed by or on behalf of the parties.
- 1.8 A person shall be deemed to be connected with such other person as is mentioned in section 839 of Income & Corporation Taxes Act 1988.
- 1.9 References to “indemnifying” any person against any circumstance include indemnifying him indemnified from and against all liabilities, losses, costs, expenses and interest in respect of that circumstance.
- 1.10 The headings are included for convenience only and shall not affect the construction or interpretation of this Agreement.
- 1.11 The Buyer enters into this Agreement as may be necessary for the enforcement of any provision of the Company or any of the Subsidiaries, as trustee for the Company or company concerned.
- 1.12 All warranties, undertakings, obligations given or entered into by the parties to this Agreement are, unless otherwise stated, given or entered into jointly and severally.
- 2. AGREEMENT FOR SALE**
- 2.1 On the terms of this Agreement the Sellers shall sell and the Buyer shall buy, with effect from Completion, all the Shares with full title guarantee, free from any Encumbrance and together with all rights attaching to them including, in particular, the right to receive all dividends and distributions declared, made or paid in respect of the Shares under this Agreement.
- 2.2 The Buyer shall not be entitled to purchase any of the Shares unless the purchase of the Shares is completed simultaneously.

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2.3 Each of the Sellers has no exemption rights they may have in relation to any of the Shares.

### 3. CONSIDERATION

The purchase price payable for the Shares shall be as set out in Schedule 7.

### 4. COMPLETION

4.1 Completion shall take place on the Completion Date at <<Specify location>> or at such other location agreed between the parties.

4.2 On Completion the Sellers shall be bound by the provisions set out at Schedule 6.

4.3 On Completion, and on or before the Completion Date, the Sellers have complied with their obligations under clause 3.

4.3.1 The Sellers shall make the payment required by clause 3 on Completion in accordance with clause 3.

4.3.2 The Sellers shall acknowledge the receipt of the purchase price by Letter.

4.4 If any of the preceding clauses of clause 4 are not complied with on the Completion Date, then (without prejudice to any other rights and all rights of action it may have) the party not in default may (pursuant to the terms of the Agreement) rescind this Agreement or do any other.

### 5. WARRANTIES [AND TAX COVENANT]

5.1 The Sellers jointly and severally warrant to the Buyer that each of the Warranties is true and accurate and not misleading at the date of this Agreement.

5.2 [The Sellers jointly and severally warrant to the Buyer in the terms of the Tax Covenant.]

5.3 Any Warranty qualified by "to the best of the Sellers' knowledge and belief" or "so far as the Sellers are aware" or any similar expression shall be deemed to include knowledge and belief which the Sellers have or which the Sellers would have had if they had made all reasonable enquiries and includes the knowledge and belief of any person of whom it would be reasonable to make such enquiry if it is stated that such enquiry has been made.

5.4 The rights and remedies available to the Buyer in respect of the Warranties [and the Tax Covenant] shall not be limited or restricted by any act or omission of the Seller.

5.5 Each Warranty is a separate and distinct obligation and shall not be limited or restricted by reference to or inference from any other Warranty.

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5.6 Each of the Warranties shall apply equally to each of the Subsidiaries and shall be substituted for “the Company” if any of each Subsidiary were in turn substituted for “the Company” in Article 3 and Schedule 4.

5.7 The Sellers shall indemnify and hold the Buyer harmless from any costs (including without limitation legal costs or expenses) and expenses which it may incur, either before or after the commencement of any legal proceedings, in connection with any legal proceedings for enforcement of the Warranties [or pursuant to the Tax Covenant] in which judgment is rendered against the Buyer and the enforcement of any such judgment.

5.8 Any payment by the Seller under the Warranties [or under the Tax Covenant] shall constitute full payment of and reduction in the consideration for the Shares.

5.9 The Buyer shall as soon as practicable notify the Sellers in writing of any claim made against the Seller which may give rise to a claim for breach of Warranty [(other than relating to Tax)] but any failure to give such notice shall not affect the Buyer's right to recover.

5.10 The Sellers shall notify **M** it becomes aware of any fact or circumstance which may constitute a breach of the Warranties.

## 6. LIMITATIONS ON CLAIMS

6.1 No claim in respect of any breach of the Warranties (other than the Warranty in paragraph 6.2 [which shall survive the termination or expiry of the Agreement pursuant to the Tax Covenant]) shall be made (except in any event of fraud, dishonesty or wilful non-disclosure) unless notice thereof has been given to the Buyer:

6.1.1 in respect of the Warranties [other than the Tax Warranties], the period of <<Number, usually 3 years>> year or

6.1.2 pursuant to the [REDACTED] respect of any breach of any of the Tax Warranties [REDACTED] the period of six months following the end of the [REDACTED] period of the Company in which the seventh anniversary [REDACTED] is.]

6.2 Except in any case of fr [REDACTED] non-disclosure:

6.2.1 the Sellers' liability to the Buyer under any of the Warranties (including the Tax Warranties) in respect of any breaches of the Warranties in the Tax Covenant, shall not exceed the consideration received by the Sellers

6.2.2 the Sellers shall be liable in respect of any claim by the Buyer under the Warranty in:

6.2.2.1 equal to the amount in figures>> (<<'X' amount in word

- 6.2.2.2 would be the sum of all other such claims against the Seller in figures>> (<<'X' amount in word equal or exceed, £<<'Y' amount in figure words>> pounds) in which case the whole amount by which the limit in this clause is recoverable by the Buyer;
- 6.3 and for the purposes of this Agreement, all such claims arising out of the same subject-matter shall be treated as one claim rather than as individual claims.
- 6.4 The Sellers shall not indemnify the Buyer against them by the Buyer under the terms of this Agreement against the Company or any of the Subsidiaries or any director or officer of the Company or of any of the Subsidiaries on which the Buyer has relied before agreeing to any term of this Agreement or any term of the Disclosure Letter.
- 6.5 [The Sellers shall not be liable for breach of the Warranties if and to the extent that the losses have been recovered under the Tax Covenant (and vice versa)]
- 6.6 [The Sellers shall not pay more than £980 in respect of any claims made under the Tax Warranties within seven years after the Completion Date.]
- 7. CONFIDENTIAL INFORMATION**
- 7.1 Each of the Sellers shall keep secret and confidential all Confidential Information of the Company or its business or is used in its business and shall not disclose it to any person any such Confidential Information.
- 7.2 The obligations of confidentiality shall not extend to any matter which is in or becomes public knowledge in otherwise than by reason of a breach of the obligation of confidentiality under this Agreement or which any of the Sellers receive from a third party entitled to disclose it or which any of the Sellers are required to disclose by law or authority to disclose.
- 8. NON-COMPETITION**
- 8.1 Each of the Sellers covenants that he/she will not directly or indirectly and whether by himself/herself, with, or on behalf of or by way of any other person, do or cause to be done any of the following:
- 8.1.1 at any time during the period of <<insert number of months>> months beginning with the date of Completion, or who has been an employee, agent or customer of the Company or its Subsidiaries during the period of 12 months immediately preceding the date of Completion;
- 8.1.2 at any time during the period of <<insert number of months>> months beginning with the date of Completion, or who has been at any time an employee, agent or otherwise seek the custom of any of the Company or its Subsidiaries since Completion, or who has been at any



- time during the period immediately preceding that date, a client or customer of any of the Subsidiaries; or
- 8.1.3 at any time during the period beginning with the date of completion of the sale of any of the Shares to any of the Subsidiaries or any of the Subsidiaries or any of the Subsidiaries during the 12 months immediately preceding Completion or enticement causes or would cause such sale, or materially reduce its supply of, those goods or services to the Company or any of the Subsidiaries;
- 8.1.4 at any time during the period beginning with the date of completion of the sale of any of the Shares to any of the Subsidiaries or any of the Subsidiaries or any of the Subsidiaries during the period of employment of any person who at, or at any time during the period of, Completion was an employee of the Company or any of the Subsidiaries and likely (in the reasonable opinion of the Buyer) to be in possession of Confidential Information relating to, or to have access to, the customer relationships or connections of the Company or any of the Subsidiaries; or
- 8.1.5 at any time during the period beginning with the date of completion of the sale of less than 5% in nominal value of the shares of a company whose shares are listed on a recognised investment exchange (within the meaning of the Financial Services and Markets Act 2000) be within the Restricted Area in any part of the Relevant Business;
- 8.2 The Sellers undertake not to use, in connection with any trade mark, domain name, design or other intellectual property of the Subsidiaries which is likely to cause confusion with such words or logo or e-mail address.
- 8.3 Each of the undertakings in paragraphs 8.1 to 8.1.5 shall be:
- 8.3.1 considered by the Buyer to be enforceable;
- 8.3.2 a separate undertaking of the Sellers and is enforceable by the Buyer (on behalf of the Buyer or more of the Company and the Subsidiaries) independently of its right to enforce any of the other provisions of the Agreement 8.1 and 8.2; and
- 8.3.3 given for the benefit of the Buyer the full benefit of the business and the Subsidiaries and in consideration of the Buyer to acquire the Shares on the terms of the Agreement.
- 8.4 Accordingly, if any restriction in any part of it were deemed to be invalid or unenforceable, the restriction shall apply valid and enforceable.

8.5 Nothing in the undertakings in clause 8.1 and 8.2 shall be deemed to prohibit any action in relation to or part of any business in which (otherwise than as a result of any of those undertakings by the Sellers) the Company, or any of the Buyer and every other subsidiary of the Buyer have ceased or may in the future cease to engage in, to any event giving rise to a claim, or which would but for the provisions of clause 8.1 and 8.2 give rise to a claim, under this clause 8.

## 9. [GUARANTEES]

9.1 The Buyer undertakes to use reasonable endeavours (short of a guarantee of any person or any company within the Group) to procure the release of the Company from liability under any and all outstanding claims by the Sellers at the date of this Agreement and listed in the Schedule of Claims. The guarantees undertaken by the Company and its Subsidiaries and to indemnify each of them against such claims after Completion. The guarantees in question are:

9.2 <<Specify details of guarantees>>

## 10. INDEMNITIES

10.1 The Sellers shall indemnify the Company [and each of the Subsidiaries] against a sum equal to all liabilities suffered or incurred by the Company or any Subsidiary of or in connection with:-

10.2 10.1 any breach, whether or not in breach of a term contained or implied in the Agreement, of any covenant or any other obligation assigned by the Company or by any Subsidiary to any third party;

10.3 any defect or alleged defect in any goods produced or sold by the Company or by any Subsidiary;

10.4 any industrial or other accident or injury suffered by any employee or former employee of the Company or any Subsidiary in respect of or in relation to any period ending on or after the date of Completion[; or]

10.5 [<<Specify other issues to be indemnified>>]

10.6 save, (in the circumstances in which recovery is made by the Company or any Subsidiary concerned] under any policy of insurance.

## 11. PUBLICITY

11.1 The parties shall forthwith make or procure to be made [a press announcement and] and to the employees of the Company and to the customers and suppliers of the Company the Agreed Terms.

11.2 Each of the parties shall comply with the provisions of clause 11.1 from Completion, but subject to clause 11.1.

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11.1, keep the contents of this Agreement private and confidential and shall not without the prior written consent of the other party disclose any or all of them to any person or make any statement relating to the transactions hereby agreed upon except to the extent required by law and except that the Buyer and the Sellers shall be entitled to disclose to the transactions hereby agreed upon in their respective financial statements.

11.1, keep the contents of this Agreement private and confidential and shall not without the prior written consent of the other party disclose any or all of them to any person or make any statement relating to the transactions hereby agreed upon except to the extent required by law and except that the Buyer and the Sellers shall be entitled to disclose to the transactions hereby agreed upon in their respective financial statements.

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**12. PENSION SCHEME**

Schedule 5 shall apply

Scheme.

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**13. THIRD PARTY RIGHTS**

13.1 For the avoidance of doubt, nothing in this Agreement shall prevent the number of clause giving effect to the provisions of this Agreement to the Subsidiaries>>], nothing in this Agreement shall confer on any third party the right to enforce any provision of this Agreement.

13.1 For the avoidance of doubt, nothing in this Agreement shall prevent the number of clause giving effect to the provisions of this Agreement to the Subsidiaries>>], nothing in this Agreement shall confer on any third party the right to enforce any provision of this Agreement.

13.2 Notwithstanding that any third party may claim to be a party to this Agreement, this Agreement may be amended, waived, modified, terminated or rescinded or terminated without the consent or approval of any third party.

13.2 Notwithstanding that any third party may claim to be a party to this Agreement, this Agreement may be amended, waived, modified, terminated or rescinded or terminated without the consent or approval of any third party.

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**14. ASSIGNMENT**

14.1 Except as provided otherwise in this Agreement, no party may assign, or grant any Encumbrance or security interest in any of its rights under this Agreement or any document referred to in this Agreement.

14.1 Except as provided otherwise in this Agreement, no party may assign, or grant any Encumbrance or security interest in any of its rights under this Agreement or any document referred to in this Agreement.

14.2 Each party that has rights under this Agreement is acting on its own behalf.

14.2 Each party that has rights under this Agreement is acting on its own behalf.

14.3 The Buyer may assign its rights under this Agreement (or any document referred to in this Agreement) to any wholly owned subsidiary or a holding company of which it is a wholly owned subsidiary or a wholly owned subsidiary of the same holding company of which the Buyer is a wholly owned subsidiary providing that any assignee is bound to the terms mutatis mutandis to this Agreement.

14.3 The Buyer may assign its rights under this Agreement (or any document referred to in this Agreement) to any wholly owned subsidiary or a holding company of which it is a wholly owned subsidiary or a wholly owned subsidiary of the same holding company of which the Buyer is a wholly owned subsidiary providing that any assignee is bound to the terms mutatis mutandis to this Agreement.

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14.4 If there is an assignment of rights under this Agreement to the assignor until the assignment is completed.

14.4 If there is an assignment of rights under this Agreement to the assignor until the assignment is completed.

14.4.1 the Sellers may assign its rights under this Agreement to the assignor until the assignment is completed.

14.4.1 the Sellers may assign its rights under this Agreement to the assignor until the assignment is completed.

14.4.2 the assignee shall be bound to the terms of this Agreement as if it were a party to it, but the Buyer shall not be bound by the obligations under this Agreement.

14.4.2 the assignee shall be bound to the terms of this Agreement as if it were a party to it, but the Buyer shall not be bound by the obligations under this Agreement.

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**15. WHOLE AGREEMENT**

This Agreement together with the Schedules and the Exhibits

This Agreement together with the Schedules and the Exhibits entered into or to be entered into

- pursuant to its provisions in relation to its subject matter and discussions between the parties and no fraud or fraudulent misrepresentation.
- agreement between the parties in relation to prior agreements, understandings or other arrangements to the extent that they arise out of the same transaction.
- 16. VARIATION AND WAIVER**
- 16.1 Any variation of this Agreement must be in writing and signed by or on behalf of both parties.
- 16.2 Any waiver of any right or remedy provided under this Agreement is only effective if it is in writing and is addressed to the party to whom the waiver is addressed and to the circumstances for which the waiver is given. It shall not prevent the party who has given the waiver from subsequently exercising that right or remedy in relation to the provision it has waived.
- 16.3 A party that waives a right or remedy provided under this Agreement against that party shall not be precluded from exercising that right or remedy in relation to any other party.
- 16.4 No failure to exercise a right or remedy provided under this Agreement or by any law shall prevent any future exercise of that right or remedy hereof.
- 16.5 No single or partial exercise of a right or remedy provided under this Agreement shall preclude or restrict the exercise of any other right or remedy.
- 16.6 Unless specifically provided otherwise, the rights and remedies arising under this Agreement are cumulative and do not exclude any other rights or remedies available by law.
- 17. PROVISIONS SURVIVING COMPLETION**
- Insofar as the provisions of this Agreement shall not have been performed at Completion, they shall remain in effect notwithstanding Completion.
- 18. FURTHER ASSURANCE**
- The Sellers shall (at the request of the Buyer) promptly execute and deliver all such documents, and do all such acts, as the Buyer may from time to time reasonably require for the full effect to the provisions of this Agreement.
- 19. COUNTERPARTS**
- This Agreement may be executed in multiple counterparts, each of which is an original and which together constitute the same document.
- 20. COSTS**

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Each party shall, except as otherwise provided, pay its own costs of and incidental to this Agreement, including the costs of any legal proceedings, except that, if the Buyer shall lawfully exercise any right to rescind this Agreement, the Sellers shall indemnify the Buyer for the expenses and costs incurred by it in connection with this Agreement.

ated, pay its own costs of and incidental to this Agreement, except that, if the Buyer shall lawfully exercise any right to rescind this Agreement, the Sellers shall indemnify the Buyer for the expenses and costs incurred by it in connection with this Agreement.

## 21. SEVERANCE

The provisions of this Agreement shall be severable and, if at any time any provision is held to be invalid, illegal or unenforceable, the validity of the remaining provisions shall not in any way be affected or impaired.

separable and distinct from one another, and if any provision is held to be invalid, illegal or unenforceable, the validity of the others shall not in any way be affected or impaired.

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## 22. NOTICES

22.1 Any Notice relating to this Agreement shall be sent by pre-paid first class mail or by electronic means to the address of the party to be served given herein or by such other address as may be notified for this purpose (or, by way of service upon the Sellers' Solicitors).

in writing delivered personally or by electronic means to the address of the party to be served given herein or by such other address as may be notified for this purpose (or, by way of service upon the Sellers' Solicitors).

22.2 Any such Notice shall, if sent by electronic means, be deemed to have been served 24 hours after despatch and, if sent by any other means, be deemed to have been served at the time of transmission.

deemed to have been served 24 hours after despatch and, if sent by electronic means, be deemed to have been served at the time of transmission.

If, however, in the case of a Notice sent by hand or electronic means, such Notice is not a Business Day or after 4.00 p.m. on a Business Day, it shall be deemed to occur on the next following Business Day.

period of 24 hours after despatch and, if sent by hand or electronic means, such Notice is not a Business Day or after 4.00 p.m. on a Business Day, it shall be deemed to occur on the next following Business Day.

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22.3 In proving service it shall be sufficient to produce a fax transmission report showing that the transmission was made to the correct number or an email address.

, in the case of a letter, that such letter was properly stamped and placed in the post and, in the case of a fax transmission, that the transmission was sufficient to produce a fax transmission report showing that the transmission was duly and fully made to the correct number or an email address.

22.4 Any notice relating to this Agreement shall be given to each of the Sellers.

and as provided in this clause 23 on the day of the Seller's death shall be given to each of the Sellers.

22.5 Any such notice shall be given to the personal representatives of a deceased Seller notwithstanding that no grant of probate or letters of administration has been obtained, or to his or her estate, if the Notice is given in accordance with clause 22.1, to the deceased Seller by name or to his or her personal representatives by title at the relevant Seller's address given herein or by such other address as may have been notified by them in writing to the sender.

Notice shall be given to the personal representatives of a deceased Seller notwithstanding that no grant of probate or letters of administration has been obtained, or to his or her estate, if the Notice is given in accordance with clause 22.1, to the deceased Seller by name or to his or her personal representatives by title at the relevant Seller's address given herein or by such other address as may have been notified by them in writing to the sender.

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22.6 Each of the Sellers irrevocably and exclusively appoints the Sellers' Solicitors as his agent for the purposes of any legal proceedings arising out of or in connection with this Agreement.

Each of the Sellers irrevocably and exclusively appoints the Sellers' Solicitors as his agent for the purposes of any legal proceedings arising out of or in connection with this Agreement.

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**23. PROPER LAW AND JURISDICTION**

This Agreement and any dispute arising out of or in connection with its subject matter (including its formation, performance and obligations arising therefrom or associated with it) shall be governed by the laws of England and Wales and subject to the jurisdiction of the English courts.

**SIGNED** by or on behalf of the party \_\_\_\_\_ at \_\_\_\_\_ first before written

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Name and Address of Seller	S		Proportion
<<Name and Address>>	<		<<Amount of Consideration due>>
<<Name and Address>>	<		<<Amount of Consideration due>>
<<Name and Address>>	<		<<Amount of Consideration due>>

Name: << >>

Registered in England no: << >>

Date of incorporation: << >>

Share capital: £<<Total share capital of <<Nominal value of issued shares>> ordinary shares of <<Nominal value>> each [and <<Number of other classes of shares>> Share e.g. preference>> shares of <<Nominal value>> of share>> each]

Directors: << >> << >> << >>

Secretary: << >>

Auditors: << >>

Registered office: << >>

Name: << >>

Registered in England no: << >>

Date of incorporation: << >>

Share capital: £<<Total share capital of <<Nominal value of issued shares>> ordinary shares of <<Nominal value>> each [and <<Number of other classes of shares>> Share e.g. preference>> shares of <<Nominal value>> of share>> each]

Directors: << >> << >> << >>

Secretary: << >>

Auditors: << >>

Registered office: << >>

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<<Insert details of Tax Covenant

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1. **THE COMPANY AND**

1.1 Each of the Sellers has entered into and will observe and perform the provisions of this Agreement, which contains covenants, conditions and warranties on the Sellers in accordance with its terms.

1.2 Each of the Sellers is authorized to sell, transfer, assign, convey, dispose of or otherwise dispose of the number of Shares set opposite his/her name in Schedule 1 to the Agreement, and to execute and deliver all documents necessary to dispose of them to the Buyer or its transferee, together with all rights now or hereafter attaching to them.

1.3 No indebtedness is or has been incurred by the Company or any of its subsidiaries or associate of or connected with the Company in connection with the performance of the obligations of the Company or any person who is an associate of or connected with the Company.

2. **THE COMPANY'S SCHEDULE 2 INFORMATION AND ADMINISTRATIVE AFFAIRS**

2.1 The particulars of the information contained in Schedule 2 are true, complete and accurate and its issued and to be issued.

2.2 The Company is the owner of all the property and assets of the Company free from any Encumbrance of the whole or part of the property.

2.3 No person has the right (whether or not contingent) to call for or transfer of any share or loan capital of the Company or any of its subsidiaries or associate of or connected with the Company (including without limitation conversion rights).

3. **STATUTORY AND OTHER RECORDS**

3.1 All registers, accounts, books, documents, financial and other records of the Company are in the possession of the Company and contain true and accurate records of all matters and no notice or allegation that any of the records are false or incorrect has been received by the Company or the Sellers.

3.2 The Company's accounts are maintained in accordance with the requirements of the Act.

3.3 All returns and other documents required to be filed with the Registrar of Companies, or with any other authority, in connection with the Company have been duly filed and were correct and true.

and perform the provisions of this Agreement on the Sellers in accordance with its terms.

the number of Shares set opposite his/her name in Schedule 1 to the Agreement, and to execute and deliver all documents necessary to dispose of them to the Buyer or its transferee, together with all rights now or hereafter attaching to them.

re no contracts, arrangements or obligations of the Company or any person who is an associate of or connected with the Company.

**RS AND CONSTITUTIONAL AND**

Schedule 2 are true, complete and accurate and its issued and to be issued.

ctly or indirectly) free from any Encumbrance of the whole or part of the property.

ow or in the future and whether or not contingent) to call for or transfer of any share or loan capital of the Company or any of its subsidiaries or associate of or connected with the Company (including without limitation conversion rights).

**ORDS**

ancial and other records of the Company are in the possession of the Company and contain true and accurate records of all matters and no notice or allegation that any of the records are false or incorrect has been received by the Company or the Sellers.

n the requirements of the Act.

o be filed with the Registrar of Companies, or with any other authority, in connection with the Company have been duly filed and were correct and true.

#### 4. **INSURANCES**

- 4.1 The Company maintains, and at all times has maintained, adequate insurance cover against all risks of professional negligence, product liability, accident, damage to property (including product liability), loss of profit and other risks. All Assets have been covered for their full re-instatement.
- 4.2 The Disclosure Letter sets out the policies of insurance maintained by or on behalf of the Company and all such policies are in full force and effect.
- 4.3 There are no material circumstances likely to affect, or in respect of the validity of, any of those policies. As far as the Sellers are aware, there are no circumstances likely to affect, or in respect of the validity of, any of those policies.
- 4.4 All the insurance policies in force, and all such policies, are not void or voidable, and nothing has been done which could make any of them void or voidable and Completion shall entitle any insurer to terminate, any such policy.

#### 5. **COMPLIANCE WITH LAWS**

- 5.1 The Company has complied with all applicable laws and regulations in carrying out its business in accordance with all applicable laws and regulations in the relevant jurisdiction and neither the Company nor any of its employees have committed, or omitted to do, any act or thing which would expose the Company to any fine, penalty, default, proceedings or other liability.
- 5.2 The Company has not given any undertaking or assurance given to any court or governmental authority.

#### 6. **LICENCES**

- 6.1 The Company has obtained all necessary licences, permits and authorities of a statutory or regulatory nature and is duly licensed and permitted to enable it to carry on its business effectively in the manner in which it is now carried on.
- 6.2 All such licences, permits and authorities are valid and subsisting, and none of the Sellers know of any of them should be suspended, cancelled or revoked or any of them should be suspended, cancelled or revoked on any of the terms.

#### 7. **LITIGATION**

- 7.1 The Company is not engaged in any litigation or other proceedings with any customer or supplier or in any litigation or other proceedings.
- 7.2 So far as the Sellers are aware, no litigation or other proceedings are pending or threatened by or against the Company.

7.2.2 there are no proceedings.

give rise to any litigation or other

## 8. **INSOLVENCY**

8.1 The Company is not insolvent within the meaning of the Insolvency Act 1986 or otherwise concerned; and has not

its debts within the meaning of the legislation applicable to the company as they fall due.

8.2 No step has been taken by or under which:

8.2.1 the ability of the Company to pay its debts is or may be prevented; or

pany to take any action to enforce its debts is or may be prevented; or

8.2.2 some or all of the Company's debts are or may be due or owing to the creditors of the Company in pursuance of an arrangement or agreement with a view to preventing the dissolution of the Company;

company accept, by Agreement or in writing, to pay any sum less than the respective sums due to the creditors of the Company in full with a view to preventing the

8.2.3 a person is acting as a liquidator, receiver, manager or administrator of the Company or

affairs, business and assets of the Company for the benefit of its creditors; or

8.2.4 the holder of a floating charge over the Company's assets is appointed to exercise control of the business of the Company.

company's assets is appointed to exercise control of the business of the Company.

8.3 In relation to the Company:

8.3.1 no administrative receiver has been appointed;

8.3.2 no document has been filed with the court for the appointment of an administrator;

the court for the appointment of an

8.3.3 no notice of intention to appoint an administrator has been given by the Company or a qualifying floating charge holder (as defined in section 744 of the Insolvency Act 1986).

Administrator has been given by the Company or a qualifying floating charge holder (as defined in section 744 of the Insolvency Act 1986).

8.4 No process has been issued against the Company or its assets being dissolved or its assets being distributed to its contributors.

to the Company being dissolved or its assets being distributed to its contributors, shareholders or

8.5 No distress, execution or other legal process has been levied on an asset of the Company.

been levied on an asset of the Company.

## 9. **POLLUTION OF THE ENVIRONMENT**

9.1 [No hazardous substances have been stored, handled or otherwise disposed of by the Company.] [The Company has taken all necessary steps to ensure that it complies with all relevant laws and authorities necessary for the storage, handling or otherwise disposal of any hazardous substances.]

stored or otherwise handled by the Company. The Company holds all licences, consents, permits, approvals or other authorisations necessary for the storage or otherwise handle or dispose of any hazardous substances stored or otherwise handled or disposed of by the Company.

9.2 There has been no pollution of the environment by the Company or any third party for which the Company has no responsibility or

nt by the Company, the Company has no responsibility or liability for any pollution of the environment by any third

party and there has been no contribution by the Company which could give rise to any pollution of the environment;

For the purpose of this section the expressions “pollution of the environment” and “pollution” shall have the meanings as in section 1 of the Environmental Protection Act 1986.

## 10. THE ACCOUNTS

### 10.1 The Accounts:

10.1.1 have been prepared in accordance with the requirements of the Act and all other applicable regulations and in accordance with generally accepted accounting practices;

10.1.2 have been prepared on the principles and using methods which are consistent with the preparation of the audited accounts of the Company and the audited consolidated accounts for the Group in the accounting period falling wholly or partly within the accounting period ended on the Accounts Date; and

10.1.3 show a true and fair view of the state of affairs of the Company [and of the Group] at the end of the accounting period and of the profit or loss of the Company [and of the Group] for the accounting period ended on that date.

### 10.2 The Accounts:

10.2.1 make proper provision for or reserve for all bad and doubtful debts, for doubtful assets and for liabilities (including contingent liabilities and deferred Tax);

10.2.2 do not overstate assets or fixed assets; and

10.2.3 do not understate liabilities (whether actual or contingent).

10.3 The Accounts are not affected by non-recurring items or any other factor that would make the results shown by the Accounts unusual or misleading.

### 10.4 [Since the Accounts Date]

10.4.1 the Company has not changed its business in the ordinary and usual course and has not made any material alteration in the nature, scope or manner thereof;

10.4.2 the Company has not disposed of any asset, assumed any liability, made any transaction which has been entered into any other transaction which was not in the ordinary course of business and for full value; and

10.4.3 there has been no material change in the financial position or prospects of the Company.

10.5 [The Management Accounts] have been prepared using the same accounting principles, policies and methods as the Accounts (consistently applied) and



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13.2.1 None of the Sellers are or have been or will be the author, creator, inventor, proprietor, holder, licensee, assignee, transferee, or assignor of the Company (so far as the Sellers are concerned) of any Intellectual Property of any other person.

13.2.2 None of the Sellers or their employees, agents, representatives, or subcontractors are being used by, or are being or have been or will be proposed or attacked by any other person.

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14. **PLANT**

Each item of the plant and equipment used in connection with the business of the Company is in good repair and condition (subject to normal wear and tear) and in satisfactory working order.

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15. **COMPUTER SYSTEMS**

15.1 The Hardware has been purchased, owned, financed and supported and has the benefit of an appropriate maintenance and support agreement which is not capable of being terminated by the Company without giving not less than 12 months' notice.

15.2 Where any of the records are stored electronically, the Company is the owner of all hardware and software necessary to enable it to keep, copy, maintain and use such records in the ordinary course of its business and does not share any hardware or software with any person.

15.3 In this paragraph 15:-

15.3.1 "Hardware" means all equipment used by or for the benefit of the Company, including all Software;

15.3.2 "Software" means all instructions for execution by microprocessors, whether in any form or medium, for the benefit of the Company at any time, irrespective of whether such instructions are stored in any medium.

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16. **THE CONTRACTS OF THE COMPANY**

16.1 The Company is not a party to any agreement, transaction, obligation, commitment, contract, arrangement or liability which:

16.1.1 involves or is likely to involve the expenditure of or the loss of revenue of a substantial nature; or

16.1.2 is in any way outside the ordinary and proper course of the Company's length terms.

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16.2 There is not outstanding at any time during the last three years, and there has not been, any agreement between the Company and any person which is not entered into in the ordinary course of business.

16.3 The Sellers are not aware of any agreement, transaction, obligation, commitment, contract, arrangement or liability which is likely materially to reduce the

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volume of their purchases in comparison with the volume of purchases during the period of < Agreement.

o, the Company in the future by from, or supplies to, the Company months prior to the date of this

17. **EMPLOYMENT**

17.1 There is no employment and any of its directors annexed to the Company

engagement between the Company r than those copies of which are

17.2 There is no employment which cannot be terminated without giving rise to a redundancy payment of

Company and any of its employees by three months' notice or less compensation (other than a statutory for unfair dismissal).

17.3 The Disclosure Letter of period of continuous employment of each employee of the each such employee.

ame, date of start of employment, other benefits, grade and age of of the contract of employment of

17.4 The Company is not obliged to increase the rate of remuneration of

s it made provision to increase the r employee.

17.5 Except as disclosed in

any has not:

17.5.1 incurred a liability including, with and compensation to comply with employee;

mination of an employment contract dancy payment, protective award ssal, unfair dismissal and failure to atement or re-engagement of an

17.5.2 incurred a liability

mination of a consultancy agreement;

17.6 The Company has complied with and award made under collective agreement, of its employees or a trade

n imposed on it by, and each order code of conduct and practice, rant to the relations between it and mployment of its employees.

17.7 Within the year ending notice of redundancies with appropriate representatives and Labour Relations obligations under Chap

ement the Company has not given y of State or started consultations r II of Part IV of the Trade Union 992 or failed to comply with its t.

17.8 The Company has no and Consultation of Employees recognise a trade union representing any of its or request nor are there or arrangement).

ent (whether under the Information 04 or otherwise) with and does not staff association or other body mpany has not received any notice may lead to any such agreement

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17.9 The Company does not intend to introduce a share incentive, share option, profit share or any other incentive scheme for any of its directors, other officers or employees.

## 18. PENSIONS

18.1 The Disclosed Schemes are the arrangements under which the Company has or could have any liability to contribute towards relevant benefits as defined in Chapter 2 of the Pension Schemes Act (Earnings & Pensions) Act 2003.

18.2 The Sellers have supplied documents containing full, accurate and up to date details of the Disclosed Schemes and of the Company's obligations and liabilities in connection with the Disclosed Schemes.

<<Insert any additional information to reflect the factual position>>

18.3 In determining the date of any breach of any Warranty in this paragraph 18, it shall be assumed that the Disclosed Schemes are as set out in the Disclosed Schemes.

18.3.1 the Company shall make whatever payments to provide the benefits under the Disclosed Schemes (as defined in that paragraph) on the basis that the Company shall not discontinue any of the Disclosed Schemes is or may be required to do so.

18.3.2 the Company shall not propose to discontinue or amend any Disclosed Scheme (including with effect from the date at which each respectively is now provided or to be provided) without the prior written consent of the Buyer and to maintain without amendment any Disclosed Scheme of a kind referred to in that paragraph which it now provides or is now proposing to provide.

## 19. MATERIAL DISCLOSURE

19.1 All information contained in the Disclosure letter is true and accurate.

19.2 No person is entitled to receive from the Company any finder's fee or commission in connection with the acquisition or disposal of any shares in the Company.

19.3 The sale of the Shares by the Company shall not be by virtue of the terms of any agreement or arrangement entered into by any party cause the Company to lose the benefit of any contract or to terminate any contract entered into by the Company.

19.4 The replies to the Legal Enquiries dated <<Date>> raised on behalf of the Buyer were where the Disclosed Schemes are complete and accurate.

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<<Insert any operative provisions here>>

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## Seller Completion

On Completion the Sellers shall:

1.1 deliver to the Buyer:

- 1.1.1 transfers of the Shares together with the minutes of attorney under which the Shares were transferred to the Buyers and certified copies of any power of attorney under which the Shares may have been executed;
- 1.1.2 certificates in respect of Shares in the capital of each of the Subsidiaries and of all such shares held by any nominee in favour of the Buyer shall direct;
- 1.1.3 all the statutory and other documents (including minutes up to date) of the Company and each of the Subsidiaries and certificates of incorporation or registration and certificates of name and common seals (if any);
- 1.1.4 letters of resignation as directors [and the resignation of any and each of the Subsidiaries pursuant to paragraph 6;
- 1.1.5 [the resignation of any and each of the Subsidiaries in their place of appointment of [the Buyer shall nominate [and the Buyer shall be the employer in respect of [the Pension Scheme];]
- 1.1.6 all credit and charge documents relating to the Company and each of the Subsidiaries and in the possession of or under the control of the Seller; and
- 1.1.7 the Disclosure Letter

1.2 procure:

- 1.2.1 the transaction of the Company and each of the Subsidiaries in the completion board minutes of the Company and each of the Subsidiaries;
- 1.2.2 such persons as the Buyer shall nominate to be validly appointed as additional directors of the Company and each of the Subsidiaries;
- 1.2.3 upon such appointment of the directors [other than <<Insert Name(s)>>] [and the resignation of any and each of the Subsidiaries both from their resignation and the resignation of any and each of the Subsidiaries];
- 1.2.4 the written resignation of the auditors of the Company and each of the Subsidiaries and an acknowledgment that they have no claim against the Company and each of the Subsidiaries for any fees or disbursements, with respect of the period up to

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Completion and the [insert Name] in accordance with section 519 of the Act;

1.2.5 [the release in the [insert Name] from the Company and the Subsidiaries from all banking arrangements;

1.2.6 the release [in the [insert Name] of all encumbrances given by the Company and each of the Subsidiaries to its bankers or otherwise) and of all guarantees given by the Company and each of the Subsidiaries in respect of any third party;

1.2.7 the repayment (by the Company and each of the Subsidiaries) to the lender (or lender as buyer directs) without deduction or set-off of any amount due to the Company and to each of the Subsidiaries by the Company and each of the Subsidiaries and all persons who are associates of or connected with any of them;

1.2.8 the release [in the [insert Name] of all claims against the Company and the Subsidiaries by any person who is an associate of or connected with any of them and an acknowledgment by each that there is no agreement or arrangement in the future in which any such claim might arise;

1.2.9 [that the Company and each of the Subsidiaries] [insert Name of company/firm/individual]>> [and each of the Subsidiaries] [insert Name of company/firm/individual]>>] enter into [service] [insert Name of company/firm/individual] on the terms and conditions set out in the Agreed Terms; and]

1.2.10 that each of the Company and the Subsidiaries convenes a general meeting on short notice and adopts new articles of association in accordance with the Agreed Terms.

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1.1 The purchase price payable for the Shares shall be the sum of £<<Amount in figures>> pounds), which shall be due to the Sellers in the Property in cash on Completion.

1.2 The sum payable to the Sellers pursuant to paragraph 1.1 shall be paid by way of a [banker's draft in favour of the Sellers' Solicitors (whose receipt thereof shall be sufficient evidence of payment)] OR [telegraphic transfer to the following account(s):

Bank: << >>

Branch: << >>

Sort Code: << >>

Account Name: << >>

Account Number: <<

[Bank: << >>

Branch: << >>

Sort Code: << >>

Account Name: << >>

Account Number: <<

[Bank: << >>

Branch: << >>

Sort Code: << >>

Account Name: << >>

Account Number: <<

Signed by <<Name of Seller>>

Signed by <<Name of Seller>>

Signed by <<Name of Seller>>

Signed by <<Name>>for and  
on behalf of <<Name of Buyer>>  
LIMITED/PLC

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