Business transfer agreement: incorporation of a sole trader or partnership to a company

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The Schedule Fixed Assets

The Date of this Agreement is: [■■■]

The Seller is: [name]

of [private address]

and [second partner, if any]

of [private address]

[add more partners if required]

The Company is: [company name or LP name]

of [registered address] a company / limited partnership,

It is now agreed as follows:

1. Definitions

So far as the context permits, the following words \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare

-----:

"Accounts" means the audited profit and loss account of the

Business for the year ended [date] and the balance sheet •••••,

"Assets" means all of the Assets of the Seller

..............

"Business" means the [type of business] business carried on

by the Seller until today under the name and style

.........

"Confidential Information" means all information about the Business. It

includes among other things, information about staff, their personal contact information, methods of doing business, future plans, policies, suppliers

	and customers.
"Contracts"	means current contracts of the Seller in
"Creditors"	means trade creditors and accrued • • • • • • • • • • • • • • • • • • •
"Fixed Assets"	means all plant, machinery, tools,
"Goodwill"	means the goodwill in relation to the •••, ••
"Price"	means the price
"Stocks"	means stocks of products, raw materials, work in progress and finished goods, and goods for , , , , , , , , , , , , , , , , , ,
"Third Party Software"	means software owned by some
"Website"	means www.[URL] and www.[URL] and

2. Interpretation

3.

This	agreement
2.1.	the Seller shall be ••••••••••••••••••••••••••••••••••
2.2.	a reference to the knowledge, information, belief or awareness
	, ,
2.3.	a reference to a paragraph or schedule is to
2.4.	the headings to the paragraphs and schedules (\blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare
2.5.	any agreement by any party not to do or
	•.
2.6.	[except where stated otherwise], ••••••••••••••••••••••••••••••••••••
2.7.	a reference to the knowledge, information, belief or awareness ■ ■ ■
	, ,
2.8.	a reference to an act or
Agr	eement for sale
3.1.	Completion shall take place today, immediately upon exchange of this agreement duly signed • • • • • • • • • • • • • • • • • • •

	3.1.2	the Fixed Assets;		
	3.1.3	the Stocks;		
	3.1.4	the Intellectual Property Rights;		
	3.1.5	the Domain Name(s);		
	3.1.6	the Website;		
	3.1.7	the benefit of the Contracts.		
The	Purch	nase Price		
4.1.	The Pri	ce for the business shall = = = = = = = =		
		:		
	Goodw	ill	\$[1
	Fixed A	Assets	\$[1
	Intellec	tual Property rights	\$[1
	Contra	cts and all other property	Nil	
	The Sto	ocks	To be	ascertained
	Total F	Price	\$[1
4.2.	There s	shall be deducted from the		
4.3.	The Pri	ce shall be paid:		
EITHE	R			
4.4.			• • • •	
			••••	
OR				

the Business as a going concern;

3.1.1

4.

			I =
	OR		
	4.6.		
	OR		
	4.7.		
5.	Iten	ns to be delivered at completion	
	,		•
	5.1.	;	
	5.2.	all books of account and GST records;	
	5.3.	;	• •
	5.4.	;	■
	5.5.	,	
	5.6.	evidence of Contracts and assignments of Contracts;	
	5.7.	;	• •
		5 © Andrew Taylor and Net Lawma	n Ltd

4.5.

		;
	5.9.	
	5.10.	· · · · · · · · · · · · · · · · · · ·
	5.11.	
3 .	Con	npletion
	6.1.	
	OR	
	6.2.	
	6.3.	
7.	Sto	cks and debtors
	7.1.	[14]
	7.2.	

5.8.

7.3.	12
Cre	editors and liabilities
8.1. 8.2.	
9.1.	ods and Services Tax (GST)
9.2.	

8.

9.

9.3.

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10. Future activities

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10.1.	 			■ ■ [3]∎∎				
	 								١.
10.2.									••••
	 			• • [•] = = =		
10.3.	 =[==]			■,■■			
	 							■ ■ ■ ,	
10 4									
10.4.	 ■ ■ , ■							■ ■ , •	
	 	••••		• • • •			• • • •	••••	۱.
10.5.									
		• • • •							
	 								- ·

11. Miscellaneous matters

11.1.	••														
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11.2.															
11.3.		 	 	 	-	 	 -						.	 •	
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11.4.															
				, ■											

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				• • • • • •			••••
_							
11.5. ■							
						• • • • • •	
•						 	■,■■■
116 -							
-						•[••••]•	
					 . [].		••••
_					- [].		
Signed by [per	rsonal n	ame], du	lly author	ised for th	e Seller		
Witness to sigr	nature:						
Name:							
Address							
Signed by [pe	rsonal n	ame], du	ly author	ised for th	e Company		
Witness to sign	nature:						
Name:							

Address

The Schedule - Fixed Assets

[list fixed assets]

Explanatory notes:

Business transfer agreement: incorporation of a sole trader or partnership to a company

General notes

1. Who are the parties?

As we explain briefly in the page from which you bought this document, it has been drawn primarily for an agreement between people who know each other already and where the directors of the company may be associated with the seller. If the deal is absolutely at arm's length, you

Of course, if the parties are close, it may not be necessary to execute the contract in minute detail. If all the documentation is in place,

2. Naming the seller

It is assumed that the seller is a sole trader or small partnership. Their names could be stated as "Seller" or you could change to some abbreviation of the ■

3. Tax clearance may be necessary

Where a transaction may not be at arm's length, it will attract the attention of Australian Taxation Office You may be wise to consult your accountant and obtain clearance in advance. This may be particularly important if you plan a sale onwards at

Paragraph specific notes

1. Definitions

We have no comment.

2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. Each of these items has been carefully considered in the context of this agreement and has been included for a purpose. Many of them

There may be some overlap in this list: There may be some overlap in this list: The Price This agreement is drawn for use between parties who know each other and where the company buyer is either already connected to the seller or at least has detailed knowledge about the business. Because the relationship may be close, the It may be important Goodwill Fixed assets Intellectual property Stock for sale or manufacture Other categories You should consult an accountant as to the most favourable apportionments, although the Stock or be delivered at completion We have provided a long menu so that nothing This can 7. Stocks and debtors This is a sensible provision. If you are		•••
This agreement is drawn for use between parties who know each other and where the company buyer is either already connected to the seller or at least has detailed knowledge about the business. Because the relationship may be close, the	3.	Agreement for sale
This agreement is drawn for use between parties who know each other and where the company buyer is either already connected to the seller or at least has detailed knowledge about the business. Because the relationship may be close, the		There may be some overlap in this list:
where the company buyer is either already connected to the seller or at least has detailed knowledge about the business. Because the relationship may be close, the	4.	The Price
It may be important Goodwill Fixed assets Intellectual property Stock for sale or manufacture Other categories You should consult an accountant as to the most favourable apportionments, although the Items to be delivered at completion We have provided a long menu so that nothing Completion This can 7. Stocks and debtors This is a sensible provision. If you are		where the company buyer is either already connected to the seller or at least has detailed knowledge about the business. Because the relationship may be
It may be important Goodwill Fixed assets Intellectual property Stock for sale or manufacture Other categories You should consult an accountant as to the most favourable apportionments, although the Goodwill and the Goo		
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Fixed assets Intellectual property Stock for sale or manufacture Other categories You should consult an accountant as to the most favourable apportionments, although the		It may be important ••••••:
Intellectual property Stock for sale or manufacture Other categories You should consult an accountant as to the most favourable apportionments, although the		Goodwill
Stock for sale or manufacture Other categories You should consult an accountant as to the most favourable apportionments, although the		Fixed assets
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You should consult an accountant as to the most favourable apportionments, although the Items to be delivered at completion We have provided a long menu so that nothing This can This can Stocks and debtors This is a sensible provision. If you are		Stock for sale or manufacture
 although the second at completion We have provided a long menu so that nothing second at completion Completion This can second debtors This is a sensible provision. If you are second at completion and second at completion 		Other categories
We have provided a long menu so that nothing ••••••••••••••••••••••••••••••••••••		
6. Completion This can Stocks and debtors This is a sensible provision. If you are	5.	Items to be delivered at completion
This can Stocks and debtors This is a sensible provision. If you are Stocks and		We have provided a long menu so that nothing
7. Stocks and debtors This is a sensible provision. If you are This is a sensible provision.	6.	Completion
This is a sensible provision. If you are ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■		This can
	7.	Stocks and debtors
		This is a sensible provision. If you are

8.	Creditors and liabilities
	You can edit to what you
9.	Goods and Services Tax (GST)
	Sale of business as going concern from one
10.	Future activities
	Even if you do not expect the seller to •••••••••••••••••••••
11.	Miscellaneous matters
	Leave all these
Sched	dule: Fixed Assets

List the assets

End of notes