

NZ-CPcsl05

Company purchase agreement: simple cash deal

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Agreement for the Sale and Purchase ■ ■ ■ ■ ■ ■ ■ ■ [■ ■ ■ ■]

This agreement is dated: [date]

[illegible]

OR

The Seller is: [name] of [private address]

OR

The Sellers are: those persons whose names are set out in Part 1 ■■■
■■■■■1■■■■■■■■■■■■■■■■■■■■.

The Buyer is: [DEF] Limited, a company incorporated in New Zealand
[under company number [number]]
[].

The First Guarantor is: [name] of [private address]

The Second Guarantor is: [name] of [private address]

1. Definitions

[illegible]

“Confidential Information” means all information about the Company and parties to this agreement, including any information which may give a commercially competitive

	<p>information about staff, their performance and ■■■■■■■■■■■■■■■■■■■■■■ ,</p> <p>data or information relating to suppliers, product plans, marketing strategies, finance, performance, operations, customer ■■■■ , ■■■■■■■■■■ , ■■■■■■■■■■ ;</p> <p>information owned by a third party and in respect of which a party ■■■■■■■■■■■■■■■■■■■■■■ ■■■■ - ■■■■ .</p> <p>information, comment or implication published on ■■■■■■■■■■■■■■■■■■■■■■ .</p> <p>information about the Intellectual Property and ■■■■■■■■■■ - ■■■■ .</p>
“Disclosure Letter”	<p>means the disclosure provided by the Seller to the Buyer including all such information to complete the Sale and enclosing all such ■■■■ ■■■■■■■■■■■■■■■■■■■■■■ ■■■■■■■■■■■■■■■■■■■■■■ .</p>
“Domain Names”	<p>means the Internet domain names used by the Company in connection with its website or in ■■■■■■■■■■■■■■■■■■■■■■ ■■■■■■■■■■■■■■■■■■■■■■ .</p>
“Intellectual Property”	<p>means intellectual property owned by the Company, of every sort, whether or not registered or registerable in any country, including Intellectual Property of all kinds coming into existence after today; and including, among others, ■■■■ , ■■■■ , ■■■■■■■■■■ , ■■■■ , ■■■■ , ■■■■ , ■■■■■■■■■■ , ■■■■ , ■■■■■■■■■■■■■■■■■■■■■■ .</p>
“Last Year End”	<p>means [date] (being the date to which the ■■■■■■■■■■■■■■■■■■■■■■).</p>
“Purchase Price”	<p>means the total price, paid or to ■■■■■■■■■■ ■■■■■■■■■■■■■■■■■■■■■■ .</p>
“Sale”	<p>means the sale of the Shares.</p>
“Shares”	<p>[number] ordinary shares of \$ [1] each held by the Seller being the ■■■■■■■■■■■■■■■■■■■■■■ ■■■■■■■■■■■■■■■■■■■■■■ .</p>
“Trustee”	<p>means [names, if few] / the Sellers ■■■■■■■■■■</p>

“Trustee Warranties” means the limited warranties given by any Trustee.

“Warranty/Warranties” means the warranties and undertakings of the Sellers contained in paragraph [10] ■ ■ ■ ■ ■ ■ ■ ■ 2 .

In this agreement unless the context otherwise requires:

- 3

- [illegible]

3. Entire agreement

- [illegible]

4. The Purchase Price

- 4.1. The Sellers agree to sell the Shares and the Buyer agrees to buy the Shares for the [REDACTED].
- 4.2. The Purchase Price is the sum of \$ [amount] [REDACTED];
- 4.3. The Buyer shall pay the full Purchase Price in cash on [REDACTED].
- 4.4. The Sellers acknowledge receipt of the [REDACTED].

4.5. The Sellers shall share the Purchase Price in proportion ■■■■■■
■■■■■■■■■■■■■■■■■■■■.

5. Buyer's acknowledgment of inspection

The Buyer admits that:

[illegible][illegible]

6. Completion and delivery of documents

6.1. Completion of this Sale shall take _____
_____, _____
_____.

[illegible][illegible][illegible]

- 6.2.5 a list of all user names and [REDACTED]
[REDACTED]
[REDACTED].
- 6.2.6 the certificate of incorporation of the Company;
- 6.2.7 written confirmation by [REDACTED]
[REDACTED];
- 6.2.8 [employment contracts / service agreements], signed in [REDACTED]
[REDACTED], [REDACTED] [REDACTED]
[REDACTED] [REDACTED]
[REDACTED];
- 6.2.9 all records relating to the employment of any person [REDACTED]
[REDACTED]
[REDACTED] [REDACTED]
6] [REDACTED];
- 6.2.10 the minutes of meetings [REDACTED]
[REDACTED], [REDACTED]:
- 6.2.10.1 [Buyer nominee name] [REDACTED]
[REDACTED] [REDACTED];
- 6.2.10.2 transfer forms [REDACTED]
[REDACTED];
- 6.2.10.3 the resignations of [name] [REDACTED]
[REDACTED]
[REDACTED].
- 6.3. Following completion of this Sale, the Buyer shall obtain [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].
- 6.4. Each Seller undertakes that he will:
- 6.4.1 immediately repay to the Company any [REDACTED]
[REDACTED]
[REDACTED];
- 6.4.2 use his best endeavours to do [REDACTED]
[REDACTED]
[REDACTED].

7. Warranties applicability and limitation

- 7.1. None of the _____
_____.
- 7.2. Nothing done or not done by _____

_____.
- 7.3. The Buyer may make any agreement with one or more _____

, _____
_____.
- 7.4. If and only if any Warranty cannot be specifically referable to _____
_____, _____

_____.
- 7.5. Each of the _____
_____.
- 7.6. Each Seller waives any claim he might have against _____

_____.

8. Warranties by Sellers

- 8.1. The Sellers (except the Trustees) jointly and severally warrant to the []:
- 8.1.1 the Sellers are entitled to transfer the Shares to [];
- 8.1.2 after completion of this [], [];
- 8.1.3 except as disclosed in the Disclosure Letter, all of the []

.....
■ .

11.2. No claim shall be valid unless made,
..... [.....]
..... .

11.3. No single Seller can be liable for any Warranty claim unless his
.....,
....., \$ [5 , 000].

11.4. In any event, the maximum
..... \$ [100 , 000].

11.5. The Buyer may not claim more
.....,
■ .

12. The Guarantee

12.1. [Each of]
..... :

12.1.1 that every statement,
..... ;

12.1.2 that he will procure
..... ;

12.1.3 that he will indemnify the Buyer against all,
.....
..... ;

12.2. [Each of] The Guarantor accepts that compliance by the
.....
.....,
..... .

12.3. [Each of] The Guarantor accepts that the Buyer is
.....
.....
..... .

12.4. This guarantee is limited to:

Schedule 1: Part 1 Shareholdings

[illegible]

Name	Signature	Address	Number of Shares

Schedule 1: Part 2 Details of the Company

1. The Company

Company number: [■ ■ ■ ■] ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ : [■ ■ ■ ■]

Share capital:

■ ■ ■ ■ \$ [■ ■ ■ ■] ■ ■ ■ ■ \$ [■ ■ ■ ■]

Registered office: [address]


















Directors: [list all names in full]

Secretary: [name in full]

Schedule 1: Part 3 Press release

Schedule 2: The Warranties


General

1. 

2. 

3. 

4. 

5. 

6. 




7. 


No damaging effect of this agreement

8. [REDACTED]
[REDACTED]
[REDACTED], [REDACTED] - [REDACTED]
[REDACTED], [REDACTED], [REDACTED].
9. No term of this agreement conflicts with:
- 9.1. [REDACTED]
[REDACTED].
- 9.2. the constitution of the Company.
10. [REDACTED]
[REDACTED], [REDACTED]
[REDACTED].


Company structure and operation

27. 

Taxation

[illegible][illegible][illegible]

32. $\begin{bmatrix} 1 & 2 & 3 & 4 & 5 & 6 & 7 & 8 & 9 & 10 & 11 & 12 & 13 & 14 & 15 & 16 & 17 & 18 & 19 & 20 & 21 & 22 & 23 & 24 & 25 & 26 & 27 & 28 & 29 & 30 & 31 & 32 & 33 & 34 & 35 & 36 & 37 & 38 & 39 & 40 & 41 & 42 & 43 & 44 & 45 & 46 & 47 & 48 & 49 & 50 & 51 & 52 & 53 & 54 & 55 & 56 & 57 & 58 & 59 & 60 & 61 & 62 & 63 & 64 & 65 & 66 & 67 & 68 & 69 & 70 & 71 & 72 & 73 & 74 & 75 & 76 & 77 & 78 & 79 & 80 & 81 & 82 & 83 & 84 & 85 & 86 & 87 & 88 & 89 & 90 & 91 & 92 & 93 & 94 & 95 & 96 & 97 & 98 & 99 & 100 \end{bmatrix}$

33. 

[illegible]

Assets

35.  : 

35.1. are in its possession and control.

[illegible]

40. $\frac{1}{2} \left(\frac{1}{2} + \frac{1}{2} \right) = 1$.

41. No existing contract is for work which:

41.1. is beyond the normal course of business.

[illegible]

41.3. is likely to result in a loss.



41.4. is priced in a currency other than dollars.

[illegible]

42. $\begin{pmatrix} a_{11} & a_{12} & a_{13} & a_{14} & a_{15} & a_{16} & a_{17} & a_{18} & a_{19} & a_{10} & a_{11} & a_{12} & a_{13} & a_{14} & a_{15} & a_{16} & a_{17} & a_{18} & a_{19} \\ a_{21} & a_{22} & a_{23} & a_{24} & a_{25} & a_{26} & a_{27} & a_{28} & a_{29} & a_{20} & a_{21} & a_{22} & a_{23} & a_{24} & a_{25} & a_{26} & a_{27} & a_{28} & a_{29} \\ a_{31} & a_{32} & a_{33} & a_{34} & a_{35} & a_{36} & a_{37} & a_{38} & a_{39} & a_{30} & a_{31} & a_{32} & a_{33} & a_{34} & a_{35} & a_{36} & a_{37} & a_{38} & a_{39} \\ a_{41} & a_{42} & a_{43} & a_{44} & a_{45} & a_{46} & a_{47} & a_{48} & a_{49} & a_{40} & a_{41} & a_{42} & a_{43} & a_{44} & a_{45} & a_{46} & a_{47} & a_{48} & a_{49} \end{pmatrix} [\begin{pmatrix} a_{51} & a_{52} & a_{53} & a_{54} & a_{55} & a_{56} & a_{57} & a_{58} & a_{59} & a_{50} & a_{51} & a_{52} & a_{53} & a_{54} & a_{55} & a_{56} & a_{57} & a_{58} & a_{59} \\ a_{61} & a_{62} & a_{63} & a_{64} & a_{65} & a_{66} & a_{67} & a_{68} & a_{69} & a_{60} & a_{61} & a_{62} & a_{63} & a_{64} & a_{65} & a_{66} & a_{67} & a_{68} & a_{69} \\ a_{71} & a_{72} & a_{73} & a_{74} & a_{75} & a_{76} & a_{77} & a_{78} & a_{79} & a_{70} & a_{71} & a_{72} & a_{73} & a_{74} & a_{75} & a_{76} & a_{77} & a_{78} & a_{79} \\ a_{81} & a_{82} & a_{83} & a_{84} & a_{85} & a_{86} & a_{87} & a_{88} & a_{89} & a_{80} & a_{81} & a_{82} & a_{83} & a_{84} & a_{85} & a_{86} & a_{87} & a_{88} & a_{89} \end{pmatrix}].$

[illegible][illegible]

45. ■■■■■■■■■■ [25] ■■■■■■■■■■
 ■■■■■■■■■■
 ■■■■ [25] ■■■■■■■■■■
 ■■■■.

46.  ,  .

[illegible]

Employment

[illegible]

[illegible][illegible][illegible][illegible]

Insurance

[illegible]


54. No policy contains any special term or restriction.

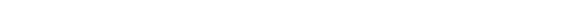
55. $\frac{1}{2} + \frac{1}{3} = \frac{3}{6} + \frac{2}{6} = \frac{5}{6}$


[illegible]

Intellectual Property

[illegible]

58.  .

59. 

60. 

[illegible]

69.2. what password he uses;

[illegible]

Explanatory notes:

Company purchase agreement: simple cash deal

General notes

1. The parties

This agreement has been drawn assuming two or more shareholders are selling a company to one corporate buyer. Little change is required to the substance to replace the corporate buyer by a number ■■■■■■■■■■, ■■■■■■■■■■.

2. Complete when agreement dated or later?

[illegible]

Paragraph specific notes

Notes numbering refers to paragraph numbers.

1. Definitions

The definitions have been considered very carefully. There is no reason why you should not change any if you need to do so, but be very careful to make sure

By all means use the find/replace function in your word processor to change them. If you do change a defined term, make sure it ■■■■■■■■■■
■■■■■■■■■■.

Please read the general notes sent along with ■ ■ ■ ■ ■ ■ ■ ■ .

[illegible][illegible][illegible][illegible][illegible]

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that they are bound by the proposition that they have no claim. If they receive no “consideration” as directors, they will not be bound by a simple statement “

- [illegible]

7. Warranties applicability and limitation

Do not edit without very good reason and full understanding ■■■■■■
■■■

8. Warranties by Sellers

[illegible][illegible][illegible][illegible]

A company may sign up to a deal, by the hand of its directors, but if its constitution prevents such a contract being made (for one of any number of reasons), then it can wash its hands of ■■■■■■ , ■■■■■■■■ ■■■■■■■■ - ■■■■■■■■ .

[illegible]

9. Trustees Warranties

Provision has been made for the proposition that one or more people may hold shares as trustees. The buyer should make certain that any such person is a disinterested trustee. It could be that a major shareholder has placed some of shares in a family trust and he remains a trustee, or that some other person is a trustee. In that case, there is an

,

().

, ,

.

The trustees warrant only that they are selling fairly and know of no reason why

10. Restrictive agreement

These provisions are required to protect the buyer and are reasonable. Note that they do not prevent a former director from setting up in _____, _____
_____. _____

“_____” _____.

This paragraph may not be enforceable against a shareholder who has hitherto had

11. Sellers' protection

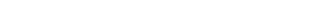
This paragraph is most important to the sellers as it caps their liability. How this is done is a matter for negotiation. This proposal is fair, subject of course to

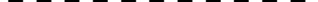
.

.

.

12. The Guarantee

- To get the right to claim 

.

Warranties: drafting notes continued

General

No damaging effect of this agreement

Company structure and operation

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Accounts and Taxation

[illegible][illegible]

Assets

Even if all accounts information is absolutely correct, assets

The most important answers sought here are as follows:

Trading and contracts

This section covers every contract - from customers and suppliers to the office cleaner and the car leases. The buyer's requirement for details of customers and suppliers will be less important ■■■■ ■■■■ 1 , 000 ■■■■ . ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ . ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ / ■■■■ . ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ / ■■■■ ■■■■ , ■■■■ ■■■■ ■■■■ ■■■■ (■■■■ ■■■■) ■■■■ ■■■■ ■■■■ ■■■■ .

The most common reason for litigation about contracts arises because someone

