

STRICTLY CONFIDENTIAL

RELATING TO THE ACQUISITION BY

<<Name of Buyer>> ("THE BUYER")

OF THE WHOLE OR PARTIAL CAPITAL OF

<<Name of Company to be Acquired>> ("THE COMPANY")

<<Name of Seller(s)>> ("THE SELLER(S)")

DATED

1. **SALE AND PURCHASE**

The Seller[s], whose obligation under the restrictive undertaking in paragraph 5 below) are to be joint and several] shall sell with full title guarantee the entire share capital of the Company free from all liens, mortgages and encumbrances.

2. **PRICE AND PAYMENT**

The purchase price shall be the sum of £<<Amount>> on behalf of the Buyer to the Seller[s] in full of the sum of £<<Amount>> by bank draft or by telegraphic transfer in favour of the [Seller] [Sellers] [Sellers' solicitors] [, which shall be payable to the Sellers in respect of their respective holdings of shares in the capital of the Company.]

3. **WARRANTIES AND TAX**

3.1 The Seller[s] shall give the Buyer a standard set of warranties covering commercial, accounting, legal and tax matters relating to or affecting the Company and its business.

3.2 All warranties are to be given on an "as is" basis and shall be fairly disclosed in a disclosure letter.

3.3 The Seller[s] shall give to the Buyer the benefit of all warranties, claims and reliefs agreed with the relevant authorities, which shall extend to losses and damages suffered by the Buyer and shall be an indemnity as to the completeness and adequacy of the payment of all tax which has become due.

4. **QUALIFICATIONS TO WARRANTIES AND TAX COVENANT**

The liability of the Seller[s] under the warranties and tax covenant shall be subject to the various qualifications to the warranties and tax covenant agreed between the Seller[s] and the Buyer.

## 5. NON-SOLICITATION AND

The [Seller [on behalf of  
shall enter into restrictive  
period of <<Insert number  
that [it will not] [none of the  
for any other person:

5.1 Solicit orders from any customer  
or services>>;

5.2 Do anything which [it] [the  
be reasonably likely to cause  
reduce its supplies to the

5.3 Solicit or employ or of  
possession of confidential  
its customer relationships

5.4 Be interested, directly or  
business which consists  
business>> except as the  
shares of a company v  
exchange.

## 6. GUARANTEES

Following completion, the  
release of the [Seller [a  
guarantees or indemnities  
in respect of the liabilities  
shall indemnify the [Seller  
any liability which it may  
indemnity.

## 7. CONFIDENTIALITY

7.1 [Neither] [No] party shall  
transaction, or the negotia  
agreement unless otherwise  
employees, and to customer  
agreed. No other announce  
[either] [any] party without  
law.

7.2 [Nothing in these heads  
confidentiality agreement  
completion.]

## 8. COSTS

Each party shall be responsible  
proceeds to completion.

# S

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aries from time to time]] [Sellers]  
of the Buyer which will last for the  
completion, including undertakings  
either [itself] [themselves] or with or

for the supply of <<Specify goods

reasonably to know would cause or  
the Company to cease or materially

employee of the Company in  
the Company or able to influence

Specify geographical area>> in any  
material extent <<Specify nature of  
purposes only of less than 5% of the  
on any recognised investment

able endeavours to procure the  
in its group]] [Sellers] from any  
and purchase agreement and given  
any other company in its group and  
any in its group]] [Sellers] against  
virtue of any such guarantee or

announcement concerning the  
prior to signing the formal legal  
Announcements will be made to  
following completion, in a form to be  
the transaction shall be made by  
the other[s] except as required by

the operation of the existing  
in full force and effect, pending

whether or not the transaction

9. **DUE DILIGENCE**

9.1 Following the signing of the Agreement, <<Insert name of Buyer's solicitor or adviser>> will be permitted to inspect the documents referred to in paragraph 8.2.

<<Insert name of Buyer's solicitor or adviser>> will be permitted to inspect the documents referred to in paragraph 8.2 on behalf of the Buyer.

9.2 Neither <<Insert name of Buyer's solicitor or adviser>> nor any of the other professional advisers or agents of the Buyer shall be permitted access to any of the documents referred to in paragraph 8.2 without the prior written approval of the designated representative of the Seller. The Buyer shall ensure that neither <<Insert name of Buyer's solicitor or adviser>> nor its other professional advisers or agents disclose to any of the other parties to the transaction the reasons for the due diligence work being carried out.]

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10. **COMPLETION**

The parties will use reasonable endeavours to progress the transaction as quickly as possible with the aim of completion on or before <<Date>>.

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With the exception of paragraphs 9.1 and 9.2, the terms and all communications, including the Agreement, described as "subject to contract", are not subject to contract, and no contracts are exchanged, provided that the Seller shall be liable in respect of any fraudulent misrepresentation.

Notwithstanding that the terms of the Agreement are legally binding, these heads of terms are not subject to contract, and whether or not individually or jointly with their respective advisers are at all times subject to contract, and no contracts are exchanged, unless and until formal contracts are exchanged, provided that the Seller shall be liable in respect of any fraudulent misrepresentation.

Signed for and on behalf of the Buyer in the presence of: <<Insert name and address of the Buyer's solicitor or adviser>>

<<Insert name and address of the Buyer's solicitor or adviser>> will also sign>>

**EITHER**

Signed for and on behalf of The Seller in the presence of:

**OR**

Signed by <<Name of Seller>> (or one of the Sellers) in the presence of: <<Insert name and address of the Seller's solicitor or adviser>>

<<Insert name and address of the Seller's solicitor or adviser>>

Signed by <<Name of other Seller>> (or one of the Sellers) in the presence of: <<Insert name and address of the Seller's solicitor or adviser>>

<<Insert name and address of the Seller's solicitor or adviser>>

Signed by <<Name of other Seller>> (or one of the Sellers) in the presence of: <<Insert name and address of the Seller's solicitor or adviser>>

<<Insert name and address of the Seller's solicitor or adviser>>

Signed by <<Name of other Seller>> (or one of the Sellers) in the presence of: <<Insert name and address of the Seller's solicitor or adviser>>

<<Insert name and address of the Seller's solicitor or adviser>>