

ASSET PURCHASE AGREEMENT

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This Asset Purchase Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[SELLER LEGAL NAME], a [STATE] [ENTITY TYPE, e.g. corporation] with its principal place of business at [SELLER ADDRESS] ("**Seller**"); and

[BUYER LEGAL NAME], a [STATE] [ENTITY TYPE] with its principal place of business at [BUYER ADDRESS] ("**Buyer**").

Seller and Buyer are each a "**Party**" and together the "**Parties**."

Recitals. Seller owns certain assets used in connection with [DESCRIBE THE BUSINESS OR ACTIVITY, e.g. Seller's [PRODUCT LINE] operations]. Seller wishes to sell, and Buyer wishes to purchase, specified assets and to assume specified liabilities, on the terms set out below. This is a purchase of assets only and not of Seller's equity; Buyer does not acquire Seller's stock, membership interests, or general liabilities except as expressly assumed here. In consideration of the mutual promises below, the Parties agree as follows.

1. Purchase and Sale of Assets

1.1 Purchased Assets. Subject to the terms of this Agreement, Seller will sell, convey, and transfer to Buyer, and Buyer will purchase, the assets listed in **Schedule A** (the "**Purchased Assets**"), free and clear of all liens and encumbrances except those Buyer expressly assumes.

1.2 Categories. The Purchased Assets include, to the extent listed in **Schedule A**: [e.g. equipment and fixtures; inventory; intellectual property; domain names and software; transferable contracts and permits; customer and supplier lists; and goodwill].

1.3 Excluded Assets. The transaction excludes all assets not listed in **Schedule A**, including [e.g. cash, accounts receivable arising before Closing, corporate records, tax attributes, and the items in Schedule B] (the "**Excluded Assets**").

1.4 Non-assignable assets. If any Purchased Asset cannot be assigned without a third-party consent that has not been obtained by Closing, the Parties will cooperate in a lawful arrangement under which Buyer receives the benefits of that asset until the consent is obtained.

2. Assumed and Retained Liabilities

2.1 Assumed Liabilities. Buyer will assume only the liabilities and obligations listed in **Schedule C** (the "**Assumed Liabilities**"), which arise on or after the Closing Date or relate to performance under assigned contracts after Closing.

2.2 Retained Liabilities. Seller retains all liabilities and obligations not expressly assumed (the "**Retained Liabilities**"), including liabilities for pre-Closing taxes, litigation, employee claims, and product or service claims arising from Seller's operation before Closing.

2.3 No implied assumption. Nothing in this Agreement makes Buyer responsible for any Retained Liability, and the inclusion of an asset in Schedule A does not imply assumption of any related liability unless listed in Schedule C.

3. Purchase Price and Allocation

3.1 Purchase price. The total purchase price for the Purchased Assets is **[AMOUNT]** in **[CURRENCY, e.g. US dollars]** (the "**Purchase Price**"), payable as set out in Section 3.2 and subject to the adjustments in Section 3.4.

3.2 Payment. Buyer will pay: (a) a deposit of **[AMOUNT]** on signing, held **[IN ESCROW / BY SELLER]**; (b) **[AMOUNT]** in immediately available funds at Closing; and (c) any balance under the terms in **Schedule D**.

3.3 Allocation. The Parties will allocate the Purchase Price among the Purchased Assets as set out in **Schedule E**, prepared consistently with applicable tax law, and will file consistent returns reflecting that allocation.

3.4 Adjustments. The Purchase Price will be adjusted for prorations of **[RENT, UTILITIES, PERSONAL PROPERTY TAXES, PREPAID ITEMS, AND INVENTORY VALUE]** as of the Closing Date, with a true-up within **[NUMBER]** days after Closing.

3.5 Transfer taxes. Responsibility for sales, use, and transfer taxes arising from the transfer of the Purchased Assets will be borne by **[BUYER / SELLER / THE PARTIES EQUALLY]**, as required or permitted by applicable law. The Parties will cooperate to comply with any bulk-sales notice requirements.

4. Closing

4.1 Closing. The closing (the "**Closing**") will occur on **[CLOSING DATE]**, or on another date the Parties agree, at **[LOCATION OR REMOTELY]** (the "**Closing Date**").

4.2 Seller's deliveries. At Closing, Seller will deliver: (a) a bill of sale for tangible Purchased Assets; (b) assignment and assumption agreements for contracts and Assumed Liabilities; (c) intellectual-property assignments in recordable form; (d) obtained third-party consents; and (e) lien releases for the Purchased Assets.

4.3 Buyer's deliveries. At Closing, Buyer will deliver the cash portion of the Purchase Price, any required notes or security documents, and the executed assignment and assumption agreement.

4.4 Possession and risk of loss. Buyer takes possession of the Purchased Assets at Closing, and risk of loss passes to Buyer at that time.

5. Representations and Warranties of Seller

5.1 Authority and title. Seller has the authority to enter into and perform this Agreement and owns the Purchased Assets free and clear of liens except as disclosed in **Schedule F**.

5.2 Assets and contracts. The Purchased Assets are in the condition represented, ordinary wear and tear excepted, and the assigned contracts are valid and not in default by Seller.

5.3 Compliance and litigation. To Seller's knowledge, Seller's use of the Purchased Assets complies in all material respects with applicable laws, and no litigation is pending or threatened that affects the Purchased Assets except as disclosed.

5.4 **Intellectual property.** To Seller's knowledge, the transferred intellectual property does not infringe the rights of any third party, and Seller has the right to assign it.

6. Representations and Warranties of Buyer

6.1 **Authority.** Buyer has the authority to enter into and perform this Agreement.

6.2 **Funds.** Buyer has, or will have at Closing, sufficient funds to pay the cash portion of the Purchase Price.

6.3 **Independent investigation.** Buyer has had the opportunity to inspect the Purchased Assets and conduct due diligence and relies only on the representations in this Agreement.

7. Covenants

7.1 **Conduct before Closing.** Between signing and Closing, Seller will maintain the Purchased Assets in the ordinary course and will not sell, encumber, or impair them outside the ordinary course without Buyer's consent.

7.2 **Consents.** Seller will use commercially reasonable efforts to obtain the third-party consents required to assign the Purchased Assets and Assumed Liabilities.

7.3 **Confidentiality and non-solicitation.** For [NUMBER] months after Closing, Seller will keep confidential the non-public information relating to the Purchased Assets and will not solicit the transferred customers or employees, to the extent permitted by applicable law.

7.4 **Further assurances.** Each Party will execute additional documents and take further actions reasonably necessary to carry out this Agreement after Closing.

8. Conditions to Closing

8.1 **Mutual conditions.** Each Party's obligation to close is subject to the other's representations being accurate in all material respects, performance of the other's obligations, and the absence of any law or order prohibiting the sale.

8.2 **Buyer's conditions.** Buyer's obligation to close is also subject to receipt of required consents, lien releases, and satisfactory completion of due diligence.

9. Indemnification

9.1 **By Seller.** Seller will indemnify Buyer against losses arising from Retained Liabilities, breach of Seller's representations or covenants, and Seller's pre-Closing operations.

9.2 **By Buyer.** Buyer will indemnify Seller against losses arising from Assumed Liabilities, breach of Buyer's representations or covenants, and Buyer's post-Closing use of the Purchased Assets.

9.3 **Procedure and limits.** The indemnified Party will give prompt written notice and allow the indemnifying Party to participate in the defense. Claims are subject to a [BASKET] of [AMOUNT] and a cap of [AMOUNT], except for fraud, title, transfer taxes, and Retained or Assumed Liabilities.

10. General Provisions

10.1 **Governing law and venue.** This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].

10.2 **Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

10.3 **Assignment.** Neither Party may assign this Agreement without the other's prior written consent, except that Buyer may assign to an affiliate or successor on written notice.

10.4 **Entire agreement; amendment.** This Agreement, with its Schedules, is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

10.5 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

10.6 **Survival.** Representations, warranties, covenants, and indemnification obligations survive Closing for **[NUMBER]** months, except those that by their nature should survive longer.

10.7 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Asset Purchase Agreement as of the Effective Date.

SELLER

BUYER

Signature: _____

Signature: _____

Printed name: **[NAME]**

Printed name: **[NAME]**

Title: **[TITLE]**

Title: **[TITLE]**

Date: _____

Date: _____

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