

**PURCHASE OR SALE OF ASSETS**

**CHECKLIST & INSTRUCTIONS FOR SOLICITOR**

Please complete the following as far as you can and discuss the rest with me. We will prepare the draft of the agreement based on the following information.

**1. PURCHASER**

State the full name, address and telephone and fax numbers of the Purchaser:

**2. VENDOR**

State the full name, address and telephone number and fax number of the Vendor:

**3. BUSINESS NAME**

The name under which the business is carried on?

Is the name being acquired as well? YES \_\_\_\_\_ NO \_\_\_\_\_

**4. Business Address**

Write the address where the business is presently carried on.

**5. Purchase Price**

What is the total purchase price? \_\_\_\_\_

The deposit being paid with offer \_\_\_\_\_

Amount being paid on closing \_\_\_\_\_

What is the amount, if any, being paid later  
by promissory note or security agreement? \_\_\_\_\_

Monthly payment amount \_\_\_\_\_ interest rate \_\_\_\_\_

How is the total purchase price broken down between the following items? Please consult your accountant for this breakdown.

Chattels \_\_\_\_\_

Inventory \_\_\_\_\_

Goodwill \_\_\_\_\_

Fixtures \_\_\_\_\_

**6. Security**

If you are getting financing from the vendor please state terms of the security and the loan:

Total amount of Chattel Mortgage \_\_\_\_\_

Interest: \_\_\_\_\_

Payment dates: \_\_\_\_\_

Due date: \_\_\_\_\_

Type of Security given:

P.P.S.A. \_\_\_\_\_

Chattel Mortgage: \_\_\_\_\_

Guarantee: \_\_\_\_\_

Promissory Note: \_\_\_\_\_

**7. LEASE**

State the particulars of the lease:

Name, address and telephone and fax number of the Landlord:

Remaining term of the lease:

Monthly rental amount:

**8. LICENCE**

Is a licence required to operate the business? What kind? (E.g. municipal licence for a body shop or liquor licence etc.)

**9. VENDOR'S SOLICITOR**

Name and address of Vendor's solicitor and telephone number:

**10. INSURANCE**

Do you wish to take over the vendor's business insurance?

Yes \_\_\_ No \_\_\_

Name of insurance company presently insuring the business:

Name of agent, address and telephone number:

**11. INVENTORY**

Is inventory included in the purchase price? Yes\_\_\_ No\_\_\_

**12. NON-COMPETITION**

What are the terms of the non-competition agreement to be given by the Vendor? The terms must be reasonable for the non-competition agreement to be binding.

Radius in which vendor will not compete \_\_\_\_\_

Number of years he will not compete \_\_\_\_\_

**13. EMPLOYEES**

Preset number of employees \_\_\_\_\_

How many are to continue with  
the purchaser \_\_\_\_\_

**14. VENDOR'S LICENCE**

Retail Sales Tax or Vendor's Permit Number:

**15. CLOSING**

(You should allow for at least 4 weeks to do the searches and prepare for closing)

Date of Closing: \_\_\_\_\_

**16. CONDITIONS**

Is the agreement conditional upon

Landlord's consent? Yes\_\_\_ No\_\_\_

Financing? Yes\_\_\_ No\_\_\_

Any other conditions? Please state details:

**17. ASSETS**

Please prepare an itemized list of each of the items being purchased on a separate page.

**18. Fees**

I understand that the fees will be based on the time spent.

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(Client's Signature)