

Fixed price legal package - Purchase of Business

\$2,950 plus GST and disbursements

Inclusions – what we do for this price.

- Take detailed instructions regarding all aspects of the business purchase.
- Advise on the effect of the s.52 Statement.
- Company search of the Vendor company to ascertain the identity of its shareholders and directors.
- Review the terms of the lease to be assigned to the Purchaser and advise. Consider whether the landlord's consent (and mortgagee if relevant) is required for the transfer of the lease. Consider whether the Retail Leases Legislation applies and advise on the applicable provisions. Confirm there are no outstanding breaches of the lease. Check any prior variations of the lease.
- Conduct a title search of the freehold of the premises to confirm the owner is the lessor under the lease or identify any head lease. Also check for any restrictive covenants on title which may effect the business use.
- Review the terms of any agreement the Purchaser is to assume and advise.
- Conduct a search of the business name to confirm it is registered to the Vendor.
- Check any registered security interests in the vendor company or the assets of the business.
- Review the terms of the contract of sale proposed by the Vendor's lawyer. Negotiate any necessary amendments and special conditions if required to take in any deal specific terms.
- Organise the execution and exchange of the contract of sale.
- Prepare transfer/assignment of lease, arrange for execution by client, submit to Vendor's lawyer with details of financial position and business experience of purchaser.
- Calculation of adjustment of employee entitlements for staff subject to continuing employment with the Purchaser.
- Check with council and water authority to confirm amounts to be adjusted at settlement.
- Prepare Statement of Adjustments and submit to Vendor's solicitor.
- Make arrangements for settlement with Vendor's lawyer and any other parties required to attend settlement.
- Attend settlement, hand over money and collect relevant executed documents.
- Report to the client post settlement.

Exclusions – what you can do yourself (i.e. where there is no need for a lawyer to undertake the activity). We are available to support and guide you as necessary.

- Conduct your due diligence or financial analysis of the business. You may wish to involve your accountant for the financial aspects.
- Speak to the local Council to confirm that the business can be legally operated from the premises, there are no outstanding orders to be complied with and there are no proposed developments which may affect the business.

- Stock take – If required, Vendor and Purchaser can handle the process of counting stock.
- Food Business – if required, Vendor and Purchaser undertake the necessary steps to obtain approval of the local council and health department (as applicable) to the transfer of the business to the Purchaser.
- Transfer of any equipment leases/licenses/hire purchase etc.
- Transfer of domain names, websites, phone/fax numbers, social media accounts etc.
- Transfer of any other licenses or permits required to operate the business.
- Check the business premises pre-settlement to confirm all equipment is in the business and in good condition.
- Transfer of business name using ASIC transfer number obtained at settlement.

We will need to charge extra for these things:

- If a franchised business.
- If a liquor licence.
- If trademarks, patents other intellectual property rights are to be transferred.
- If the Vendor is the trustee of a trust, checking the trust deed to confirm the power of sale.
- Employment advice.
- If a dispute arises.
- If there is anything extraordinary about the business which imposes significant additional legal work (if applicable, we will discuss this with you at the time we receive the instructions).

ASSUMPTIONS FOR CREA LEGAL FIXED PRICE PACKAGE
The negotiations have been completed and a deal agreed.
Crea Legal is provided with the fully completed instruction sheet.
The business premises (if any) are leased by the Vendor with a current, valid lease which contains assignment rights and it will be assigned to the Purchaser in its current form.
The business experience and financial resources of the Purchaser are provided to Crea Legal in a form which can be submitted to the Landlord for approval to the assignment of the lease.
The use is approved for the business premises by Council and any other relevant authorities.
There are no outstanding notices or other non-compliance with legal requirements in the business.
All business assets being sold are owned by the selling entity with clear title.
The Purchaser (or directors thereof) are Australian residents and no Foreign Investment Review Board approval is necessary for the purchase.
The transaction will not involve sale of shares in the Vendor's company, rather the business will be transferred to the Purchaser or an entity of the Purchaser.
The purchase price is to be paid on settlement, not on vendor finance terms.

Note: Crea Legal dos not provide tax advice. Speak to your accountant about your business purchase and obtain any relevant advice.

Simply complete this instruction form and send it to **enquiries@crealegal.com.au**.

Date: _____

Proposed settlement date: _____

1. PURCHASER

Name: _____

Address: _____

Contact: W: _____ H: _____ Fax: _____

Mobile: _____ Email: _____

If company, Name: _____ ACN: _____

Directors _____

Shareholders _____

2. VENDOR

Name: _____

Address: _____

Postal address: *As above* ☐ *or* _____

Contact: W: _____ H: _____ Fax: _____

Mobile: _____ Email: _____

If company,
Name: _____ ACN: _____

Directors _____

Shareholders _____

3. VENDOR'S SOLICITOR

Firm: _____

Contact name: _____

4. BUSINESS AGENT

Firm: _____

Contact name: _____

5. THE BUSINESS

Name: _____

General nature: _____

Address: _____

6. PRICE

Price: \$ _____

Apportionment: Goodwill

\$ _____

Deposit: \$ _____

Plant fixtures fittings \$ _____

Note: Apportionment can have tax consequences and you should seek advice from your accountant.

7. FINANCE

☐ Cash available

☐ Loan *Is it approved:* ☐ Yes ☐ No

Loan from: _____

Address: _____

Contact: Phone: _____ Fax: _____

Mobile: _____ Email: _____

8. TAX

Goods and Services Tax

☐ Is the business being sold as a going concern.

Note: If unsure, speak to your accountant

9. INTELLECTUAL PROPERTY

Including trade names, product names, trademarks, patents, copyrights, licences, website, social media or other intellectual property.

Details: _____

To be assigned to the purchaser: ☐ Yes ☐ No

10. RESTRAINT OF TRADE

Persons to be restrained: ☐ Vendor ☐ Other key staff

Details: _____

Restraint period: _____ years Distance radius: _____ km

Other: _____

11. INCLUSIONS

Plant, fixtures, fittings

1. Please provide itemised list with values attributed to each item

2. Are any assets subject to chattel lease/mortgage: _____

☐ To be assigned to purchaser

☐ To be paid out by vendor

3. Contracts, licences, services:

a) Contracts involving vendor to be assigned to purchaser:

b) Licences, permits, authorisations to be transferred to purchaser:

4. List any fixtures and fittings being removed by the vendor:

Stock-in-trade

1. Description:

2. Maximum value:

3. Method of calculation:

Any other assets included in sale

12. LOCAL COUNCIL

Any council requirements: ☐ Yes ☐ No ☐ Don't know

Details:

Is the use approved: ☐ Yes ☐ No ☐ Don't know

Details:

Any outstanding notices: ☐ Yes ☐ No ☐ Don't know

Details:

13. TUITION/TRAINING/ASSISTANCE FROM VENDOR

Before completion: ☐ Yes ☐ No

Details:

After completion: ☐ Yes ☐ No

Details:

14. TRIAL PERIOD

☐ Yes ☐ No

Details:

15. CUSTOMERS/CLIENTS

Client list to be provided to purchaser: ☐ Yes ☐ No

Records, files, completed & current matters to pass to purchaser: ☐ Yes ☐ No

16. WORK IN PROGRESS

Details:

Purchaser to have benefit of work in progress: ☐ Yes ☐ No

e.g. unfilled orders, partly completed work, lay bys, deposits and customer enquiries.

17. REPRESENTATIONS

Did the vendor or the agent make any representations relating to the business, which are not in the contract: ☐ Yes ☐ No

If yes, details: _____

18. CREDITORS

Vendor will pay all outstanding: ☐ Yes ☐ No

Details: _____

19. BOOK DEBTS

Vendor will recover: ☐ Yes ☐ No

Details: _____

20. CREDIT SALES, GIFT VOUCHERS AND LAY BYS

Adjustment required: ☐ Yes ☐ No

Details: _____

21. PREMISES

Tenure: ☐ Lease ☐ Licence ☐ Not Applicable
☐ New ☐ Assignment ☐ Vendor will provide necessary documentation

Lessor: _____

Lessor solicitor: _____

Lessor agent: _____

22. LIABILITIES

Any ongoing warranties or product liabilities which become the purchaser's responsibility: ☐ Yes ☐ No

Details: _____

23. EMPLOYEES

Are there transferring employees: ☐ Yes ☐ No

Note: Adjustments are made on settlement for the entitlements of transferring employees including accrued annual leave, personal/sick leave and long service leave.

For transferring employees, please provide:

- Name:
- Commencement Date:
- Accrued employee entitlements (Sick leave, annual leave, long service leave):
- Employment Contract:

24. NOTICES, ORDERS, PROPOSALS AFFECTING BUSINESS OR PREMISES

Details: _____

25. RATES, TAXES AND OUTGOINGS TO BE APPORTIONED ON COMPLETION

Between vendor/purchaser: _____

Between lessor/lessee: _____

26. SPECIAL CONDITIONS

Subject to finance? _____

Subject to franchisor approval of the purchaser? _____

Any others? _____
