**PURCHASE OR SALE OF ASSETS**

**INSTRUCTION**

TO: JAY CHAUHAN

 Barrister and Solicitor

 330 Highway 7 East, Suite 309

 Richmond Hill, Ontario

 L4B 3P8

 Telephone: (905) 771-1235

 Facsimile: (905) 771-1237

 Email: jay@jaychauhan.com

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, telephone and fax numbers of the Purchaser.

2. Vendor:

State the full name, address, telephone 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, 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 a liquor licence, etc.)

9. Vendor’s solicitor:

Name, address and telephone number of Vendor’s solicitor.

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:

Retain 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.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Client’s Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Address

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

I understand that this document has been developed for the purpose of organizing the information necessary for my matter. I understand that by filling out this form I have not retained your services. Until I have signed a Retainer Agreement pursuant to the above matter, the Law Office of Jay Chauhan is not obliged to advise or act on my matter. I understand that I can send this document by fax, email or other means but **only** if instructed to do so by your office. I understand that some of the information contained may be confidential, and should I send this to your office without instruction to do so, I cannot hold you liable by any means.