

SALE OF BUSINESS AGREEMENT

Location: _____ Date: _____

Seller Information:

Full Name: _____

Government ID / Driver License No.: _____

Business Name (if applicable): _____

Address: _____

Phone/Email: _____

Buyer Information:

Full Name: _____

Government ID / Driver License No.: _____

Business Name (if applicable): _____

Address: _____

Phone/Email: _____

Business Information:

Business Name: _____

Type of Business Entity: _____

Business Address: _____

Employer Identification Number (EIN): _____

Purchase Price and Payment Terms:

Purchase Price: _____ USD

Payment Method and Schedule: _____

Clause 1 – Sale of Business Assets

Seller agrees to sell, transfer, and convey to Buyer, and Buyer agrees to purchase from Seller, all assets of the business identified herein, including but not limited to equipment, inventory, goodwill, intellectual property, contracts, and customer lists (collectively, the “Assets”), on the terms set forth herein. Assets expressly excluded shall be detailed in a separate Schedule attached hereto.

Clause 2 – Assumption of Liabilities

Buyer shall not assume any liabilities or obligations of Seller except those expressly agreed in writing. Seller shall remain solely responsible for all liabilities, debts, and obligations of the business incurred prior to Closing.

Clause 3 – Representations and Warranties of Seller

Seller represents and warrants that Seller has full right, title, and authority to sell the Assets free and clear of all liens and encumbrances; that all financial statements and business records provided to Buyer are true, complete, and accurate; and that there is no pending or threatened litigation or governmental investigation affecting the business or Assets.

Clause 4 – Representations and Warranties of Buyer

Buyer represents and warrants that Buyer has the full power and authority to enter into this Agreement and perform its obligations hereunder, and that Buyer's execution and delivery of this Agreement and consummation of the transactions contemplated hereby have been duly authorized.

Clause 5 – Closing

The closing of the sale and purchase contemplated by this Agreement (the "Closing") shall occur at the location and time mutually agreed upon by the parties. At Closing, Seller shall deliver to Buyer all necessary documents to transfer ownership and possession of the Assets, free and clear of any liens or claims.

Clause 6 – Purchase Price Adjustment

If applicable, the Purchase Price shall be adjusted post-Closing based on an agreed-upon working capital adjustment or other financial metrics as detailed in the attached Schedule. Any disputes regarding adjustments shall be resolved in accordance with the dispute resolution provisions herein.

Clause 7 – Covenants of Seller

Seller agrees to operate the business in the ordinary course until Closing and to use commercially reasonable efforts to preserve the business and Assets. Seller shall not enter into agreements or incur obligations outside the ordinary course without Buyer's prior consent.

Clause 8 – Confidentiality

Each party agrees to maintain the confidentiality of all confidential information disclosed in connection with this Agreement and shall use such information solely for purposes of performing obligations under this Agreement.

Clause 9 – Non-Competition and Non-Solicitation

Seller agrees that for a period of ____ years following Closing, Seller shall not directly or indirectly compete with the business or solicit employees, customers, or suppliers of the business within the agreed geographic area, except as otherwise agreed in writing.

Clause 10 – Taxes

Seller shall be responsible for all taxes related to the business and Assets incurred prior to Closing. Buyer shall be responsible for all taxes arising post-Closing. The parties shall cooperate in good faith to file any necessary tax returns and documentation.

Clause 11 – Indemnification

Each party shall indemnify, defend, and hold harmless the other from and against any losses, claims, damages, or liabilities arising out of any breach of representations, warranties, covenants, or obligations under this Agreement.

Clause 12 – Termination

This Agreement may be terminated by mutual written consent of the parties or by either party upon material breach by the other party if such breach is not cured within ____ days after written notice.

Clause 13 – Governing Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of _____ without regard to conflicts of law principles. The parties consent to the exclusive jurisdiction and venue of the state and federal courts located in _____ County, _____.

Clause 14 – Dispute Resolution

Any dispute arising out of or relating to this Agreement shall be resolved first by good faith negotiation, and if unsuccessful, by binding arbitration pursuant to the rules of the American Arbitration Association. Judgment upon the

award rendered may be entered in any court having jurisdiction.

Clause 15 – Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the sale of the business and supersedes all prior agreements, understandings, and negotiations, whether written or oral.

Clause 16 – Amendments

No amendment or modification of this Agreement shall be effective unless in writing signed by both parties.

Clause 17 – Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered personally, sent by nationally recognized overnight courier, certified mail (return receipt requested), or electronic means confirmed by receipt.

Clause 18 – Assignment

Neither party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party, except to a successor entity in connection with a merger or sale of substantially all assets.

Clause 19 – Severability

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in full force and effect and shall be construed so as to best effectuate the original intent of the parties.

Clause 20 – Counterparts; Electronic Signatures

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument. Electronic signatures shall have the same force and effect as original signatures.

SELLER'S SIGNATURE

BUYER'S SIGNATURE

Signature: _____

Signature: _____

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