

DATED <<Date>>

(1) <<Name>>

(2) <<Name of Shareholder>>

(3) <<Name>>

SHARE SALE AGREEMENT

- relating to the <<Percentage>>% of –

<<Name of Company>> LIMITED

THIS AGREEMENT is made the <<Date>> <<Year>>

BETWEEN:

- (1) <<Name of Seller>> of <<Insert Seller's address>> (the "Seller");
- (2) <<Name of Continuing Shareholder>> of <<Insert Continuing Shareholder's address>> (the "Continuing Shareholder");
- (3) <<Name of Buyer>> of <<Insert Buyer's address>> (the "Buyer")

BACKGROUND:

- A. At all material times the Company (<<insert name of Company>> and whose details are set out in Schedule 1) is a private limited company incorporated in England and Wales and has an issued share capital of <<insert amount>> divided into <<insert number>> ordinary shares of £<<Amount>> each (the "Shares").
- B. The Seller is the registered holder of <<insert relevant number of shares>> of the Shares, and is proposing to sell all of these shares to the Buyer (the "Sale Shares").
- C. The Continuing Shareholder is the registered holder of <<insert relevant number of shares>> of the Shares and beneficial holder of <<insert relevant number of shares>> of the Shares. The Continuing Shareholder will continue to keep these Shares and to join this Agreement for the sole purpose of providing comfort to the Buyer in relation to their ongoing relationship and liabilities.
- D. The Seller is proposing to sell the Sale Shares to the Buyer on the terms and subject to the terms of this Agreement.

IT IS AGREED AS FOLLOWS:

1. INTERPRETATION

In this Agreement:

1.1 The following words and expressions shall have the meanings set out below:

"the Accounts"

means the financial statements of the Company comprising the Balance Sheet as at the Accounts Date and the Profit and Loss account for the financial period ending on the Accounts Date together with the reports of the directors, any cash flow statements and the Accounts;

¹ If there is more than one continuing shareholder, insert the names of all continuing shareholders as well.

“the Accounts Date”

“the Act”

“Articles”

“Business Day”

“the Company”

“Completion”

“Completion Date”

“Conditions”

**“Confidential
Information”**

“Encumbrance”

“notice”

“the Warranties”

“the Warrantors”

1.2 Unless the context of this Agreement or otherwise indicates otherwise, the words and expressions used in this Agreement shall have the same meaning as they have in the Act, and include both “company” and “body corporate” as defined in the Act.

² As the seller and the continuing shareholder they may wish to enter into a side agreement in which they are being made jointly and severally liable, responsible for which area of the business if a warranty claim arises.

S

A

M

P

L

E

>>;

6;

association of the Company;

(Saturday) on which clearing banks are open for banking business in London;

some of whose shares are being

and purchase of the Sale Shares in accordance with the terms of this Agreement;

ent;

to Completion set out in Clause

ential commercial, financial and intellectual property, know-how, trade secrets, patents, trademarks, software and other information in whatever form or medium and whether written or in writing, together with all other information in whatever form or medium and any part

any person (including any right to exercise a right of pre-emption) or any mortgage, charge, assignment, hypothecation, security, or any other security agreement or encumbrance, monetary or not;

demand, consent or other

in Schedule 4 and the word “number” shall be deemed to be a reference to the paragraph of Schedule 4 with that

Warranties jointly and severally, as the Continuing Shareholder.²

res, words and expressions used in this Agreement shall have the same meaning as they have in the Act, but “company” shall mean “body corporate”, as “company” and “body

they are being made jointly and severally liable, responsible for which area of the business if a

S

1.3 A reference to a part of the Act includes any amendment or subordinate legislation made or enacted after the date of this Agreement from time to time to the extent that such amendment, extension or re-enactment creates any new or extended obligation, liability or restriction which may affect the rights of, any party.

1.4 The Schedules form part of this Agreement.

1.5 A reference to any person shall be construed to include a reference to a "person" of either other and neuter gender and a reference to a "person" shall include any corporate or unincorporated body (whether or not having legal personality).

1.6 The singular includes the plural and vice versa.

1.7 A person shall be deemed to be connected with another if that person is connected with such other person within the meaning of section 839 of Income & Corporation Taxes Act 1988.

1.8 References to "indemnify" any person against any circumstance include keeping him indemnified from and against all liabilities, damages, costs, expenses and interest which he may incur in connection with or arising out of that circumstance.

1.9 The headings are for reference only and shall not affect the construction or interpretation of this Agreement.

2. SALE AND PURCHASE OF SHARES

On the terms of this Agreement the Seller shall sell and the Buyer shall buy, with all title guarantee, free from any encumbrance (or may in the future attach) to them including, in particular, all dividends and distributions declared, made or paid on the Shares in accordance with the Agreement.

3. CONSIDERATION

The purchase price payable for the Sale Shares shall be as set out in Schedule 2.

4. CONDITIONS

4.1 Completion is subject to the following Conditions having been either waived in writing or fully satisfied:

4.1.1 [The Seller [and the Buyer] hereby waiving any pre-emption rights in relation to the Sale Shares.]³

4.1.2 The Seller [and the Buyer] waiving any other rights or restrictions to the Sale Shares or agree to waive any restrictions which may otherwise apply to the Sale Shares.

³ As the sale shares do not involve a new issue of shares, no pre-emption rights will not be relevant. However, when a sale or transfer of shares is proposed, it is usual for the articles of association and any shareholders' agreement are checked so that all parties know the pre-emption rights involved which may affect the proposed sale.

A

M

P

L

E

exist whether
in order to en
the Sale Share

eholders' agreement or otherwise
which may restrict the transfer of

4.1.3 Each of the S
Warranties as

Shareholder agreeing to give the
nt.

4.1.4 The Seller re
writing that
shareholder, c

the Company and confirming in
st the Company whether as a

4.1.5 [<<Add any
circumstances

it may be necessary to the

4.2 The Seller shall pro
satisfied, in each ca
place in accordance

able) that the Conditions will be
etion, and that Completion takes

5. COMPLETION

5.1 Completion shall take
at such other location

n Date at <<Specify location>> or
ties.

5.2 On Completion, and
Shareholder] ha[s/v
above, the Buyer sha
in accordance with C

the Seller [and the Continuing
eir] obligations under Clause 4
quired to be made on Completion

5.3 If any of the provi
Completion Date, the
have pursuant to the
default may rescind t
the others.

are not complied with on the
any and all rights of action it may
ent or otherwise) the party not in
mediate effect by notice in writing to

5.4 Completion shall con

5.4.1 the Seller sha
demonstrating

such evidence as he may require
ons has been satisfied;

5.4.2 the Seller (as
the Buyer a t
with the relev
the name of
Company's re

the Sale Shares) shall deliver to
es in favour of the Buyer together
procure that the Company enters
npany's share register [and the
nificant control];⁴

5.4.3 the Seller del
Company's co

ertified] copy of the minutes of the
at which:

<<Insert nam
director of the

nominee>> was appointed as a

⁴ As the sale will involve a change to the parti
the sale is likely to represent 25%+ of the
reflect this change.

icial interest in the shares in the company and
pany's PSC register will need to be altered to

the transfer for
the resignation
and accepted

er were approved; and
tor of the Company was submitted

- 5.5 Following Completion the release of the Seller from any guarantees given by company.
- 5.6 The Seller undertake the Company any su date].
- 5.7 The shareholdings in ely post Completion are as set out
- 5.8 [Following Completion into good faith disc agreement to regula Company going forw continuing Shareholder shall enter executing a formal shareholders' onship and the workings of the f Completion>>.]⁵

6. WARRANTIES

- 6.1 The Warrantors joint Warranties is true a date of this Agreee
- 6.2 Any Warranty qual knowledge and belie expression shall be o the Warrantors hav enquiries and include persons of whom it v stated that such enq
- 6.3 The Warrantors ack intention of inducing has relied on the W Buyer also acknow representation or wa
- 6.4 The rights and reme affected by Complet
- 6.5 Each Warranty is a s reference to or infe
- 6.6 Any payment by the constitute pound for for the Sale Shares.
- 6.7 The Warrantors sha fact or circumstance
- nt to the Buyer that each of the ts and not misleading as at the
- "to the best of the Warrantors' rants are aware" or any similar edge, information and belief which f they had made all reasonable nation and belief of any person or make such enquiry or of whom it is
- re given the Warranties with the his Agreement and that the Buyer to this Agreement. However, the not been influenced by any ranties.
- ect of the Warranties shall not be sion of the Buyer.
- shall not be limited or restricted by anty.
- n of any of the Warranties shall and reduction in the consideration
- diately they become aware of any ch may constitute a breach of the

⁵ This clause should only be included if the part of the sale.

the level of control that is being given away as

S

A

M

P

ful non-disclosure:

any claims by the Buyer under any
in respect of any breaches of the
ule 4) when aggregated together
ceived by the Seller under Clause

y in respect of any claim by the
ch claim:

ount in figures>> (<<'X' amount in

all other such claims against the
nt in figures>> (<<'X' amount in
qual or exceed, £<<'Y' amount in
ords>> pounds),

ount (and not just the amount by
Clause 7.2.2 are exceeded) is

s arising out of the same subject-
matter than as individual claims.

against them by the Buyer under
 claim against the Company or any
 in which or on whom it may have
 agreement.

L

Confidential, all and any Confidential
 placements shall be made publicly
 party without first obtaining every

E

shall not directly or indirectly:

Insert number of months>> months
any person who is at Completion.

	or who has immediately prior to Completion, or	during the period of [6] months prior to Completion, an agent or customer of the Company;
9.1.2	at any time during the period of <insert number of months> months beginning with the date of Completion, or the custom of any client or customer of the Company;	<insert number of months> months prior to Completion, solicit or otherwise seek the completion, or who has been at any time during the period immediately preceding that date, a
9.1.3	at any time during the period of <insert number of months> months beginning with the date of Completion, or the custom of any client or customer of the Company;	<insert number of months> months prior to Completion, solicit or otherwise seek the completion, or who has been at any time during the period immediately preceding that date, a
9.1.4	at any time during the period of <insert number of months> months beginning with the date of Completion, or the custom of any client or customer of the Company;	<insert number of months> months prior to Completion, solicit or otherwise seek the completion, or who has been at any time during the period immediately preceding that date, a
9.2	The Seller undertakes not to, in connection with any trade or service mark, business or domain name, design or logo, or social media address used by the Company which is likely to cause confusion with such address.	any time after Completion, use in connection with any trade or service mark, business or domain name, design or logo, or social media address used by the Company which is likely to cause confusion with such address.
9.3	Each of the above undertakings shall be	
9.3.1	considered by the Buyer to be	able;
9.3.2	given for the purpose of ensuring that the Seller enjoys the full benefit of the	insurance to the Buyer so he can enjoy the full benefit of the
9.3.3	a separate undertaking which shall be independently enforceable	able by the Buyer separately and independently enforceable by one or more of the restrictions.
9.4	Accordingly, if any restriction is held to be unenforceable, but would be valid if any part of it were enforceable, the restriction shall apply with such modifications as may be necessary to make it valid and enforceable.	to be unenforceable, but would be valid if any part of it were enforceable, the restriction shall apply with such modifications as may be necessary to make it valid and enforceable.
10. MISCELLANEOUS		
10.1	This Agreement is made between the Seller and the Buyer, and no party may assign any of its rights hereunder, or delegate any of its obligations hereunder, except in accordance with the terms of this Agreement.	and no party may assign any of its rights hereunder, or delegate any of its obligations hereunder, except in accordance with the terms of this Agreement.

- 10.2 For the avoidance of doubt, this Agreement shall confer on any third party any benefit or advantage arising from any provisions of this Agreement.
- 10.3 Insofar as any provision of this Agreement shall conflict with any provisions of the Articles, the provisions of the Articles shall prevail.
- 10.4 This Agreement and any amendments thereto shall contain the entire agreement between the parties and shall supersede and replace all previous agreements and understandings between the parties.
- 10.5 This Agreement may be executed in multiple counterparts, each of which is an original and all of which together shall have the same effect as if each party had signed the same.
- 10.6 This Agreement shall not be construed as to create a partnership or joint venture between the parties.
- 10.7 Any amendment, modification or waiver of this Agreement is only valid if it is in writing and signed by all the parties to this Agreement.
- 10.8 No failure or delay in exercising any right, power or remedy shall operate as a waiver of that right, power or remedy or as an intention to reduce that or any other right, power or remedy.
- 10.9 The signatories agree to execute and deliver all documents necessary to put this Agreement into effect.
- 10.10 Insofar as the provisions of this Agreement shall not have been performed at Completion, they shall nevertheless remain in full force and effect notwithstanding Completion.
- 10.11 Each party shall, except as otherwise stated, pay its own costs of and incidental to this Agreement and the other party shall have no liability in respect of them.
- 10.12 The provisions of this Agreement shall be severable and distinct from one another, and, if at any time any provision of this Agreement is or becomes invalid, illegal or unenforceable, the validity and enforceability of the others shall not in any way be affected.
- 10.13 In the event of a dispute between the parties to this Agreement, they shall undertake to attempt to resolve the dispute by engaging with each other in good faith mediation before resorting to arbitration.
- 10.14 All notices to be given by a party to this Agreement shall be in writing and shall either be delivered personally or by first class prepaid post or sent by email and shall be deemed duly served if:
- a) in the case of personal delivery, at the time of delivery;
 - b) in the case of delivery by first class prepaid post, 2 clear Business Days after the date of posting; and
 - c) in the case of email, during normal business hours then at the time of sending and outside normal business hours at the time of receipt.

then on the
copy is sent
next Business

Day provided that a confirmatory
post or by hand by the end of the

11. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by the laws of
England and Wales. The jurisdiction of the courts of

shall be determined in accordance with the laws of
to the [exclusive] [non-exclusive]

The parties or their authorised representatives have entered into this Agreement as a deed and this Agreement is delivered on the

and have signed this Agreement as a deed and this Agreement is delivered on the

SIGNED by or on behalf of the parties to this Agreement

in the presence of two or more witnesses before written

Signed as a Deed by <<Seller>>

.....

<<Full Name>>

In the presence of <<Witness>>

Witness's Signature

Name

Address

Signed as a Deed by <<Continuing Party>>

.....

<<Full Name>>

In the presence of <<Witness>>

Witness's Signature

Name

Address

Signed as a Deed by <<Buyer>>

.....

<<Full Name>>

In the presence of <<Witness>>

Witness's Signature

Name

Address

S

A

M

P

L

E

S

A

M

P

L

E

Name:

Registered Office:

Directors:

[Secretary:]

Registered Number:

Date of Incorporation:

[Authorised Share Capital:]

Issued Share Capital:

Accounting Reference Date:

S

1. The purchase price payable to the Shareholder in respect of the Sale Share shall be the sum of £<<Amount in figures>> (<<Amount in figures>> pence and pence).
<<Amount in figures>> pence and pence.

Therefore the total consideration payable to the Shareholder in respect of the Sale Shares shall be £<<Amount in figures>> (<<Amount in figures>> pence and pence) which shall be paid in cash on Completion.

2. The sum payable to the Shareholder in respect of the Sale Share pursuant to paragraph 1 above, shall be paid by way of banker's draft in favour of the Shareholder or by telegraphic transfer to the following account:

Bank: << >>

Branch: << >>

Sort Code: << >>

Account Name: << >>

Account Number: << >>

M

P

L

E

S

Post Share Offerings

A

M

P

L

E

Member	Number of Shares	Percentage of equity share capital held (%)
Continuing Shareholder		
Buyer		
Total		

S

A

M

P

L

E

[This warranty schedule is short extended depending on the trans be reviewed carefully, to ensure th

the warranties and may need to be the warranties, whilst basic, need to tion of the Company's position.]

1. The Seller is the legal an them for anyone else. The to any Encumbrance.

the Sale Shares and is not holding id for and none of them is subject

2. The information in Schedu

in all respects.

3. The Accounts are accurate and have been prepared applicable statutes and reg

are not misleading in any respect nd comply with all relevant and

3.1 show a true and fair Accounts Date and a or non-recurring item

position of the Company as at the unusual, extraordinary, exceptional

3.2 are in accordance current Statements Standards, all of whic

g accounting principles and with Practice and Financial Reporting y applied.

4. Since the Accounts Date t or trading position of the C

al adverse change in the financial

5. The management account Accounts, and they fairly Completion and for the pe the management accounts

on a basis consistent with the position of the Company as at the Accounts Date and the date of

6. There is no litigation or dis the Company and any third

t, pending or threatened between

7. The Company is not subj given any legal promise to

nt or other ruling, and it has not uthority.

8. All intellectual property w software, creative content

the Company's business [such as

8.1 owned legally by the

8.2 not being held by the

8.3 has not been charge

8.4 if it is registrable, it is

8.5 none of it infringes th

else;

son.

9. No one is infringing the Co

erty rights.

10. The Company has compli that it handles data of indiv

a protection legislation in the way ed any notice of breach.

11. The Company has no debt that have been outstanding for more than three months, and all such debt has been paid to it in full.
12. The Company has not granted any security interest or any of its assets (such as an Encumbrance).
13. All the Company's assets, including all such assets, are in good condition (allowing for fair wear and tear) and are not held by the Company on behalf of any other person.
14. The Company is not a signatory to any arrangement (including loans) to which any director or shareholder is also a signatory.
15. There are no outstanding benefits of employment, service contracts with directors or consultants, and there are no outstanding obligations under any of them except for any remuneration or fee earned in the month in which this Agreement is dated.
16. The Company has not received (or expect to receive) any claims for redundancy, unfair, constructive dismissal, or any kind of discrimination, from any of its employees, directors or consultants.
17. The Company has no outstanding pensions, sickness benefit, allowances or other benefits payable to or for directors or consultants.
18. The Company has complied with all laws, regulations and other legal requirements that apply to it, and has obtained all the permissions, licences and consents that it needs to carry out its business.
19. Neither the Company nor any of its directors, officers or employees has committed any crime (other than, in the case of its directors, officers or employees, a crime involving fraud or dishonesty).
20. The Company has kept all its books and accounts up-to-date as required by law.
21. The Company has paid all its taxes and other liabilities in full to date; all the policies are in full force; the Company has not done, anything that means that the policies cannot be relied on in the event of circumstances that might give rise to an insurance claim by the Company.
22. The Company has no subsidiary or been a subsidiary of any other company.
23. The Company has no long-term investments, and it has no significant capital commitments.
24. None of the Company's directors, officers or employees is being terminated because it is entering into this Agreement.
25. The Company has not given any director, officer or employee any guaranteed compensation such as a salary, bonus, pension, share, partnership, joint venture, option, profit-sharing or any agreement or arrangement for such compensation or tax reliefs with any other companies.

26. The Company is not in breach of any financial covenants or other obligations in any financing arrangements and it has no outstanding borrowings.
27. The Company is not in breach of any financial covenants or other obligations in any financing arrangements and it has no outstanding borrowings.
28. No arrangement has been entered into by the Company with any of its creditors (i.e. the people it owes money to) about the repayment of their debts, and no one is acting on behalf of its creditors or on behalf of a creditor.
29. No action has been taken or is being taken by the Company or any of its directors in connection with the Insolvency Act 1986.
30. The Company is not insolvent or unable to pay its debts as they fall due.
31. The Company has filed all returns and accounts with HM Revenue and Customs (HMRC). It is not under any investigation by HMRC or any other taxing authority in any country, and it does not intend to lead to such a dispute.
32. The Company has paid or provided for all taxes and other charges for which it is responsible, and it is not subject to any investigation by any tax authority.
33. The Company has not entered into any transaction or arrangement designed completely or partly for the avoidance of taxation.

S

A

M

P

L

E