Business sale agreement: café or sandwich shop

Date: [date]

Between:

The Buyer is: $[name] \blacksquare \blacksquare \blacksquare [\blacksquare \blacksquare \blacksquare]$

The Seller is: $[name] \blacksquare \blacksquare \blacksquare [\blacksquare \blacksquare \blacksquare]$

Contents

- 1. Definitions
- 2. Interpretation
- 3. Entire agreement
- 4. Agreement for sale
- 5. Transfer of contracts
- 6. The Price
- 7. Items to be delivered at completion
- 8. Completion
- 9. Creditors and liabilities
- 10. Value Added Tax (VAT)
- 11. Warranties by the Seller
- 12. Future activities
- 13. Confidentiality
- 14. Publicity / Announcements
- 15. Miscellaneous matters

The Schedule 1: Leasehold Property

The Schedule 2: Warranties

General Accounts Assets

Trading and contracts Leasehold Property

Personal data protection Information technology ("IT") Agreement for the Sale and Purchase of the Business known as [name] This agreement is dated: [date] The Buyer is: [name] of [private address] The Seller is: [name] of [private address] The Guarantor is: [name] of [private address] [If more than one seller or buyer, leave the word "Buyer" or "Seller" in the singular, but list the names and It is now agreed as follows:

1. Definitions

So far as the context permits, the following words "Accounts" means the audited profit and loss account of the Business, made up to [day and month] in each "Agent" means a third party who has contracted to re-"Assets" means all tangible and intangible assets whatever, owned by the $\blacksquare \blacksquare \blacksquare$ "Business" means the [type of business] business carried on by the Seller until the date of this agreement under the name = = = = = = = = [= = = =

	••••]•••••••					
"Confidential Information"	means all information about the Business, including any information which may give a commercially competitive advantage to •••••••••••••••••••••••••••••••••••					
	data or information relating to suppliers, product plans, marketing strategies, finance, performance, operations, customer • • • • ;					
	information created or arising from this agreement;					
	information, comment or implication published on					
"Contracts"	means current contracts of the Seller in relation to the Business,					
"Domain Name"	means any or all of the $\blacksquare \blacksquare \blacksquare$					
	[name1].com					
	[name2].com					
	[name3].co.uk					
"ISP"	means the Internet service provider; that is any provider of any service in ••••••.					
"Last Accounts Date"	means the date to which the Accounts most					
"Lease"	means the lease or leases under which the Property, [or some • • • • • • • • • • • • • • • • • • •					
"Price"	means the					
"Property/Properties"	means the freehold or leasehold properties,					

1.
means stocks of Products, raw materials, work in progress and finished goods, and goods for ■ ■ ■
•••••
means the warranties and • • • • • • • • • • • • • • • • • • •
means www.[URL] and www.[URL] and

2. Interpretation

This a	agreement = = = = = = = = = = = = = = = = = = :
2.1	a reference to one
2.2	a reference to the knowledge, information, belief or awareness • • • • • • • • • • • • • • • • • •
2.3	a reference to a paragraph or schedule is to
2.4	any agreement by any party not to do or
	_

	2.5	[except where stated otherwise], ••••••••••••••••••••••••••••••••••••
	2.6	all money sums mentioned in this all money sums mentioned in this all all all all all all all all all a
3.	Ent	ire agreement
	3.1	Each party acknowledges that this agreement contains the entire
	3.2	So far as any relevant law permits, conditions,
	3.3	The Seller warrants and undertakes that he is not I I I I I I I I I I I I I I I I I I
4.	Agr	eement for sale
	4.1	Subject to the terms of this agreement,
		4.1.1 the Business as a going concern;
		3 3 ,
		4.1.2 the Stocks;
		4.1.2 the Stocks;4.1.3 the Domain Name(s);
		4.1.2 the Stocks;

	1.											
Transfer of contracts												
The	Seller undertakes that for a period of [three] years, he will do his utmost											
•••												
•••	,											
5.1	enter into any novation agreement.											
5.2	provide information about any •••••••••••••••••••••••••••••••••••											
5.3	confirm to any person or governmental authority such details											
5.4	immediately inform the											
The	Price											
6.1	The Price for the Business $\blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare \pounds [00,000][\blacksquare \blacksquare \blacksquare \blacksquare / \blacksquare \blacksquare = - / \blacksquare \blacksquare = - = - = - = - = - = - = - = - = -$											
6.2	The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be paid by banker's draft / The Price shall be pai											
63	Value added tax will											
0.5												
	[list property on which VAT payable].											
OR												
6.4	The Price											
	The s 5.1 5.2 5.4 The 6.1 6.2 6.3											

The assignment of the leasehold

Items to be delivered at completic	7.	Items to	be deli	ivered at	completio
------------------------------------------------------	----	----------	---------	-----------	-----------

•••	Seller shall handover to the Buyer or otherwise deliver
7.1	whatever the Assets are
7.2	all books of account;
7.3	computer programmes used in
7.4	all information
7.5	transfers of the •••••;
7.6	assignment of the leasehold Property [unless = = = = = = = = = = = = = = = = = =
7.7	marketing material of every sort in any medium;
7.8	all other ••••••••.
Con	npletion
8.1	As soon as the items listed above have passed
8.2	As soon as possible and in any event within [14 days] from the date hereof, the Seller shall procure that the Domain Names are transferred to the Buyer.

8.3	As soon as possible and in any event within [two days] from the
8.4	The Seller has a continuing obligation to do what is \blacksquare \blacksquare \blacksquare , \blacksquare
8.5	The Buyer shall not be obliged to
8.6	If any or all of the transactions set out in this paragraph do not
Cre	ditors and liabilities
Cre 6	ditors and liabilities The Seller shall immediately discharge all the debts of the ,
	The Seller shall immediately discharge all the debts of the ■ ■ ■ ■ ■

10. Value Added Tax (VAT)

10.1 The parties shall procure that the sale of the Business is deemed to be

1994, = = = 49 = = = = 4 = = = 8 (1)(= = = =).

The Buyer shall for a period of not less than [6 years] from

11. Warranties by the Seller

11.1 The Seller warrants to

11.2 Where any Warranty refers to the knowledge, information

11.4 Except in the case of death or personal injury, the total liability of the Seller under

OR

11.6	The Warranties in this agreement are not limited in monetary value, but no claim •••••••, •••, •••
Futi	ure activities
	der to give the
12.1	commence or continue any business or activity whatsoever
12.2	within [three years] of the date of this agreement, promote or sell any product or service which competes with
12.3	trade under any name • • • • • • • • • • • • • • • • • • •
12.4	register nor purchase nor use any Internet domain
	••••••
Con	fidentiality
13.1	The Seller now undertakes that he will:
	13.1.1 except as provided in this , , ;
	13.1.2 not use the Confidential
	13.1.3 not post on the Internet any Confidential Information.

	13.2	The provisions of this paragraph shall continue
14.	Pub	licity / Announcements
	14.1	No public or press announcement shall be made • • • • • • • • • • • • • • • • • • •
	OR	
	14.2	No party shall:
		14.2.1 make any public announcement; or
		14.2.2 disclose any information; or
		14.2.3 allow expressly or by default any other person • • • • • • • • • • • • • • • • • • •
15.	Mis	cellaneous matters
	15.1	
	15.2	
	15.3	

15.4	
15.5	
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15.6	
15.7	
15.8	
. 55	
	It shall be deemed to have been delivered:
	■■■;
	: 72;
	[
	■ ■].
15.9	
15.10	,

Signed by [Seller name in full]

AND

Signed by [Buyer name in full]

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The Schedule 2: Warranties

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Tradi	ing and	l con	ıtrac	ts																						
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10.	
	ehold Property
11.	
12.	
13.	
14.	
15.	
16.	
10.	
17.	
	17.1.
	17.2.
18.	•
19.	
20.	As to the leases:
	20.1.

	20.2.	there are no rent reviews in progress.
21.		
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		ata protection
22.	[• • • • • 2018	
23.		· • • • • • •] • • • • • • • • • • • • •
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Inforr	nation	technology ("IT")
24.	• • • • :	
	24.1.	domain name:
	24.2.	name and contact information of registrar:
	24.3.	
	24.4.	date to which the name is registered.
25.		
26.		
27.		
	27.1.	;
	27.2.	an email service provider.
28.		

Explanatory notes:

Business sale agreement: café or sandwich shop

General notes

1. Advantage to the buyer

This document is usually drawn and submitted by the buyer to the seller. If you are the seller, you have a great advantage if you are able to present this draft to

2. Warranties

The seller has a reason to sell. That may not be the reason he has given to you. The only way you can cover yourself is through the warranties. An agreement for the sale and purchase of a business or a company is all about the warranties. What you ask in warranties, and what the seller replies in the disclosure letter are of great importance. If a warranty does not apply, delete it. Generally, do

3. Initial extra pages

4. Recognition of our copyright in this document

We assert our copyright in this document. When you downloaded it, you agreed to our terms and conditions, which set out in full how it may and may not be used. Without amending those terms, we remind you that you may not distribute it further or republish it in any way without permission from Net

Once you have edited the document for final use, you may remove the

5. Document review service

	Please contact our support team at support@netlawman.co.uk for further information.
Par	agraph specific notes
(some	e points are covered in the Warranties ■ ■ ■ ■ ■ ■ ■)
1.	Definitions
	Please read the general notes sent along with ■ ■ ■ ■ ■ ■ ■ .
	For "Confidential Information", we have provided a very full menu of items. Depending on your business,
	But if you do change any defined word, make sure it applies to every capitalised use
	You should first decide on the contents of the document, then return to check what definitions are needed and whether they really ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** *
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.
3.	Entire agreement
	This paragraph prevents a party from later saying he was relying on some other document or web site or what was said. If other documents are to be relied on (if any), let them be
4.	Agroement for sale
→.	Agreement for sale There is an overlap in this list: use the descriptions that are most
5.	Transfer of Contracts

If you would like our legal team to check your edited version, we \blacksquare \blacksquare \blacksquare \blacksquare \blacksquare

If you buy a business as a going concern, you need to be sure that every person with whom the business deals, comes with it. It is generally impossible to fix up contract transfer arrangements in advance of the purchase, so this paragraph covers the best way to deal after the event. The most crucial part is the co-operation of the seller. If he
The Price
The buyer may wish to apportion the purchase price among the assets first, for tax purposes; and second, so that if by chance some item is not available on completion, there is some yardstick for a claim. In most cases however, the basis for
Items to be delivered at completion
It is essential for a smooth transaction that the seller assembles absolutely all the documents which will be needed on completion. It is a good idea to ask the seller for a list

It is not of course necessary to physically move or hand assets to the buyer. Delivery means delivery of possession. Some assets may of course be handed over physically,
The necessity to transfer rights and contracts with third party suppliers causes problems. Issues arise because Internet service suppliers usually operate on inflexible standard terms. Many have no procedure for fast transfer of their service. This puts a business buyer in a difficult position. Take a payment service provider.

7.

	Alternatively, the buyer should open his own separate account with
8.	Completion
	It is a matter of negotiation and agreement as to the mechanics of completion and in particular when final issues are to be completed. Leasehold property will have been dealt with in advance, but domain names may present more difficulty since there are no provisions for a conditional transfer. The buyer has to decide how long
	,)
	The power to rescind is very strong. Usually, when a buyer has taken control
	of
9.	Creditors and liabilities
	We think this is a good arrangement but $\blacksquare \blacksquare \blacksquare$
10.	Value Added Tax (VAT)
	First, be sure to apply to be registered for VAT before this agreement is signed, so that
	The paragraph refers to Section 49 . ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ :
	Transfers of going concerns
	(1) Where a business, or part of a business, carried on \blacksquare

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

(a) for the purpose of determining whether the transferee is liable to be registered under this Act he shall be treated as having
2) Without prejudice to subsection (1) above, the Commissioners may by egulations make provision for securing continuity in the application of this Act access where a business,
(2A) Regulations under subsection (2) above may, in particular, provide for the duties under this Act of the transferor to preserve records relating to
■■■■■■■■■■■ , ■■■■■
(a)for liabilities and duties under this Act (excluding sections 59 to 70) of the transferor (other than the duties mentioned in \blacksquare \blacksquare \blacksquare ($2A$) \blacksquare \blacksquare
(b) for any right of either of them to repayment or credit in respect ■ ■ ■
ut no such provision as is mentioned in paragraph (a) or (b) of this ubsection shall have
(4) Subsection (5) ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
(a) a business, or part of a business, carried on
(b) the transferor continues to be required under this Act to preserve for

	(5) So far as is necessary for the purpose of complying with the
	(a) to give to E, within such time and in such form as •••••••••••••••••••••••••••••••••••
	(b) to give to E, within such time and in such form as E may • • • • •
	(c) to make the records available for E's inspection at such time and place as E • • • • • • • • • • • • • • • • • •
	(6) Where a business, or part of a business, carried on by a taxable person is transferred to another person as a going concern, the Commissioners may disclose
11.	Warranties by the Seller
	This paragraph - confirmation of the warranties - is critical to • • • • • • • • • • • • • • • • • •
	This paragraph provides for the warranties to be given by the seller. Generally, it is good practice to delete irrelevant warranties, but
	To claim for breach of warranty the buyer must prove money loss.
	•••.
12.	Future activities
	The buyer should never take the seller's word for the proposition that the seller will not compete and will say only good things about the buyer and the

13.	Confidentiality
	Warranties cover only matters that exist at the date of the sale. The future must be covered separately.
14.	Publicity / Announcements
	Edit or delete.
15.	Miscellaneous matters
	A number of special points. We have identified each of these as important to
	•••••••••••
	These are just as valid in
	•••••••••••
Note	es on the Schedule
Sched	dule 1: Leasehold Property
Lease	hold property: we have provided a full leasehold assignment document, ■ ■ ■

Schedule 2: Warranties: Warranties: drafting notes continued It is good practice to delete irrelevant warranties, General With reference to licences and consents: in any business which has been operating **Accounts** The basis of valuation of the business is likely to have been the last audited annual accounts. -----------**Assets Trading and Contracts** This section covers every contract - from customers and suppliers to the office cleaner and the car leases. Particular care should be taken with

,
The buyer's requirement for details of customers and suppliers will be
Leasehold Property
Most of these items cover the facts that would be
Personal data protection
We suggest leave it as is.
Information technology ("IT")
We have placed these under a separate heading to cover the special provisions which apply to them.

End of notes