

DATED _____ **<<Date>>**

(1) <<Name of Seller>>

- and -

(2) <<Name of Buyer>>

SHARE SALE AND PURCHASE AGREEMENT

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

<<Name of Company>>LIMITED

THIS AGREEMENT is made the <<Day>> day of <<Month>> <<Year>>

BETWEEN:

- (1) <<Name of Seller>> of <<Insert seller's address>> ("the Seller"); and
- (2) <<Name of Buyer>> of <<Insert buyer's address>> ("the Buyer")

WHEREAS:

- A. At all material times the Company (as defined below and whose details are set out in Schedule 1) is a private limited company and at the date of this Agreement has an issued share capital of <<Number>> fully paid ordinary shares of £<<Amount>> each (the "Shares").
- B. The Seller is the registered and beneficial holder of all the Shares.
- C. The Seller is proposing to sell a certain percentage of the Shares to the Buyer, (the "Sale Shares" as defined below).
- D. The Seller is willing to sell and the Buyer is willing to buy the Sale Shares on the terms and subject to the conditions set out in 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 audited accounts of the Company comprising an audited balance sheet as at the Accounts Date and audited profit and loss account for the financial period ended on the Accounts Date together with the reports of the directors and auditors, any cash flow statements and all notes relating to such Accounts;
"the Accounts Date"	<<Insert Accounts Date>>;
"the Act"	the Companies Act 2006;
"Articles"	the current articles of association of the Company;
"Business Day"	any day (other than Saturday) on which clearing banks are open for normal banking business in London;
"the Company"	<<Name of Company whose shares are being acquired>> Limited;

“Completion”	complete	phase of the Sale Shares in accordance with this Agreement;
“Completion Date”	the date	
“Conditions”	the conditions	completion set out in Clause 4;
“Confidential Information”	all secret, confidential, technical, know-how, trade secrets, inventions, patents, designs, trademarks, trade names, domain names, whatsoever, in any form or medium and whether disclosed or not, together with all reproductions, in any form or medium or parts thereof;	
“Directors”	the current directors of the Company means the persons who are directors of the Company and a “Director” means a person who is a director of the Company as dictated by the Companies Act 2006;	
“the Disclosure Letter”	the letter of disclosure	to the Buyer with the same content as the Disclosure Letter;
“Encumbrance”	any interest in or charge over any property (including any right to acquire or dispose of any property) or any mortgage, charge, lien, hypothecation, security, interest or other security agreement or arrangement of any kind, whether or not;	
“Notice”	include any notice, demand, consent or other communication in writing;	
“Parties”	means the Seller and the Buyer and either of them;	Agreement and “Party” means any relevant party;
“the Sale Shares”	<<Insert description of the Sale Shares to be sold>> subject to the terms and conditions of the Agreement;	
“the Seller’s Solicitors”	<<Insert name of the Seller’s Solicitors>> or a successor firm;	
“the Warranties”	the warranties set out in Schedule 4 and the word “Warranty” shall be deemed to be a reference to any of the warranties of Schedule 4 with that number substituted for the number of the relevant warranty;	
1.2 Unless the context otherwise requires, the words and expressions used in this Agreement which are defined in the Act shall have the same meaning as they have in the Act when used in the same context and include both “company” and “body corporate” as defined in the Act;		

1.3 A reference to a particular statute, law or subordinate legislation includes any amendment, extension or re-enactment of it after the date of this Agreement from time to time, and that such amendment, extension or re-enactment shall not create any new or extended obligation, liability or restriction on, or on the rights of, any Party.

1.4 The Schedules form part of the

1.5 A reference to any gender and neuter gender and a reference to a “person” include corporate or unincorporated body (whether or not having a legal personality).

1.6 The singular includes the plu

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

<p>1.8 References to “indemnify” circumstance include inden against all liabilities, losses, interest which he may suffer circumstance.</p>		<p>any person against any him indemnified from and ges, costs, expenses and with or arising out of that</p>
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1.9 The headings are inserted [REDACTED] and shall not affect the construction or interpretation [REDACTED]

2. AGREEMENT FOR SALE AND PURCHASE

On the terms of this Agreement, the Buyer shall buy, with effect from Completion, the Sale Shares, free from any Encumbrance and together with all rights (including, in particular, the right to receive dividends and distributions declared, made or paid on or after the date of Completion).

3. CONSIDERATION

The purchase price payable to the [REDACTED] shall be as set out in Schedule 2.

4. CONDITIONS

4.1 Completion is subject to and [REDACTED] following Conditions having been either waived in writing [REDACTED] satisfied:

4.1.1 [The Seller hereby [REDACTED] on rights it may have in relation to the Sale S

4.1.2 The Seller waiving all [REDACTED] restrictions that may exist in relation to the Sale. [REDACTED] are the waiver of any rights

¹ As the Seller is the sole shareholder, there are unlikely to be new shares being issued, rather existing shares being transferred. Therefore, the exemption that requires a waiver. It is advisable to check.

or restrictions which
shareholders' agree
nothing which may re

whether in the Articles or a
er to ensure that there is
Sale Shares to the Buyer.

4.1.3 [<<Add any other
circumstances of the

be necessary to the

4.2 The Seller shall procure (s
satisfied, in each case, on
place in accordance with Cla

at the Conditions will be
and that Completion takes

5. COMPLETION

5.1 Completion shall take place
at such other location agreed

at <<Specify location>> or

5.2 On Completion, and on the
obligations under Clause 4 a

er has complied with its

5.2.1 make the payments
with Clause 3; and

Completion in accordance

5.2.2 acknowledge receipt

5.3 If any of the provisions o
Completion Date, then (with
have pursuant to the terms
default may rescind this Agre
the other.

ot complied with on the
all rights of action it may
therwise) the Party not in
effect by notice in writing to

5.4 Completion will comprise the

5.4.1 the Seller shall produ
demonstrating that ea

vidence as he may require
s been satisfied;

5.4.2 the Seller (as the reg
the Buyer a transfer
with the relevant sha
the Company's share

le Shares) shall deliver to
your of the Buyer together
the name of the Buyer in

5.4.3 the Seller delivering t

re Letter duly executed.

5.5 The shareholdings in the Co
3.

are as set out in Schedule

5.6 [Following Completion, the P
view to executing a formal s
relationship and the workin
months of Completion>>.]³

ood faith discussions with a
to regulate their on-going
going forward within << 2

² As this agreement assumes that 20% or less of the sh
PSC register will not be required. However if this temp
registration will need to be considered.

³ This clause should only be included if the parties consi
part of the sale.

new shareholder in the Company's
25% of the shares, issues like PSC

f control that is being given away as

6. BUYER'S DIRECTOR

- 6.1 The Buyer, for so long as he holds more than a minimum number of Shares in the Company, but in any event this may be the number of Shares equal to <<Insert %>> of the Company's total issued ordinary shares, shall appoint one director to sit on the board.
- 6.2 Such person shall be known as the Buyer's Director.
- 6.3 The Buyer may appoint him as his Director and can remove him at any time and appoint another person in his place.
- 6.4 The Buyer may appoint the Director without the Company of the person's written consent. The Buyer does not need to require the Seller's approval for the appointment of his Director.
- 6.5 If the Buyer's shareholding falls below the required minimum percentage of <<Insert %>> of the Company, he shall procure that this Director immediately resigns from his office.

7. WARRANTIES

- 7.1 The Seller warrants to the Buyer that the Warranties is true and accurate in all respects and in accordance with the terms of this Agreement.
- 7.2 Any Warranty qualified by the words "to the best of the Seller's knowledge and belief" or "so far as the Seller is aware" shall be deemed to include knowledge and belief which the Seller has or ought to have after reasonable enquiries and which the Seller would have ascertained if a person of whom it would be reasonable to make such enquiries had been stated that such enquiry has been made.
- 7.3 The Seller acknowledges that the Buyer has relied on the Warranties in entering into the Share Sale Agreement.
- 7.4 The rights and remedies of the Buyer shall not be affected by Completion or by the Buyer's reliance on the Warranties.
- 7.5 Each Warranty is a separate obligation and shall not be limited or restricted by any other Warranty.
- 7.6 The Seller shall indemnify the Buyer for all legal costs (including without limitation legal costs on a full costs basis) which the Buyer may incur, either before or after Completion, in connection with any legal proceedings, in connection with any of the Warranties in connection with the enforcement of any such Warranty.
- 7.7 Any payment by the Seller for the Buyer's legal costs shall constitute a repayment of the consideration for the Sale of the Shares.

7.8 The Seller shall notify the Buyer of the circumstance which constitutes a breach of the Warranties.

8. LIMITATIONS ON CLAIMS

8.1 No claim in respect of any Warranty in paragraph 1 of fraud, dishonesty or wilful non-compliance by or on behalf of the Buyer within the period of <<Number, usually

8.2 Except in any case of fraud,

8.2.1 the Seller's liability in the Warranties (except the Warranties in paragraph 8.2.2) shall not exceed the amount of the purchase price of the Goods; 3;

8.2.2 the Seller shall have under the Warranties

8.2.2.1 equals or ex
words>> pou

8.2.2.2 would, when
Seller of £<
pounds) or r
(<'Y' amount

in which ca
which the
recoverable

For the purposes of this Clause, the matter shall be treated as one of

8.3 The Seller shall not, if any terms of this Agreement, make any oral or written agreement with or any employee of the Company before agreeing to any term of the Disclosure Letter.

9. CONFIDENTIAL INFORMATION

Each Party shall keep and procure Information relating to the Compliance regarding the contents of this Agreement, and shall not disclose such Information to any other Party's written approval.

10. NON-COMPETITION

10.1 The Buyer covenants with th

comes aware of any fact or
institute a breach of the

Warranties (other than the
 de (except in any case of
 ce thereof has been given
 h, before the expiry of the
 g Completion.

disclosure:

by the Buyer under any of
t of any breaches of the
when aggregated together
by the Seller under Clause

of any claim by the Buyer

figures>> (<<'X' amount in

er such claims against the
(<<'X' amount in words>>
<<'Y' amount in figures>>

and not just the amount by
8.2.2 are exceeded) is

g out of the same subject-
n as individual claims.

it by the Buyer under the Company or any Director whom it may have relied authorising any statement in

I, all and any Confidential
s shall be made publicly
without first obtaining the

10.1.1 while he is a Director of the Company, he shall not have any interest in a business that competes with the Company;
10.1.2 at any time following his departure from the Company, he shall not be involved or have any interest in any business that competes with the Company either directly or indirectly, including any business dealings with a customer of the Company or any Director or employee of the Company.

all not have any interest in a business that competes with the Company;
months, usually 6 at most>>
Director, he shall not be involved or have any interest in any business that competes with the Company either directly or indirectly, including any business dealings with a customer of the Company or any Director or employee of the Company.

10.2 Each of the undertakings in 10.1.1 and 10.1.2 is:

is:

10.2.1 considered by the Parties to be of substantial value and

and

10.2.2 given for the purposes of protecting the business and goodwill of the Company.

business and goodwill of the Company.

10.3 Accordingly, if any restriction in 10.1.2 is found to be unenforceable, but would be enforceable if reduced, the restriction shall nevertheless remain necessary to make it valid and enforceable.

10.1.2 is found to be unenforceable, but would be enforceable if reduced, the restriction shall nevertheless remain necessary to make it valid and enforceable.

11. ASSIGNMENT

This Agreement is personal to the Parties and neither Party may assign any of its rights hereunder, or sub-contract or otherwise delegate its obligations hereunder, except in accordance with the terms of this Agreement.

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12. RIGHTS OF THIRD PARTIES

For the avoidance of doubt, nothing in this Agreement shall confer on any third party any benefit or the right to enforce any provision of this Agreement.

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13. CONFLICT WITH ARTICLES

Insofar as any provision of this Agreement conflicts with any provisions of the Articles, the provisions of this Agreement shall prevail. If the Seller and the Buyer shall produce any amendments to the provisions hereof.

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14. ENTIRE AGREEMENT

This Agreement and the documents incorporated by reference herein shall constitute the entire agreement between the Parties and supersede all previous agreements and understandings between the Parties.

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15. NOTICES

All notices to be given under this Agreement shall be in writing and shall either be delivered personally, sent by first class mail or by email and shall be deemed duly served:

All notices to be given under this Agreement shall be in writing and shall either be delivered personally, sent by first class mail or by email and shall be deemed duly served:

15.1 in the case of a notice delivered personally, the date of delivery;

the date of delivery;

15.2 in the case of a notice sent by first class mail or by email, 2 clear Business Days after the date of dispatch.

by first class mail or by email, 2 clear Business Days after the date of dispatch.

15.3 in the case of an email, if sent by email then at the time of transmission and if sent by other means then at the time of the following Business Day provided the copy is sent by first class prepaid post or by hand by the next Business Day.

16. COUNTERPARTS

This Agreement may be executed in counterparts, each of which is an original and which together have the same effect as if they were the same document.

17. NO PARTNERSHIP

This Agreement shall not be construed as creating a partnership or joint venture between the Parties.

18. MISCELLANEOUS

18.1 Any amendment, alteration or addition to this Agreement must be in writing and signed by the signatories to this Agreement.

18.2 The signatories agree to sign the documents necessary to put this Agreement into effect.

18.3 Insofar as the provisions of this Agreement have been performed at Completion, they shall remain in effect notwithstanding Completion.

18.4 Each Party shall, except where otherwise provided, pay its own costs of and incidental to this Agreement, including legal fees, except that, if the Buyer shall lawfully exercise any right to rescind this Agreement, the Seller shall indemnify the Buyer for the costs and costs incurred by the Buyer in connection with this Agreement.

18.5 The provisions of this Agreement shall be distinct from one another, and, if at any time any of the provisions becomes invalid, illegal or unenforceable, the validity, enforceability or effect of the others shall not in any way be affected or impaired.

19. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by the laws of England and Wales. The parties irrevocably and exclusively submit to the jurisdiction of the courts of England and Wales.

The parties or their authorised representatives shall sign this Agreement as a deed and deliver it on the date stated in the preamble to this Agreement.

SIGNED by or on behalf of the parties the day and place written

Signed as a Deed by <<Seller>>

.....

<<Full Name>>

In the presence of <<Witness>>

Witness's Signature

Name

Address

Occupation

Signed as a Deed by <<Buyer>>

.....

<<Full Name>>

In the presence of <<Witness>>

Witness's Signature

Name

Address

Occupation

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Name:	
Registered Office:	
Directors:	
[Secretary:]	
Registered Number:	
Date of Incorporation:	
[Authorised Share Capital:]	
Issued Share Capital:	
Accounting Reference Date:	

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1. The purchase price payable to the Seller shall be the sum of £<<Amount in figures>> (<<Amount in figures>> in words) on Completion.

2. The sum payable to the Seller shall be paid by way of [banker's draft in favour of the [Seller] whose receipt thereof shall be sufficient discharge to the Buyer of the purchase price and shall be transferred to the following account:

Bank: << >>

Branch: << >>

Sort Code: << >>

Account Name: << >>

Account Number: << >>]

shares shall be the sum of which shall be paid in cash

shall be paid by way of whose receipt thereof shall transfer to the following

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Member	Number of	centage of equity share capital held (%)
Seller		
Buyer		
Total		

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[This warranty schedule is short form and may need to be extended depending on the transaction]

1. The Seller is the legal and beneficial owner of the Shares and is not holding them for anyone else. The Sale Shares are not subject to any Encumbrance.
2. The information in Schedule 1 is true and correct in all respects.
3. All information in the Disclosure Letter, in response to the Buyer's enquiries, is true, complete and accurate in all respects.
4. The Accounts are accurate in all respects and have been prepared in accordance with applicable statutes and regulations.
 - 4.1 show a true and fair view of the financial position of the Company as at the Accounts Date and are not affected by any extraordinary, exceptional or non-recurring items; and
 - 4.2 are in accordance with generally accepted accounting principles and with current Statements of Standard Accounting Practice and Financial Reporting Standards, all of which have been followed.
5. Since the Accounts Date there has been no material adverse change in the financial or trading position of the Company.
6. The management accounts have been prepared on a basis consistent with the Accounts, and they fairly represent the financial position of the Company as at Completion and for the period of months ending on the Accounts Date and the date of the management accounts.
7. There is no litigation or dispute of any kind pending or threatened between the Company and any third party.
8. The Company is not subject to any legal proceedings, other ruling, and it has not given any legal promise to any court or other authority.
9. All intellectual property which is necessary for the carrying on of the Company's business [such as software, creative content or trade marks]
 - 9.1 listed in the Disclosure Letter
 - 9.2 owned legally by the Company
 - 9.3 not being held by the Company on a licence
 - 9.4 has not been charged to any third party
 - 9.5 if it is registrable, it is properly registered
 - 9.6 none of it infringes the rights of any third party
10. No one is infringing the Company's intellectual property rights.
11. The Company has complied with all applicable data protection legislation in the way

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the Seller warrants and may need

Shares and is not holding them for anyone else and none of them is subject

respects.

er's replies to the Buyer's enquiries, is true, complete and accurate in all respects.

misleading in any respect and have been prepared in accordance with all relevant and

of the Company as at the Accounts Date and are not affected by any extraordinary, exceptional

nting principles and with current Statements of Standard Accounting Practice and Financial Reporting Standards, all of which have been followed.

se change in the financial

basis consistent with the Accounts, and they fairly represent the financial position of the Company as at Accounts Date and the date of the management accounts.

ng or threatened between

ther ruling, and it has not given any legal promise to any court or other authority.

pany's business [such as

nts.

tion legislation in the way

- that it handles data of individuals and a notice of breach.
12. The Company has no debts in its more than three months, and all its have been outstanding for to it in full.
 13. The Company has not granted of its assets (such as an Encumbrance).
 14. All the Company's assets, stock and in good condition (allowing for fair wear and tear) and they are the Company and are not held by the Company on behalf of
 15. The Company is not a signatory to which any director or shareholder is also a signatory.
 16. Accurate and complete copies of contracts with its employees, directors and consultants are attached to the Disclosure Letter. There are no outstanding breaches of any of the company does not have any outstanding obligations under the law in the month in which this Agreement is dated.
 17. The Company has not received (or to receive) any claims for redundancy, unfair, constructive dismissal from any kind of discrimination, from any of its employees, directors or consultants.
 18. The Company has no arrangements, sickness benefit, allowances or other benefits to any consultants.
 19. The Company has complied with regulations and other legal requirements that apply to it, and has obtained all necessary permissions, licences and consents that it needs to carry on its business.
 20. Neither the Company nor any of its directors, minor trustees, has committed any crime (other than, in the case of its directors, minor trustees).
 21. The Company has kept all its records up-to-date as required by law.
 22. Accurate and complete copies of insurance policies are attached to the Disclosure Letter. The Company has paid all insurance premiums in full for the last 12 months; all the policies are in full force and effect; nothing has not been done, or failed to do, anything that means that the policies have not been paid on; and there are no circumstances that might give rise to a claim against the Company.
 23. The Company has no subsidiary or is a subsidiary of any other company.
 24. The Company has no long-term or investments. It has no significant capital investments.
 25. None of the Company's contracts is entered into because it is entering into this Agreement.
 26. The Company has not given any compensation such as

- indemnities, and it is not signatory to any joint venture, option, profit-sharing or any agreement for sharing of tax reliefs with any other companies.
27. The Company is not in breach of any of its obligations to its creditors.
28. Full details of the Company's banking facilities are set out in the Disclosure Letter. The Company is not in breach of any terms of its banking arrangements and it has no outstanding obligations to its creditors.
29. No arrangement has been reached with its creditors (i.e. the people it owes money to) about the enforcement of its debts, and no one (including an administrator) has been appointed to manage the Company's affairs on behalf of its creditors or any court.
30. No action has been taken over any of its debts on behalf of a creditor.
31. The Company is not insolvent within the meaning of the Insolvency Act 1986.
32. The Company has filed all tax returns with HM Revenue and Customs (HMRC). It is not in dispute with any other taxing authority in any country, and it does not know of any such dispute.
33. The Company has paid or made arrangements to pay all taxes for which it is responsible, and it is not subject to any fines or penalties.
34. The Company has not entered into any transaction for the avoidance of taxation.

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