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BUSINESS PURCHASE AGREEMENT

This Business Purchase Agreement (this "Agreement") is entered into as of the 19 day of January, 2018 (the "Effective Date") by and between DOROTHY C MILLER, located at 3530 Harrison Street, San Francisco, CA 94103 (the "Seller") and FRED M JOHNSON, located at 4328 Oak Avenue, Deerfield, IL 60015 (the "Buyer").

WHEREAS, the Seller is a California corporation that engages in the business of: providing lawn care for customers living in residential areas (the "Business"); and

WHEREAS, the parties intend that the Seller shall sell to the Buyer the Business for the price, terms and conditions described below, and pursuant to the attachments and exhibits, if any, annexed to this main document.

NOW THEREFORE, for the reasons set forth, and in consideration of the mutual covenants and promises of the parties hereto, and intending to be legally bound, the Seller and the Buyer agree as follows:

1. Sale of Business. On the terms and subject to the conditions set forth in this Agreement, the Seller agrees to sell, assign, transfer, convey and deliver to the Buyer, and the Buyer agrees to purchase and acquire from the Seller all rights, title and interests of the Seller in and to the Business, including all inventory, receivables, equipment, patents, trademarks, licenses, business records, goodwill, going concern and other assets of the Business, whether tangible or intangible.

2. Assumed Liabilities. Unless otherwise specified herein, the Buyer agrees to assume and be responsible for all current liabilities incurred by the Seller in connection with the Business.

3. Purchase Price. Buyer will pay to the Seller the purchase price for the sale of the business in the total sum of $20,000.00 USD (the "Purchase Price"), payable by wire transfer at the time of closing.

4. Allocation of Purchase Price. The Purchase Price shall be allocated in accordance with the Internal Revenue Code §1060 as agreed upon by the parties within thirty (30) days of the closing date.

5. Closing Date. The sale and transfer of assets and the closing under this Agreement shall take place on January 26, 2018, at 12PM, at the following location: 707 Wyatt Street, Jupiter, FL 33478 (the "Closing"). At that time Seller shall deliver possession of the tangible property and all assets included in the sale to the Buyer and all other instruments and documents necessary to transfer the Business and assets to Buyer. Seller shall at that time execute and deliver all papers and instruments suitable for filing and/or which are necessary to transfer ownership of the trade name to Buyer, and Seller shall thereafter cease to use said name in any manner or purpose. When that delivery is made to Buyer and when Seller receives the balance due on the Purchase Price, the sale by Seller to Buyer shall be completed and effective, and Buyer shall have ownership and possession of the Business and the assets.

6. Representations and Warranties of Seller. Seller represents and warrants that:

OKLAHOMA REAL ESTATE COMMISSION
This is a legally binding Contract;
if not understood seek advice from an attorney
OKLAHOMA UNIFORM CONTRACT

RESIDENTIAL CONTRACT OF SALE OF REAL ESTATE

This form was created by the Oklahoma Real Estate Contract Form Committee and approved by the Oklahoma Real Estate Commission.

CONTRACT DOCUMENTS. The Contract is defined as this document with the following attachment(s):
(check as applicable)

____ Conventional Supplemental	___ Single Family Mandatory Homeowners' Association Supplemental
____ FHA Supplemental	___ Condominium Association Supplemental
____ VA Supplemental	___ Townhouse Association Supplemental
____ Assumption/Other	___ Supplemental Addendum
____ Seller Carry	___ ____________________

PARTIES. THE CONTRACT is entered into between:

____ "Seller"

and ____ "Buyer".

The Parties' signatures at the end of the Contract, which includes any attachments or documents incorporated by reference, with delivery to their respective Brokers, if applicable, will create a valid and binding Contract, which sets forth their complete understanding of the terms of the Contract. The Contract shall be executed by original signatures of the parties or by signatures as reflected on separate identical Contract counterparts (carbon, photo or fax copies). All prior verbal or written negotiations, representations and agreements are superceded by the Contract, which may only be modified or assigned by a further written agreement of Buyer and Seller.

Seller agrees to sell and convey by General Warranty Deed, and Buyer agrees to accept such deed and buy the Property described herein, on the following terms and conditions:

The Property shall consist of the following described real estate located in ____________________ County, Oklahoma.

1. **LEGAL DESCRIPTION.** ____

____

Property Address City Zip

Together with all fixtures and improvements, and all appurtenances, subject to existing zoning ordinances, plat or deed restrictions, utility easements serving the Property, including all mineral and water rights owned by Seller unless expressly reserved by Seller in the Contract and excluding mineral rights previously reserved or conveyed of record (collectively referred to as "the Property")

2. **PURCHASE PRICE, EARNEST MONEY AND SOURCE OF FUNDS.** This is a CASH TRANSACTION unless a Financing Supplement Agreement is attached. The Purchase Price is $____________________ payable by Buyer as follows: Buyer has paid $____________________ as Earnest Money on execution of the Contract, and Buyer shall pay the balance of the purchase price and Buyer's Closing costs at Closing. Upon execution of the Contract, the Earnest Money shall be deposited in the trust account of ____________________ or if left blank, the Listing Broker's trust account, as part payment of the purchase price and/or closing costs. If interest accrues on Earnest Money Deposit in Listing Broker's trust account, said interest shall be paid to "Oklahoma Housing Foundation".

3. **CLOSING, FUNDING AND POSSESSION.** The Closing process includes execution of documents, delivery of deed and receipt of funds by Seller and shall be completed on or before ____________________, ("Closing Date") or not later than ____________________ days (five [5] days if left blank) thereafter caused by a delay of the Closing process, or such later date as may be necessary in the Title Evidence provision (reference Paragraph 10 D and E). Possession shall be transferred upon conclusion of Closing process unless otherwise provided below:

____.

In addition to costs and expenses otherwise required to be paid in accordance with terms of the Contract, Buyer shall pay Buyer's Closing fee, Buyer's recording fees, and all other expenses required from Buyer. Seller shall pay documentary stamps required, Seller's Closing fee, Seller's recording fees, if any, and all other expenses required from Seller. Funds required from Buyer and Seller at Closing shall be either cash, cashier's check or wire transfer.

Form **13632**
(Rev. May 2010)

Department of the Treasury - Internal Revenue Service

PROPERTY LOAN AGREEMENT

In support of the goals of the Internal Revenue Service (IRS) Stakeholder Partnerships, Education and Communication (SPEC) organization, the _______ piece(s) of equipment shown at the end of this agreement is loaned to:

Name of Recipient (Organization/Individual)	Telephone Number
Street Address	
City, State, Zip Code	e-mail address

The recipient certifies that the equipment will be used for volunteer electronic tax return preparation and filing. It may also be used for related activities associated with supporting the volunteer program, such as:

- Training and educating volunteers and taxpayers about individuals' rights and responsibilities under the Internal Revenue Code;
- Reaching out to taxpayers to inform them of the services of the volunteer organization;
- Promoting activities to assist the volunteer organization in increasing its ability to deliver related tax matters or services without the direct involvement of SPEC; and
- Administering the activities of the volunteer operation as they relate to volunteer electronic tax return preparation and filing.

The equipment remains the property of the IRS. The equipment may not be used for commercial purposes. It may not be sold or otherwise disposed of. The IRS may terminate this Agreement and require the return of the equipment.

The recipient agrees to safeguard the equipment by providing appropriate physical security to prevent theft. Appropriate physical security is defined as being in the control of a volunteer at all times while in use and being in a controlled, limited access (preferably) locked location when not in use. The recipient also agrees to utilize system access security (password protection of information) while return data is present on the equipment. The recipient agrees to take reasonable care of the equipment and protect it from unnecessary abuse by themselves or others. Reasonable care includes protection of equipment from hazards such as liquids, food, smoke and unsafe handling of equipment when moving.

In addition, recipient agrees to notify SPEC within 48 hours if the equipment is damaged, broken, lost or stolen. In the event of theft, the recipient is required to notify local law enforcement immediately and file the appropriate reports.

Buy-Sell Agreement

This Buy-Sell Agreement ("Agreement"), is entered into on _____________ at _______________, Colorado between ______________________, a Colorado corporation and _________________________ (collectively, "Shareholders") with regard to all of the Corporation's stock outstanding now or in the future. The Corporation and the Shareholders agree as follows:

Article I. Parties and Purposes

Identity of Parties
1.1 The shareholders named above own all of the outstanding shares of the Corporation.

Protective Purpose of Agreement
1.2 The purpose of this Agreement is to protect the Corporation's management and control from persons not acceptable to all shareholders. The other purpose is to provide a ready market in the event of the death, disability or lifetime transfer of shares by a Shareholder.

Article II. Enforcement

Restriction on Transfer
2.1 To accomplish the purposes of this Agreement, any transfer, sale, assignment of any of the shares of the Corporation, other than according to the terms of this Agreement, is void. Each Shareholder shall have the right to vote shares held of record and to receive dividends paid on them until the shares are sold or transferred in accordance with this Agreement.

Legend on Share Certificates
2.2 Each share certificate whether presently owned or subsequently acquired, shall have the following statement conspicuously printed on its face:

> "The transfer, sale, assignment of the shares represented by this certificate is restricted by a Buy-Sell Agreement among all the Shareholders and the Corporation dated _________. A copy of the Buy-Sell Agreement is available for inspection during normal business hours at the principal office of the Corporation. All the terms and provisions of the Buy-Sell Agreement are incorporated by this reference and made a part of this certificate."

Article III Voluntary Lifetime Transfer of Shares

Permitted Transfers
3.1 Each Shareholder has the right to transfer shares to another shareholder. A permitted transferee shall hold the transferred shares subject to all the provisions of this Agreement, as provided in Section 3.07.

Notice of Proposed Sale
3.2 Except as provided in Section 3.01, any Shareholder wishing to sell his/her shares shall provide a Notice of Proposed Sale. The notice must specify:

SALE AND PURCHASE AGREEMENT

An Agreement made between _________________________________ ______________________ Housing Developer's Licence No. _____ Vendor) and _____________________ of ______________________ (the Purchaser) on ____________________19____.

1. General

1.1 Definitions

1.1.1 In this Agreement -

"Agreement" means this Agreement entered into between the Vendor and the Purchaser for the sale and purchase of the Unit;

"authorised deductions" means deductions from the Purchase Price which:-

(*a*) are specified in a duly served notice under clause 5.2(*a*) or 5.5; and

(*b*) the Purchaser is entitled to make under this Agreement;

"Base Rate" means the average of the prevailing prime lending rates of the Development Bank of Singapore, the Overseas Chinese Banking Corporation, the Overseas Union Bank and the United Overseas Bank, rounded downwards to the nearest one-eighth of 1%;

"Building" means the building known or to be known as ___________ and forming part of the Housing Project *built/to be built/being built by the Vendor on part of the land in the District of ______________ in the Republic of Singapore being part of Government Resurvey Lot _____ of *Mukim/TS _____ forming part of the land contained in *Grant No/State Lease No. _____________;

Buy and sell agreement template

How to make a sale agreement. Example of purchase and sale agreement. Buy and sell agreement template south africa.

Prepared for:[Client.FirstName][Client.LastName][Client.Company]Created by:[Sender.FirstName][Sender.LastName][Sender.Company] A buy-sell agreement is essential when there is more than one owner in a business. Such an Agreement Form specifies what will happen to the share of a co-owner in case he expires, voluntarily leaves the company, or is forced to withdraw. The primary purpose of such a contract is to make sure that ownership and operations stay within the existent management of the company. State of:This Buy-Sell Agreement ("Agreement") is made as of this (insert date) (the "Effective Date"), by and among (Company.Name), a (Company.State) corporation located at [Company.StreetAddress], [Company.City], [Company.State][Company.PostalCode] ("Company"), [MajorityShareholder.FirstName][MajorityShareholder.LastName], and (fill in names of all minority shareholders).Majority and Minority Shareholders will hereinafter be collectively referred to as the "Shareholders." The Shareholders own all of the outstanding shares of the Corporation as follows:Name of ShareholderNumber of SharesThe Shareholders have entered into this Agreement to (Check all that apply)☐ Restrict the disposition of stock by Shareholders☐ Ensure any sale of stock is in accordance with established procedures☐ Provide stability and continuity in the management and policies of the Company☐ Maintain ownership or control of the Company☐ Create a market for Shareholders to sell stock☐ Determine how the stock will be transferred in the event of a death, disability, or other involuntary transfer of Shares☐ Establish an accepted purchase price for the stock☐ Other: If you do not have a buy-sell agreement in place under any of the preceding circumstances, then your business could be subject to a partition by sale. This means that a court may order the dismantling and selling of components of the company to provide the financial value that a new owner is entitled to. Alternatively, a court could decide to grant ownership to a new person under one of the aforementioned circumstances, granting that new person the same decision-making ability as the existing partners. If a company's owners disagree, without a contract to ensure that the company shares are appropriately sold and valued, one shareholder might sell shares to a competing entity or a party not approved by the other shareholders. Except as permitted in this Agreement, the parties will not sell, transfer, pledge, assign, hypothecate, encumber or alienate (each a "Transfer") any of the shares other than according to the terms of this Agreement. Any Transfer not in accordance with this Agreement will be void.An original copy of this Agreement duly executed by the Corporation and by the Shareholders will be delivered to the Secretary of the Corporation, to be maintained by them at the principal executive office of the Corporation, and made available for inspection by any person requesting it.☐ Not applicable.☐ The Shareholders agree, immediately upon execution of this Agreement, to present the certificates representing the shares of stock in the Corporation presently owned or hereafter acquired by them to the Secretary of the Corporation and cause the Secretary of the Corporation to stamp on the certificate in a prominent manner the following legend:"The shares represented by this certificate are subject to certain restrictions contained in a Buy-Sell Agreement among the Company and the Shareholders. A copy of the Buy-Sell Agreement is on file at the principal office of the Company." When stock is transferred for any reason, even to a revocable trust, the transferee must sign an Adoption Agreement (see Annex A). If any transferee fails to sign the Adoption Agreement, the transfer will be considered in violation of the

Buy-Sell Agreement. ☐ The Shareholders will NOT be allowed to Transfer any Shares except as provided in this Agreement.☐ The Shareholders will be entitled to Transfer Shares: (Check all that apply)☐ Transfers to other shareholders☐ Transfers to a revocable trust☐ Transfers to the shareholder's immediate family☐ Other:Any permitted transferee will hold the Shares subject to the provisions of this Agreement.In the event a Shareholder wishes to sell any Shares (the "Offering Shareholder"), the Shareholder will provide a written notice to (Check one)☐ The other Shareholders (the "Remaining Shareholders")☐ The other Shareholders (the "Remaining Shareholders") first and then the Company☐ The Company☐ The Company first and then the other Shareholders (the "Remaining Shareholders") of its intention to sell the Shares (a "Notice of Transfer").A Notice of Transfer will specify the following: The name and address of the purchaser (the "Third Party Purchaser") The number of shares being sold (the "Offered Shares") The price per share The payment and other terms of the proposed sale.☐ (Select if written notice is provided to the Remaining Shareholders only)Shares at the price and in accordance to the terms in the Notice to Transfer in proportion to their respective ownership interests of the outstanding Shares. If any Remaining Shareholder fails to give timely notice or declines to purchase their proportionate share, the other Remaining Shareholders will have the option to purchase the Offered Shares, in proportion to their respective ownership interests of the outstanding Shares. If the Remaining Shareholders elect to purchase less than all of the Offered Shares, the Offering Shareholder may sell (Check one)☐ the Offered Shares to the Third Party Purchaser at the price and in accordance to the terms in the Notice to Transfer☐ any Offered Shares not purchased by the Remaining Shareholders to the Third Party Purchaser at the price and in accordance to the terms in the Notice to Transfer.☐ (Select if written notice is provided to the Remaining Shareholders first and then the Company)For (insert number) days after receipt of a Notice to Transfer, the Remaining Shareholders will have the option to purchase the Offered Shares at the price and in accordance to the terms in the Notice to Transfer in proportion to their respective ownership interests of the outstanding Shares. If any Remaining Shareholder fails to give timely notice or declines to purchase their proportionate share, the other Remaining Shareholders will have the option to buy the Offered Shares, in proportion to their respective ownership interests of the outstanding Shares.At the end of the (insert number)-day option period, the Remaining Shareholders will notify the Company of the number of Offered Shares they intend to purchase. For (insert number) days after receipt of such notification, the Company will have the option to buy any Offered Shares not being purchased by the Remaining Shareholders at the price and per the terms in the Notice to Transfer. If the Remaining Shareholders or the Company elect to purchase less than all of the Offered Shares, the Offering Shareholder may sell (Check one)☐ the Offered Shares to the Third Party Purchaser at the price and per the terms in the Notice to Transfer☐ any Offered Shares not purchased by the Remaining Shareholders or the Company to the Third Party Purchaser at the price and in accordance to the terms in the Notice to Transfer. The types of permitted transfers will vary from business to business, but the goal is to assure the shareholders that if a transfer of equity occurs, it will not destabilize the company. ☐ (Select if written notice is provided to the Company only)For (insert number) days after receipt of a Notice to Transfer, the Company will have the option to purchase the Offered Shares at the price and per the terms in the Notice to Transfer. If the Company elects to purchase less than all of the Offered Shares, the Offering Shareholder may sell (Check one)☐ the Offered Shares to the Third Party Purchaser at the price and per the terms in the Notice to Transfer☐ any Offered Shares not purchased by the Company to the Third Party Purchaser at the price and in accordance to the terms in the Notice to Transfer.☐ (Select if written notice is provided to the Company first and then the Remaining Shareholders)For (insert number) days after receipt of a Notice to Transfer, the Company will have the option to purchase the Offered Shares at the price and per the terms in the Notice to Transfer. At the end of the (insert number)-day option period, if the Company has elected to purchase less than all Offered Shares, it will notify the Remaining Shareholders of the number of Offered Shares still available for purchase. For (insert number) days after receipt of such notification, the Remaining Shareholders will have the option to purchase any Offered Shares not being purchased by the Company at the price and in accordance to the terms in the Notice to Transfer in proportion to their respective ownership interests of the outstanding Shares. If the Company or the Remaining Shareholders elect to purchase less than all of the Offered Shares, the Offering Shareholder may sell (Check one)☐ the Offered Shares to the Third Party Purchaser at the price and per the terms in the Notice to Transfer☐ any Offered Shares not purchased by the Company or the Remaining Shareholders to the Third Party Purchaser at the price and in accordance to the terms in the Notice to Transfer.Unless otherwise provided in this Agreement, as a condition to any Transfer, each Third Party Purchaser and any other purchaser or subsequent transferee must agree to be bound by the terms of this Agreement.Adoption Agreement (Check one) ☐ Not applicable. ☐ Each Third Party Purchaser and any other purchaser or subsequent transferee will become a party to this Agreement by executing the Adoption Agreement attached hereto as Annex A. You may choose to add a clause stating that upon the death of the majority shareholder, the minority shareholders will have the option to purchase all or any portion of the shares of stock owned by the deceased majority shareholder at the time of their death. The following events will each constitute an "Involuntary Transfer Event," and the affected Shareholder will be referred to as the "Withdrawing Shareholder" and the remaining Shareholders will be referred to as the "Non-Withdrawing Shareholders":the death of a Shareholder;the total mental or physical disability of a Shareholder;the termination of a Shareholder's employment with the Company; andthe bankruptcy or insolvency of a Shareholder.Upon the occurrence of any of the events specified in Paragraph 1, the Withdrawing Shareholder or the personal representative of the Withdrawing Shareholder will notify the Company of the Involuntary Transfer Event.Upon receipt of such notice: (Check one)☐ The Majority Shareholder will have the option to purchase all or any portion of the shares of stock of the Deceased, Disabled, or Terminated Minority Shareholder on the terms and conditions hereinafter set forth. If the Majority Shareholder declines to exercise their option to purchase the stock, in whole or in part, the Company will purchase all Shares. The Company will redeem or purchase for cancellation all of the Shares owned by the Withdrawing Shareholder within (insert number) days from receipt of the notice.☐ The Company will purchase all Shares. The Company will redeem or purchase for cancellation all of the Shares owned by the Withdrawing Shareholder within (insert number) days from receipt of the notice.☐ The Company will purchase Shares first and then the Non-Withdrawing Shareholders. The Company, at its discretion, will redeem or purchase for cancellation the Shares owned by the Withdrawing Shareholder within (insert number) days from receipt of the notice. In the event the Company redeems or purchases less than all of the Shares owned by the Withdrawing Shareholder, the Company will notify the Non-Withdrawing Shareholders of the number of unpurchased Shares remaining. The Non-Withdrawing Shareholders will purchase the remaining Shares on a pro-rata basis within (insert number) days from receipt of the notice.☐ The Non-Withdrawing Shareholders will purchase all Shares. The Company will notify the Non-Withdrawing Shareholders of the Involuntary Transfer Event and the number of Shares owned by the Withdrawing Shareholder. The Non-Withdrawing Shareholders will purchase all of the Shares owned by the Withdrawing Shareholder on a pro-rata basis within (insert number) days from receipt of the notice.☐ The Non-Withdrawing Shareholders will purchase Shares first and then the Company. The Company will notify the Non-Withdrawing Shareholders of the Involuntary Transfer Event and the number of Shares owned by the Withdrawing Shareholder. The Non-Withdrawing Shareholders will, at their discretion, purchase the Shares owned by the Withdrawing Shareholder on a pro-rata basis within (insert number) days from receipt of the notice. If the Non-Withdrawing Shareholders purchase less than all of the Shares owned by the Withdrawing Shareholder, the Company will purchase the remaining Shares within (insert number) days from receipt of the notice. Your business worth can't be mapped out in advance because the value will fluctuate over time. For a buyout agreement, the way to determine the value of the business at the time it's triggered has to be agreed upon by all shareholders. The purchase price per share to be paid for any Transfer of Shares due to an Involuntary Transfer Event (the "Purchase Price") will be: (Check one)☐ $ (insert number) per share.☐ The book value per share of the Shares. The book value of the Shares will be determined by the Company's regular independent certified public account. If the Company does not have a regular independent certified public account, the Company will select an independent certified public accountant. The book value will be calculated in accordance with generally accepted accounting principles.☐ The fair market value per share of the Shares. The fair market value of the Shares will be set and agreed upon by the Company and the Shareholders within (insert number) days after an event requiring a determination of the purchase price of the Shares. If the parties cannot agree on a fair market value, the fair market value will be set by a mutually agreed upon qualified independent appraiser. If the parties cannot agree upon an independent appraiser in good faith, the independent appraiser will be chosen by a court of competent jurisdiction.☐ Determined by an agreed-upon appraiser. Within (insert number) days after an event requiring a determination of the purchase price of the Shares, the Company and the Shareholders will select a mutually agreed upon qualified appraiser to appraise the value of the Company and set a purchase price.☐ Other:(Insert any additional information here)If a Minority Shareholder becomes physically or mentally disabled, as defined by this Agreement, the Purchasers will pay them twenty-five percent (25%) of the total purchase price in cash. The payment must be complete within thirty (30) days of the first anniversary of the disabling event. The purchasers will pay the balance of the purchase price in sixty (60) equal monthly installments. These payments will begin on the first day of the calendar month immediately following the down payment. Payments will be secured by a pledge of stock.If the Corporation does not have a sufficient source of funds from which it may lawfully purchase the Deceased, Disabled, or Terminated Shareholder's shares of stock, the Deceased, Disabled, or Terminated Shareholder or his legal representative and the other Shareholders will promptly take measures to vote their respective holdings of stock and to take such steps as may be appropriate or necessary to enable the Corporation to lawfully purchase and pay for all of the Deceased, Disabled, or Terminated Shareholder's shares of stock.The Purchasers of a Deceased, Disabled, or Terminated Shareholder's shares of stock will be entitled to vote as many shares as each is obligated to purchase. Until full payment of the purchase price is made, all dividends and distributions on the stock will be applied toward the purchase price as a prepayment on the balance due. All such payments will be applied first to the principal then to unpaid interest.In the event of the simultaneous deaths of all of the Shareholders, or in the event of the deaths of all of the Shareholders within thirty (30) days after the death of the first Shareholder to die, the estate of each Shareholder will own their respective shares of the Corporation, and the proceeds of insurance owned by them, free of the terms of this Agreement.The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties will be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.No insurance company that has issued or will issue a policy or policies subject to this Agreement will be under any obligation concerning the performance of this Agreement's terms and conditions. Any such company will be bound only by the terms of the policy or policies which it has issued or will hereafter issue and will have no liability except as set forth in its policies. No insurance company that has issued or will issue a policy or policies subject to this Agreement will be under any obligation concerning the performance of this Agreement's terms and conditions. Any such company will be bound only by the terms of the policy or policies which it has issued or will hereafter issue and will have no liability except as set forth in its policies.The Purchase Price for the Transfer of any Shares due to the death of a Shareholder will be payable out of the proceeds of any life insurance policy required to be carried on the life of the Withdrawing Shareholder by the Shareholders or the Company. To the extent there is no life insurance policy, or the life insurance proceeds are less than the Purchase Price, the remaining amount will be payable by: (Check one)☐ Cash ☐ A negotiable promissory note ☐ (insert number) equal installment paymentsAll other payments will be payable by: (Check one)☐ Cash ☐ A negotiable promissory note ☐ (insert number) equal installment paymentsThe Selling Shareholder or Withdrawing Shareholder will deliver the certificates representing the Shares being transferred, properly endorsed for transfer, or accompanied by an assignment agreement to the transferee. Life insurance policies are a common way for many businesses to plan for the execution of the buy-sell agreement. Each partner would be insured by the other owners or the company for their portion of the company's total worth. This helps ensure that the other parties have access to the money necessary to buy out the deceased or disabled co-owner. ☐ Not applicable. ☐ The Company will carry a life insurance policy on the life of each Shareholder. The Company will be responsible for all premiums and costs related to such a life insurance policy. Each life insurance policy will carry a minimum payout of at least $(insert number). ☐ Each Shareholder will carry a life insurance policy on the life of the Shareholder. Each Shareholder will be responsible for all premiums and costs related to such a life insurance policy. Each life insurance policy will carry a minimum payout of at least $(insert number). Use precise language in your buy-sell agreement. Ambiguity generally leads to conflict about the required procedures upon the occurrence of a triggering event. Both the buyer and seller in the transaction may feel like they are being cheated by the other side, leading to years of costly litigation between the buyer and seller. This Agreement will be effective and binding upon the parties as of the Effective Date.This Agreement will terminate in the event one of the following occurs: (Check all that apply)☐ Written consent of a majority of the Shareholders ☐ Death or incapacity of all of the Shareholders ☐ Bankruptcy, receivership, or dissolution of the Company ☐ A single Shareholder becoming the owner of all of the Shares ☐ Other:This Agreement may be amended or modified only by a written agreement signed by all of the parties.Any notice or other communication given or made to any party under this Agreement will be in writing and delivered by hand, sent by overnight courier service, or sent by certified or registered mail, return receipt requested, to the Company at the address stated above and to the Shareholders at the address in the Company's records.No party will be deemed to have waived any provision of this Agreement or the exercise of any rights held under this Agreement unless such waiver is made expressly and in writing. A waiver by any party of a breach or violation of any provision of this Agreement will not constitute a waiver of any other subsequent breach or violation.No party hereto will have the right to assign their rights or delegate their duties hereunder without the written consent of the other parties, whose consent will not be unreasonably withheld.If any provision of this Agreement is held to be invalid, illegal, or unenforceable in whole or in part, the remaining provisions will not be affected and will continue to be valid, legal, and enforceable as though the invalid, illegal, or unenforceable parts had not been included in this Agreement.This Agreement will be binding upon and inure to the benefit of the parties and their respective legal representatives, heirs, administrators, executors, successors, and permitted assigns.The section headings herein are for reference purposes only and will not otherwise affect the meaning, construction, or interpretation of any provision in this Agreement.The terms of this Agreement will be governed by and construed in accordance with the laws of the State of [Company.State], not including its conflicts of law provisions. To avoid any unexpected tax payments, know which corporate structure will work best. Some corporations can only hold interests in specific trusts, meaning it would most likely be more tax-efficient for the buyer to buy out the seller directly. With regular corporations, though, it is generally more favorable if the corporation buys out the seller. Any dispute arising from this Agreement will be resolved through:☐ Court litigation. Disputes will be resolved in the courts of the State of [Company.State]. (Check if applicable, strike out if not)☐ If either party brings legal action to enforce their rights under this Agreement, the prevailing party will be entitled to recover from the other party their expenses (including reasonable attorneys' fees and costs) incurred in connection with the action and any appeal.☐ Binding arbitration. Binding arbitration will be conducted in accordance with the rules of the American Arbitration Association.☐ Mediation.☐ Mediation, then binding arbitration. If the dispute cannot be resolved through mediation, then the dispute will be resolved through binding arbitration conducted in accordance with the rules of the American Arbitration Association.This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together, will constitute one and the same document.This Agreement contains the entire understanding between the parties and supersedes and cancels all parties' prior agreements, whether oral or written, with respect to such subject matter.(insert any additional information here)IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.[Sender.FirstName][Sender.LastName][Sender.FirstName][Sender.LastName][Client.FirstName][Client.LastName][Sender.FirstName][Sender.LastName][Client.FirstName][Client.LastName]I acknowledge that I have read the preceding Buy and Sell Agreement and that I know its contents. I am aware that by its provisions my spouse is to sell off all of their shares of the Corporation (including my community property interest therein) upon an occurrence of any event specified therein. I hereby consent to such sale, approve of the provisions of said Buy and Sell Agreement, and agree that I will not bequeath said shares or any of them or any interest in them by my Will if I predecease my spouse. I direct that the residuary clause in my Will not be deemed to apply to my community interest in such shares.[Sender.FirstName][Sender.LastName][Client.FirstName][Client.LastName][Sender.FirstName][Sender.LastName][Client.FirstName][Client.LastName][Sender.FirstName][Sender.LastName]This Adoption Agreement (this "Agreement") is executed as of this (insert date) day of (insert month), (insert year) by the undersigned (the "Transferee") pursuant to the Buy-Sell Agreement dated as of (insert date} (the "Buy-Sell Agreement") by and between (Company) (the "Company") and the Shareholders listed in Schedule A thereto.WHEREAS, the Transferee is hereby acquiring certain shares of the Company (the "Shares") which are restricted by and subject to the terms and conditions of the Buy-Sell Agreement; andWHEREAS, the Transferee has received and reviewed a complete copy of the Buy-Sell Agreement.NOW THEREFORE, as partial consideration for transfer of such Shares, the Transferee hereby agrees as follows:The Transferee hereby agrees that upon the execution of this Agreement, the Transferee will become a party to the Buy-Sell Agreement, and will be fully bound by and subject to the terms and conditions of the Buy-Sell Agreement as though an original party thereto.Any notice required pursuant to the Buy-Sell Agreement will be delivered to the Transferee at the following address:[Transferee.FirstName][Transferee.LastName][Transferee.StreetAddress], [Transferee.City], [Transferee.State][Transferee.PostalCode]The terms of this Agreement will be governed by and construed in accordance with the laws of the State of [Transferee.State], not including its conflicts of law provisions.IN WITNESS WHEREOF, the Transferee has executed this Agreement as of the date first written above.[Sender.FirstName][Sender.LastName] What Is a Buy and Sell Agreement?When a business partner passes away unexpectedly, a buy and sell agreement becomes inevitable. This agreement is a contract that contains provisions involving the transfer of shares of a partner who has left. Typically, a buy and sell contract requires available shares to be sold to surviving partners. You usually use this agreement in corporations, partnerships, and sole proprietorships to ease the transfer of ownership when a partner leaves, retires or dies. There are two forms of buy and sell agreements: the cross-purchase agreement and the redemption agreement. In a cross-purchase arrangement, the surviving owners buy out the available share, while in a redemption agreement, the company purchases the share. In a small business like a sole proprietorship, if the owner dies, a "key employee" may become the successor. A key employee is a worker that owns a significant part of the business or plays a big role in making decisions for the company.Common Reasons Why Partnerships FailNot all partnerships succeed in the end. For that reason, companies must prepare buy-sell agreements in case a co-owner plans to leave the company. In an article published by the Tax Foundation in 2015, the Census Bureau reported that there were about 73.1% sole proprietorships, 13.1% S corporations, and only about 8% partnerships in the United States. So, what are the general reasons why partnership agreements fail?Different Levels of Commitment. It is a fact that all businesses start with a capital. Compared to a sole proprietorship, where you are primarily responsible for the failure or success of your company, a partnership is a whole different story. In partnerships, co-owners are dependent on one another. All must have the same level of commitment to preventing conflicts from arising among each other. For example, one partner may offer a larger monetary contribution, or one may put in more mental and physical effort compared to the others. Unequal levels of commitment may lead to strife and conflicts in the future.Different Goals. How will a business succeed if co-owners go separate ways? Before even starting a business, partners should meet and talk about their objectives and goals for the company. To avoid disagreements between co-owners, a vision statement should be made and agreed upon by all. Moreover, a business plan should be created to track down the goals of the company.Mixing Personal Affairs. Planning a private business with people may sound very appealing. However, the thought of money can make things different. Business partnerships shouldn't be based primarily on relationships, or else, it is more likely to fail. A successful business keeps an eye on its member's personalities, experiences, talents, and strengths. It is crucial to separate your business and personal lives. Note that it is important to have a partnership contract that lays out all the issues concerning finances, so everything will be set and clear for all in case disputes arise.Clashing Personalities. Sometimes, great personality differences among partners weigh heavily on the process of decision making. Yes, disagreements should be expected, yet strong and contrasting personalities may lead to trouble. Therefore, when assessing and interviewing a new partner, you must discuss his/her experiences, skills, and personality.Trust Issues. Honesty is essential in any business partnership. It is the foundation of business relationships. A dishonest act done by one member may put the whole business at risk. To prevent this from happening, one should research your partners' background and reputation before even taking them in. Ask the following questions for yourself. Were they ever involved in other businesses in the past? What kind of reputation do they have? What is their credit score? You can ask whatever may be related to your partners' history in doing business.How to Create a Buy and Sell Agreement TemplateEvery business has a unique organizational structure. A company with several co-owners would need a more complex buy and sell agreement, while a company with a sole proprietor may only need a simple one. Therefore, let us create a standard buy-sell agreement by following the steps below.Step 1: Identify the Events that will Require a BuyoutWhen creating a basic contract, clearly defining the events that will require a buyout is essential. These events may include the disability or death of a co-owner, the resignation of an owner who is at the same time an employee, the divorce of a partner, the bankruptcy of an owner, or the expulsion of an owner. This section of the agreement permits partners to have a smooth exit from the company.Step 2: Write Stipulations About the Transfer of SharesWithout a buy-out agreement, a partner's share will automatically be transferred to their family members. This may not be practical for the business, and the remaining partners may object. And that is why the agreement should have written stipulations concerning the transfer of shares in case a co-owner dies or leaves. Note that this may also include a provision regarding a family member buying out the share for a price. In case of a divorce, a part of the contract should state about the company's right to buy back the shares left by a former partner. Without one, the court may grant the ex-wife/husband to own the shares.Step 3: Include a Clause Concerning DisabilityIn a situation where one of the co-owners suffer a disability or long-term disease impairing him/her to function as a member of the company, it is wise to include a clause addressing this issue. The agreement should make a set timeline of how long the disabled party will be allowed to heal before a buyout is triggered. Some agreements may also add a clause stating an owner's right to buy back his/her shares later on.Step 4: Add Specifications for Retirement or Early BuyoutOwners are expected to retire in the future. A clause for retirement will specify the allowable age for retirement. Also, write specifications concerning where the shares would go after retirement. Some contracts may write options about founding owners who retire to stay part-time as a consultant. In a case where an owner decides an early buyout. A clause would set regulations for the remaining partners to buy out those available shares.Step 5: Incorporate the Right of First RefusalThe right of first refusal is an individual's right to be a priority in a business agreement before anyone else. This section of the contract will verify that the remaining partners have the right to buy back available shares. Shareholders are not permitted to transfer shares to outsiders.FAQsA buy-sell contract gives its owners assurance that the company is in the right hands if one day they could no longer manage it. Other benefits include an equitable market value trade. It encourages the fair and smooth transfer of management, ownership, and wealth while offering some tax benefits. The agreement also assures heirs that a buyer will take over of the assets they couldn't manage, provide heirs money to pay for expenses, taxes, and estate debts. It further assures surviving partners that the share of the deceased will not be given to an outsider, assures business continuity.The main reason why corporations market stocks to the public is to gain more money. Usually, companies sell shares to the public through an initial public offering. After an IPO, the stocks are then traded to secondary markets. The amount being traded to the secondary market affects a corporation because it has an impact on the company's profitability. Reducing the number of stocks in secondary markets increases a corporation's EPS or earnings per share. One more reason why companies choose to repurchase shares is to retake the status as majority shareholder, which is only acquired by owning 50% or more of the shares.Repurchases happen when a company decides to repurchase or buyout shares from its co-owners. The company will pay shareholders of the market value of each share. Note that this is not compulsory on the part of a shareholder. On the other hand, redemptions happen when a corporation demands shareholders to trade a percentage of their shares to them. Redeemable shares have a call price, which is the amount of money a company will have to pay upon redemption. Note that a call price at the beginning of share issuance.If you plan to sell your small business as a sole proprietor, here are ways to determine the value of your business. (1) Sum up the value of all your assets and subtract all liabilities. This may include your inventory and equipment. (2) Determine your business's revenue. How many sales does your company generate annually? You can ask for assistance from a business or stockbroker to calculate for your company's worth. (3) Use the price over earnings ratio. Compute for the profit your company will get for the upcoming years. (4) Consider your location and the strategic value it offers.A shareholder is an institution or an individual that owns a portion of stocks in a company. There are two types of shareholders, the majority and the minority. A majority shareholder owns 50% or more of the company's stocks, while a minority shareholder owns 50% percent below the company's stocks. In most cases, the founders of the company are the majority shareholders.Buy and sell agreements are created to protect a business and help the parties involved handle unforeseen situations. The deal protects the share of a deceased partner by preventing outside buyers from purchasing it. In other words, it controls and manages company ownership. For a business to achieve its visions and goals, it must ensure its safety through buy-sell agreements.