



# BUSINESS SALES TERMS AND CONDITIONS

**ideology consulting ltd**

7 Ferry Road  
London  
SW13 9RX

T 0333 939 8010  
E info@ideologyconsulting.co.uk  
ideologyconsulting.co.uk

**DATE:** \_\_\_\_\_

**PARTIES:**

- (1) ideology consulting ltd (the "**Broker**") and
- (2) (the "**Client**").

**BACKGROUND:**

- (A) The Client has agreed to pay the Broker commission in respect of finding the Client, either directly or indirectly, a buyer for the Client's business.
- (B) This Agreement prevents the Client from instructing other brokers during the term of this Agreement. This agreement can be terminated by the Client or the Broker by giving 6 weeks notice of such termination.

**AGREEMENT:**

**1. Definitions and interpretation**

1.1 In this Agreement:

"**Agreement**" means this Agreement and any amendments made to it from time to time in writing and agreed by the parties;

"**Business Day**" means any week day (including Saturday and Sunday), other than a bank or public holiday in England;

"**Business Hours**" means the hours between 09:00 and 17:00 inclusive on a Business Day;

"**Client's Business**" means (a) the business known as [X] or any successor thereto or, if appropriate, (b) the Client's interest, being a shareholding or otherwise, in the business known as [Y];

"**Commission**" means an amount equal to 3.0% of the Effective Consideration (plus VAT);

"**Effective Consideration**" means the total consideration payable by the purchaser for the Client's business or part of the Client's Business or any asset of the Client's Business;

"**Effective Date**" means [the date of execution of this Agreement];

"**Exchange of Contracts**" means the entry into a binding agreement for the sale of the Client's Business or part of the Client's Business or any asset of the Client's Business and includes, where there is no prior exchange of contracts, a conveyance or transfer of the Client's Business or part of the Client's Business or any asset of the Client's Business

"**Minimum Fee**" means the sum of £3,000.00 (plus VAT);

"**Notice of Termination**" means notification by one party to the other of their intention to terminate the Agreement;

"**Term**" means the term of this Agreement;

1.2 The Clause headings do not affect the interpretation of this Agreement.

## **2. Term**

This Agreement will come into force on the Effective Date and will continue in force indefinitely, unless and until terminated by either party giving 6 weeks' written Notice of Termination.

## **3. Entitlement to Commission**

The Broker will be entitled to be paid Commission by the Client in the event of any of the following:

- (1) an exchange of contracts with a purchaser/s whom the Broker introduced either directly, or indirectly, to the Client; and/or
- (2) an exchange of contracts with a purchaser/s whom the Broker introduced either directly, or indirectly, to the Client but the Client, for whatever reason chose not to instruct the Broker thereafter and/or terminated this agreement before exchange of any contracts took place; and/or
- (3) any exchange of contracts with a purchaser/s where a direct approach was made either to the Client by or on behalf of the purchaser/s or to the purchaser/s by or on behalf of the Client during the Term of this Agreement or within 12 months of the expiry of the Term and where the broker during the term had introduced the purchaser/s either directly or indirectly to the Client, unless an applicable special arrangement had been agreed in writing at the time the instructions between the Broker and the Client were confirmed.

## **4. Entitlement to Minimum Fee**

The Broker will be entitled to be paid the Minimum Fee by the Client if the total Commission to be paid by the Client in accordance with clause 3 is less than £3,000 (excluding VAT).

## **5. Payment of Commission and Minimum Fee**

5.1 In respect of each Exchange of Contracts falling within clause 3(1), (2) or (3), the Client will pay to the Broker Commission or, where applicable, the Minimum Fee in accordance with this Clause 5.

5.2 Within 2 Business Days following an Exchange of Contracts, the Client will notify the Broker in writing of that exchange and will confirm to the Broker:

- (a) the date of exchange;
- (b) the effective consideration; and
- (c) a calculation of the Commission due to the Broker in respect of that exchange.

5.3 At any time following an Exchange of Contracts and upon receipt of a notice under Clause 5.2 the Broker may invoice the Client for the Commission or, where applicable, the Minimum Fee.

5.4 The Client will pay the total Commission or, where applicable, the Minimum Fee to the Broker within 7 days following the date of issue of the Broker's invoice.

5.5 The Client irrevocably agrees that (i) the Commission or Minimum Fee due to the Broker in respect of any Exchange of Contracts will be paid from the proceeds of the sale related to that exchange and received by the Client's appointed solicitors and that the Client's appointed solicitors may rely on this clause as irrevocable authority to deduct and pay from its client account the Commission or Minimum Fee due to the Broker; and (ii) the Client's solicitors if requested are authorised to disclose to the Broker the Effective Consideration and date of Exchange of

Contracts and any other information reasonably requested by the Broker.

5.6 If the Client fails to issue a notice to the Broker following an Exchange of Contracts in accordance with Clause 5.2, the relevant Commission or Minimum Fee will become immediately due and payable to the Broker.

5.7 Termination of this agreement, howsoever arising, shall not affect the continuation in force of this clause 5 and the Client's obligation to pay Commission or the Minimum Fee (and where applicable interest) to the Broker in accordance with it.

## **6. Interest**

If the Client fails to pay any amount payable by it under this Agreement, the Broker will be entitled to charge the Client interest on the overdue amount. Such interest will be payable by the Client forthwith on demand, from the due date up to the date of actual payment, after as well as before judgment, at the rate of 2% per annum above the base rate for the time being of Barclays Bank PLC. Such interest will accrue on a daily basis and be compounded quarterly.

## **7. Warranties**

7.1 The Client warrants to the Broker that it has the legal capacity, right and authority to enter into and perform its obligations under this Agreement.

7.2 The Client warrants to the Broker that any direct approach or direct offer during the Term or within 12 months of the expiry of the Term, for the Client's business or part of the Client's Business or any asset of the Client's Business from a potential purchaser who was introduced by the Broker at any time during the Term will be fully and accurately notified by or on behalf of the Client to the Broker within 5 days of it being received or made, unless an applicable special arrangement was agreed in writing at the time the instructions between the Broker and the Client were confirmed.

## **8. Liability**

The Broker's liability to the Client under or in connection with this Agreement or any collateral contract, whether in contract or tort (including negligence), will be limited as follows:

(a) The Broker shall under no circumstances whatever, be liable to the Client whether in contract, tort (including negligence), breach of statutory duty, or otherwise for any:

- (i) Loss of profits, income or anticipated savings;
- (ii) Loss or corruption of any data, database or software;
- (iii) Reputational damage or damage to goodwill;
- (iv) Loss of a contractual or commercial opportunity; or
- (v) Indirect, special or consequential loss or damage; and

(b) the Broker's total liability to the Client in respect of all other losses arising under or in connection with this Agreement, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed an amount equal to the Commission.

**The parties have indicated their acceptance of this Agreement by executing it below.**

**EXECUTION:**

SIGNED \_\_\_\_\_ Dated \_\_\_\_\_  
(Duly authorised to sign on behalf of the client)

SIGNED \_\_\_\_\_ Dated \_\_\_\_\_  
(for and on behalf of ideology consulting ltd)