**DATED**

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Share purchase agreement

[between/among]

[Party 1]

and

[Party 2]

CONTENTS

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This agreement is dated [DATE]

Parties

1. The several persons whose names and addresses are set out in Schedule 1 (Sellers)
2. [FULL COMPANY NAME] incorporated and registered in England and Wales with company number [NUMBER] whose registered office is at [REGISTERED OFFICE ADDRESS] (Buyer)

BACKGROUND

* 1. The Company is a private company limited by shares incorporated in England and Wales.
  2. The Company has an issued share capital of £[AMOUNT] divided into [NUMBER] [CLASS OF SHARES] of £[AMOUNT] each.
  3. Further particulars of the Company and the Subsidiaries at the date of this agreement are set out in Schedule 2.
  4. The Sellers are the owners, or are otherwise able to procure the transfer, of the legal and beneficial title to the number of Sale Shares set out opposite their respective names in Schedule 1.
  5. The Sellers have agreed to sell and the Buyer has agreed to buy the Sale Shares subject to the terms and conditions of this agreement.

Agreed terms

1. Interpretation
   1. The definitions and rules of interpretation in this clause apply in this agreement.
2. Accounts: the Group Accounts and the Individual Accounts.
3. Accounts Date: [DATE].
4. Business: the business carried on by the Company and the Subsidiaries[, namely [DESCRIPTION OF THE BUSINESS]], or any part of it.
5. Business Day: a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business.
6. Buyer's Solicitors: [NAME OF BUYER'S SOLICITORS] of [ADDRESS OF BUYER'S SOLICITORS].
7. CA 2006: the Companies Act 2006.
8. Claim: a claim in respect of any of the Warranties.
9. [CMA: the Competition and Markets Authority.]
10. Company: [NAME OF TARGET], a company incorporated in England and Wales with company number [NUMBER] whose registered office is at [ADDRESS], further details of which are set out in Part 1 of Schedule 2.
11. Completion: completion of the sale and purchase of the Sale Shares in accordance with this agreement.
12. Completion Date: has the meaning given in clause 5.2.
13. Conditions: the conditions to Completion, being the matters set out in Part 1 of Schedule 4.
14. Connected: has, in relation to a person, the meaning given in section 1122 of the CTA 2010.
15. Control: has the meaning given in section 1124 of the CTA 2010, and **controls**, **controlled,** and the expression **change of Control** shall be interpreted accordingly.
16. CTA 2009: the Corporation Tax Act 2009.
17. CTA 2010: the Corporation Tax Act 2010.
18. Data Protection Laws: has the meaning given in [paragraph 25.1](#a646763) of Part 1 of Schedule 5.

[Data Room: the electronic data room [known as [ADD DATA ROOM NAME],] hosted by [the Sellers' Solicitors **OR** [NAME OF DATA ROOM HOST]], comprising the documents and other information relating to the Company and its Subsidiaries made available to the Buyer and its advisers in relation to the Transaction.]

1. **[Data Room Index**: the index, in agreed form, attached to the Disclosure Letter and showing the contents of the Data Room as at [TIME] on [DATE].]
2. Director: each person who is a director or shadow director of the Company or any of the Subsidiaries, as set out in Schedule 2, together the **Directors**.
3. Disclosed: fairly[, fully, clearly and accurately] disclosed (with sufficient details to identify the nature and scope of the matter disclosed) in or under the Disclosure Letter.
4. Disclosure Documents: the [bundle of documents[, in agreed form,] annexed to the Disclosure Letter **OR** documents contained in the Data Room as listed in the Data Room Index, copies of which are contained on the USB flash drive delivered to the Buyer on or around the date of this agreement].
5. Disclosure Letter: the letter[, in agreed form,] from the Sellers to the Buyer with the same date as this agreement and described as the Disclosure Letter, together with the Disclosure Documents.
6. Employee: has the meaning given in [paragraph 26.1](#a496544) of Part 1 of Schedule 5.
7. Encumbrance: any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement.
8. FRS 102: Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland as issued by the Financial Reporting Council of the UK and in force for the accounting period ended on the Accounts Date.
9. [Fundamental Warranties: the warranties set out in [paragraph 1, paragraph 2.2, paragraph 2.3 and paragraph 2.6] of Part 1 of Schedule 5, each a Fundamental Warranty.]
10. [Fundamental Warranty Claim: a claim by the Buyer in respect of any of the Fundamental Warranties.]
11. Group: in relation to a company, that company, any [subsidiary **OR** subsidiary undertaking] or any [holding company **OR** parent undertaking] from time to time of that company, and any [subsidiary **OR** subsidiary undertaking] from time to time of a [holding company **OR** parent undertaking] of that company. Each company in a Group is a **member of the Group**.
12. Group Accounts: the audited consolidated accounts of the Company and the Subsidiaries (prepared under section 399 of the CA 2006) for the accounting period ended on the Accounts Date, including the statement of financial position as at the Accounts Date and the [income statement and statement of other comprehensive income **OR** statement of comprehensive income], statement of cash flows and statement of changes in equity for the accounting period ended on the Accounts Date, and the related notes to such accounts as required by law and applicable accounting standards, copies of which are included in the Disclosure Documents.
13. HMRC: HM Revenue & Customs.
14. IHTA 1984: the Inheritance Tax Act 1984.
15. [Indemnity Claim: a claim under any of the indemnities in clause 10.]
16. Individual Accounts: the audited individual company accounts of the Company and each of the Subsidiaries (prepared under section 394 of the CA 2006) for the accounting period ended on the Accounts Date, including the statement of financial position as at the Accounts Date, and [the income statement and statement of other comprehensive income **OR** statement of comprehensive income], the statement of cash flows and statement of changes in equity for the accounting period ended on the Accounts Date, and the related notes to the accounts as required by law and applicable accounting standards, copies of which are included in the Disclosure Documents.
17. Intellectual Property Rights: has the meaning given in [paragraph 23.1](#a460328) of Part 1 of Schedule 5.
18. Interim Period: the period from (and including) the date of this agreement up to (and including) the Completion Date or, if earlier, the date of termination of this agreement in accordance with its terms.
19. ITEPA 2003: the Income Tax (Earnings and Pensions) Act 2003.
20. Longstop Date: [DATE], or such later date as may be agreed by the Buyer and the Sellers in writing.
21. Management Accounts: the unaudited consolidated statement of financial position as at [DATE], the unaudited consolidated income statement and the unaudited consolidated cash flow statement of the Company and the Subsidiaries [(including any notes thereon)] for the period of [NUMBER] months ended [DATE] (a copy of which is included in the Disclosure Documents).
22. [parent undertaking: a parent undertaking as defined in section 1162 of the CA 2006.]
23. Pension Scheme: [each of ]the [NAME OF SCHEME] [and the [NAME OF SCHEME]] established with effect from [DATE] [and [DATE] respectively] and which [is **OR** are] registered under Chapter 2 of Part 4 of the Finance Act 2004 [(together the **Pension Schemes**)].
24. Previous Accounts: the accounts equivalent to the Group Accounts or the Individual Accounts (as the case may be) in respect of [the **OR** each of the [NUMBER]] accounting period[s] immediately preceding the accounting period ended on the Accounts Date.
25. Previously-owned Land and Buildings: has the meaning given in [paragraph 29.1](#a145461) of Part 1 of Schedule 5.
26. Properties: has the meaning given in [paragraph 29.1](#a145461) of Part 1 of Schedule 5.
27. Purchase Price: has the meaning given in clause 3.1.
28. Representative Body: has the meaning given in [paragraph 26.1](#a496544) of Part 1 of Schedule 5*.*
29. Sale Shares: the [NUMBER] [CLASS] shares of £[NOMINAL VALUE] each in the Company, all of which are issued and fully paid, and which comprise the whole of the issued share capital of the Company.
30. Sellers' Solicitors: [NAME OF SELLERS' SOLICITORS] of [ADDRESS OF SELLERS' SOLICITORS].
31. Subsidiaries: the companies, brief details of which are set out in Part 2 of Schedule 2, each a **Subsidiary**.
32. subsidiary undertaking: a subsidiary undertaking as defined in section 1162 of the CA 2006.
33. Tax: has the meaning given in paragraph 1.1 of Schedule 6.
34. Tax Authority: has the meaning given in paragraph 1.1 of Schedule 6.
35. Tax Covenant: the covenant relating to Tax set out in Schedule 6.
36. Tax Statute: has the meaning given in paragraph 1.1 of Schedule 6.
37. Tax Warranties: the Warranties set out in Part 2 of Schedule 5.
38. TCGA 1992: the Taxation of Chargeable Gains Act 1992.
39. TIOPA 2010: the Taxation (International and Other Provisions) Act 2010.
40. TMA 1970: the Taxes Management Act 1970.
41. Transaction: the transaction contemplated by this agreement or any part of that transaction.
42. Transaction Documents: this agreement, the Disclosure Letter[, [DESCRIPTION OF DOCUMENT]] [and any other document to be entered into pursuant to this agreement in connection with the Transaction], each a **Transaction Document**.
43. VATA 1994: the Value Added Tax Act 1994.
44. Warranties: the warranties given by the Sellers pursuant to clause 6 and set out in Schedule 5, each a **Warranty.**
45. Worker: has the meaning given in [paragraph 26.1](#a496544) of Part 1 of Schedule 5.
    1. Clause, Schedule and paragraph headings shall not affect the interpretation of this agreement.
    2. References to clauses and Schedules are to the clauses of and Schedules to this agreement and references to paragraphs are to paragraphs of the relevant Schedule.
    3. The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.
    4. A reference to this agreement or any other agreement or document, is a reference to this agreement or such other agreement or document, in each case as varied from time to time.
    5. Unless the context otherwise requires, words in the singular include the plural and the plural include the singular.
    6. Unless the context otherwise requires, a reference to one gender includes a reference to the other genders.
    7. A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
    8. This agreement shall be binding on and enure to the benefit of, the parties to this agreement and their respective personal representatives, successors and permitted assigns, and references to a party include that party's personal representatives, successors and permitted assigns.
    9. A reference to a company includes any company, corporation or other body corporate, wherever and however incorporated or established.
    10. A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the CA 2006 [and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of:
        1. another person (or its nominee), by way of security or in connection with the taking of security; or
        2. its nominee].
    11. A reference to the Sellers shall include a reference to each of them.
    12. Unless expressly provided otherwise in this agreement, a reference to **writing** or **written** excludes fax but not email.
    13. Any words following the terms including, include, in particular, for example or any similar expression shall be interpreted as illustrative and shall not limit the sense of the words preceding those terms.
    14. References to a document in agreed form are to that document in the form agreed by the parties and initialled by them or on their behalf for identification.
    15. Unless expressly provided otherwise in this agreement, a reference to legislation or a legislative provision:
        1. is a reference to it as [it is in force as at the date of agreement **OR** amended, extended or re-enacted from time to time] [provided that, as between the parties, no such amendment, extension or re-enactment made after the date of this agreement shall apply for the purposes of this agreement if and to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, any party];
        2. includes all subordinate legislation made [as at the date of this agreement **OR** from time to time] under that legislation or legislative provision.
    16. [Any reference to an English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to that which most nearly approximates to the English legal term in that jurisdiction.]
    17. Any obligation on a party not to do something includes an obligation not to allow that thing to be done.
46. Sale and purchase
    1. On and subject to the terms of this agreement, at Completion the Buyer shall buy and the Sellers shall sell the Sale Shares with full title guarantee and free from all Encumbrances, together with all rights that attach (or may in the future attach) to the Sale Shares including, in particular, the right to receive all dividends and distributions declared, made or paid on or after the [date of this agreement **OR** Completion Date].
    2. Each Seller waives any rights of pre-emption or other restrictions on transfer in respect of the Sale Shares (or any of them) conferred by the Company's articles of association or otherwise [and shall, before Completion, procure the irrevocable waiver of any such rights or restrictions conferred on any other person who is not a party to this agreement].
    3. The Buyer is not obliged to complete the purchase of any of the Sale Shares unless the purchase of all the Sale Shares is completed simultaneously.
    4. On the date of this agreement, the parties will comply with their obligations in Part 1 of Schedule 3.
    5. At all times during the Interim Period, the Sellers shall:
       1. [within the confines of any applicable competition law, ]comply with the undertakings and obligations set out in Part 2 of Schedule 3; and
       2. promptly notify the Buyer in writing of any event, matter or circumstance which constitutes or may [reasonably be expected to] constitute a breach of any of the undertakings or obligations set out in Part 2 of Schedule 3[, including sufficient detail to enable the Buyer to make an informed assessment of the nature, scope and impact of the breach (or anticipated breach)].
47. Purchase price
    1. The total consideration for the sale of the Sale Shares is the sum of £[AMOUNT] (**Purchase Price**), which shall be paid by the Buyer to the Sellers in cash on Completion in accordance with clause 3.3.
    2. The Purchase Price shall be apportioned between the Sellers as set out opposite their respective names in Schedule 1.
    3. All payments to be made to the Sellers under this agreement shall be made in sterling by electronic transfer of immediately available funds to the Sellers[' Solicitors (who are irrevocably authorised by the Sellers to receive the same)] to the following account [INSERT ACCOUNT DETAILS]. Payment in accordance with this clause shall be a good and valid discharge of the Buyer's obligations to pay the sum in question, and the Buyer shall not be concerned to see the application of the monies so paid.
    4. The Purchase Price shall be deemed to be reduced by the amount of any payment made to the Buyer for each and any:
       1. Claim; [or]
       2. [Indemnity Claim; or]
       3. claim under the Tax Covenant.
48. Conditions to completion
    1. Completion is subject to and conditional upon[:]
       1. the Conditions [in paragraph [NUMBER] to [NUMBER] (inclusive) of Part 1 of Schedule 4] being satisfied (or waived by the Buyer in accordance with clause 4.8) by or before [6.00pm] on the Longstop Date[; and]
       2. [the Condition in paragraph [NUMBER] of Part 1 of Schedule 4 being satisfied throughout the Interim Period (or waived by the Buyer in accordance with clause 4.8)].
    2. This agreement shall automatically terminate and cease to have effect (except as provided in clause 4.3)[:]
       1. at [6.00pm] on the Longstop Date, if any of the Conditions [referred to in clause 4.1(a)] are not satisfied by or before then[, or if the Condition referred to in clause 4.1(b) ceases to be satisfied at any time up to and including that date and time (and[, in either case,] such Condition has not been waived by the Buyer in accordance with clause 4.8)][; or]
       2. [if the Condition referred to in clause 4.1(b) ceases to be satisfied at any time between the Longstop Date and the Completion Date(and such Condition is not waived by the Buyer in accordance with clause 4.8)].
    3. If this agreement terminates in accordance with clause 4.2, or is terminated pursuant to clause 5.4(c) or clause 6.5(a), it will immediately cease to have any further force and effect except for:
       1. any provision of this agreement that expressly or by implication is intended to come into or continue in force on or after termination (including clause 1 (Interpretation), clause 4.2 and this clause 4.3 (Conditions precedent), clause 7 (Limitations on claims), clause 12 (Confidentiality and announcements) and clause 16 (Entire agreement) to clause 28 (Governing law and jurisdiction) (inclusive)), each of which shall remain in full force and effect; and
       2. any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the agreement which existed at or before the date of termination.
    4. The Sellers and the Buyer shall use [all reasonable **OR** their best] endeavours to procure (so far as it lies within their respective powers so to do) that the Conditions [referred to in clause 4.1(a)] are satisfied as soon as practicable and in any event no later than the Longstop Date.
    5. The Buyer and the Sellers shall co-operate fully in all actions necessary to procure the satisfaction of the Conditions [referred to in clause 4.1(a)] including (but not limited to) the provision by the parties of all information reasonably necessary to make any notification or filing [that the Buyer deems to be necessary or as] required by any relevant authority, keeping the other parties informed of the progress of any notification or filing and providing such other assistance as may reasonably be required.
    6. Each party shall promptly notify the other in writing if they become aware of any fact, event, matter or circumstance that[:]
       1. has prevented or might [reasonably be expected to] prevent any of the Conditions [referred to in clause 4.1(a)] from being satisfied by or before the Longstop Date[; or]
       2. [has caused or might [reasonably be expected to] cause the Condition referred to in clause 4.1(b) to cease to be satisfied at any time during the Interim Period].
    7. The [Buyer] will notify the [Sellers] in writing as soon as reasonably practicable and in any event within [two] Business Days of becoming aware that a Condition has been satisfied[ and provide such evidence of satisfaction as the [Sellers] shall reasonably require].
    8. The Buyer may, [provided it is legally entitled to do so, and] to such extent as it thinks fit (in its absolute discretion), waive any of the Conditions [in paragraphs [NUMBERS] of Part 1 of Schedule 4] by notice in writing to the Sellers.
49. Completion
    1. Unless this agreement has been terminated in accordance with its terms, Completion shall take place on the Completion Date [at the offices of [the Buyer's Solicitors] or] at such [other] place as is agreed by the parties [in writing].
    2. The Completion Date shall be [DATE], unless:
       1. the Conditions (or any of them) are not satisfied (and have not been waived by the Buyer in accordance with clause 4.8) by that date, in which event the Completion Date shall be:
          1. the [third] Business Day following the date on which all of the Conditions are satisfied or (as the case may be) waived (provided such satisfaction or waiver occurs no later than the Longstop Date); or
          2. any other date agreed by the Sellers and the Buyer in writing; or
       2. Completion is deferred in accordance with clause 5.4, in which event the Completion Date shall be the date to which Completion is so deferred.
    3. At Completion:
       1. the Sellers shall:
          1. deliver (or cause to be delivered) to the Buyer the items listed in paragraph 1 of Part 2 of Schedule 4;
          2. procure that a board meeting of the Company and each of the Subsidiaries is held at which the matters set out in paragraph 2 of Part 2 of Schedule 4 are carried out;
       2. the Buyer shall (subject to the Sellers complying with clause 5.3(a)) pay the Purchase Price in accordance with clause 3.1 and clause 3.3 and deliver (or cause to be delivered) to the Sellers:
          1. [a [certified] copy of the resolution[s], in agreed form, passed by the Buyer's shareholders approving the Transaction; [and]]
          2. [the original **OR** a duly certified copy] of any power of attorney pursuant to which any of the documents to be delivered to the Sellers at Completion have been executed by the Buyer's attorney; and
          3. a [certified] copy of the resolution[s], in agreed form, of the Buyer's board of directors approving Completion and the execution and delivery of any Transaction Documents to be delivered by the Buyer at Completion.
    4. If the Sellers do not comply with their obligations in clause 5.3 in any material respect, the Buyer may (at its sole discretion and without prejudice to any other rights or remedies it has, including the right to claim damages for breach of this agreement):
       1. proceed to Completion;
       2. defer Completion to a date no more than 28 days after the date on which Completion would otherwise have taken place; or
       3. terminate this agreement by notice in writing to the Sellers (in which case clause 4.3 shall apply).
    5. The Buyer may defer Completion under clause 5.4 only once, but otherwise this clause 5 applies to a Completion so deferred as it applies where Completion has not been deferred.
    6. [As soon as possible after Completion, the Sellers shall send to the Buyer (at [the Buyer's registered office for the time being **OR** [PLACE OF DELIVERY]]) all records, correspondence, documents, files, memoranda and other papers relating to the Company or the Subsidiaries which are not kept at any of the Properties and which are not required to be delivered at Completion.]
50. Warranties
    1. The Sellers warrant to the Buyer that except as Disclosed, each Warranty is true, accurate and not misleading as at the date of this agreement.
    2. The Sellers further warrant to the Buyer that each of the Warranties will be true, accurate and not misleading throughout the Interim Period. For this purpose, each of the Warranties shall be deemed to be repeated on each day of the Interim Period by reference to the facts and circumstances then subsisting. Any reference made to the date of this agreement (whether express or implied) in relation to a Warranty shall be construed, in connection with the repetition of the Warranties, as a reference to the date of such repetition.
    3. [The Sellers shall not (and shall procure that neither the Company nor any of the Subsidiaries shall) do anything during the Interim Period that would be [materially] inconsistent with [any term of this agreement including] any of the Warranties or cause any Warranty to be untrue, inaccurate or misleading [in any material respect].]
    4. If at any time during the Interim Period the Sellers become aware of a fact or circumstance which constitutes (or which is reasonably expected to constitute) a breach of Warranty, or which would cause (or is reasonably expected to cause) a Warranty to be untrue, inaccurate or misleading, the Sellers shall:
       1. promptly notify the Buyer in writing of the relevant fact or circumstance [in sufficient detail to enable the Buyer to make an accurate assessment of the situation]; and
       2. if requested by the Buyer, use [their best **OR** all reasonable] endeavours to remedy or prevent (as the case may be) the notified breach or anticipated breach.
    5. If at any time during the Interim Period it becomes apparent that a Warranty has been breached, is untrue, inaccurate or misleading, or that the Sellers have breached any other term of this agreement [that is material to the Transaction] (including any of the Sellers' obligations and undertakings in Part 2 of Schedule 3) the Buyer may (at its sole discretion and without prejudice to any other rights or remedies it has, including the right to claim damages for breach of this agreement):
       1. terminate this agreement by notice in writing to the Sellers (in which case clause 4.3 shall apply); or
       2. proceed to Completion.
    6. [Without prejudice to the Buyer's right to claim on any other basis, or to take advantage of any other remedies available to it, if any Warranty is untrue, inaccurate or misleading, the Sellers shall pay to the Buyer on demand:
       1. the amount necessary to put the Company and each of the Subsidiaries into the position they would have been in if the Warranty had not been untrue, inaccurate or misleading;
       2. all costs and expenses (including damages, legal and other professional fees and costs, penalties, expenses and consequential losses whether arising directly or indirectly) incurred by the Buyer, the Company or any of the Subsidiaries as a result of the Warranty being untrue, inaccurate or misleading (including a reasonable amount in respect of management time); and
       3. if any sum payable under clause 6.6(a) or clause 6.6(b) is subject to Tax in the hands of the Buyer, the additional amount required to ensure that the net amount received by the Buyer is the amount it would have received if the payment was not subject to Tax.]
    7. Warranties qualified by the expression so far as the Sellers are aware or any similar expression are deemed to be given to the best of the knowledge, information and belief of the Sellers after they have made [due and careful enquiries **OR** due and careful enquiries of [NAMED PERSONS] **OR** all reasonable enquiries including (but not limited to) enquiries of:
       1. [the other Sellers and the Directors [and company secretary of the Company and each of the Subsidiaries];]
       2. [[ANY OTHER NAMED PERSONS]; and]
       3. [the professional advisers to a Seller, the Company or any of the Subsidiaries, including (but not limited to) their legal advisers, accountants and auditors].]
    8. Each of the Warranties is separate and independent, and unless specifically provided otherwise, is not limited by reference to any other Warranty or any other provision in this agreement.
    9. Except for the matters Disclosed, no information of which the Buyer (or any of its agents or advisers) has knowledge (in each case whether actual, constructive or imputed), or which could have been discovered (whether by investigation made by the Buyer or on its behalf), shall prejudice or prevent any Claim, or reduce the amount recoverable under any Claim.
    10. The Sellers agree that the supply of any information by or on behalf of the Company, any of the Subsidiaries or any of their respective, directors, officers or employees (Officers) to the Sellers or their advisers in connection with the Warranties, the Disclosure Letter or otherwise shall not constitute a warranty, representation or guarantee as to the accuracy of such information in favour of the Sellers. The Sellers unconditionally and irrevocably waive all and any rights and claims that they may have against any of the Company, the Subsidiaries or the Officers on whom they have, or may have, relied in connection with the preparation of the Disclosure Letter, or agreeing the terms of this agreement, and further undertake to the Buyer, the Company, each of the Subsidiaries and the Officers not to make any such claims.
    11. For the avoidance of doubt, the Buyer's rights and remedies in respect of any Claim or claim under the Tax Covenant shall not be affected by Completion[, or any termination of (or the Buyer's failure to terminate) this agreement].
51. Sellers' limitations on liability
    1. Save as provided in clause 7.7, this clause 7 limits the liability of the Sellers in relation to Claims [and (where specifically provided) claims under the Tax Covenant].
    2. The aggregate liability of the Sellers for all Claims [(but excluding Fundamental Warranty Claims)] [and all claims under the Tax Covenant] shall not exceed [£[AMOUNT] **OR** an amount equal to the Purchase Price].
    3. The Sellers shall not be liable for a Claim [(excluding Fundamental Warranty Claims)] unless:
       1. the Sellers' liability in respect of that Claim (together with any connected Claims) exceeds £[AMOUNT]; and
       2. the amount of the Sellers' liability in respect of that Claim, either individually or when aggregated with their liability for all other Claims (other than those excluded under clause 7.3(a)) [and all claims under the Tax Covenant], exceeds £[AMOUNT], in which case the Sellers shall be liable for the whole amount of the Claim and not just the amount above the threshold specified in this clause 7.3(b).

For the purposes of this clause 7.3, a Claim is **connected** with another Claim if the Claims arise from the same facts, events or circumstances.

* 1. The Sellers shall not be liable for a Claim unless notice in writing summarising the nature of the Claim (in so far as it is known to the Buyer) and, as far as is reasonably practicable, the amount claimed, has been given by or on behalf of the Buyer to the Sellers:
     1. in the case of a Claim for breach of the Tax Warranties, on or before the [seventh] anniversary of Completion; [or]
     2. [in the case of a Fundamental Warranty Claim, on or before the [NUMBER] anniversary of Completion; or]
     3. in any other case, within the period of [NUMBER] [months **OR** years] commencing on the Completion Date.
  2. The Sellers shall not be liable for a Claim [(excluding Fundamental Warranty Claims)] if the Claim arises from facts, events or circumstances that have been Disclosed.
  3. The Sellers shall have no liability in respect of a Claim if and to the extent that the Claim relates to a matter specifically and fully provided for in the Accounts.
  4. Nothing in this clause 7 [or Schedule 6] applies to exclude or limit the Sellers' liability where and to the extent that a Claim [or a claim under the Tax Covenant] arises or is delayed as a result of dishonesty, fraud, wilful misconduct or wilful concealment by any of the Sellers, their agents or advisers.
  5. The Sellers shall not plead the Limitation Act 1980 in respect of claims made under the Tax Warranties or Tax Covenant.

1. [Property

The provisions of Part 3 of Schedule 9 apply in this agreement in relation to the Properties.]

1. Tax covenant

The provisions of Schedule 6 apply in this agreement in relation to Tax.

1. [Indemnities
   1. Without limiting any other rights or remedies the Buyer may have, the Sellers shall indemnify the Buyer[, the Company and the Subsidiaries] against[, and shall pay to the Buyer on demand a sum equal to,] all liabilities, damages, losses (including loss of profits, loss of business, loss of reputation, loss of savings and loss of opportunity), fines, expenses and costs (including all interest, penalties, legal costs (calculated on a full indemnity basis) and [reasonable] professional costs and expenses) suffered or incurred by the Buyer, the Company or any of the Subsidiaries as a result of or in connection with any of the following:
      1. [DESCRIPTION OF DISPUTE, ISSUE OR MATTER IN RESPECT OF WHICH AN INDEMNITY IS TO BE GIVEN]; and
      2. [DESCRIPTION OF DISPUTE, ISSUE OR MATTER IN RESPECT OF WHICH AN INDEMNITY IS TO BE GIVEN].
   2. Any payment made by the Sellers in respect of an Indemnity Claim shall include:
      1. an amount in respect of all costs and expenses incurred by the Buyer[, the Company or any of the Subsidiaries] in bringing the relevant Indemnity Claim (including a reasonable amount in respect of management time); and
      2. any amount necessary to ensure that, after the deduction of any Tax due on the payment, the Buyer[, the Company or the relevant Subsidiary (as the case may be)] is left with the same amount it would have had if the payment was not subject to Tax.]
2. Restrictions on the sellers
   1. In this clause, the following words and expressions have the following meanings:
3. [Prospective Customer: a person who is at Completion, or who has been at any time during the period of [NUMBER] months immediately preceding the Completion Date, in discussions with the Company or any of the Subsidiaries with a view to becoming a client or customer of the Company or any of the Subsidiaries.]
4. Restricted Business: any business that is, or (if not yet commenced) would be, in competition with any part of the Business[, as it is being carried on at the Completion Date].
5. Restricted Customer: any person who is at Completion, or who has been at any time during the period of [NUMBER] months immediately preceding the Completion Date, a client or customer of, or in the habit of dealing with, the Company or any of the Subsidiaries.
6. Restricted Person: any person who is at Completion[, or who has been at any time during the period of [NUMBER] months immediately preceding the Completion Date], employed or directly or indirectly engaged by the Company or any of the Subsidiaries [in an executive, managerial, sales or technical role **OR** at an annual rate of remuneration [(including commission, if any,)] of at least £[AMOUNT]].
   1. Each Seller undertakes to the Buyer, the Company and each of the Subsidiaries that they will not:
      1. at any time during the period of [NUMBER] months commencing on the Completion Date, in [any geographic area in which the Business (or any part of it) is carried on at the Completion Date **OR** [SPECIFY RESTRICTED TERRITORY]], carry on or be employed, engaged, concerned or interested in, or in any way assist, a Restricted Business;
      2. at any time during the period of [NUMBER] months commencing on the Completion Date:
         1. canvass, solicit or otherwise seek the custom of any Restricted Customer [or Prospective Customer] [with a view to providing goods or services to them in competition with the Business]; or
         2. induce or attempt to induce a Restricted Customer [or Prospective Customer] to cease [or refrain from] conducting business with, or to reduce the amount of business conducted with, or to vary adversely the terms upon which it conducts business with, the Company or any of the Subsidiaries, or do any other thing which is reasonably likely to have such an effect;
      3. at any time during the period of [NUMBER] months commencing on the Completion Date, have any business dealings with a Restricted Customer [or a Prospective Customer] [in connection with the provision of goods or services to them in competition with the Business];
      4. at any time during the period of [NUMBER] months commencing on the Completion Date, have any business dealings with, or solicit, entice or attempt to entice away, any person who is at Completion, or who has been at any time during the period of [NUMBER] months immediately preceding the Completion Date, a supplier of goods or services to the Company or any of the Subsidiaries, if such dealings, solicitation or enticement causes or is reasonably likely to cause such supplier to cease supplying, or to reduce its supply of goods or services to, the Company or any of the Subsidiaries, or to vary adversely the terms upon which it conducts business with the Company or any of the Subsidiaries;
      5. at any time during the period of [NUMBER] months commencing on the Completion Date:
         1. offer to employ or engage, or otherwise entice or attempt to entice away from the Company or any of the Subsidiaries, any Restricted Person; or
         2. employ or engage, or otherwise facilitate the employment or engagement by any person, of any Restricted Person whether or not they would be in breach of contract as a result of such employment or engagement;
      6. at any time after Completion, use in the course of any business:
         1. any of the words "[PROHIBITED WORDS]";
         2. any trade or service mark, business or domain name, design or logo which, at Completion, is being or has been used by the Company or any of the Subsidiaries in connection with the Business; or
         3. anything which, in the reasonable opinion of the Buyer, is capable of confusion with any of the words, marks, names, designs or logos referred to in clause 11.2(f)(i) or clause 11.2(f)(ii);
      7. at any time after Completion, do or say anything which may be harmful to the reputation of the Company or any of the Subsidiaries; or
      8. at any time after Completion, present themself (or permit themself to be presented) as:
         1. connected in any capacity with the Company or any of the Subsidiaries [(save in the normal course of employment or engagement by [the Company **OR** the Buyer **OR** a Subsidiary] if such employment or engagement continues after Completion]); or
         2. interested or concerned in any way in the Sale Shares (or any of them).
   2. The undertakings in clause 11.2 are intended for the benefit of, and shall be enforceable by, the Buyer, the Company and each of the Subsidiaries, and shall apply to actions carried out by the relevant Seller in any capacity (including as shareholder, partner, director, principal, consultant, officer, employee, agent or otherwise) and whether directly or indirectly, on the Seller's own behalf or on behalf of, or jointly with, any other person.
   3. Nothing in clause 11.2 shall prevent a Seller from holding for investment purposes only:
      1. units of any authorised unit trust; or
      2. not more than [NUMBER]% in nominal value of any class of shares or securities of any company traded on a recognised investment exchange (within the meaning of the Financial Services and Markets Act 2000).
   4. Each of the undertakings in clause 11.2 is a separate undertaking by each Seller in relation to that Seller and their interests and shall be enforceable by the Buyer, the Company and each of the Subsidiaries separately and independently of their right to enforce any one or more of the other undertakings contained in that clause.
   5. The parties acknowledge that:
      1. the Sellers have confidential information relating to the Business and that the Buyer is entitled to protect the goodwill of the Business as a result of buying the Sale Shares. Accordingly, each of the undertakings in clause 11.2 is considered fair and reasonable by the parties; and
      2. each undertaking in clause 11.2 is given for the purpose of assuring to the Buyer the value and benefit of the Business and goodwill of the Company and the Subsidiaries, and in consideration of the Buyer's agreement to acquire the Sale Shares on the terms of this agreement.
7. Confidentiality and announcements
   1. Each Seller undertakes to the Buyer, the Company and each of the Subsidiaries that they will:
      1. keep secret and confidential:
         1. the terms of this agreement and the other Transaction Documents and any information relating to their negotiation; and
         2. all confidential information, know-how and trade secrets in their knowledge or possession concerning the business, assets, affairs, customers, clients or suppliers of the Buyer or any member of the Buyer's Group (including, following Completion, the Company and the Subsidiaries);
      2. not disclose any of the information referred to in clause 12.1(a) (whether in whole or in part) to any person, except as expressly permitted by this clause 12; and
      3. not make any use of any of the information referred to in clause 12.1(a), other than to the extent necessary for the purpose of exercising or performing their rights and obligations under this agreement.
   2. [The Buyer undertakes to each Seller that it shall [(and shall procure that each member of the Buyer's Group shall)]:
      1. keep secret and confidential:
         1. the terms of this agreement and the other Transaction Documents, and any information relating to their negotiation; and
         2. all confidential information, know-how and trade secrets in its knowledge or possession concerning the business, assets, affairs, customers, clients or suppliers of any Seller or, prior to Completion, the Company or any of the Subsidiaries;
      2. not disclose any of the information referred to in clause 12.2(a) (whether in whole or in part) to any person, except as expressly permitted by this clause 12; and
      3. not make any use of any of the information referred to in clause 12.2(a), other than to the extent necessary for the purpose of exercising or performing its rights and obligations under this agreement.]
   3. [Each Seller undertakes to the other Sellers that they shall keep secret and confidential the terms of this agreement and the other Transaction Documents (and any information relating to their negotiation), and all confidential information in their knowledge or possession relating to the other Sellers, and they shall only use such information for the purposes contemplated by this agreement.]
   4. [Nothing in this agreement shall be interpreted as imposing on the Buyer an obligation to keep confidential any information relating to the Company or the Subsidiaries, or to restrict its use of such information, in each case at any time after Completion.]
   5. Notwithstanding any other provision of this agreement, no [Seller **OR** party] shall be obliged to keep secret and confidential or to restrict their use of any information that:
      1. is or becomes generally available to the public other than as a result of its disclosure by that [Seller **OR** party] (or any person to whom that [Seller **OR** party] has disclosed the information in accordance with clause 12.6(a)) in breach of this agreement; or
      2. was, is or becomes available to that [Seller **OR** party] on a non-confidential basis from a person who, to that [Seller's **OR** party's] knowledge, is not bound by a confidentiality agreement, and is not otherwise prohibited from disclosing the information to that [Seller **OR** party].
   6. The [Sellers **OR** parties] may disclose any information that they are otherwise required to keep confidential under this clause 12:
      1. to any of their employees, officers, consultants, representatives or advisers who need to know that information for the purposes of advising on this agreement or facilitating the Transaction, provided that the [Seller **OR** party] making the disclosure (**Disclosing Party**) informs the recipient of the confidential nature of the information before disclosure and procures that each recipient shall, in relation to any such information disclosed to them, comply with the obligations set out in this clause 12 as if they were the Disclosing Party. The Disclosing Party shall, at all times, be liable for the failure of their recipients to comply with the obligations set out in this clause 12;
      2. [in the case of the Buyer only:
         1. [to a proposed transferee of the Sale Shares for the purpose of evaluating the proposed transfer; or]
         2. [to its funders or investors (or potential funders or investors) and their respective advisers, employees, officers, representatives or consultants [in connection with financing the Transaction];]
      3. with the prior consent in writing of [the Buyer **OR** all the other parties];
      4. if such information relates to one party only, with the prior consent in writing of that party;
      5. to confirm that the Transaction has taken place, or the date of the Transaction (but without otherwise revealing any other terms of the Transaction or making any other announcement); or
      6. if and to the extent that the disclosure is required:
         1. by the laws of any jurisdiction to which the [relevant Seller **OR** party making the disclosure] is subject;
         2. by an order of any court of competent jurisdiction, or any regulatory, judicial, governmental or similar body, or any Tax Authority or securities exchange of competent jurisdiction;
         3. under any arrangement in place under which negotiations relating to terms and conditions of employment are conducted;
         4. to make any filing with, or obtain any authorisation from, any regulatory, governmental or similar body, or any Tax Authority or securities exchange of competent jurisdiction; or
         5. to protect the [relevant Seller's **OR** disclosing party's] interest in any legal proceedings,

provided that in each case (where it is legally permitted to do so) the [Seller **OR** party] making the disclosure gives the [Buyer **OR** other parties] as much notice of the disclosure as possible [and, where notice of disclosure is not prohibited and is given in accordance with this clause, it takes into account the reasonable requests of the [Buyer **OR** other parties] concerning the content of the disclosure].

* 1. [Each party shall supply the other parties (or any of them) with such information about itself, its Group or this agreement as they may reasonably require for the purposes of satisfying the requirements of any law or any judicial, governmental, regulatory or similar body or [any Tax Authority or] securities exchange of competent jurisdiction.]
  2. Subject to clause 12.9 to [clause 12.11] (inclusive), no party shall make, or permit any person to make, any public announcement, communication or circular concerning this agreement or the Transaction (announcement) without the prior written consent of the other parties [(such consent not to be unreasonably withheld or delayed)].
  3. Nothing in clause 12.8 shall prevent a party from making an announcement required by law or any governmental or regulatory authority (including any Tax Authority), any securities exchange, or any court or other authority of competent jurisdiction, provided that the party required to make the announcement (where permitted by law [and insofar as it is reasonably practicable to do so]) consults with the others parties in advance, and takes into account their reasonable requests concerning the form, content and timing of the announcement.
  4. [The parties shall issue a press release in agreed form immediately after [the date of this agreement **OR** Completion].]
  5. The Buyer may at any time after Completion announce its acquisition of the Sale Shares to any employees, clients, customers or suppliers of the Company, the Subsidiaries or any other member of the Buyer's Group[, provided that such announcement includes only publicly available information relating to the Transaction].

1. Further assurance
   1. At their own expense, the Sellers shall (and shall use reasonable endeavours to procure that any relevant third party shall) promptly execute and deliver such documents and perform such acts as the Buyer may [reasonably] require from time to time for the purpose of giving full effect to this agreement.
   2. [Each Seller undertakes to the Buyer that while they remain the registered holder of any of the Sale Shares after Completion, they shall:
      1. hold such Sale Shares, together with all dividends and any other distributions of profits or other assets in respect of such Sale Shares, and all rights arising out of or in connection with them, in trust for the Buyer;
      2. deal with and dispose of such Sale Shares, dividends, distributions, assets and rights as the Buyer shall direct;
      3. exercise all voting rights attached to such Sale Shares in such manner as the Buyer shall direct; and
      4. if required by the Buyer, execute all instruments of proxy or other documents as may be necessary to enable the Buyer to attend and vote at any meeting of the Company.]
2. Assignment and other dealings
   1. Subject to the further provisions of this clause 14, no party shall assign, novate, transfer, mortgage, charge, subcontract, delegate, declare a trust of, or deal in any other manner with any or all of its rights and obligations under this agreement [or any other Transaction Document].
   2. The Buyer may assign any or all of its rights under this agreement [(or any other Transaction Document)] to:
      1. a member of its Group [for so long as that company remains a member of the Buyer's Group]. [The Buyer shall procure that the assignee company assigns the rights assigned to it in accordance with this clause 14 back to the Buyer [or to such other member of the Buyer's Group as it may nominate] immediately before that company ceases to be a member of the Buyer's Group][; or
      2. any person to whom the Sale Shares are sold or transferred by the Buyer following Completion].
   3. [The Buyer may grant security over, or assign by way of security, any or all of its rights under this agreement [or any other Transaction Document] for the purposes of, or in connection with, the financing (whether in whole or in part) of [the Transaction **OR** any of the Buyer's working capital or other requirements]. On the enforcement of any security of the kind referred to in this clause, the Buyer, or any administrative receiver of the Buyer or any person having the benefit of such security may assign any or all of the relevant rights to any person, but the Sellers' liability to any assignee in respect of those rights shall not be greater than if no assignment had taken place.]
   4. If there is an assignment of any of the Buyer's rights under this agreement in accordance with clause 14.2 [or clause 14.3]:
      1. the Sellers may discharge their obligations under this agreement to the Buyer until they receive written notice of the assignment; and
      2. the assignee may enforce this agreement as if it were named in this agreement as the Buyer, but the Buyer shall remain liable for any obligations under this agreement.
3. No agency

The parties confirm they are acting on their own behalf in relation to the Transaction and not for the benefit of any other person.

1. Entire agreement

This agreement (together with the other Transaction Documents) constitutes the entire agreement between the parties and supersedes and extinguishes all previous and contemporaneous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to their subject matter.

1. Variation and waiver
   1. No variation of this agreement shall be effective unless it is in writing, signed by the parties (or their authorised representatives) and expressly states that it is amending this agreement.
   2. A waiver of any right or remedy is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy.
   3. A delay or failure to exercise, or the single or partial exercise of, any right or remedy does not waive that or any other right or remedy, nor does it prevent or restrict the further exercise of that or any other right or remedy.
   4. A party that waives a right or remedy provided under this agreement or by law in relation to one party, or takes or fails to take any action against that party, does not affect its rights in relation to any other party.
2. Costs
   1. Except as expressly provided in this agreement, each party shall pay its own costs and expenses incurred in connection with the negotiation, preparation and execution of this agreement and the other Transaction Documents.
   2. [Without prejudice to any other right or remedy the Buyer may have, the Sellers shall indemnify the Buyer against all costs and expenses it incurs in investigating the affairs of the Company and the Subsidiaries and in negotiating, preparing, executing, rescinding or terminating this agreement (and the other Transaction Documents) in the event that:
      1. the Buyer terminates this agreement in accordance with clause 5.4 or clause 6.5; or
      2. this agreement terminates and ceases to have effect in accordance with clause 4.2 [because any of the Conditions in paragraphs [NUMBER] of Part 1 of Schedule 4 have not been fully satisfied or waived].]
   3. The Buyer shall be responsible for and shall pay all stamp taxes arising on the transfer of the Sale Shares in accordance with this agreement.
3. Notices
   1. A notice given to a party under or in connection with this agreement:
      1. shall be in writing and in English;
      2. [shall be signed by or on behalf of the party giving it;]
      3. shall be sent to the party for the attention of the contact and to the address[, email address] [or] [DX number] specified in Schedule 1 or clause 19.3 (as the case may be), or substituted by that party in accordance with clause 19.4;
      4. shall be sent by a method listed in clause 19.5; and
      5. [unless proved otherwise] is deemed received as set out in clause 19.5 if prepared and sent in accordance with this clause 19.
   2. Any notice to be given under this agreement to or by:
      1. all the Sellers, shall be deemed to have been properly given if it is given to or by (as the case may be) the Sellers' representative specified in clause 19.3(b); or
      2. some of the Sellers only, shall be given to or by (as the case may be) the relevant Seller and, in the case of a notice given to a Seller, to their address[, email address] [or] [DX number] as set out in Schedule 1.
   3. The addresses[, email addresses][ and DX numbers] for service of notices on the Buyer and the Sellers' representative are:
      1. Buyer
         1. address: [ADDRESS]
         2. for the attention of: [POSITION OF CONTACT]
         3. [email address: [EMAIL ADDRESS]]
         4. [DX number: [NUMBER]]
      2. Sellers' representative
         1. name: [NAME]
         2. address: [ADDRESS]
         3. for the attention of: [POSITION OF CONTACT]
         4. [email address: [EMAIL ADDRESS]]
         5. [DX number: [NUMBER]]
   4. A party may change its details as given in clause 19.3 or Schedule 1 (as the case may be) by giving notice [(provided that in the case of a change to the party's postal address the new address is an address in the UK)]. [Any notice of a change to the identity of the Sellers' representative must be signed by all the Sellers to be effective.] Any change notified pursuant to this clause shall take effect at [9.00 am] on the later of:
      1. the date, if any, specified in the notice as the effective date for the change; and
      2. the date [five] Business Days after deemed receipt of the notice.
   5. This clause sets out the delivery methods for sending a notice to a party under this agreement and, for each delivery method, the date and time when the notice is deemed to have been received:
      1. if delivered by hand, at the time the notice is left at the address;
      2. if sent by [pre-paid first class post or other] next working day delivery service [providing proof of [postage **OR** delivery]], at 9.00 am on the [second] Business Day after posting; [or]
      3. if sent by pre-paid airmail [providing proof of [postage **OR** delivery]], at 9.00 am on the [fifth] Business Day after posting; [or]
      4. [if sent by email, at the time of transmission; or]
      5. [if sent by document exchange (DX), at [9.00am] on the [second] Business Day after being put into the DX].
   6. If deemed receipt under clause 19.5 would occur outside business hours in the place of receipt [(which, in the case of service of a notice by email shall be deemed to be the same place as is specified for service of notices on the relevant party by hand or post)], it shall be deferred until business hours resume. In this clause, business hours means 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the place of receipt.
   7. [This clause 19 does not apply to the service of any proceedings or other documents in any legal action[ or, where applicable, any arbitration or other method of dispute resolution].]
   8. [A notice given under or in connection with this agreement is not valid if sent by email.]
4. Joint obligations
   1. Unless expressly provided otherwise, the Sellers shall be jointly and severally liable for their obligations, undertakings and liabilities under this agreement.
   2. The liability of the Sellers for their obligations under [clause 11, clause 12[, clause 13.2] and clause [NUMBER]] shall be several and extend only to any loss or damage arising out of their own breaches.
   3. The Buyer may take action against, grant time or other indulgence to, or release or compromise in whole or part the liability of, any one or more of the Sellers in respect of any warranty, indemnity, representation or other obligation under this agreement without affecting the liability of any of the other Sellers who are liable (whether jointly and severally or otherwise) in respect of that warranty, indemnity, representation or other obligation.
5. Interest
   1. [Subject to clause 21.3, if **OR** If] a party fails to make a payment due to any other party under this agreement (other than a payment due under the Tax Covenant to which paragraph 3.4 of Schedule 6 applies) by the due date, then the defaulting party shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment.
   2. Interest under this clause will accrue each day at [NUMBER]% a year above the [Bank of England's base rate] from time to time, but at [NUMBER]% a year for any period when that base rate is below 0%.
   3. [In relation to payments disputed in good faith, interest under this clause is payable only after the dispute is resolved, on sums found or agreed to be due, from [the due date **OR** [NUMBER] days after the dispute is resolved] until payment.]
6. Severance

If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this agreement.

1. Agreement survives completion

This agreement (other than obligations that have already been fully performed) remains in full force after Completion.

1. Third party rights
   1. Except as expressly provided in clause 24.2, this agreement does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement.
   2. The following provisions are intended to benefit [future buyers of the Sale Shares and] (where they are identified in the relevant clauses as recipients of rights or benefits under that clause) the Company, the Subsidiaries and the Officers (as defined in clause 6.10), and shall be enforceable by each of them to the fullest extent permitted by law:
      1. [clause 6 and Schedule 5 (Warranties) (subject to clause 7 (Sellers' limitations on liability));]
      2. [clause 6.10;]
      3. [clause 9 and Schedule 6 (Tax covenant);]
      4. clause 10 (Indemnities);
      5. clause 11 (Restrictions on the sellers);
      6. clause 12 (Confidentiality and announcements); and
      7. clause 21 (Interest).
   3. The rights of the parties to rescind or vary this agreement are not subject to the consent of any other person.
2. Counterparts
   1. This agreement may be executed in any number of counterparts, each of which constitutes a duplicate original, but all the counterparts shall together constitute the one agreement.
   2. [Transmission of [an executed counterpart of this agreement (but for the avoidance of doubt not just a signature page) **OR** the executed signature page of a counterpart of this agreement] by email (in PDF, JPEG or other agreed format) shall take effect as the transmission of a "wet ink" counterpart of this agreement. [If this method of transmission is adopted, without prejudice to the validity of the agreement thus made, each party shall on request provide the other with the "wet ink" hard copy original[s] of their counterpart.]]
   3. [No counterpart shall be effective until each party has provided to the other at least one executed counterpart.]
3. Rights and remedies

Except as expressly provided in this agreement, the rights and remedies provided under this agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

1. Inadequacy of damages

Without prejudice to any other rights or remedies that the Buyer may have, the Sellers acknowledge and agree that damages alone would not be an adequate remedy for their breach of clause 11 or clause 12. Accordingly, the Buyer shall be entitled to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the terms of clause 11 or clause 12 of this agreement.

1. Governing law and jurisdiction
   1. This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
   2. Each party irrevocably agrees that the courts of England and Wales shall have [exclusive **OR** non-exclusive] jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this agreement or its subject matter or formation.

This agreement has been entered into on the date stated at the beginning of it.

1. Particulars of the Sellers

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Seller's name** | **Seller's address[, DX number] [and] [email address]** | **Number of Sale Shares** | **Cash consideration ([£])** | **Proportion of Purchase Price** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

1. Particulars of the Company and the Subsidiaries
2. The Company

|  |  |
| --- | --- |
| **Name:** | [NAME OF COMPANY] |
| **Registered number:** | [NUMBER] |
| **Registered office:** | [ADDRESS] |
| **Registered email address:** | [EMAIL ADDRESS] |
| **Issued share capital:** | Amount**:** £[TOTAL NOMINAL VALUE]  Divided into: [NUMBER] [CLASS] shares of £[AMOUNT] each |
| **Registered shareholders (and number of Sale Shares held):** | [As set out in Schedule 1] |
| **Beneficial owners of Sale Shares (if different) and number of Sale Shares beneficially owned:** | [N/A **OR** [NAME OF OWNER] - [NUMBER] [CLASS] shares of £[AMOUNT] each] |
| **Directors and shadow directors:** | [NAME OF DIRECTOR]  [NAME OF DIRECTOR] |
| **Secretary:** | [[NAME OF COMPANY SECRETARY] **OR** None] |
| **Auditor:** | [NAME OF AUDITOR] |
| **Registered charges:** | [[DATE AND DETAILS OF CHARGE(S)] **OR** None] |

1. The Subsidiaries

|  |  |
| --- | --- |
| **Name:** | [NAME OF SUBSIDIARY] |
| **Registered number:** | [NUMBER] |
| **Registered office:** | [ADDRESS] |
| **Registered email address:** | [EMAIL ADDRESS] |
| **Issued share capital:** | Amount**:** £[TOTAL NOMINAL VALUE]  Divided into: [NUMBER] [CLASS] shares of £[AMOUNT] each |
| **Registered shareholders (and number of shares held):** | [The Company **OR** [NAME of OWNER]] - [NUMBER] [CLASS] shares of [£][AMOUNT] each] |
| **Beneficial owner of shares (if different) and number of shares beneficially owned:** | [N/A **OR** [NAME OF OWNER] - [NUMBER] [CLASS] shares of £[AMOUNT] each] |
| **Directors and shadow directors:** | [NAME OF DIRECTOR]  [NAME OF DIRECTOR] |
| **Secretary:** | [[NAME OF SECRETARY] **OR** None] |
| **Auditor:** | [NAME OF AUDITOR] |
| **Registered charges:** | [[DATE AND DETAILS OF CHARGE(S)] **OR** None] |

1. Exchange and Interim Period
2. Obligations at exchange
3. On the date of this agreement, the Sellers shall deliver (or cause to be delivered) to the Buyer:
   1. this agreement and the Disclosure Letter, in each case duly executed by each Seller; [and]
   2. [the Data Room Index, initialled by or on behalf of the Sellers;]
   3. [[NUMBER] USB flash drives to which complete copies of all the documents in the Data Room as at [TIME] on [DATE] have been downloaded; and]
   4. the original **OR** a duly certified copy] of any power of attorney pursuant to which any of the documents to be delivered to the Buyer under this paragraph 1 have been executed by a Seller's attorney.
4. On the date of this agreement, the Buyer shall deliver (or cause to be delivered) to the Sellers:
   1. this agreement, duly executed by the Buyer;
   2. an acknowledgement of the Disclosure Letter, signed by the Buyer;
   3. [the Data Room Index, initialled by or on behalf of the Buyer;]
   4. [the original **OR** a duly certified copy] of any power of attorney pursuant to which any of the documents to be delivered to the Sellers under this paragraph 2 have been executed by the Buyer's attorney; and
   5. a [certified] copy of the resolution[s] of the Buyer's board of directors [in agreed form] approving the Transaction and the execution and delivery of this agreement and the Disclosure Letter.
5. Conduct of business during the Interim Period
6. Conduct of business during the Interim Period

At all times during the Interim Period, the Sellers shall [within the confines of any applicable competition law]:

* 1. procure that the Company and the Subsidiaries carry on the Business in the normal course and in the manner provided in Part 2 of this Schedule 3;
  2. use their [best **OR** all reasonable] endeavours to maintain the trade and trade connections of the Company and the Subsidiaries;
  3. promptly notify the Buyer in writing of any material change in the Business, financial position or assets of the Company or any of the Subsidiaries;
  4. promptly provide the Buyer, its agents and representatives with such information relating to the business and affairs of the Company and the Subsidiaries, and such access to their books and records, as the Buyer may [reasonably] require from time to time; and
  5. not induce, or attempt to induce (whether directly or indirectly), any of the employees of the Company or any of the Subsidiaries to terminate their employment.

1. Matters subject to the Buyer's consent

During the Interim Period, the Sellers shall [(within the confines of any applicable competition law)] procure that, except with the prior written consent of the Buyer, neither the Company nor any of the Subsidiaries shall (nor shall they agree to):

* 1. dispose of a material asset used or required for the operation of the Business;
  2. allot any shares or other securities or repurchase, redeem or agree to repurchase or redeem any of its shares;
  3. pass a resolution of its members;
  4. appoint a director of the Company or any Subsidiary;
  5. enter into, modify or agree to terminate a Material Contract (as defined in paragraph 12.1 of Part 1 of Schedule 5);
  6. incur capital expenditure on an individual item exceeding £[AMOUNT];
  7. borrow a sum exceeding [£[AMOUNT] **OR** the amounts borrowed in the ordinary course of the Business and available to it at the date of this agreement];
  8. make a loan or cancel, release or assign any indebtedness owed to it or any claims held by it[, other than in the ordinary course of the Business];
  9. enter into a lease, lease-hire or hire-purchase agreement or agreement for payment on deferred terms;
  10. declare or pay a dividend or make any other distribution of its assets;
  11. make any [material] alterations to the terms of employment or engagement (including benefits) of any Director, Employee or Worker;
  12. [other than to the extent required to comply with a legislative requirement,] amend any agreements or arrangements for the payment of pensions or other benefits on retirement to any of its current or former Employees or directors (or any of their dependants);
  13. provide any non-contractual benefit to any Director, Employee or Worker (or any of their dependants);
  14. dismiss any Employee or employ or engage (or offer to employ or engage) any person;
  15. enter into (or modify any subsisting) agreement with a Representative Body;
  16. create any Encumbrance over any of its assets or its undertaking;
  17. give a financial or performance guarantee, or any similar security or indemnity;
  18. commence, settle or agree to settle any legal proceedings relating to the Business, or otherwise concerning the Company or any of the Subsidiaries[, except debt collection in the normal course of business];
  19. [grant, modify, agree to terminate or permit the lapse of any of its Intellectual Property Rights, or enter into any agreement relating to any such rights;]
  20. [pay any management charge to any Seller [(or any person Connected with a Seller)];]
  21. incur a liability to a Seller [(or any person Connected with a Seller)], other than trading liabilities incurred in the normal course of the Business;
  22. vary the terms on which it holds any of the Properties, or settle any rent review;
  23. make any material change to the accounting procedures, principles or policies by reference to which its accounts are drawn up; or
  24. permit any of its insurance policies to lapse or do anything which would reduce the amount or scope of cover or make any of its insurance policies void or voidable.

1. [Access and information relating to Employees and Workers

During the Interim Period, the Sellers shall:

* 1. at their own expense, and subject to the requirements of the Data Protection Laws, provide the Buyer with such information or documents as it may reasonably require relating to the terms of employment or any other matter concerning any Employee, Worker or Representative Body; [and]
  2. [promptly upon request give the Buyer and its advisers access at all reasonable times to the Employees and Workers; and]
  3. [permit and assist the Buyer to consult any Employee or Worker, on reasonable notice and during normal business hours at their place of work, for the purpose of obtaining knowledge, know-how or any other information possessed by such Employee or Worker in relation to the activities and operations of, and the products and services supplied or to be supplied by, the Business at Completion.] [The Sellers shall ensure that any such Employee or Worker shall disclose all such information to the Buyer].]

1. Conditions and Completion
2. Conditions to Completion
3. [ADD DETAILS OF APPLICABLE CONDITIONS TO COMPLETION].
4. Sellers' obligations at Completion
5. Documents to be delivered at Completion

At Completion, the Sellers shall deliver (or cause to be delivered) to the Buyer:

* 1. transfers of the Sale Shares, in agreed form, duly signed by the registered holders in favour of the Buyer [(or its nominee)];
  2. the share certificates for the Sale Shares or an indemnity, in agreed form, for any lost certificates duly executed by the relevant Seller;
  3. any waivers, consents or other documents required to enable the Buyer [(or its nominee)] to be registered as the holder[s] of the Sale Shares, in each case in agreed form[, and including an irrevocable waiver of any pre-emption right or other restriction on the transfer of the Sale Shares conferred on any person who is not a party to this agreement, duly signed by the holder of such right or restriction];
  4. an irrevocable power of attorney, in agreed form, duly executed by each Seller in favour of the Buyer (or its nominee) to secure the Buyer's interest in the Sale Shares pending registration of their transfer in the Company's register of members;
  5. [the original **OR** a duly certified copy] of any power of attorney pursuant to which any of the documents to be delivered to the Buyer under this paragraph 1 have been executed by a Seller's attorney;
  6. the share certificates in respect of all issued shares in the capital of each of the Subsidiaries [and duly executed transfers, in agreed form, in favour of any person the Buyer directs, in respect of any such shares that are held by a nominee];
  7. the registers, minute books and other records required to be kept by the Company and each of the Subsidiaries under the CA 2006, in each case duly written up as at the Completion Date, together with the common seals (if any), certificates of incorporation and any certificates of incorporation on change of name for the Company and each of the Subsidiaries;
  8. resignation letters, in agreed form and duly executed as a deed, from the Directors [and company secretaries of the Company and the Subsidiaries,] resigning from their respective offices [and employment] with the Company or a Subsidiary[, except for the following persons who are not resigning:
     1. [NAME OF DIRECTOR/SECRETARY]; and
     2. [NAME OF DIRECTOR/SECRETARY]].
  9. [the written resignations, in agreed form, of [NAME OF TRUSTEE] and [NAME OF TRUSTEE] as trustees of the Pension Scheme[s];]
  10. a copy of the resignation, in agreed form, of the auditor of the Company and each of the Subsidiaries, including in each case the relevant statement required by section 519 of the CA 2006, the original resignation having been deposited at the registered office of the relevant company;
  11. [a duly signed letter from [each Seller **OR** [INSERT NAME(S) OF PSC SELLER(S)]], in agreed form, confirming that they have ceased to be a registrable person (within the meaning of section 790C of the CA 2006) in relation to the Company;]
  12. [[a] signed print[s] of the special resolution[s] of [each of] the Company [or, as the case may be, the Subsidiaries], in agreed form to:
      1. change the name of the Company to [NEW NAME OF COMPANY];
      2. change the name of [NAME OF SUBSIDIARY] to [NEW NAME OF SUBSIDIARY];
      3. adopt new articles of association of the Company [and] [[NAME OF SUBSIDIARY]] in such form as the Buyer requires; and
      4. [ADD DETAILS OF RESOLUTION];]
  13. [a print of the new articles of association of [each of] the Company [and the Subsidiaries] in the form required by the Buyer, and appropriate for filing at Companies House;]
  14. signed minutes, in agreed form, of each of the board meetings held by the Company and the Subsidiaries as required by paragraph 2 of Part 2 of this Schedule 4;
  15. [in relation to the Company and each Subsidiary:
      1. statements from each bank at which it has an account, giving the balance of each account at the close of business on the last Business Day before Completion;
      2. [all cheque books in current use and written confirmation that no cheques have been drawn since the statements delivered above were prepared;]
      3. details of its cash book balances; and
      4. reconciliation statements reconciling the cash book balances [and the cheque books] with the bank statements delivered above;]
  16. [the certificates of title, in agreed form, relating to each of the Properties;]
  17. all title deeds and other documents relating to each of the Properties;
  18. [evidence, in agreed form, that all debts and accounts between the Company or any of the Subsidiaries and the Sellers (or any person Connected with a Seller) have been fully paid or otherwise discharged;]
  19. [evidence, in agreed form, of the release of all guarantees or other security given by the Company or a Subsidiary in respect of the liabilities or obligations of any Seller or any other third party;]
  20. [a duly executed deed of release, in agreed form, of all and any claims that the Sellers [(or any persons Connected with the Sellers)] have or may have against the Company or any of the Subsidiaries;]
  21. all charges, mortgages, debentures and guarantees to which the Company or any of the Subsidiaries is a party [and, in relation to each such instrument and any covenants connected with it:
      1. a discharge or release in agreed form, duly executed by the relevant lender or charge holder; and
      2. if applicable, a duly completed and executed [Form MR04 (Statement of satisfaction in full or in part of a charge) **OR** MR05 (Statement that part or the whole of the property charged (a) has been released from the charge (b) no longer forms part of the company's property)];]
  22. [the new service agreement[s], in agreed form, to be made between [the Company **OR** the Buyer **OR** a Subsidiary] and [each of] [NAME OF SELLER] [and [NAME OF SELLER]] on Completion, duly executed by the relevant Seller;]
  23. [duly executed settlement agreements, in agreed form, made between [the Company **OR** [NAME OF SUBSIDIARY]] and the following [Sellers **AND/OR** Directors] on Completion:
      1. [NAME OF SELLER/DIRECTOR]; and
      2. [NAME OF SELLER/DIRECTOR].]

1. Completion board meetings

The Sellers shall cause a board meeting of the Company and each of the Subsidiaries to be held at Completion, at which the following matters are approved:

* 1. in the case of the Company only, the registration of the transfers of the Sale Shares delivered in accordance with paragraph 1.1 of Part 2 of this Schedule 4, subject only to the transfers being duly stamped at the Buyer's cost;
  2. in the case of the Subsidiaries only, the registration of any transfers delivered in accordance with paragraph 1.6 of Part 2 of this Schedule 4;
  3. acceptance of the resignations referred to in paragraph 1.8 of Part 2 of this Schedule 4, with effect from the end of the relevant board meeting;
  4. the appointment of the persons nominated by the Buyer as directors [and company secretary] of the Company and of each of the Subsidiaries (subject to any maximum number of directors contained in the relevant company's articles of association), with effect from the end of the relevant board meeting;
  5. the appointment of [NAME OF NEW AUDITOR] as the auditor of the Company and each of the Subsidiaries, with effect from the end of the relevant board meeting;
  6. changing the accounting reference date of the Company and of each of the Subsidiaries to such date as the Buyer requires (subject always to the requirements of the CA 2006);
  7. changing the registered office of the Company and of each of the Subsidiaries to such address as the Buyer requires;
  8. revoking all existing instructions and authorities to the bankers of the Company and the Subsidiaries and replacing them with new instructions and authorities as the Buyer requires;
  9. [the entry by the [Company **OR** relevant Subsidiary] into the service agreement[s] referred to in paragraph 1.22 of Part 2 of this Schedule 4;]
  10. [the entry by the [Company **OR** relevant Subsidiary] into the settlement agreement[s] referred to in paragraph 1.23 of Part 2 of this Schedule 4; and]
  11. [acceptance of the resignations referred to in paragraph 1.9 of Part 2 of this Schedule 4, and the appointment of such persons as the Buyer requires as trustees of the Pension Scheme[s], in each case with immediate effect.]

1. Warranties
2. General Warranties
3. Power to sell the Sale Shares
   1. The Sellers have taken all necessary actions and have all requisite power and authority to enter into and perform this agreement and any other Transaction Documents to which they are a party in accordance with their respective terms.
   2. This agreement and any other Transaction Documents to which the Sellers are a party constitute (or shall constitute when executed) valid, legal and binding obligations on each Seller in accordance with their respective terms.
   3. The execution and delivery by the Sellers of this agreement and each of the other Transaction Documents to which they are a party, and compliance with their respective terms shall not breach or constitute a default:
      1. under any agreement or instrument to which any Seller is a party or by which any Seller is bound; or
      2. of any order, judgment, decree or other restriction applicable to any Seller.
4. Shares in the Company and the Subsidiaries
   1. The Sale Shares constitute the whole of the allotted and issued share capital of the Company and are fully paid or credited as fully paid.
   2. The Sellers are the sole legal and beneficial owners of the Sale Shares and are entitled to transfer the legal and beneficial title to the Sale Shares to the Buyer free from all Encumbrances, without the consent of any other person.
   3. The Company [or a Subsidiary] is the sole legal and beneficial owner of the whole of the allotted and issued share capital of each of the Subsidiaries.
   4. The issued shares of each Subsidiary are fully paid or credited as fully paid.
   5. No person has any right to require, at any time, the transfer, creation, issue or allotment of any share, loan capital or other securities of the Company or any of the Subsidiaries (or any rights or interest in them), and none of the Sellers, the Company or any of the Subsidiaries has agreed to confer any such rights, and no person has claimed any such rights.
   6. No Encumbrance has been granted to any person or otherwise exists affecting:
      1. the Sale Shares or any issued shares of the Subsidiaries; or
      2. any unissued shares, debentures or other unissued securities of the Company or any of the Subsidiaries.

No commitment to create any such Encumbrance has been given, nor has any person claimed any right to such an Encumbrance.

* 1. Neither the Company nor any of the Subsidiaries:
     1. holds or beneficially owns, or has agreed to acquire, any shares, loan capital or any other securities in any company, except for the Subsidiaries;
     2. has at any time had any subsidiary or subsidiary undertaking, except for the Subsidiaries;
     3. is, or has agreed to become, a member of any limited liability partnership, partnership or other unincorporated association, joint venture or consortium (other than recognised trade associations);
     4. controls or takes part in the management of any company or business organisation (except for the Subsidiaries), nor has it agreed to do so;
     5. is, in relation to any company (other than a Subsidiary) or limited liability partnership registered in the UK, a registrable relevant legal entity within the meaning of section 790C of the CA 2006; or
     6. has any branch or permanent establishment outside its country of incorporation.
  2. Neither the Company nor any of the Subsidiaries has at any time:
     1. purchased, redeemed, reduced, forfeited or repaid any of its own share capital; [or]
     2. given any financial assistance in contravention of any applicable law or regulation; or
     3. allotted or issued any securities that are convertible into shares.
  3. No shares in the capital of the Company or any of the Subsidiaries have been issued, and no transfer of any such shares has been registered, except in accordance with all applicable laws and the memorandum and articles of association of the Company or the relevant Subsidiary (as the case may be), and all such transfers have been duly stamped (where applicable).
  4. No warning notice or restrictions notice has been issued under Schedule 1B (Enforcement of disclosure requirements) of the CA 2006 in respect of any shares or voting rights in, or any right to appoint or remove any member of the board of directors of, the Company or any of the Subsidiaries.

1. Constitutional and corporate documents
   1. Copies of the [memorandum and] articles of association (or other constitutional and corporate documents) of the Company and the Subsidiaries have been Disclosed. Such copy documents:
      1. are true, accurate and complete in all respects;
      2. have attached to them copies of all resolutions and agreements required by applicable law to be so attached; and
      3. fully set out all the rights and restrictions attaching to each class of shares in the capital of the Company and the Subsidiaries.
   2. The register of members, register of people with significant control (PSC Register) and all other statutory books and registers of the Company and each of the Subsidiaries:
      1. have been properly kept in accordance with all applicable laws;
      2. are correctly written up to date; and
      3. contain a true, complete and accurate record of all matters and information which should be contained in them.

No notice or allegation has been received that any such registers or books are incorrect or should be rectified.

* 1. [In relation to its PSC Register, the Company and each Subsidiary has at all times complied with its duties under section 790D (Duty to investigate and obtain information) and section 790E (Duty to keep information up-to-date) of the CA 2006.]
  2. All returns, particulars, resolutions and other documents that the Company or any of the Subsidiaries is required by law to file with, or deliver to, any authority in any jurisdiction (including, in particular, the Registrar of Companies in England and Wales) have been correctly made up and duly filed or delivered.
  3. All dividends or distributions declared, made or paid by the Company or any of the Subsidiaries have been declared, made or paid in accordance with its memorandum and articles of association, all applicable laws and regulations and any agreements or arrangements made with any third party regulating the payment of dividends and distributions.
  4. All deeds and documents belonging to the Company or any of the Subsidiaries, or to which any of them is a party, are in the possession of the Company or the relevant Subsidiary (as the case may be).

1. Accuracy of information
   1. The particulars of the Company and the Subsidiaries set out in Schedule 2 are true, accurate, complete and not misleading.
   2. All information given by or on behalf of any of the Sellers (or their agents or advisers) to the Buyer (or its agents or advisers) in the course of the negotiations leading up to this agreement was, when given, and is now, true, accurate, complete and not misleading.
   3. All information contained in the Disclosure Letter is true, accurate, complete and not misleading.
   4. [There is no information that has not been Disclosed which, if Disclosed, might reasonably be expected to affect the willingness of the Buyer to enter into the Transaction on the terms of this agreement.]
2. Compliance with laws
   1. The Company and each Subsidiary has at all times conducted its business in accordance with, and has acted in compliance with, all applicable laws and regulations of any relevant jurisdiction.
   2. Neither the Company nor any of the Subsidiaries, nor any of their respective directors or employees (current or past), has been convicted of an offence in relation to the business or affairs of the Company or any of the Subsidiaries.
3. Licences and consents
   1. The Company and each of the Subsidiaries holds all licences, consents, permits and authorities necessary to carry on its business in the places and in the manner in which it is carried on at the date of this agreement (Consents). [Details of the Consents and copies of all related documentation have been Disclosed.]
   2. Each of the Consents is valid and subsisting, and neither the Company nor any of the Subsidiaries is in breach of the terms or conditions of the Consents (or any of them).
   3. There is no reason why any of the Consents may be revoked, suspended or cancelled (in whole or in part), or may not be renewed on the same terms.
4. Insurance
   1. The Company and each Subsidiary maintains, and has at all material times maintained, adequate insurance cover against all losses and liabilities, including business interruption, and all other risks that are normally insured against by a person carrying on the same type of business as the Business.
   2. The Disclosure Letter includes complete and accurate details of all insurance policies maintained by or on behalf of the Company or any of the Subsidiaries (Policies).
   3. The Policies are in full force and effect, all premiums due on them have been paid and all other conditions of the Policies have been performed and observed.
   4. Neither the Company nor any of the Subsidiaries has done, or omitted to do, anything that may result in an increase in the premium payable for any of the Policies, or that may adversely affect the renewal of any of the Policies.
   5. None of the Policies:
      1. are subject to any special or unusual terms or restrictions, or to the payment of any premium in excess of the normal rate;
      2. are void or voidable and nothing has been done, or omitted to be done, which could make any of them void or voidable; or
      3. are capable of being terminated, or will otherwise cease to be available to the Company or any of the Subsidiaries as a result of Completion.
   6. [The Disclosure Letter contains complete and accurate details of all insurance claims made by the Company or any of the Subsidiaries during the period of [12] months ending on the date of this agreement.]
   7. There are no [material] outstanding claims under, or in respect of the validity of, any of the Policies and[, so far as the Sellers are aware,] there are no circumstances likely to give rise to a claim under any of the Policies.
5. Powers of attorney [and power to bind]
   1. There are no powers of attorney granted by the Company or any of the Subsidiaries which are currently in force.
   2. No person is entitled or authorised in any capacity to bind or commit the Company or any of the Subsidiaries to any obligation outside the ordinary course of the Business.
   3. [The Disclosure Letter specifies those persons who have authority to bind the Company and the Subsidiaries in the ordinary course of the Business.]
6. Disputes and investigations
   1. Neither the Company nor any of the Subsidiaries, nor any of their respective Directors, nor any other person for whose acts the Company or any of the Subsidiaries may be vicariously liable, is engaged or involved in, or otherwise subject to any of the following matters (such matters being referred to in this paragraph 9 as Proceedings):
      1. any litigation or administrative, mediation, arbitration or other proceedings, or any claims, actions or hearings before any court, tribunal or any governmental, regulatory or similar body, or any department, board or agency (except for debt collection in the normal course of business); or
      2. any dispute with, or any investigation, inquiry or enforcement proceedings by, any governmental, regulatory or similar body or agency in any jurisdiction.
   2. No Proceedings have been threatened or are pending by or against the Company, any of the Subsidiaries, any Director or any other person for whose acts the Company or any of the Subsidiaries may be vicariously liable, and there are no circumstances likely to give rise to any such Proceedings.
   3. Neither the Company nor any of the Subsidiaries:
      1. is affected by any subsisting or pending judgment, order or other decision or ruling of a court, tribunal or arbitrator, or of any governmental, regulatory or similar body or agency in any jurisdiction; or
      2. has given to any court, tribunal or arbitrator, or any governmental, regulatory or similar body or agency in any jurisdiction, or to any other third party a subsisting undertaking arising out of, or in connection with, any Proceedings.
7. Defective products and services
   1. Neither the Company nor any of the Subsidiaries has [manufactured or] sold any products or supplied any services that were at the time they were [manufactured,] sold or supplied [or are, or will become], faulty or defective, or that did not [or do not] comply with any:
      1. warranties or representations expressly or impliedly made by or on behalf of the Company or any of the Subsidiaries in connection with such products or services; or
      2. laws, regulations, standards and requirements applicable to such products or services.
   2. No proceedings have been started, are pending or have been threatened against the Company or any of the Subsidiaries:
      1. in which it is claimed that any product [manufactured or] sold by the Company or any of the Subsidiaries is defective, not appropriate for its intended use or has caused bodily injury or material damage to any person or property when applied or used as intended; or
      2. in respect of any services supplied by the Company or any of the Subsidiaries.
   3. There are no disputes between the Company or any of the Subsidiaries and any of their respective customers, clients or any other third parties in connection with any products or services [manufactured,] sold or supplied by the Company or any of the Subsidiaries.
8. Customers and suppliers
   1. The definition in this paragraph applies in this agreement.
9. Material Counterparty: any customer, client or supplier of the Company or any of the Subsidiaries [who is of material importance to the business or profits of the Company or any of the Subsidiaries **OR** that represented at least [NUMBER]% of the total purchases or supplies made by or to the Company [or any of **OR** and] the Subsidiaries during the period of [12] months ending on the date of this agreement].
   1. In the period of [12] months ending on the date of this agreement:
      1. no Material Counterparty has ceased, or threatened to cease to do business with, or reduced, or threatened to reduce in any material respect the extent to which it does business with, the Company or any of the Subsidiaries;
      2. there has been no material adverse change in the basis or terms on which any Material Counterparty does business with the Company or any of the Subsidiaries; and
      3. the Business has not been materially affected in an adverse manner as a result of (either individually or in combination) the loss of, or reduction in trading with, any customer, client or supplier of the Company or any of the Subsidiaries, or a change in the terms on which any such customer, client or supplier does business with the Company or any of the Subsidiaries.
   2. None of the matters referred to in paragraph 11.2 of Part 1 of this Schedule 5 is likely to occur [in the period of [NUMBER] months following the date of this agreement].
   3. [No customer, client or supplier accounted for more than [NUMBER]% of the aggregate sales or purchases (as applicable) made by the Company [or any of **OR** and] the Subsidiaries during the [financial period ended on the Accounts Date **OR** the period of [12] months ending on the date of this agreement].]
   4. So far as the Sellers are aware, no customer or client of the Company or any of the Subsidiaries [who is a Material Counterparty] is subject to a relevant insolvency procedure within the meaning of section 233B(2) of the Insolvency Act 1986.
10. Contracts
    1. The definition in this paragraph applies in this agreement.
11. Material Contract: any agreement, arrangement, understanding or commitment that the Company or any of the Subsidiaries is a party to or bound by, that is of material importance to the business, profits or assets of the Company or any of the Subsidiaries.
    1. Except as Disclosed, neither the Company nor any of the Subsidiaries is a party to, or otherwise subject to any agreement, arrangement, understanding or commitment which:
       1. is a Material Contract;
       2. is of an unusual or exceptional nature;
       3. is not in the ordinary and usual course of the Business;
       4. may be terminated as a result of a change of Control of the Company or any of the Subsidiaries;
       5. restricts the freedom of the Company or any of the Subsidiaries to carry on the Business in any part of the world in such manner as it thinks fit;
       6. involves agency or distributorship;
       7. involves partnership, joint venture, consortium, joint development, shareholder or similar arrangements;
       8. involves the grant of any sole or exclusive rights by or to the Company or any of the Subsidiaries;
       9. is incapable of complete performance in accordance with its terms within [six] months after the date on which it was entered into;
       10. cannot be readily fulfilled or performed by the Company or the relevant Subsidiary on time and without undue or unusual expenditure of money and effort;
       11. involves or is likely to involve an aggregate consideration payable by or to the Company or any of the Subsidiaries in excess of £[AMOUNT];
       12. requires the Company or any of the Subsidiaries to pay any commission, finder's fee, royalty or the like;
       13. is for the supply of goods and/or services by or to the Company or any of the Subsidiaries on terms under which retrospective or future discounts, price reductions or other financial incentives are given;
       14. is not on arm's-length terms;
       15. [provides for payments or other dealings in or calculated by reference to the euro or which will otherwise be affected by any changes in connection with the European Monetary Union;]
       16. is a finance lease, hire purchase, rental or credit sale agreement or which otherwise provides for the purchase or right to purchase any asset by instalment payments; or
       17. [involves other obligations or liabilities that ought reasonably to be made known to the Buyer.]
    2. There are no outstanding or ongoing negotiations of material importance to the business, profits or assets of the Company or any of the Subsidiaries, or any outstanding quotations or tenders for a contract that, if accepted, would give rise to a Material Contract[, or a contract of any other type as referred to in paragraph 12.2 of Part 1 of this Schedule 5].
    3. Each Material Contract is in full force and effect and binding on the parties to it.
    4. Neither the Company nor any of the Subsidiaries, nor any counterparty is (or will, with the lapse of time, be) in default of any:
       1. Material Contract; or
       2. [other agreement, arrangement, undertaking or commitment a default of which would be material having regard to the trading, profits or financial position of the Company [and **OR** or any of] the Subsidiaries.

No such default has been threatened, and there are no facts or circumstances likely to give rise to any such default.]

* 1. No notice of termination of a Material Contract has been received or served by the Company or any of the Subsidiaries, and there are no grounds for the termination, rescission, avoidance, repudiation or a material change in the terms of any such contract.

1. Transactions with the Sellers [and Sellers' interests]
   1. There is no outstanding indebtedness or other liability (actual or contingent) and no outstanding contract, commitment or arrangement between the Company or any of the Subsidiaries and any of the following:
      1. a Seller, or any person Connected with a Seller; or
      2. a Director, or any person Connected with a Director.
   2. None of the Sellers, nor any person Connected with a Seller, has a claim of any nature against the Company or any of the Subsidiaries, or has assigned to any person the benefit of any such claim.
   3. [None of the Sellers is at the date of this agreement, or has been at any time during the period of [NUMBER] years immediately preceding the date of this agreement, concerned, interested or engaged, directly or indirectly and in whatever capacity, in any other business similar to or competitive with the Business.]
2. Finance and guarantees
   1. The Disclosure Letter contains full particulars of all:
      1. money borrowed by the Company and each of the Subsidiaries; and
      2. loans, overdrafts or other financial facilities currently outstanding or available to the Company or any of the Subsidiaries (Financial Facilities), including copies of all [material] documents relating to such Financial Facilities.
   2. The total amount borrowed by the Company or any of the Subsidiaries (whether pursuant to the Financial Facilities or otherwise) does not exceed any limitations on the borrowing powers of the Company or the relevant Subsidiary contained in:
      1. its articles of association; or
      2. any debenture or other deed or document binding on the Company or the relevant Subsidiary.
   3. [There are no circumstances or matters which could affect the continuance of any of the Financial Facilities, or which may result in an amendment of their terms.]
   4. No indebtedness of the Company or any of the Subsidiaries is due and payable and no Encumbrance over any of the assets of the Company or any of the Subsidiaries is now enforceable, whether by virtue of the stated maturity date of the indebtedness having been reached or otherwise.
   5. Neither the Company nor any of the Subsidiaries has received any notice (whose terms have not been fully complied with or carried out) from any creditor requiring any payment to be made in respect of any indebtedness (whether arising pursuant to the Financial Facilities or otherwise), or intimating the enforcement of any Encumbrance which it holds over the assets of the Company or any of the Subsidiaries.
   6. Except as Disclosed, no Encumbrance, guarantee, indemnity or other similar security arrangement has been given or entered into (or agreed to be given or entered into) by the Company, a Subsidiary or any third party in respect of the borrowings or other obligations of the Company or any of the Subsidiaries (whether arising pursuant to the Financial Facilities or otherwise).
   7. Neither the Company nor any of the Subsidiaries has given or entered into (or agreed to give or enter into) any Encumbrance, guarantee, indemnity or other similar security arrangement in respect of the indebtedness of, or the default in the performance of any obligation by, any other person.
   8. Neither the Company nor any of the Subsidiaries has:
      1. factored or discounted any of its debts;
      2. engaged in financing of a type which would not need to be shown or fully reflected in the Accounts; or
      3. waived any right of set-off it may have against any third party.
   9. Neither the Company nor any of the Subsidiaries has any outstanding loan capital, or has lent any money that has not been repaid, and there are no debts owing to the Company or any of the Subsidiaries other than debts that have arisen in the normal course of the Business.
   10. The debts owing to the Company or any of the Subsidiaries as reflected in the Accounts, and all debts subsequently recorded in the books of the Company or any of the Subsidiaries since the Accounts Date:
       1. have been realised, or will within [three] months after the date of this agreement realise in cash their full amount as included in those Accounts or books;
       2. have not been outstanding (in whole or in part) for more than [two] months from its due date for payment; and
       3. are not subject to any right of set-off or counterclaim.
   11. Neither the Company nor any of the Subsidiaries is subject to any arrangement for receipt or repayment of any grant, subsidy or financial assistance from any government department or other body.
   12. Particulars of the balances of all the bank accounts of the Company and the Subsidiaries, showing the position as at the day immediately preceding the date of this agreement, have been Disclosed and neither the Company nor any of the Subsidiaries has any other bank account. Since the date of those particulars, there have been no payments out of those bank accounts other than routine payments in the ordinary course of the Business.
   13. Having regard to the existing banking and other facilities available to it, the Company and each of the Subsidiaries has sufficient working capital for the purposes of:
       1. continuing to carry on the Business in its present form and at its present level of turnover during the period of [12] months following the date of this agreement; and
       2. executing, carrying out and fulfilling in accordance with their respective terms all orders, projects and contractual obligations which have been placed with or undertaken by the Company or any of the Subsidiaries.
3. Liabilities
   1. Neither the Company nor any of the Subsidiaries has any liabilities (including contingent liabilities) other than as disclosed in the Accounts or incurred in the ordinary and proper course of the Business since the Accounts Date.
   2. No sum is owing by the Company or any of the Subsidiaries to their auditors, solicitors or other professional advisers, and no accrual ought properly to be made by it in respect of any such sum.
4. Effect of the Transaction

Neither the acquisition of the Sale Shares by the Buyer, nor compliance with the terms of this agreement will:

* + 1. cause the Company or any of the Subsidiaries to lose the benefit of any asset, right or privilege it presently enjoys;
    2. relieve any person of any obligation to the Company or any of the Subsidiaries (whether contractual or otherwise), or enable any person to determine any such obligation or any right or benefit enjoyed by the Company or any of the Subsidiaries, or to exercise any other right in respect of the Company or any of the Subsidiaries;
    3. result in any customer, client or supplier being entitled to cease dealing with the Company or any of the Subsidiaries, or [materially] reducing its level of business, or changing the terms on which it deals, with the Company or any of the Subsidiaries;
    4. result in the loss or impairment of, or any default under, any licence, authorisation or consent required by the Company or any of the Subsidiaries for the purposes of the Business;
    5. [so far as the Sellers are aware,] result in any officer or senior Employee leaving the Company or any of the Subsidiaries;
    6. result in the creation, imposition, crystallisation or enforcement of any Encumbrance on any of the assets of the Company or any of the Subsidiaries;
    7. result in any present or future indebtedness of the Company or any of the Subsidiaries becoming due and payable, or capable of being declared due and payable, prior to its stated maturity date, or cause any Financial Facility to be terminated or withdrawn;
    8. [entitle any person to receive from the Company or any of the Subsidiaries any finder's fee, brokerage or other commission in connection with the Transaction;]
    9. give rise to, or cause to become exercisable, any right of pre-emption over the Sale Shares; or
    10. entitle any person to acquire, or affect the entitlement of any person to acquire, shares in the Company.

1. Insolvency
   1. Neither the Company nor any of the Subsidiaries:
      1. is insolvent or unable to pay its debts within the meaning of the Insolvency Act 1986 or any other applicable insolvency legislation; or
      2. has stopped paying its debts as they fall due.
   2. No step has been taken or proposal made in any applicable jurisdiction to initiate any process by or under which:
      1. the ability of the creditors of the Company or any of the Subsidiaries to take any action to enforce their debts is suspended, restricted or prevented, including [(without limitation)] pursuant to a moratorium under Part A1 of the Insolvency Act 1986;
      2. some or all of the creditors of the Company or of any of the Subsidiaries accept, by agreement or in pursuance of a court order, an amount less than the sums owing to them in satisfaction of those sums, or make any other compromise or arrangement with the Company or the Subsidiaries (including[, without limitation,] a company voluntary arrangement under Part 1 of the Insolvency Act 1986, a scheme of arrangement under Part 26 of the CA 2006 or a restructuring plan under Part 26A of the CA 2006);
      3. a person is appointed to manage the affairs, business and assets of the Company or any of the Subsidiaries on behalf of their creditors; or
      4. the holder of a charge over any of the assets of the Company or any of the Subsidiaries is appointed to control the business and/or any assets of the Company or any of the Subsidiaries.
   3. In relation to the Company and each of the Subsidiaries:
      1. no administrator has been appointed;
      2. no documents have been filed with, and no application has been made to, the court for the appointment of an administrator; and
      3. no notice of an intention to appoint an administrator has been given by the relevant company, its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986).
   4. No petition has been presented or order made for the winding up of the Company or any of the Subsidiaries, no resolution has been passed or proposed for the winding up of the Company or any of the Subsidiaries and no other process has been initiated which could lead to the Company or any of the Subsidiaries being wound up or its assets being distributed among its creditors, shareholders or other contributors or the Company or any of the Subsidiaries being dissolved.
   5. No distress, execution or other process has been commenced, levied or enforced on, and no creditor or encumbrancer has taken possession or control of, any goods or assets of the Company or any of the Subsidiaries.
   6. No event has occurred, and no proceedings have been taken, in relation to the Company or any of the Subsidiaries in any jurisdiction other than the UK, which has an effect equivalent or similar to any of the matters referred to in paragraph 17.3 to paragraph 17.5 (inclusive) above.
   7. None of the Sellers has:
      1. had a bankruptcy petition presented against them, or been declared bankrupt;
      2. been served with a statutory demand, or is unable to pay their debts within the meaning of the Insolvency Act 1986;
      3. entered into, or has proposed to enter into, any composition or arrangement with, or for, their creditors (including an individual voluntary arrangement); or
      4. been subject of any other event analogous to the foregoing in any jurisdiction.
   8. [In the period of [two] years ending on the date of this agreement, neither **OR** Neither] the Company nor any of the Subsidiaries has:
      1. been a party to any transaction at an undervalue as defined in section 238 of the Insolvency Act 1986; or
2. given or received any preference as defined in section 239 of the Insolvency Act 1986.
3. Accounts
   1. The Group Accounts:
      1. show a true and fair view of the state of affairs of the Company and the Subsidiaries as at the Accounts Date, and of their profit or loss and total comprehensive income for the accounting period ended on the Accounts Date;
      2. have been properly prepared in accordance with FRS 102, using appropriate accounting policies and estimation techniques as required by section 10 of FRS 102;
      3. comply with the requirements of the CA 2006 and all other applicable law and regulations in the UK;
      4. (save as the Group Accounts expressly disclose) are not affected by any extraordinary, exceptional or non-recurring items; and
      5. (save as the Group Accounts expressly disclose) have been prepared using the same accounting policies and estimation techniques as those adopted and applied in preparing the Previous Accounts.
   2. The Individual Accounts:
      1. show a true and fair view of the state of affairs of the Company or the Subsidiary to which they relate as at the Accounts Date, and of its profit or loss and total comprehensive income for the accounting period ended on the Accounts Date;
      2. have been properly prepared in accordance with FRS 102 using appropriate accounting policies and estimation techniques as required by section 10 of FRS 102;
      3. comply with the requirements of the CA 2006 and all other applicable law and regulations in the UK;
      4. (save as the Individual Accounts expressly disclose) are not affected by any extraordinary, exceptional or non-recurring items; [and]
      5. (save as the Individual Accounts expressly disclose) have been prepared using the same accounting policies and estimation techniques as those adopted and applied in preparing the Previous Accounts[; and]
      6. [if prepared using the reduced disclosure framework as laid out in FRS 102, the conditions in paragraph 1.11 of FRS 102 have been met].
   3. The Accounts have been audited by an individual or firm registered to act as auditors in the UK and the auditors' reports thereon are unmodified.
   4. The Accounts (together in each case with the related directors' reports and auditors' reports) have been:
      1. circulated to every person entitled to receive a copy in accordance with section 423 of the CA 2006;
      2. laid before the Company or the relevant Subsidiary in general meeting, where required by the CA 2006 or the articles of association of the relevant company; and
      3. filed with the Registrar of Companies,

in each case in accordance with the relevant requirements of the CA 2006 and all other applicable laws and regulations in the UK.

* 1. The Accounts:
     1. charge depreciation and amortisation on non-current assets at a suitable rate such that all non-current assets will be written down to nil or a realisable residual value at the end of their useful lives as required by sections 17 and 18 of FRS 102;
     2. reflect all impairments to the recoverable amounts of non-current assets as required by section 27 of FRS 102, whether or not there were any indicators of impairment at the Accounts Date;
     3. make proper and adequate provision for credit risk such that all receivables are stated at no more than their recoverable amount at the Accounts Date;
     4. classify and measure all financial instruments according to the requirements of sections 11 and 12 of FRS 102;
     5. have correctly allocated overheads to the cost of inventory based on normal levels of activity, make proper provision against or have written off all obsolete or slow-moving inventory, and show all items of inventory at the lower of cost and estimated selling price less costs to complete or sell at the Accounts Date as required by section 13 of FRS 102;
     6. include all known liabilities and all provisions as required by section 21 of FRS 102;
     7. provide for all Tax in respect of which the Company and the Subsidiaries are accountable, including deferred tax, as required by section 29 of FRS 102;
     8. include in the notes disclosure of all contingent liabilities as required by section 21 of FRS 102;
     9. include in the notes all related party disclosures as required by section 33 of FRS 102; and
     10. have dealt with all events after the Accounts Date up to the date of approval of the relevant accounts by the board of directors as required by section 32 of FRS 102.
  2. The Management Accounts have been prepared on a basis consistent with that employed in preparing the Accounts and fairly represent the [assets and liabilities and the profits and losses **OR** income and expenditure] of the Company's Group and each of the Company and the Subsidiaries as at the date and in respect of the period to which they relate.

1. Changes since the Accounts Date

Since the Accounts Date:

* 1. the Company and each of the Subsidiaries has conducted the Business in the normal course and as a going concern;
  2. there has been no material adverse change in the turnover, financial position or prospects of the Company or any of the Subsidiaries;
  3. neither the Company nor any of the Subsidiaries has issued or agreed to issue any share or loan capital;
  4. no dividend or other distribution of profits or assets has been, or agreed to be, declared, made or paid by the Company or any of the Subsidiaries;
  5. neither the Company nor any of the Subsidiaries has borrowed or raised any money or given or taken any form of financial security;
  6. no capital expenditure has been incurred on any individual item by the Company or any of the Subsidiaries in excess of £[AMOUNT] and neither the Company nor any of the Subsidiaries has acquired, invested or disposed of (or agreed to acquire, invest or dispose of) any individual item in excess of £[AMOUNT];
  7. no shareholder resolutions of the Company or any of the Subsidiaries have been passed [other than as routine business at the annual general meeting];
  8. [there has been no abnormal increase or reduction of inventory;]
  9. [none of the inventory reflected in the Accounts has realised an amount less than the value placed on it in the Accounts;]
  10. neither the Company nor any of the Subsidiaries has offered, agreed or implemented any price reductions or discounts or allowances on its sales [of inventory, or sold inventory at less than its value in the Accounts];
  11. the Company and each of the Subsidiaries has paid its creditors within the applicable periods agreed with the relevant creditor and there are no amounts owing by the Company or any of the Subsidiaries which have been outstanding for more than [60] days[; and
  12. [there has been no reduction in the value of the net assets of the Company or any of the Subsidiaries determined in accordance with the same accounting principles and policies as those applied in the Accounts (and on the basis that each of the assets is valued at a figure no greater than the value attributed to it in the Accounts or, in the case of any of the assets acquired by the Company or the relevant Subsidiary after the Accounts Date, at a figure no greater than cost).]

1. Financial and other records
   1. All financial and other records of the Company and of each of the Subsidiaries (Records):
      1. have been properly prepared and maintained;
      2. constitute an accurate record of all matters required by law to appear in them, and in the case of the accounting records, comply with the requirements of sections 386 and 388 of the CA 2006;
      3. do not contain any material inaccuracies or discrepancies; and
      4. are in the possession of the Company or the Subsidiary to which they relate.
   2. No notice has been received or allegation made that any of the Records are incorrect or should be rectified.
   3. To the extent that any of the Records are maintained or stored electronically:
      1. either the Company or a Subsidiary is the owner of any hardware and software required to access, maintain, copy and use such Records, and such ownership is not shared with any other person; and
      2. such Records are adequately backed-up.
2. Assets
   1. The assets included in the Accounts, together with any assets acquired since the Accounts Date and all other assets used by the Company or any of the Subsidiaries in connection with the Business (except for those disposed of since the Accounts Date in the normal course of business) are:
      1. legally and beneficially owned by either the Company or a Subsidiary, and the relevant owner has good and marketable title to such assets;
      2. not the subject of any lease, lease hire agreement, hire purchase agreement or agreement for payment on deferred terms, or any licence or factoring arrangement; and
      3. in the possession and control of the Company or a Subsidiary.
   2. Except as Disclosed, none of the assets, undertaking or goodwill of the Company or any of the Subsidiaries is subject to an Encumbrance or any agreement or commitment to create an Encumbrance, and no person has claimed to be entitled to create such an Encumbrance.
   3. The assets owned by the Company and the Subsidiaries comprise all the assets necessary for the continuation of the Business as it is carried on at the date of this agreement.
3. Plant and equipment [and inventory]
   1. The plant, machinery, vehicles, office and other equipment used by the Company or any of the Subsidiaries in connection with the Business are:
      1. in good working order and have been regularly and properly maintained;
      2. capable and will continue to be capable of doing the work for which they were designed; and
      3. not surplus to the current or proposed requirements of the Company or any of the Subsidiaries.
   2. [The inventory (including work-in-progress) of the Company and the Subsidiaries:
      1. is in good condition and is capable of being sold in the ordinary course of the Business in accordance with its current price list without discount, rebate or allowance;
      2. is not excessive and is adequate in relation to the current trading requirements of the Business and none of the inventory is obsolete, slow moving, unusable or unmarketable or includes returned goods; and
      3. fully complies with all applicable laws, regulations, standards (including British and European Union standards) and specifications agreed with customers.]
4. Intellectual property
   1. The definitions in this paragraph apply in this agreement:
5. Intellectual Property Rights: patents, [utility models,] rights to inventions, copyright and [neighbouring and] related rights, [moral rights,] trade marks [and service marks], business names and domain names, rights in get-up [and trade dress], goodwill and the right to sue for passing off [or unfair competition,] rights in designs, [rights in computer software,] database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.
6. Target IP: all Intellectual Property Rights owned, used or held for use by the Company or any of the Subsidiaries.
   1. Complete and accurate particulars are set out in Part 1 and Part 2 of Schedule 7 respectively of all registered Intellectual Property Rights (including applications for such rights) and [material] unregistered Intellectual Property Rights owned by the Company or any of the Subsidiaries.
   2. Complete and accurate particulars are set out in Part 3 and Part 4 of Schedule 7 respectively of all [material] licences, agreements, authorisations and permissions (in whatever form and whether express or implied) under which the Company or any of the Subsidiaries:
      1. uses or exploits Intellectual Property Rights owned by any other person [(including any member of a Seller's Group as constituted immediately before the date of this agreement)]; or
      2. has licensed or agreed to license Intellectual Property Rights to, or otherwise permitted the use of any Intellectual Property Rights by, any other person [(including any member of a Seller's Group as constituted immediately before the date of this agreement)].
   3. Except to the extent disclosed in the particulars set out in Part 3 of Schedule 7, either the Company or a Subsidiary is the sole legal and beneficial owner of all Target IP, free from all Encumbrances (except for those Encumbrances set out in Part 4 of Schedule 7).
   4. The Company and the Subsidiaries do not require the use of any Intellectual Property Rights in order to carry on the Business in the manner in which it was operated at and before the date of this agreement and to fulfil any currently existing plans or proposals, other than those rights which:
      1. it is currently able to exercise, without restriction, in relation to the Intellectual Property Rights which it owns; and
      2. are currently granted to it under the licences set out in Part 3 of Schedule 7.
   5. The Intellectual Property Rights set out in Part 1 and Part 2 of Schedule 7 are valid, subsisting and enforceable and nothing has been done, or not been done, as a result of which any of them has ceased or might cease to be valid, subsisting or enforceable. In particular:
      1. all application and renewal fees and other steps required for the maintenance or protection of such rights have been paid on time or taken;
      2. all confidential information (including know-how and trade secrets) owned or used by the Company or any of the Subsidiaries has been kept confidential and has not been disclosed to third parties (other than parties who have signed written confidentiality undertakings in respect of such information, details of which are set out in the Disclosure Letter);
      3. no mark, trade name or domain name identical or similar to any such rights has been registered, or is being used by any person in the same or a similar business to that of the Company or any of the Subsidiaries, in any country in which the Company or any of the Subsidiaries has registered or is using that mark, trade name or domain name; [and]
      4. [nothing has been done, or not been done, which might render any registered trade mark owned or used by the Company or any of the Subsidiaries liable to be revoked or declared invalid;]
      5. [there are no outstanding or potential claims against the Company or any of the Subsidiaries under any contract or under section 40 of the Patents Act 1977 for employee compensation in respect of any Intellectual Property Rights; and]
      6. there are and have been no oppositions, claims, challenges disputes or proceedings, pending or threatened, in relation to the ownership, validity or use of such rights.
   6. Nothing is due to be done within 30 days of the date of this agreement the omission of which would jeopardise the maintenance or prosecution of any of the Target IP which is registered or the subject of an application for registration.
   7. There is and has been no unauthorised use, misappropriation or infringement by any third party of any of the Target IP, nor any third party breach of confidence, passing off or actionable act of unfair competition in relation to the business and assets of the Company or any of the Subsidiaries, and no action is current or anticipated.
   8. The agreements and licences set out in Part 3 and Part 4 of Schedule 7:
      1. are valid and binding and recorded in writing;
      2. have, where required, been duly recorded or registered;
      3. have not been the subject of any breach or default by any party or of any event which, with the giving of notice or lapse of time, would constitute a default; and
      4. are not the subject of any claim, dispute or proceeding, pending or threatened[, and there are no circumstances which are likely to give rise to a breach, claim, dispute or proceeding, and no reason to believe that such agreements or licences will not be renewed when they expire on the same or substantially similar terms].
   9. A change of Control of the Company or any of the Subsidiaries, or any other transaction contemplated under this agreement, will not result in the termination of, or trigger a payment in respect of, or otherwise materially affect, any of the Target IP.
   10. The activities of the Company and each Subsidiary [and of any licensee of Intellectual Property Rights granted by the Company or any Subsidiary] have not:
       1. infringed, do not infringe and are not likely to infringe the Intellectual Property Rights of any third party;
       2. constituted, do not constitute and are not likely to constitute any breach of confidence, passing off or actionable act of unfair competition; or
       3. given and do not give rise to any obligation to pay any royalty, fee, compensation or any other sum whatsoever.
7. Information technology
   1. The definitions in this paragraph apply in this agreement.
8. Domain Names: the internet domain names associated with the Business [including those set out in Part 3 of Schedule 8].
9. Good Industry Practice: the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.
10. IT Contracts: all agreements or arrangements (whether or not in writing and including those currently being negotiated) under which any third party (including any source code deposit agent) provides or will provide any element of, or services relating to, the IT Systems, including leasing, hire purchase, licensing, maintenance, website hosting, outsourcing, security, back-up, disaster recovery, insurance, cloud computing and other types of services agreements.
11. IT Systems: the network and information systems that are owned, used or held for use by the Company or any of the Subsidiaries, including: (i) all computer hardware (including network and telecommunications equipment and related peripherals) and mobile devices; (ii) all software (including associated user manuals, object code and source code and other materials sufficient to enable a reasonably skilled programmer to maintain and modify the software (**Source Code**)) and firmware (**Software**); and (iii) all databases (**Databases**).
12. Known Vulnerability: any Vulnerability that has either been:
    1. assigned a Common Vulnerabilities and Exposures (CVE) number;
    2. disclosed on the National Vulnerability Database available at the website operated by the US National Institute of Standards and Technology (NIST) from to time to time; or
    3. disclosed on the internet, or any [open] public database, such that it would be revealed by reasonable searches conducted in accordance with Good Industry Practice.
13. Latent Vulnerability: any instances of typical classes of Vulnerability, for example, buffer overflows, cross-site scripting (XSS) and Structure Query Language (SQL) injection.
14. NIS Regulations: the Network and Information Systems Regulations 2008 (SI 506/2018).
15. Security Incident: any event having an actual adverse effect on the security of the IT Systems and/or the Systems Data.
16. Social Media Account: any user account, profile, page or other similar presence on an online communication channel incorporating user-generated content in connection with the Business.
17. [Supplier: the supplier under any IT Contract [which, for this purpose, shall include all higher-level arrangements and agreements in the relevant supply chain concerning the supply element of, or services relating to, the IT Systems and/or the Systems Data].]
18. Systems Data: the digital data (including personal and non-personal data) stored, processed, retrieved or transmitted by any element of the IT Systems.
19. Virus: any program which contains malicious code or infiltrates or damages a computer system without the owner's informed consent or is designed to do so or which is hostile, intrusive or annoying to the owner or user and has no legitimate purpose.
20. Vulnerability: a weakness in the computational logic (for example, code) found in software and hardware components that, when exploited, results in a negative impact to confidentiality, integrity, or availability.
    1. Complete and accurate particulars of the IT Systems and the IT Contracts are set out in Part 1 and Part 2 of Schedule 8. The Sellers have no reason to believe that any of the IT Contracts are not adequate for the purposes of the Business as it is operated at and before the date of this agreement.
    2. Except to the extent provided for in the IT Contracts (details of which have been disclosed in Part 2 of Schedule 8), the Company and the Subsidiaries are the owners of and in unrestricted possession of the IT Systems free from Encumbrances. The Company and the Subsidiaries have obtained all necessary rights from third parties to enable their exclusive and unrestricted use of the IT Systems both before and after the date of this agreement for the purposes of carrying on the Business in the manner in which it was operated at and before the date of this agreement, and to fulfil any currently existing plans or proposals.
    3. The IT Contracts are valid and binding and recorded in writing, and no act or omission has occurred which would, if necessary, with the giving of notice or lapse of time, constitute a breach of any of them.
    4. There are and have been no claims, disputes or proceedings arising or threatened under any of the IT Contracts or in respect of the IT Systems.
    5. None of the IT Contracts is liable to be terminated or otherwise materially affected by a change of Control of the Company or any of the Subsidiaries, and the Sellers have no reason to believe that any of the IT Contracts will not be renewed on the same or substantially the same terms when they expire. Each IT Contract which has an existing or future obligation on the part of the Company or a Subsidiary to pay an aggregate fee or charge of more than £[AMOUNT] is terminable by the Company or the relevant Subsidiary by giving not more than [60] days' notice [at any time] [for a cost of less than £[AMOUNT]].
    6. In relation to the Source Code, the Company and the Subsidiaries have either:
       1. possession and exclusive control of such Source Code, and there has been no [unauthorised] disclosure of such Source Code; or
       2. the right to gain access to, and control over, such Source Code under the [standard] terms of a source code deposit agreement entered into with the owners of the rights in the relevant Software and a reputable deposit agent (particulars of which are set out in Part 2 of Schedule 8).
    7. All elements of the IT Systems:
       1. are functioning properly in accordance with all applicable specifications and with the service levels set out in the IT Contracts, and are fit for the purposes of the Business;
       2. are not defective in any [material] respect and have not been [materially] defective or [materially] failed to function during the last [three] years;
       3. do not contain any Virus, Known Vulnerability or Latent Vulnerability and have not within the last [12] months been infected by any Virus, Known Vulnerability or Latent Vulnerability or accessed by any unauthorised person;
       4. have sufficient capacity, scalability and performance (without modification) to meet the current and foreseeable [peak volume] requirements of the Business;
       5. include sufficient user information (including supplier's recommendations) reduced to writing and in a commonly-readable format, which is within the possession and control of the Company and the Subsidiaries, to enable reasonably skilled personnel in the field to use and operate the IT Systems without the need for further assistance (**User Information**);
       6. have been operated and used substantially in accordance with the User Information (including any recommendations as to environmental conditions and power supply);
       7. have been satisfactorily and regularly maintained in accordance with Good Industry Practice, including that all versions of the Software used by the Business are currently supported by the respective owners of the Software and the IT Systems have the benefit of appropriate maintenance and support agreements[, complete and accurate particulars of which are set out in Part 2 of Schedule 8];
       8. meet all applicable regulatory requirements, including (in respect of any element of the IT Systems which processes personal data) the requirement for privacy by design and privacy by default.
    8. No open-source software (as defined at http://opensource.org/docs/osd) licensed from time to time under the General Public Licence (as set out at http://www.gnu.org/licenses/gpl.html) or any similar licence has been included or used in, or in the development of, any element of the IT Systems (**Restrictive Open Source Code**) and no element of the IT Systems operates in such a way that it is compiled with or linked to any Restrictive Open Source Code. Without prejudice to the foregoing, no open-source software has been included or used in, or in the development of, any element of the IT Systems in contravention of its applicable open-source licence terms and no third party is asserting, or has in the last [three] years asserted, any such contravention.
    9. [The performance and functionality of the IT Systems (and any other equipment and systems owned or used by the Company or any of the Subsidiaries or their respective suppliers or customers which depend on date-programmed control devices) have not been affected, and will not be affected, by any changes in dates (past, present or future)[. In particular:
       1. no value for a current date has caused or will cause any interruption in operation;
       2. date-based functionality has behaved and will behave consistently for all dates;
       3. in all interfaces and data storage, the century in any date is and will be specified either explicitly or by unambiguous algorithms or inferencing rules; and
       4. all leap years will be recognised as such].]
    10. [The IT Systems are capable of:
        1. performing their functions in multiple currencies, including the euro;
        2. satisfying the conversion and rounding rules in EU Regulation 1103/97 and any other applicable legal requirements relating to the euro;
        3. displaying and printing the generally accepted symbols for the euro and any other currency; and
        4. processing the generally accepted codes for the euro and any other currency.]
    11. Complete and accurate particulars of all Social Media Accounts and Domain Names are set out in Part 3 of Schedule 8. All Social Media Accounts and Domain Names are controlled and administered by the Company or a Subsidiary and used exclusively in connection with the Business.
    12. The Company or a Subsidiary:
        1. is the current registrant and user of each Domain Name and Social Media Account, and has not sold, transferred, licensed, charged or otherwise encumbered any Domain Name or Social Media Account, or allowed a Domain Name or Social Media Account to be used by any third party;
        2. has, in its control and possession, sufficient information, passwords and access codes to allow it to access, edit, control and/or administer each Domain Name and Social Media Account, including after the date of this agreement;
        3. has not committed any breaches, and is currently not in breach, of any agreement with the registrar of any Domain Name or provider of any Social Media Account; and
        4. has completed all necessary formalities (including the payment of all relevant fees) in order to effect any renewals of the Domain Names or Social Media Accounts which were due prior to the date of this agreement.
    13. No person has, or in the past [24] months has had, unauthorised access to any Social Media Account and each director, manager, employee and independent contractor of the Company or a Subsidiary who has access to or control over a Social Media Account has entered into a written agreement with the Company or a Subsidiary obliging them, on termination of their engagement, to cease accessing that Social Media Account, and the Company and each Subsidiary has in place proper procedures to enforce this obligation.
    14. No person has used the Social Media Accounts to infringe or misuse or misappropriate the rights of any other person or to defame, libel or slander such person, or to make any unauthorised statement about, or on behalf of, or in connection with, the Business, the Company or any Subsidiary.
    15. The Company and each Subsidiary has in place, in accordance with Good Industry Practice, proper policies, procedures and training for its employees on the appropriate use of social media in both a professional and personal capacity.
    16. The Company and each Subsidiary's use of the Social Media Accounts and Domain Names (including any competitions or prize promotions conducted via the Social Media Accounts or Domain Names) complies with, and has at all times within the last [24] months complied with, all applicable laws, regulations, guidelines, listed company rules and Good Industry Practice, including any relevant advertising codes. Neither the Company nor any Subsidiary has received any notice or allegation of non-compliance in respect of the same.
    17. Each of the Databases:
        1. is complete and accurate [in all material respects] for the purpose for which it was originally created;
        2. has not been used for any purpose that would constitute a breach of Data Protection Laws; and
        3. has not suffered any [material] loss or corruption [in the period of [NUMBER] months preceding the date of this agreement].
    18. The Company and the Subsidiaries have implemented [appropriate procedures in accordance with Good Industry Practice (including in relation to off-site working where applicable) for ensuring the security of the IT Systems and the confidentiality and integrity of the Systems Data **OR** international security standards ISO/IEC 27001:2013 (Information security management systems: Requirements) and ISO/IEC 27002:2013 (Code of practice for information security controls) with regard to use of the IT Systems and the Systems Data for the purposes of the Business].
    19. The Company and the Subsidiaries have in place:
        1. a fully documented disaster recovery plan which, in conjunction with any necessary agreements with third party service providers (particulars of which are set out in Part 2 of Schedule 8), would enable the Business to continue if there were significant damage to or destruction of some or all of the IT Systems;
        2. a monitoring programme which enables the Company and the Subsidiaries to effectively detect, prioritise, and report Security Incidents on a continuous 24/7 basis; and
        3. a data security breach and response plan which enables the Company and the Subsidiaries to effectively mitigate any Security Incident, and the effects of any Security Incident on the Business.

Each such plan (copies of which have been Disclosed) complies with Good Industry Practice.

* 1. During the [seven-]year period up to and including the date of this agreement, neither the Company nor any Subsidiary has suffered any Security Incident having a substantial or significant impact on [the continuity of] the Business.
  2. [Neither the Company nor any Subsidiary is, or has been, an operator of essential services or a relevant digital service provider as defined in the NIS Regulations and has no reason to believe it would be so classified the future.]

**OR**

1. [The [Company [**OR** [NAME OF SUBSIDIARY]] is [an operator of essential services **OR** a relevant digital service provider] as defined in the NIS Regulations and has completed all applicable [notification and nomination **OR** registration] requirements in the timescales provided for under the NIS Regulations.]
   1. [The Company and each Subsidiary has fully complied with, and has established and fully implemented, in accordance with Good Industry Practice, all procedures necessary to ensure continued full compliance with, all relevant and applicable requirements of the NIS Regulations (**Cybersecurity Procedures**) and has taken due regard of all official published guidance relevant to such Cybersecurity Procedures. Details of such Cybersecurity Procedures have been Disclosed and have been approved for the Company and each Subsidiary by external legal counsel with an appropriate specialism in cybersecurity law.]
   2. [The Cybersecurity Procedures have been adequately flowed down to every Supplier of the Company and each Subsidiary under a valid and legally binding written agreement.]
   3. [The Company and each Subsidiary [and each of its Suppliers] has either:
      1. never suffered any incident which is notifiable under the NIS Regulations (**NIS** **Incident**); or
         * 1. suffered a NIS Incident, full details of which are Disclosed, and has complied with all notification requirements within the timescales specified under the NIS Regulations and all advice, recommendations and guidance received in respect of such NIS Incident, and is not aware of any unsettled liability remaining in respect of any NIS Incident.]
   4. [Neither the Company nor any Subsidiary has [in the period of [NUMBER] preceding the date of this agreement]:
      1. received any notice, request, correspondence or other communication from any governmental or state agency, body, department, board, official or entity exercising regulatory or supervisory authority pursuant to the NIS Regulations or been subject to any enforcement action (including any fines or other sanctions), in each case relating to a breach or alleged breach of their obligations under the NIS Regulations;
      2. put in place an adequate data breach response plan (including maintaining a record of personal data breaches) that enables the Company, the Subsidiaries and the Processors to comply with the related requirements of the Data Protection Laws[, details of which are set out in the Disclosure Letter].
      3. received any claim, complaint, correspondence or other communication from any other person claiming or alleging, or otherwise relating to, any breach (or suspected breach) of the NIS Regulations; or
      4. failed any regulatory inspections [undertaken in connection with the NIS Regulations] to which they have been subject,

and[, so far as the Sellers are aware,] there is no fact or circumstance that may lead to any notice, request, correspondence, communication, claim, complaint or enforcement action.]

1. Data protection and privacy
   1. The definitions in this paragraph apply in this agreement.
2. Data Protection Laws: all laws (whether of the UK or any other jurisdiction) relating to processing Personal Data (including[, without limitation], the privacy of electronic communications) which are from time to time applicable to the Company or any of the Subsidiaries (or any part of their business).
3. Personal Data: has the meaning given to that term in Article 4 of the UK GDPR.
4. Processor: has the meaning given in [paragraph 25.4(a)](#a658257) of Part 1 of this Schedule 5.
5. Supervisory Authority: any local, national, supranational, state, governmental or quasi-governmental agency, body, department, board, official or entity exercising regulatory or supervisory authority pursuant to any Data Protection Laws, including the Information Commissioner's Office in the UK.
6. **UK GDPR:** has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.
   1. The Company and the Subsidiaries have at all times complied with the Data Protection Laws in all respects.
   2. The Company and the Subsidiaries have:
      1. introduced and applied appropriate data protection policies and procedures concerning the collection, use, storage, retention and security of Personal Data [(details of which are included in the Disclosure Letter)], and implemented regular staff training, use testing, audits or other documented mechanisms to ensure and monitor compliance with such policies and procedures;
      2. appointed a data protection officer if required to do so under the Data Protection Laws[, and details of such appointment are set out in the Disclosure Letter];
      3. maintained complete, accurate and up to date records of all their Personal Data processing activities as required by the Data Protection Laws[, copies of which are included in the Disclosure Letter];
      4. carried out and maintained complete, accurate and up to date records of, all data protection impact assessments required by the Data Protection Laws;
      5. issued appropriate privacy notices to data subjects which comply with all applicable requirements of the Data Protection Laws;
      6. implemented appropriate technical and organisational measures to protect against the unauthorised or unlawful processing of, or accidental loss or damage to, any Personal Data processed by the Company, the Subsidiaries or the Processors, and ensure a level of security appropriate to the risk represented by the processing and the nature of the Personal Data to be protected; and
   3. The Company and the Subsidiaries have:
      1. undertaken appropriate due diligence on any third parties they have appointed to process any Personal Data (**Processors**, each a Processor); and
      2. an agreement in place with each Processor [(copies of which are included in the Disclosure Letter)] which complies with all applicable requirements of the Data Protection Laws.
   4. [Neither the Company nor any of the Subsidiaries has disclosed or transferred any Personal Data outside the UK **OR** The Company and the Subsidiaries have complied with all applicable requirements under the Data Protection Laws relating to the disclosure or transfer of Personal Data outside the UK].
   5. The Company and the Subsidiaries have complied with all data subject requests, including any requests for access to Personal Data, the cessation of specified processing activities or the rectification or erasure of any Personal Data, in each case in accordance with the requirements of the Data Protection Laws, and there are no such requests outstanding at the date of this agreement.
   6. Neither the Company, the Subsidiaries nor any of the Processors have [, in the period of [NUMBER] years preceding the date of this agreement,] suffered any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to any Personal Data. Each of the Company, the Subsidiaries and the Processors have passed all regulatory audits to which they have been subject.
   7. Neither the Company nor any of the Subsidiaries has [in the period of [NUMBER] preceding the date of this agreement] received any:
      1. notice, request, correspondence or other communication from any Supervisory Authority, or been subject to any enforcement action (including any fines or other sanctions), in each case relating to a breach or alleged breach of their obligations under the Data Protection Laws; or
      2. claim, complaint, correspondence or other communication from a data subject or any other person claiming a right to compensation under the Data Protection Laws, or alleging any breach of the Data Protection Laws,

and[, so far as the Sellers are aware,] there is no fact or circumstance that may lead to any such notice, request, correspondence, communication, claim, complaint or enforcement action.

* 1. The Company and the Subsidiaries have duly complied with all applicable notification or registration obligations and paid the appropriate level of fees or charges in respect of their processing activities, in each case as required by the Data Protection Laws.
  2. [The Company and the Subsidiaries have obtained valid consents in respect of their mailing lists which are no older than [one year] [and have complied with any data subject opt-out requests].]

1. Employment
   1. The definitions in this paragraph apply in this agreement.
2. Employee: any person employed by the Company or any of the Subsidiaries under a contract of employment (together the **Employees)**.
3. Employment Laws: all laws applying in England and Wales from time to time which affect contractual or other relations between an employer and their employees or workers including [(but not limited to)] all legislation and any claim arising under European treaty provisions or directives (as any such treaties or directives apply in England and Wales from time to time, including as retained, amended, extended, re-enacted or otherwise given effect) which, in either case, are enforceable against the Company or the Subsidiaries by any Employee or Worker.
4. Representative Body: any trade union, staff association, staff council, works council, information and consultation body and any other worker representatives relating to any person employed or engaged by or in the Company or any of the Subsidiaries.
5. Worker: any person who personally performs work for the Company or any of the Subsidiaries but who is not an Employee, in business on their own account or in a client/customer relationship (together the **Workers**).

Working Time Directive: Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time (as it applies in England and Wales from time to time, including as retained, amended, extended, re-enacted or otherwise given effect).

WTR 1998: the Working Time Regulations 1998 (SI 1998/1833).

* 1. The name of each director and shadow director of the Company and the Subsidiaries is set out in Schedule 2.
  2. The Disclosure Letter includes anonymised particulars of each Employee and Worker and the principal terms of their contract including:
     1. the company that employs or engages them;
     2. their current remuneration (including any benefits and privileges provided or which the Company or any of the Subsidiaries is bound to provide to them or their dependants, whether now or in the future, details of shift and any other allowances, and any entitlement to, or expectation of, performance-related remuneration);
     3. the commencement date of each contract and, if an Employee, the date on which continuous service began;
     4. the length of notice necessary to terminate each contract or, if a fixed term, the expiry date of the fixed term and details of any previous renewals;
     5. details of all post-termination restrictions including length and type of restriction and the basis of the restriction;
     6. the type of contract (including whether full or part-time or other);
     7. their date of birth;
     8. any country in which the Employee or Worker works or performs services and/or is paid, if the Employee or Worker works or is paid outside England and Wales; and
     9. the law governing the contract, if the Employee or Worker works or is paid outside England and Wales.
  3. The Disclosure Letter includes anonymised details of each person who is not a Worker and who is providing services to the Company or any of the Subsidiaries under an agreement that is not a contract of employment with the Company or the relevant Subsidiary (including, in particular, where the individual acts as a consultant or is on secondment from an employer that is not a member of the Company's Group) and the particulars of the terms on which the individual provides services, including:
     1. the company that engages them;
     2. the remuneration of each individual (including any benefits and privileges provided or which the Company or any of the Subsidiaries is bound to provide to them or their dependants, whether now or in the future, and any entitlement to, or expectation of, performance-related remuneration);
     3. the length of notice necessary to terminate each agreement or, if a fixed term, the expiry date of the fixed term and details of any previous renewals;
     4. any country in which the individual provides services, if the individual provides services outside England and Wales; and
     5. the law governing the agreement, if the individual provides services wholly or mainly outside England and Wales.
  4. The Disclosure Letter includes anonymised details of all Employees and Workers who are on secondment, maternity or other statutory leave or who are absent due to ill-health or for any other reason.
  5. No notice to terminate the contract of any Employee or Worker (whether given by the relevant employer or by the Employee or Worker) is pending, outstanding or threatened and no dispute under any Employment Laws or otherwise is outstanding between the Company or any of the Subsidiaries and any current or former:
     1. Employee relating to their employment, its termination or any reference given by the Company or any of the Subsidiaries regarding such Employee; or
     2. Worker relating to their contract, its termination or any reference given by the Company or any of the Subsidiaries regarding such Worker.
  6. No questions have been submitted to the Company or any of the Subsidiaries by an Employee or Worker in relation to potential claims under equal pay or discrimination legislation that remain unanswered in full or in part.
  7. No offer of employment or engagement has been made by the Company or any of the Subsidiaries that has not yet been accepted, or that has been accepted but where the employment or engagement has not yet started.
  8. The acquisition of the Sale Shares by the Buyer and compliance with the terms of this agreement will not entitle any Director, officer or [senior] Employee of the Company or any Subsidiary to terminate their employment or receive any payment or other benefit.
  9. All contracts between the Company or any of the Subsidiaries and its Employees and Workers are terminable at any time on not more than three months' notice without compensation (other than for unfair dismissal or a statutory redundancy payment) or any liability on the part of the Company or any of the Subsidiaries other than wages or pension.
  10. All contracts between the Company or any of the Subsidiaries and its Directors, Employees or Workers comply with any relevant requirements of section 188 of the CA 2006.
  11. Neither the Company nor any of the Subsidiaries is a party to, bound by or proposing to introduce in respect of any of its Directors or Employees any redundancy payment scheme in addition to statutory redundancy pay, nor is there any agreed procedure for redundancy selection.
  12. In the period of [ten] years preceding the date of this agreement, neither the Company nor any of the Subsidiaries (nor any predecessor or owner of any part of their respective businesses) has been a party to a relevant transfer for the purposes of the Transfer of Undertakings (Protection of Employment) Regulations 2006 affecting any Employee (or former Employee) or any other persons engaged (or formerly engaged) in the Business and no event has occurred that may involve such persons in the future being a party to such a transfer. No such persons have had their terms of employment varied (or purported to be varied) for any reason as a result of or connected with such a transfer. There are no circumstances likely to give rise to a relevant transfer affecting any of the Employees or any other person engaged in the Business.
  13. There are no cash incentive schemes or arrangements (including any commission, profit sharing or bonus scheme) established by any member of the Company's Group, any shareholder of the Company or any other person, in which any Director or former director of the Company or any of the Subsidiaries, or any Employee or Worker (or any of their respective associates or nominees) participates or has participated.
  14. Neither the Company nor any of the Subsidiaries is a party to, bound by or proposing to introduce for the benefit of any Director, Employee or Worker, or former director, Employee or Worker (or any of their respective associates or nominees), any cash incentive scheme or arrangement (including any commission, profit sharing or bonus scheme).
  15. Neither the Company nor any of the Subsidiaries has incurred any actual or contingent liability in connection with any termination of employment of any Employee (including redundancy payments) or for failure to comply with an order for the reinstatement or re-engagement of any Employee.
  16. Neither the Company nor any of the Subsidiaries has incurred any liability for failure to provide information to or to consult with its employees under any Employment Laws.
  17. Neither the Company nor any of the Subsidiaries has made or agreed to make a payment or provided or agreed to provide a benefit to any Director, officer, Employee or Worker, or former director, officer, Employee or Worker, or to their dependants in connection with the actual or proposed termination or suspension of employment or variation of an employment contract.
  18. Neither the Company nor any of the Subsidiaries is involved in any material industrial or trade dispute or negotiation regarding a claim with any Representative Body and there is nothing likely to give rise to such a dispute or claim.
  19. Neither the Company nor any of the Subsidiaries has:
      1. [in the last [12] months,] altered any of the terms of employment or engagement of any Employee or Worker; or
      2. offered, promised or agreed to any future variation in the terms of employment or engagement of any Employee or Worker.
  20. Neither the Company nor any of the Subsidiaries has transferred or agreed to transfer any Employee or Worker from working for the Company or any of the Subsidiaries, or induced any Employee or Worker to resign their employment with the Company or any of the Subsidiaries.
  21. There are no sums owing to any current or former Employee or Worker other than reimbursement of expenses, wages for the current salary period and holiday pay for the current holiday year of the Company or any of the Subsidiaries.
  22. The Company and the Subsidiaries have afforded all Employees and Workers the right to paid holiday under regulations 13 and 13A of the Working Time Regulations 1998 (SI 1998/1833) (WTR 1998), and have not deterred or prevented any Employee or Worker from taking such holiday whether or not requested.
  23. In the [two] years preceding the date of this agreement, in respect of each of the Employees and Workers, all holiday pay for periods of holiday taken under regulation 13, regulation 13A and regulation 15B of the WTR 1998 have been calculated and paid in accordance with the WTR 1998 and, in respect of leave taken under regulation 13 before 1 January 2024, in accordance with the Working Time Directive).
  24. The Disclosure Letter includes:
      1. anonymised copies of all contracts, handbooks, policies and other documents that apply to any Employee or Worker; and
      2. copies of all agreements or arrangements with any Representative Body (whether binding or not) and details of any unwritten agreements or arrangements that may affect any Employee or Worker.
  25. In respect of each Employee and Worker, the Company and the Subsidiaries have:
      1. performed all obligations and duties they are required to perform (and settled all outstanding claims, demands, actions, complaints and proceedings), whether or not legally binding and whether arising under contract, statute, at common law, in equity or under or otherwise derived from any treaties or any laws of the European Union or otherwise;
      2. complied with the terms of any relevant agreement or arrangement with any Representative Body (whether binding or not); and
      3. maintained adequate, suitable and up-to-date records.
  26. No Employee is subject to a current disciplinary warning or procedure and no such warning or procedure is pending or threatened.
  27. No Employee or Worker has indicated that they require the Company or Subsidiaries to comply with a duty to make reasonable adjustments (as defined under the Equality Act 2010), in order for the Employee or Worker to carry out their duties, and no such reasonable adjustments are currently in place.
  28. No loans have been made to any current, former or proposed employees or directors of the Company or a Subsidiary (or to any nominee or associate of such employees or directors) which were made or arranged by the Company, its holding company, a Subsidiary or any employee benefit trust or similar arrangement established by the Company, its holding company or a Subsidiary.
  29. No shares, securities or options (or interests in any of them) have been issued, granted or transferred by the Company, a Subsidiary or any holding company (or other shareholder) of the Company (or under arrangements established by any of them), to any current, former or proposed employee or director of the Company or any Subsidiary (or to any nominee or associate of such employees or directors), and there are no agreements, schemes or promises to make any such issues, grants or transfers.
  30. No Non-Cash Incentives have been awarded, paid or delivered by the Company, a Subsidiary or a holding company (or other shareholder) of the Company (or under arrangements established by any of them) to any employee or director of the Company or any Subsidiary, and there are no agreements, schemes or promises to make such awards or payments. In this paragraph, **Non-cash Incentives** means any non-cash payments or awards in respect of service (other than salary or pension) such as, bonuses, shares of profit, amounts receivable under phantom share options or similar rights.
  31. There are no employee benefit trusts, family benefit trusts or similar arrangements established by the Company, a Subsidiary or the holding company (or other shareholder) of the Company under which any current or former employee or director of the Company or any Subsidiary (or to any nominee or associate of such employees or directors) may benefit in any form.

1. Immigration
   1. Every Employee or Worker who requires permission to work in the UK has current and appropriate permission to work in the UK.
   2. The Company has carried out right to work checks in relation to the Employees and Workers in accordance with the requirements set out in the Asylum and Immigration Act 1996, the Immigration, Asylum and Nationality Act 2006, the Immigration Act 2016 and Home Office codes of practice and guidance which would enable it to establish a statutory excuse against liability for a civil penalty in the event it is found to have employed someone who is disqualified from carrying out the work in question by reason of their immigration status.
   3. No fine, civil penalty or criminal sanction has been imposed on the Company, any of the Subsidiaries or any of its or their directors or Employees in connection with a breach of immigration law and, so far as the Seller is aware, there are no circumstances which may give rise to any such civil penalty, fine or criminal sanction.
   4. The Disclosure Letter includes anonymised particulars of each Employee and Worker with limited leave to remain in the UK including:
      1. the company that employs or engages them;
      2. their employment start date in the UK;
      3. their job title;
      4. their current remuneration (including a breakdown of any benefits and allowances);
      5. their nationality;
      6. their UK immigration status;
      7. the date on which their UK immigration permission expires;
      8. the date on which their right to work in the UK was last checked; and
      9. their most recent right to work check.
   5. The Company [is not a licensed sponsor registered with the Home Office and is not covered by any other organisation’s sponsor licence. No application for a sponsor licence by the Company is pending and no such application made by the Company has ever been refused by the Home Office **OR** holds a valid, subsisting and A-rated sponsor licence. The Seller is not aware of any reason why the licence might be suspended, withdrawn or downgraded and no action plan relating to the Company's sponsor licence has been imposed in connection with a breach of immigration law, the Company’s sponsor licence duties or otherwise].
2. Retirement benefits
   1. The Pension Scheme[s] [is **OR** are] the only arrangement[s] under which the Company or any of the Subsidiaries has or may have any obligation (whether or not legally binding) to provide or contribute towards pension, lump-sum, death, ill-health, disability or accident benefits in respect of its past or present officers and employees (Pensionable Employees). No proposal or announcement has been made to any employee or officer of the Company or any of the Subsidiaries as to the introduction, continuance, increase or improvement of, or the payment of a contribution towards, any other pension, lump-sum, death, ill-health, disability or accident benefit.
   2. Full details of the Pension Scheme[s] are set out in the Disclosure Letter, including [(but not limited to)]:
      1. copies of all documents governing the Pension Scheme[s] and of any related announcements and explanatory booklets;
      2. the two latest annual reports and accounts of the Pension Scheme[s];
      3. an anonymised list of all Pensionable Employees who are members of the Pension Scheme[s] with all details relevant to their membership and necessary to establish their entitlements under the Pension Scheme[s];
      4. [for each **OR** if the] Pension Scheme [that] provides defined benefits, a true and complete copy of the most recent actuarial valuation of the Pension Scheme and a true and complete copy of all subsequent actuarial advice;
      5. [for each **OR** if the] Pension Scheme [that] is an occupational pension scheme, all reports relating to the investment of the assets of [that **OR** the] Pension Scheme during the last year and a list showing each asset of [that **OR** the] Pension Scheme and its market value as at a date no earlier than one month before the date of this agreement; and
      6. all agreements for the provision of services and any insurance contracts relating to the Pension Scheme[s].

The documents listed above contain full details of all benefits payable in respect of the Pensionable Employees under the Pension Scheme[s] (including any benefits payable to any Pensionable Employee on early retirement or redundancy under the Pension Scheme[s], or any previous scheme of which the Pensionable Employee was a member). No power to increase those benefits or to provide different benefits has been exercised, and there are no circumstances in which there is a practice of exercising such a power under the Pension Scheme[s].

* 1. The Company and the Subsidiaries have complied with their automatic enrolment obligations as required by the Pensions Act 2008 (PA 2008) and associated legislation. No notices, fines, or other sanctions have been issued by the Pensions Regulator and no instances of non-compliance with the automatic enrolment obligations have been notified to the Pension Regulator in respect of the Company or any of the Subsidiaries. Full details of this compliance are set out in the Disclosure Letter, including [(but not limited to)]:
     1. any documents relating to the applicable staging date;
     2. copies of any correspondence between the Company or any of the Subsidiaries and the Pensions Regulator regarding auto-enrolment, including details of their respective registration in accordance with regulation 3 of the Employers' Duties (Registration and Compliance) Regulations 2010 (2010 Regulations);
     3. copies of any records kept in accordance with regulations 5 to 8 of the 2010 Regulations in respect of the Employees;
     4. if a personal pension scheme was used as a qualifying scheme, copies of any agreements between the provider and the jobholder under section 26 of the PA 2008;
     5. details of any Employees who have opted out and copies of any opt-out letters in respect of those Employees;
     6. if a money purchase scheme is being used, a copy of any certification under section 28 of the PA 2008; and
     7. if a defined benefit scheme is being used, a copy of the actuary's or employer's certificate that the scheme is a qualifying scheme.
  2. All contributions, insurance premiums, tax and expenses due to and in respect of the Pension Scheme[s] have been duly paid. There are no liabilities outstanding in respect of the Pension Scheme[s] at the date of this agreement. The contributions in respect of the Pension Scheme[s] have been paid at the rates set out in the most recent schedule of contributions or the most recent payment schedule.
  3. All death and disability benefits provided to the employees of the Company and Subsidiaries are fully insured by an insurance policy with an insurer of good repute. The Sellers are not aware of any reason why these policies might be invalidated, or why the insurer might try to set them aside.
  4. The Disclosure Letter contains details of the rates at which the Company's, any Subsidiary's and the employees' contributions to the Pension Scheme[s] are being paid and how they are calculated, and whether they are paid in advance or in arrears. All amounts due to the Pension Scheme[s] have been paid.
  5. No contribution notice or financial support direction under the Pensions Act 2004 has been issued to the Company, any of the Subsidiaries or to any other person in respect of [any **OR** the] Pension Scheme and there is no fact or circumstance likely to give rise to any such notice or direction.
  6. [Each **OR** The] Pension Scheme is a registered pension scheme for the purposes of Chapter 2 of Part 4 of the Finance Act 2004 and there is no reason why HMRC might de-register the scheme.
  7. [Each **OR** The] Pension Scheme has been designed to comply with, and has been administered in accordance with, all applicable legal and administrative requirements and in compliance with its governing documents. The Company, the Subsidiaries [and, in the case of any Pension Scheme that is an occupational pension scheme, the trustees of that scheme] have complied in all material respects with their obligations under and in respect of the Pension Scheme[s].
  8. [For any **OR** If the] Pension Scheme [that] provides defined benefits, the actuary's report on the latest actuarial valuation describes the financial position of [that **OR** the] Pension Scheme at its effective date. Nothing has happened since that date which would affect, to a material extent, the level of funding of [that **OR** the] Pension Scheme. Since that date, contributions have been paid to [that **OR** the] Pension Scheme at the rate[s] recommended by the actuary. No assets have been withdrawn from [that **OR** the] Pension Scheme (except to pay benefits) since the effective date of the list of assets disclosed in the Disclosure Letter.
  9. [Prior to 1 October 2012, the Company and the Subsidiaries provided access to a designated stakeholder scheme for their Pensionable Employees who were not members of [the **OR** a] Pension Scheme, as required by section 3 of the Welfare Reform and Pensions Act 1999 **OR** The Company and the Subsidiaries were exempt from providing access to a stakeholder scheme for their Pensionable Employees.]
  10. Neither the Company nor the Subsidiaries [nor the trustees of any Pension Scheme that is an occupational pension scheme] have discriminated against, or in relation to, any Pensionable Employee on grounds of age, sex, disability, marital status, hours of work, fixed-term or temporary agency worker status, sexual orientation, religion or belief in providing pension, lump-sum, death, ill-health, disability or accident benefits.
  11. No claims or complaints have been made or are pending or threatened in relation to the Pension Scheme[s] or otherwise in respect of the provision of (or failure to provide) pension, lump-sum, death, ill-health, disability or accident benefits by the Company or any of the Subsidiaries in relation to any of the Pensionable Employees. There are no facts or circumstances likely to give rise to such claims or complaints.
  12. No acts, omissions or other events have been reported to the Pensions Regulator under sections 69 or 70 of the Pensions Act 2004 and there is no fact or circumstance likely to give rise to such reports.
  13. The Pension Scheme[s] do[es] not and [has **OR** have] not accepted any contributions from a European employer as defined for the purposes of Part 7 of the Pensions Act 2004.
  14. [The Pensions Scheme[s] [and (if applicable) the trustees of the Pension Scheme[s]] have at all times complied with the requirements of the Data Protection Laws in relation to the processing of personal data.]
  15. [For any **OR** If the] Pension Scheme [that] provides defined benefits, there has been no arrangement which might be construed as a compromise or a reduction of a statutory debt under section 75 or 75A of the Pensions Act 1995.
  16. [For any **OR** If the] Pension Scheme [that] provides defined benefits, there is no amount that is treated as a debt due to the trustees of [that **OR** the] Pension Scheme, or from the Company or any Subsidiary to the trustees of any other pension scheme, under section 75 or 75A of the Pensions Act 1995 (or its predecessor, section 144 of the Pension Schemes Act 1993). Neither the Company nor any Subsidiary has ever participated in any occupational pension scheme other than the Pension Scheme[s].
  17. [For any Pension Scheme that **OR** If the Pension Scheme] is a money purchase scheme, [that scheme **OR** it] provides money purchase benefits only as defined in section 181 of the Pension Schemes Act 1993.
  18. Neither the Company nor any of the Subsidiaries has at any time operated or participated in an occupational pension scheme (as defined in section 1 of the Pension Schemes Act 1993) located in the United Kingdom which accepts contributions from an employer based outside of the United Kingdom, nor has the Company or any of the Subsidiaries contributed to a non-UK occupational pension scheme.

1. Property
   1. The definitions in this paragraph apply in this agreement.
2. Current Use: the identified use for each Property as set out in Schedule 9.
3. Freehold Properties: the freehold properties set out in Part 1 of Schedule 9.
4. [Investment Lease: a lease, underlease or occupational licence identified in Schedule 9 as being one to which any of the Properties is subject, and all documents that are supplemental or collateral to such lease, underlease or occupational licence.]
5. [Investment Property: a Property identified in Schedule 9 as being subject to an Investment Lease.]
6. Lease: the lease under which a Leasehold Property is held.
7. Leasehold Properties: the leasehold properties set out in Part 2 of Schedule 9 and **Leasehold Property** means any one of them or part or parts of any one of them.
8. Planning Acts: the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990 the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004, the Planning Act 2008, the Localism Act 2011, the Growth and Infrastructure Act 2013, the Housing and Planning Act 2016, the Neighbourhood Planning Act 2017 and any other legislation from time to time regulating the use or development of land.
9. Previously-owned Land and Buildings: any land and buildings that have, at any time before the date of this agreement, been owned (under whatever tenure), occupied or used by the Company or any of the Subsidiaries, but which are either:
   1. no longer owned, occupied or used by the Company or any of the Subsidiaries; or
   2. are owned, occupied or used by the Company or a Subsidiary pursuant to a different lease, licence, transfer or conveyance.
10. Properties: the Freehold Properties and the Leasehold Properties, and references to **any of the Properties** or a **Property** means any one of them, or any part or parts of any one of them.
11. Statutory Agreement: an agreement or undertaking entered into under section 18 of the Public Health Act 1936, section 52 of the Town and Country Planning Act 1971, section 33 of the Local Government (Miscellaneous Provisions) Act 1982, section 106 of the Town and Country Planning Act 1990, section 104 of the Water Industry Act 1991 and any other legislation (later or earlier) similar to these statutes.
    1. The particulars of the Properties set out in Schedule 9 are true, complete and accurate.
    2. All of the Properties[, other than the Investment Properties,] are actively used by the Company or the Subsidiaries in connection with the Business. [The Investment Properties are held by the Company or the Subsidiaries as investments.]
    3. The Properties are the only land and buildings owned, used or occupied by the Company and the Subsidiaries.
    4. Neither the Company nor any of the Subsidiaries has any right of ownership, right of use, option, right of first refusal or contractual obligation to purchase, or any other legal or equitable right, estate or interest in, or affecting, any land or buildings other than the Properties.
    5. Neither the Company nor any of the Subsidiaries (nor any other company that has at any time been a subsidiary of the Company) has any actual or contingent liability in respect of Previously-owned Land and Buildings.
    6. Neither the Company nor any of the Subsidiaries (nor any other company that has at any time been a subsidiary of the Company) has given any guarantee or indemnity for any liability relating to any of the Properties, [any of the Investment Leases,] any Previously-owned Land and Buildings or any other land or buildings.
    7. All written replies to written enquiries given by or on behalf of the Sellers, the Company or any Subsidiary in relation to the Properties, and all written replies given in response to any written enquiries raised by or on behalf of the Buyer in relation to the Properties were complete and accurate at the date they were given, and would still be complete and accurate if the replies were instead being given on the date of this agreement. [In this [paragraph 29.8](#a844557), the expressions **written enquiries** and **written replies** include any enquiries and any replies to enquiries requested or given by reference to the [SPECIFY THE STANDARD FORM OF ENQUIRIES USED, INCLUDING THE EDITION].]
    8. The Company or the Subsidiary identified as the proprietor in Schedule 9 is solely legally and beneficially entitled, and has a good and marketable title, to each of the Properties.
    9. The Company or the Subsidiary identified as the proprietor in Schedule 9 is in possession and actual occupation of the whole of each of the Properties on an exclusive basis, and no right of occupation or enjoyment has been acquired or is in the course of being acquired by any third party, or has been granted or agreed to be granted to any third party.
    10. [The Sellers have in their possession and control and have Disclosed **OR** The Sellers' Solicitors hold to the order of the Sellers and the Sellers have Disclosed]:
        1. copies of all the title deeds and documents necessary to prove good and marketable title to the Properties; and
        2. in relation to each Lease:
           1. evidence of the reversioner's title to the Lease;
           2. all consents required under the Lease;
           3. copies of all assignments of the Lease; and
           4. evidence of the current annual rent payable under the Lease.
    11. The documents of title relating to the Properties to be delivered to the Buyer on Completion will all be original documents, properly stamped with stamp duty (or, as the case may be, accompanied by the proper stamp duty land tax or land transaction tax return in respect of that document) and registered, where required.
    12. Where title to any of the Properties is not registered at the Land Registry, there is no caution against first registration of title and no event has occurred in consequence of which a caution against first registration of title could have been effected.
    13. There is no circumstance that could render any transaction affecting the title of the Company or any of the Subsidiaries to any of the Properties liable to be set aside under the Insolvency Act 1986.
    14. There are no insurance policies relating to any issue of title affecting any of the Properties.
    15. There are, appurtenant to each of the Properties, all rights and easements necessary for their Current Use and enjoyment (without restriction as to time or otherwise), and the access for each of the Properties is over roads adopted by the local authority and maintained at public expense and such roads immediately abut the Properties at each point where access is gained.
    16. The unexpired residue of the term granted by each Lease [and each Investment Lease] is vested in the Company or a Subsidiary and is valid and subsisting against all persons, including any person in whom any superior estate or interest is vested.
    17. In relation to each Lease[ and each Investment Lease], the landlord and each lessee, tenant, licensee or occupier has observed and performed in all material respects all covenants, restrictions, stipulations and other encumbrances and there has not been (expressly or impliedly) any waiver of or acquiescence to any breach of them.
    18. In relation to each Lease[ and each Investment Lease], all principal rent and additional rent and all other sums payable by each lessee, tenant, licensee or occupier under each Lease[ or Investment Lease] (Lease Sums) have been paid as and when they became due and no Lease Sums have been:
        1. set off or withheld; or
        2. commuted, waived or paid in advance of the due date for payment.
    19. No collateral assurances, undertakings or concessions have been made by any party to any Lease.
    20. No premium or principal rent has been taken or accepted from or agreed with any lessee, tenant, licensee or occupier under any Lease beyond what is legally permitted.
    21. Any consents required for the grant of each Lease and for any assignment of each Lease, have been obtained and placed with the documents of title along with evidence of the registration of grant where required.
    22. The Properties (and the proceeds of sale from them) are free from:
        1. any mortgage, debenture, charge (whether legal or equitable and whether fixed or floating), rentcharge, lien or other right in the nature of security; and
        2. any agreement for sale, estate contract, option, right of pre-emption or right of first refusal,

and there is no agreement or commitment to give or create any of them.

* 1. The Properties are not subject to the payment of any outgoings other than non-domestic local business rates and water and sewerage charges (and, in the case of the Leasehold Properties, principal rent, insurance premiums and service charges) and all outgoings have been paid when due and none is disputed.
  2. The Properties are not subject to any matters which are unregistered interests which override registered dispositions under Schedule 3 to the Land Registration Act 2002 or (where title to any of the Properties is not registered) which are unregistered interests which override first registration under Schedule 1 to the Land Registration Act 2002.
  3. There are no covenants, restrictions, stipulations, easements, profits à prendre, wayleaves, licences, grants or other Encumbrances (whether of a private or public nature, and whether legal or equitable) affecting any of the Properties which are of an onerous or unusual nature, or affect their value, or which conflict with the Current Use of any of the Properties.
  4. All covenants, restrictions, stipulations and other Encumbrances affecting the Properties have been fully observed and performed and no notice of any alleged breach has been received by the Company (or its predecessors in title) or the Subsidiaries (or their predecessors in title).
  5. There are no circumstances which (with or without taking other action) would entitle any third party to exercise a right of entry to, or take possession of any of the Properties, or which would in any other way affect or restrict the continued possession, enjoyment or use of any of the Properties.
  6. There are no matters which are registered as local land charges or, although not registered, are capable of registration as local land charges.
  7. The Company and the Subsidiaries have not (nor has anyone on their behalf) expressly or impliedly waived any breach by any person of any covenant, agreement, restriction, stipulation or obligation relating to any of the Properties, or of which any of the Properties have the benefit.
  8. The Current Use of each of the Properties is the permitted lawful use for the purposes of the Planning Acts. Where applicable, the Current Use of each of the Properties is in accordance with the provisions of the Leases [and the Investment Leases].
  9. All necessary building regulation consents have been obtained both in relation to the Current Use of the Properties and any alterations and improvements to them.
  10. No claim or liability (contingent or otherwise) under the Planning Acts in respect of any of the Properties, or any Statutory Agreement affecting any of the Properties, is outstanding, nor are any of the Properties the subject of a notice to treat or a notice of entry, and no notice, order resolution or proposal has been published for the compulsory acquisition, closing, demolition or clearance of any of the Properties, and the Sellers are not aware of any matter or circumstance which would lead to any such notice, order, resolution or proposal.
  11. All planning permissions, orders and regulations issued under the Planning Acts, and all building regulations, consents and bye-laws for the time being in force have been fully complied with in relation to the Properties.
  12. The Company and the Subsidiaries have complied with all applicable statutory and bye-law requirements, and all regulations, rules and delegated legislation, relating to the Properties and their Current Use.
  13. Each of the Properties is in a good state of repair and condition[ and fit for the Current Use].
  14. There are no development works, redevelopment works or fitting-out works outstanding in respect of any of the Properties.
  15. None of the Properties has suffered from any of the following:
      1. flooding;
      2. subsidence;
      3. heave;
      4. landslip;
      5. mining activities;
      6. structural defects;
      7. defects in the drains and services from time to time serving the Properties; or
      8. dry rot, wet rot, rising damp or any infestation.
  16. Neither the Company nor any of the Subsidiaries has received any adverse report from any engineer, surveyor or other professional relating to any of the Properties and the Sellers are not aware of any predecessor in title having done so.
  17. No notices, complaints or requirements have been issued or made (whether formally or informally) by any competent authority or undertaking exercising statutory or delegated powers in relation to any of the Properties, the Current Use of the Properties or any machinery, plant or equipment in them, and the Sellers are not aware of any matter which could lead to any such notice, complaint or requirement being issued or made.
  18. No dispute exists between the Company or any of the Subsidiaries and the owner or occupier of any other premises adjacent to or neighbouring the Properties. The Sellers do not expect, and are not aware of, any circumstances that may give rise to any such dispute after the date of this agreement.
  19. [There is no outstanding application for any consent under any Investment Lease.]
  20. [There is no pending rent (or licence fee) review under any Investment Lease.]

1. Environment and health and safety
   1. The definitions in this paragraph apply in this agreement.
2. Climate Change Scheme: any governmental or regulatory requirement or incentive seeking to minimise emissions, encourage generation of renewable energy, reduce energy demand or consumption, or improve energy efficiency, including but not limited to renewable incentives and emissions trading schemes, which applies as at Completion to the Company, any of the Subsidiaries, its business or operations.
3. EHS Laws: any laws, statutes, regulations, subordinate legislation, bye-laws, common law and other national, international, federal, European Union, state and local laws, judgments, orders, notices, decisions or injunctions of any court or tribunal, codes of practice, circulars, guidance notes, duties, undertakings or agreements with a statutory or regulatory authority that are in each case legally binding on any Seller (in relation to the Company) or the Company or any of the Subsidiaries (or any part of their business) and in force at Completion, to the extent that they relate or apply to EHS Matters.
4. EHS Matters: all matters relating to pollution or protection of the Environment including:
   1. pollution or contamination of the Environment;
   2. the generation, presence, disposal, release, spillage, storage, possession, transport, deposit, escape, discharge, leak, migration or emission of or exposure to Hazardous Substances;
   3. the health and safety of any person, including any accidents, injuries, illnesses and diseases;
   4. the creation or existence of any noise, vibration, odour, radiation, common law or statutory nuisance or other adverse impact on the Environment;
   5. the condition, protection, maintenance, remediation, reinstatement, restoration or replacement of the Environment or any part of it;
   6. Producer Responsibility; or
   7. generation, use, supply or consumption of energy.
5. EHS Permits: any permits, licences, consents, certificates, registrations, notifications, filings, approvals, statutory agreements, allowances, reporting, notices, exemptions or other authorisations required or obtained under any EHS Laws by any Seller (in relation to the Company or any of the Subsidiaries) or the Company or any of the Subsidiaries for the operation of or relating to the Business or in relation to any of the Properties.
6. Environment: the natural and human-made environment including all or any of the following media: air (excluding air within buildings or other natural or human-made structures, whether above or below the ground); water (including groundwater); land (including land under water); and any ecological systems and living organisms (including humans) supported by those media.
7. Hazardous Substances: any material, substance or organism which, alone or in combination with others, causes or is capable of causing harm to the Environment, including but not limited to waste.
8. Producer Responsibility: the legal and economic responsibility borne under EHS Laws by manufacturers, importers, distributors, sellers, users or consumers of products, including in relation to the use or restriction of Hazardous Substances within the manufacture, use and reuse, disposal or recycling of products.
   1. The Company and the Subsidiaries have obtained, hold, comply and have at all times complied with all EHS Permits. All EHS Permits are in full force and effect, and there are no facts or circumstances that may reasonably lead to the revocation, suspension, termination, variation or non-renewal of, or the inability to transfer, any EHS Permits, or which would prevent compliance with any EHS Permit. There are no conditions in any EHS Permit and no facts or circumstances in relation to any EHS Permit which are likely to require any [[material] expenditure **OR** expenditure greater than £[INSERT NUMBER]] in order for compliance with the EHS Permits.
   2. The Company and the Subsidiaries comply and have at all times complied with all EHS Laws and there are no facts or circumstances that may reasonably lead to any breach of or liability under or impact arising by, for or on the Company or its Subsidiaries under or due to any EHS Laws, or which are likely to require any [[material] expenditure **OR** expenditure greater than £[INSERT NUMBER]] in order for compliance with EHS Laws.
   3. There are no Hazardous Substances at, in, on, under or migrating from, nor have any Hazardous Substances been emitted, escaped or migrated from, any of the Properties that breach or give rise to any liability under or impact arising due to any EHS Laws or that have breached or given rise to any liability under or impact arising due to any EHS Laws or that may be reasonably expected to give rise to any such breach, liability or impact.
   4. There are, and have been, no landfills, underground storage tanks or uncontained or unlined storage treatment or disposal areas for any Hazardous Substance (whether permitted by EHS Laws or otherwise) present or carried out at, on or under any of the Properties, and so far as the Sellers are aware no such operations are proposed.
   5. Neither the Company nor any of the Subsidiaries has, or is reasonably likely to have, any actual or potential liability under any EHS Laws by reason of having owned, occupied or used any Previously-owned Land and Buildings or in connection with any former subsidiary or business.
   6. The Company and the Subsidiaries have no and do not reasonably expect any material liability under, and have complied and comply in all material respects with, EHS Laws in relation to any asbestos, asbestos-containing material or other Hazardous Substance at, on, in, under or migrating or moving from any Property or equipment or product, and no person (for whom the Company or any Subsidiary has any responsibility or duty of care) has been exposed to such asbestos, asbestos-containing material or other Hazardous Substance.
   7. The Company and the Subsidiaries are in compliance and have at all times complied with the rules and requirements of any Climate Change Scheme. The Company and the Subsidiaries have purchased sufficient allowances that may be required under any Climate Change Scheme and do not face or expect to face any material liability or expenditure for which the Company or any Subsidiary has not made sufficient financial provision in order to comply with any Climate Change Scheme.
   8. There have been in the past [five] years no claims, investigations, prosecutions, enforcement, prohibition, remediation or improvement or any other notice, regulatory action or other proceedings against or threatened in writing against any Seller (in relation to the Company or the Subsidiaries), the Company, any of the Subsidiaries or any of their respective directors, officers or employees (in relation to the Company or any of the Subsidiaries) or in relation to their business, operations or any Property under EHS Laws and there are no facts or circumstances that are reasonably likely to lead to any such claims, investigations, prosecutions, enforcement, prohibition, remediation or improvement or any other notice, regulatory action or other proceedings.
   9. Full copies of all:
      1. current EHS Permits and communications with regulatory authorities or other third parties with regard to or in connection with current EHS Permits;
      2. environmental and health and safety policy statements;
      3. reports, audits, surveys, assessments, management plans and investigations relating to EHS Matters;
      4. records of accidents, illnesses and reportable diseases;
      5. assessments of substances hazardous to health;
      6. correspondence on EHS Matters between the Company or any of the Subsidiaries and any relevant enforcement authority;
      7. insurance policies covering EHS Matters; and
      8. copies or details of all waste disposal contracts,

relating to the Company, the Subsidiaries or any of the Properties and dated within the last [three] years have been disclosed in the Disclosure Letter.

* 1. Full details and copies of any outstanding contractual obligation, liability or protection of the Company or any of the Subsidiaries that relates to EHS Matters have been disclosed in the Disclosure Letter.

1. [Compliance with the Bribery Act 2010
   1. The definition in this paragraph applies in this agreement.
2. Associated Person: means in relation to a company, a person (including an employee, agent or subsidiary) who performs or has performed services for or on behalf of that company.
   1. Neither the Company nor any of the Subsidiaries is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010.
   2. No Associated Person of the Company or any of the Subsidiaries has bribed another person (within the meaning given in section 7(3) of the Bribery Act 2010) intending to obtain or retain business or an advantage in the conduct of business for the Company and/or any of the Subsidiaries, and the Company and each of the Subsidiaries has in place adequate procedures, in line with the guidance published by the Secretary of State under section 9 of the Bribery Act 2010, designed to prevent their Associated Persons from undertaking any such conduct.
   3. Neither the Company nor any of the Subsidiaries nor any of their Associated Persons is or has been the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body or any customer regarding any offence or alleged offence under the Bribery Act 2010, and no such investigation, inquiry or proceedings have been threatened or are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.
   4. Neither the Company nor any of the Subsidiaries has been excluded from participation in a public contract as a result of being convicted of bribery or corruption.]
3. Competition
   1. The definition in this paragraph applies in this agreement.
4. Competition Laws: the national and directly effective legislation of any jurisdiction in which the Company or the Subsidiaries conduct business which from time to time governs the conduct of companies or individuals in relation to restrictive or other anti-competitive agreements or practices (including, but not limited to, cartels, pricing, resale pricing, market sharing, bid rigging, terms of trading, purchase or supply and joint ventures), dominant or monopoly market positions (whether held individually or collectively) and the control of acquisitions or mergers.
   1. [So far as the Sellers are aware, neither **OR** Neither] the Company nor any of the Subsidiaries is or has been engaged in any agreement, arrangement, practices or conduct which involves or constitutes an infringement of the Competition Laws and none of their respective directors, officers or employees is or has been engaged in any activity involving or constituting an offence or infringement under the Competition Laws.
   2. [So far as the Sellers are aware, neither **OR** Neither] the Company nor any of the Subsidiaries, nor any of their respective directors, officers or employees, is the subject of any investigation, inquiry or proceedings by any government body, agency, authority or court [(including[, but not limited to,] the UK Competition and Markets Authority (CMA) and the European Commission)] in connection with any actual or alleged infringement of the Competition Laws.
   3. [So far as the Sellers are aware, no **OR** No] such investigation, inquiry or proceedings as referred to in [paragraph 32.3](#a126766) of Part 1 of this Schedule 5 have been threatened or are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.
   4. Neither the Company nor any of the Subsidiaries is affected by any existing or pending decisions, judgments, orders or rulings of any government body, agency, authority or court responsible for enforcing any of the Competition Laws [(including[, but not limited to,] the CMA and the European Commission)], nor have they given any undertakings or commitments to any such body, agency, authority or court which affect the conduct of the Business.
   5. [Neither the Company nor any of the Subsidiaries is receiving or has received any payment, guarantee, financial assistance or other aid from any government or state body which:
      1. was not, but should have been, notified to the European Commission under Article 108 of the Treaty on the Functioning of the European Union for decision declaring such aid to be compatible with the internal market; or
      2. does not comply with the duties and obligations set out in the UK Subsidy Control Act 2022.]
5. Tax Warranties
6. General
   1. All notices, returns, reports, accounts, computations, statements, assessments, claims, disclaimers, elections and registrations and any other necessary information which have, or should have, been submitted by the Company or any Subsidiary to any Tax Authority for the purposes of Tax have been made on a proper basis, were submitted within applicable time limits and were (and remain) accurate and complete in all material respects. None of the above is, or is likely to be, the subject of any material dispute with any Tax Authority.
   2. All Tax (whether of the UK or elsewhere), for which the Company or any Subsidiary has been liable to account, has been duly paid (insofar as such Tax ought to have been paid) and no penalties, fines, surcharges or interest have been incurred.
   3. The Company and each Subsidiary maintain in their possession and control complete and accurate records, invoices, elections, statements and other information in relation to Tax, that meet all legal requirements and enable the Tax (and deferred tax) liabilities of the Company and any Subsidiary to be calculated accurately in all material respects.
   4. The Disclosure Letter discloses whether or not the Company or any Subsidiary is a **large or very large company** within the meaning of regulation 3 of the Corporation Tax (Instalment Payment) Regulations 1998 and, if applicable, gives details of instalments of corporation tax paid in respect of any current or preceding accounting periods.
   5. All Tax deductible under the PAYE system, the Construction Industry Scheme and/or any other Tax Statute have, so far as required to be deducted, been deducted from all payments made (or treated as made) by the Company or any Subsidiary. All amounts due to be paid to the relevant Tax Authority on or before the date of this agreement have been so paid.
   6. The Disclosure Letter contains full details of any payments or loans made to, any assets made available or transferred to, or any assets earmarked, however informally, for the benefit of, any officer or employee or former officer or employee (or anyone linked with such officer or employee or former officer or employee) of the Company or any Subsidiary by an employee benefit trust or other third party, falling within the provisions of Part 7A to ITEPA 2003 and details of any trust or arrangement capable of conferring such a benefit.
   7. The Disclosure Letter contains details of all concessions, agreements and arrangements that the Company or any Subsidiary has with any Tax Authority.
   8. Neither the Company nor any Subsidiary is, or will become liable, to make to any person (including any Tax Authority) any payment in respect of any liability to Tax which is primarily or directly chargeable against, or attributable to, any other person (other than the Company or any Subsidiary).
   9. Neither the Company nor any Subsidiary is involved in any dispute with any Tax Authority nor have they:
      1. within the past [four **OR** six **OR** [NUMBER]] years been subject to any Tax Authority enquiry, visit, audit, enforcement proceedings or investigation (investigation); or
      2. within the past [12] months received any notice, assessment, demand, discovery assessment, determination, information notice, access request or other communication from any Tax Authority that indicates that the Company or a Subsidiary has or may have a Tax liability or has or may have committed an offence under Part 3 of the Criminal Finance Act 2017.

The Sellers are not aware of any circumstances that make it likely that an investigation will commence in the next [12] months.

1. Chargeable gains

The book value shown in, or adopted for the purposes, of the Accounts as the value of each of the assets of the Company or any Subsidiary, on the disposal of which a chargeable gain or allowable loss could arise, does not exceed the amount which on a disposal of such asset at the date of this agreement would be deductible, in each case, disregarding any statutory right to claim any allowance or relief other than amounts deductible under section 38 of TCGA 1992.

1. Capital losses

Details of all capital losses available for carry-forward by the Company or any Subsidiary are set out in the Disclosure Letter.

1. Capital allowances

Neither the Company nor any Subsidiary owns any asset, which if disposed of at the date of this agreement for its book value as shown in, or adopted for the purpose of, the Accounts, would give rise to a balancing charge under CAA 2001 (or any other legislation relating to capital allowances) or other clawback of relief.

1. Distributions and other payments
   1. No distribution or deemed distribution, within the meaning of section 1000 or sections 1022 to 1027 of CTA 2010, has been made (or will be deemed to have been made) by the Company or any Subsidiary, except dividends shown in their statutory accounts, and neither the Company nor any Subsidiary is bound to make any such distribution.
   2. Neither the Company nor any Subsidiary has, within the period of seven years preceding the date of this agreement, been engaged in, nor been a party to, any of the transactions set out in Chapter 5 of Part 23 of CTA 2010 (demergers).
2. Loan relationships

All financing costs, including interest, discounts and premiums payable by the Company or any Subsidiary in respect of its loan relationships within the meaning of section 302 of CTA 2009 are eligible to be brought into account by the Company or the Subsidiaries as a debit for the purposes of Part 5 of CTA 2009 at the time, and to the extent that such debits are recognised in the statutory accounts of the Company or the Subsidiaries.

1. Close companies
   1. Any loans or advances made, or agreed to be made, by the Company or any Subsidiary within sections 455, 459 and 460 of CTA 2010 have been disclosed in the Disclosure Letter. Neither the Company nor any Subsidiary has released or written off, or agreed to release or write off, the whole or any part of any such loans or advances.
   2. Neither the Company nor any Subsidiary is a close-investment holding company (within the meaning of section 18N of CTA 2010).
2. Group relief

Except as provided in the Accounts, neither the Company nor any Subsidiary is, or will be, obliged to make or be entitled to receive any payment for the surrender of losses under Part 5 or Part 5A of CTA 2010 [or under Schedule 7 to the Finance Act 2022] or for the surrender of tax refunds under section 963 of CTA 2010 in respect of any period ending on or before Completion or any repayment of such a payment.

1. Groups of companies
   1. Neither the Company nor any Subsidiary has entered into, or agreed to enter into, an election pursuant to section 171A of TCGA 1992, paragraph 16 of Schedule 26 to the Finance Act 2008, or section 792 of CTA 2009.
   2. Neither the execution nor completion of this agreement, nor any other event since the Accounts Date, will result in any chargeable asset being deemed to have been disposed of and re-acquired by the Company or any Subsidiary for Tax purposes or will result in the clawback or disallowance of any relief or allowance previously given.
   3. Neither the Company nor any Subsidiary has ever been party to any arrangements pursuant to sections 59F of TMA 1970 (group payment arrangements).
2. Intangible assets
   1. The Disclosure Letter sets out the amount of expenditure, as reduced by any claim under section 791 of CTA 2009, on each of the intangible fixed assets, within the meaning of Part 8 of CTA 2009, of the Company and the Subsidiaries and provides the basis on which any debit relating to that expenditure has been taken into account in the Accounts or, in relation to expenditure incurred since the Accounts Date, will be available to the Company or any Subsidiary. No circumstances have arisen since the Accounts Date by reason of which that basis might change.
   2. Neither the Company nor any Subsidiary holds or has held any right to which Part 8A of CTA 2010 applies or an exclusive licence in respect of such right within section 357BA of CTA 2010.
   3. Neither the Company nor any Subsidiary has claimed any research and development (R&D) tax relief, R&D tax credit or R&D expenditure credit (within the meaning of Part 13 of CTA 2009 as it applied both before and after the Finance Act 2024 changes).
3. Company residence and overseas interests
   1. The Company and the Subsidiaries have, throughout the past seven years, been resident in the UK for corporation tax purposes and have not, at any time in the past seven years, been treated as resident in any other jurisdiction for the purposes of any double taxation arrangements or for any other tax purposes.
   2. Neither the Company nor any Subsidiary holds, or within the last seven years has held, shares in a company which is not resident in the UK, a material interest in an offshore fund, or a permanent establishment outside the UK.
   3. Neither the Company nor any Subsidiary is liable, or within the past seven years, has been liable to register or account for Tax in any jurisdiction outside the UK.
4. Transfer pricing

All transactions or arrangements made by the Company or any Subsidiary have been made on arm’s length terms and the processes by which prices and terms have been arrived at have, in each case, been fully documented. No notice, enquiry or adjustment has been made by any Tax Authority in connection with any such transactions or arrangements.

1. Anti-avoidance and prevention of tax evasion procedures
   1. Neither the Company nor any Subsidiary has been a party to, nor has otherwise been involved in, any transaction, scheme or arrangement:
      1. the main purpose, or one of the main purposes of which was avoiding, deferring or reducing a liability to Tax or producing a loss for Tax purposes with no corresponding commercial or economic loss or circumventing the intended limits of a tax relief;
      2. in relation to which advisers advised that there was a risk that the Company or any Subsidiary could be liable to Tax as a result of the principles in W. T. Ramsey Ltd v IRC (54 TC 101) (as developed in subsequent cases), or as a result of the principles in Halifax (C-255/02) (as developed in subsequent cases) or under the General Anti-Abuse Rule (in Part 5 of the Finance Act 2013); or
      3. that is or was required to be disclosed to HMRC or any other Tax Authority.
   2. The Disclosure Letter contains details of the prevention procedures (as defined in sections 45(3) and 46(4) of the Criminal Finance Act 2017) that the Company and each Subsidiary has in place or, if no prevention procedures are in place, evidence of why it is reasonable for the Company and each Subsidiary to have no such procedures in place.
2. Inheritance tax
   1. No asset owned by the Company or any Subsidiary, nor the Sale Shares, is subject to any Inland Revenue charge as mentioned in sections 237 and 238 of IHTA 1984 or is liable to be subject to any sale, mortgage or charge by virtue of section 212(1) of IHTA 1984.
3. Value Added Tax
   1. The Company and the Subsidiaries are each taxable persons and are each registered in the UK for the purposes of VAT with quarterly prescribed accounting periods.
   2. Neither the Company, nor any Subsidiary, is or has been in the period of six years ending with the date of Completion, a member of a group of companies for the purposes of section 43 of VATA 1994.
   3. All supplies made by the Company or any Subsidiary are taxable supplies. Neither the Company nor any Subsidiary has been, or will be, denied full credit for all input tax paid or suffered by it.
   4. Neither the Company nor any Subsidiary owns any assets which are capital items subject to the capital goods scheme under Part XV of the VAT Regulations 1995 (*SI 1995/2518*), nor has exercised any option to tax under Part 1 of Schedule 10 to VATA 1994.
4. Stamp duty, stamp duty land tax, land transaction tax and stamp duty reserve tax
   1. Any document that may be necessary or desirable in proving the title of the Company or any Subsidiary to any asset which is owned by the Company or any Subsidiary at the date of this agreement, is duly stamped for stamp duty purposes. No such documents which are outside the UK would attract stamp duty if they were brought into the UK.
   2. Neither entering into this agreement nor Completion will result in the withdrawal of a stamp duty, stamp duty land tax or land transaction tax relief granted on or before Completion which will affect the Company or any Subsidiary.
   3. The Disclosure Letter sets out full and accurate details of any chargeable interest (as defined under section 48 of the Finance Act 2003 and/or section 4 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017) acquired or held by the Company or any Subsidiary before the date of this agreement in respect of which the Sellers are aware, or ought reasonably to be aware, that an additional land transaction return will be required to be filed with a Tax Authority and/or a payment of stamp duty land tax and/or a payment of land transaction tax made on or after the date of this agreement.
5. Construction industry scheme

Neither the Company nor any Subsidiary is required to register as a Contractor under the provisions of section 59 of the Finance Act 2004 and the expenditure incurred or expected to be incurred by each of the Company and any Subsidiary on construction, refurbishment and fitting-out works in the 12-month period ending on Completion is less than £3 million. The Disclosure Letter gives details of any election made or intended to be made under section 59(3) or (3A) of the Finance Act 2004 and of any grace period under section 61 of that Act.

1. Tax Covenant
2. Interpretation
   1. The following definitions and rules of interpretation apply in this Tax Covenant.
3. Accounts Relief:
   1. any Relief (including the right to a repayment of Tax) shown as an asset in the [Completion Accounts **OR** Accounts]; and
   2. any Relief taken into account in computing (and so reducing or eliminating) any provision for deferred Tax in the [Completion Accounts **OR** Accounts].
4. Buyer's Relief:
   1. any Accounts Relief;
   2. any Relief arising in connection with any Event occurring after [the Accounts Date **OR** Completion]; and
   3. any Relief, whenever arising, of the Buyer or any member of the Buyer's Tax Group other than the Company.
5. Buyer's Tax Group: the Buyer and any other company or companies that are from time to time treated as members of the same Group as, or otherwise connected or associated in any way with, the Buyer for any Tax purpose.
6. Dispute: any dispute, appeal, negotiations or other proceedings in connection with a Tax Claim.
7. Event: includes [(without limitation)] the expiry of a period of time, the Company or any Subsidiary becoming or ceasing to be associated with any other person for any Tax purpose or ceasing to be or becoming resident in any country for any Tax purpose, the death, winding up or dissolution of any person, the earning, receipt or accrual for any Tax purpose of any income, profit or gains, the incurring of any loss or expenditure, and any transaction (including the execution and completion of this agreement), event, act or omission whatsoever, and any reference to an Event occurring on or before a particular date shall include Events that, for Tax purposes, are deemed to have, or are treated or regarded as having, occurred on or before that date.
8. Liability for Tax:
   1. any liability of the Company or any Subsidiary to make an actual payment of or in respect of, or on account of, Tax, whether or not the same is primarily payable by the Company or the relevant Subsidiary and whether or not the Company or the relevant Subsidiary has or may have any right of reimbursement against any other person, in which case the amount of the Liability for Tax will be the amount of the actual payment;
   2. the Loss, otherwise than by use or setting off, of any Accounts Relief in which case the amount of the Liability for Tax will be the amount of Tax that would (on the basis of Tax rates current at the date of that Loss) have been saved but for such Loss, assuming for this purpose that the Company or the relevant Subsidiary had sufficient profits or was otherwise in a position to use the Relief or where the Relief is the right to repayment of Tax or to a payment in respect of Tax, the amount of the repayment or payment; and
   3. the use or setting off of any Buyer's Relief where, but for that set off or use, the Company or the relevant Subsidiary would have had a liability to make a payment of or in respect of Tax for which the Buyer would have been able to make a claim against the Sellers under this Tax Covenant, in which case, the amount of the Liability for Tax will be the amount of Tax for which the Sellers would have been liable but for the set off or use.
9. Loss: includes absence, failure to obtain, non-existence, non-availability, reduction, modification, loss, counteraction, nullification, utilisation, disallowance, withdrawal or clawback for whatever reason.
10. Overprovision: the amount by which any provision for tax (other than deferred tax) in the [Completion Accounts **OR** Accounts] is overstated, except where that overstatement arises due to:
    1. a change in law;
    2. a change in the accounting bases on which the Company or any Subsidiary values its assets; or
    3. a voluntary act or omission of the Buyer,
11. that, in each case, occurs after Completion.
12. Relief: includes any loss, relief, allowance, credit, exemption or set off for Tax or any deduction in computing income, profits or gains for the purposes of Tax and any right to a repayment of Tax or to a payment in respect of Tax.
13. Saving: the reduction or elimination of any liability of the Company or any Subsidiary to make an actual payment of corporation tax (at a time when the Company or Subsidiary is a member of the Buyer’s Tax Group) for which the Sellers would not have been liable under paragraph 2, by the use of any Relief arising wholly as a result of a Liability for Tax for which the Sellers have made a payment under paragraph 2 of this Tax Covenant.
14. Tax: all forms of tax and statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether of the UK or any other jurisdiction (including, for the avoidance of doubt, National Insurance contributions (NICs) in the UK and corresponding obligations elsewhere) and any penalty, fine, surcharge, interest, charges or costs relating to it (including interest and penalties arising from the failure of the Company or any Subsidiary to make adequate instalment payments under the Corporation Tax (Instalments Payments) Regulations 1998 (*SI 1998/3175*) in any period ending on or before Completion).
15. Tax Authority: any government, state or municipality or any local, state, federal or other fiscal, revenue, customs or excise authority, body or official competent to impose, administer, levy, assess or collect Tax in the UK or elsewhere.
16. Tax Claim: any assessment, notice, demand, letter or other document issued or action taken by or on behalf of any Tax Authority, self-assessment or other occurrence from which it appears that the Buyer, the Company or any Subsidiary is or may be subject to a Liability for Tax or other liability in respect of which the Sellers are or may be liable under this Tax Covenant.
17. Tax Statute: any directive, statute, enactment, law or regulation wherever enacted or issued, coming into force or entered into providing for or imposing any Tax, including orders, regulations, instruments, bye-laws or other subordinate legislation made under the relevant statute or statutory provision and any directive, statute, enactment, law, order, regulation or provision that amends, extends, consolidates or replaces the same or that was amended, extended, consolidated or replaced by the same.
18. VAT: value added tax or equivalent tax in any other jurisdiction.
19. WRA: the Welsh Revenue Authority.
    1. References to gross receipts, income, profits or gains earned, accrued or received shall include any gross receipts, income, profits or gains deemed under the relevant Tax Statute to have been or treated or regarded as earned, accrued or received.
    2. References to a repayment of Tax shall include any repayment supplement or interest in respect of it.
    3. Any reference to something occurring in the ordinary course of business shall not include:
       1. anything that involves, or leads directly or indirectly to, any liability of the Company or any Subsidiary to Tax that is (or but for an election would have been) the primary liability of, or properly attributable to, or due from another person (other than a member of the Buyer's Tax Group);
       2. anything that relates to or involves the acquisition or disposal (or deemed acquisition or disposal) of an asset or the supply of services (including the lending of money, or the hiring or licensing of tangible or intangible property) in a transaction that is not entered into on arm's-length terms;
       3. anything that relates to or involves the making of a distribution or deemed distribution for Tax purposes, the creation, cancellation or reorganisation of share or loan capital, the creation, cancellation or repayment of any intra-group debt or the Company or any Subsidiary becoming or ceasing to be, or being treated as ceasing to be, a member of a group of companies, or becoming or ceasing to be associated or connected with any other company for any Tax purposes;
       4. anything that relates to any scheme, transaction or arrangement that gives rise, or may give rise, to a Liability for Tax under any anti-avoidance legislation, that is designed partly or wholly (or contains steps or stages designed partly or wholly) to avoid, reduce or defer a Liability for Tax or that gives rise to a duty to notify a Tax Authority under any legislation introduced to counter tax avoidance;
       5. anything that gives rise to a Liability for Tax on deemed (as opposed to actual) profits or if and to the extent that it gives rise to a Liability for Tax on an amount of profits greater than the difference between the sale proceeds of an asset and the amount attributable to that asset in the Accounts or, in the case of an asset acquired since the Accounts Date, the cost of that asset;
       6. anything that involves, or leads directly or indirectly to, a change of residence of the Company or any Subsidiary for Tax purposes; or
       7. any liability arising as a result of the failure to properly deduct or account for Tax, or to comply with the provisions of any Tax Statute and any act, omission or transaction that gives rise to any fine, penalty, surcharge, interest or other imposition relating to any Tax.
    4. Unless the contrary intention appears, words and expressions defined in this agreement have the same meaning in this Tax Covenant and any provisions in this agreement concerning matters of construction or interpretation also apply in this Tax Covenant.
    5. Any stamp duty charged on any document (or in the case of a document that is outside the UK, any stamp duty that would be charged on the document if it were brought into the UK) that is necessary to establish the title of the Company or any Subsidiary to any asset, and any interest, fine or penalty relating to the stamp duty, shall be deemed to be a liability of the Company or the relevant Subsidiary to make an actual payment of Tax because of an Event arising on the last day on which it would have been necessary to pay the stamp duty to avoid any liability to interest or penalties arising on it.
    6. References to the due date for payment of any Tax shall mean the last day on which that Tax may, by law, be paid without incurring any penalty, fine, surcharge, interest, charges, costs or other similar imposition (after taking into account any postponement of the date that was obtained for the payment of that Tax).
20. Covenant

Subject to the provisions of this Tax Covenant, the Sellers covenant with the Buyer that they will be [jointly and severally] liable to pay to the Buyer an amount equal to any:

* + 1. Liability for Tax resulting from, or by reference to, any Event occurring on or before Completion or in respect of any gross receipts, income, profits or gains earned, accrued or received by the Company or any Subsidiary on or before Completion, whether or not that liability was discharged on or before Completion;
    2. Liability for Tax, including liability for payments in respect of Tax, that arises due to [or in connection with] the relationship for Tax purposes [solely] before Completion of the Company or any Subsidiary with any person other than a member of the Buyer's Tax Group, whether arising before or after Completion;
    3. Liability for Tax that arises due to any Event that occurs after Completion under a legally binding obligation (whether or not conditional) entered into by the Company or any Subsidiary on or before Completion otherwise than in the ordinary course of business;
    4. Liability for Tax that is a liability of the Company or any Subsidiary to account for income tax or National Insurance contributions (NICs), whether arising before or after Completion, in respect of the grant, exercise, surrender, exchange or other disposal of an option or other right to acquire securities, or in respect of any acquisition, holding, variation or disposal of employment-related securities (as defined for the purposes of Part 7 of the ITEPA 2003) where the acquisition of the security or the grant of the option or other right to acquire the security occurred on or before Completion;
    5. Liability for Tax under Part 7A of ITEPA 2003, whether arising before or after Completion, including any liability arising as a consequence of any payments or loans made to, any assets made available or transferred to, or any assets earmarked (however informally) for the benefit of any officer or employee or former officer or employee of the Company or any Subsidiary, or for the benefit of any relevant person, by an employee benefit trust (EBT) or another third party where the arrangement giving rise to the charge was entered into at a time when the third party was acting on the instructions of, or for the benefit of, the Sellers or an associate of any of the Sellers;
    6. Liability for Tax being a liability for inheritance tax that:
       1. is a liability of the Company or any Subsidiary and arises because of a transfer of value occurring (or being deemed to occur) on or before Completion (whether or not in conjunction with the death of any person whenever it happens);
       2. gives rise at Completion to a charge on, or a power to sell, mortgage or charge, any of the Sale Shares or assets of the Company or any Subsidiary; or
       3. gives rise after Completion to a charge on, or a power to sell, mortgage or charge, any of the Sale Shares or assets of the Company or any Subsidiary because of the death of any person within seven years of a transfer of value that occurred before Completion;

and in determining for the purposes of this [paragraph 2(f)](#a242177) whether a charge on, or power to sell, mortgage or charge any of the shares or assets of the Company exists at any time, the fact that the inheritance tax is not yet payable, or may be paid by instalments, shall be disregarded, and the inheritance tax shall be treated as becoming due, and a charge or power to sell, mortgage or charge as arising, on the date of the transfer of value or other date or event on or in respect of which it becomes payable or arises, and the provisions of section 213 of the IHTA 1984 shall not apply;

* + 1. [Liability for Tax arising in connection with or as a result of [SPECIFIC TAX ISSUE(S) ARISING FROM DUE DILIGENCE]; and]
    2. costs and expenses (including legal costs on a full indemnity basis), properly incurred by the Buyer, the Company or any Subsidiary or any member of the Buyer's Tax Group in connection with any Liability for Tax or other liability in respect of which the Sellers are liable under this Schedule, any Tax Claim or taking or defending any action under this Schedule.

1. Payment date and interest
   1. Payment by the Sellers in respect of any liability under this Schedule must be made in cleared and immediately available funds on:
      1. in the case of a Liability for Tax that involves an actual payment of or in respect of Tax, the later of [seven] Business Days before the due date for payment and [seven] Business Days after the date on which the Buyer serves notice on the Sellers requesting payment;
      2. in the case of the loss of a right to repayment of Tax or a liability under [paragraph 2(h)](#a299987) [seven] Business Days following the date on which the Buyer serves notice on the Sellers requesting payment;
      3. in a case that involves the loss of a Relief (other than a right to repayment of Tax), the later of [seven] Business Days after the date on which the Buyer serves notice on the Sellers requesting payment and the last date on which the Tax is or would have been required to be paid to the relevant Tax Authority in respect of the earlier of:
         1. the period in which the Loss of the Relief gives rise to an actual liability to pay Tax; or
         2. the period in which the Loss of the Relief occurs (assuming for this purpose that the Company had sufficient profits or was otherwise in a position to use the Relief);
      4. in a case that falls within paragraph (c) of the definition of Liability for Tax, the date on which the Tax saved by the Company or the relevant Subsidiary is or would have been required to be paid to the relevant Tax Authority.
   2. If the Liability for Tax is a liability to corporation tax payable by instalments under the Corporation Tax (Instalment Payments) Regulations 1998 (*SI 1998/3175*):
      1. the notice served by the Buyer on the Sellers under paragraph 3.1 shall state the amount of the liability due for payment on each instalment date for the accounting period in which the Liability for Tax arises; and
      2. the due dates for payment of the Tax in paragraph 3.1(a) to paragraph 3.1(d) shall be the due dates for payment of each of the instalments.
   3. Any dispute about the amount specified in any notice served on the Sellers under paragraph 3.1(b) to paragraph 3.1(d) shall be determined by the auditors of the Company or the relevant Subsidiary for the time being, acting as experts and not as arbitrators (the Sellers and the Buyer sharing equally the costs of that determination).
   4. If any amount due from the Sellers under this Tax Covenant is not paid on the date specified in paragraph 3.1, then, except where and to the extent that the Sellers' liability under paragraph 2 includes interest and penalties to compensate the Buyer for the late payment, the amount due shall bear interest (to accrue on a daily basis and before and after any judgment) at the rate of [2]% per annum over the base rate from time to time of [FULL NAME OF BANK] or (in the absence of that) at any similar rate as the Buyer shall select from the day following the due date up to and including the day of actual payment of such sums, any interest to be compounded quarterly.
2. Exclusions
   1. The covenant contained in paragraph 2 above shall not cover any Liability for Tax if and to the extent that:
      1. specific provision or reserve (other than a provision for deferred tax) for the liability is made [or reflected] in the [Completion Accounts **OR** Accounts];
      2. the Liability for Tax was paid on or before [Completion **OR** the Accounts Date] and the [Completion Accounts **OR** Accounts] reflected that payment;
      3. [it arises as a result of a transaction in the ordinary course of business of the Company or any Subsidiary between the Accounts Date and Completion;]
      4. it arises or is increased only as a result of any change in the law or rates of Tax (other than a change targeted specifically at countering a tax avoidance scheme) announced and coming into force after Completion or the withdrawal of any extra-statutory concession previously made by a Tax Authority (whether or not the change is retrospective in whole or in part), provided that this paragraph 4.1(d) will not apply to any payment made under paragraph 11;
      5. it would not have arisen but for a change in accounting policies (including a change in accounting reference date) or the accounting bases on which the Company or any Subsidiary values its assets (other than a change made to comply with UK GAAP) after Completion;
      6. the Buyer is compensated for the Liability for Tax under any other provision of this agreement;
      7. a Relief other than a Buyer's Relief is available to the Company or any Subsidiary; or
      8. it would not have arisen but for a voluntary act, transaction or omission of the Company or any Subsidiary or the Buyer or any member of the Buyer's Tax Group outside the ordinary course of business after Completion and which the Buyer was aware, or ought reasonably to have been aware, would give rise to the Liability for Tax or other liability in question.
   2. For the purposes of paragraph 4.1(h), an act will not be regarded as voluntary if undertaken under a legally binding obligation entered into by the Company or any Subsidiary on or before Completion or imposed on the Company or any Subsidiary by any legislation whether coming into force before, on or after Completion or to avoid or mitigate a penalty imposable by any legislation, or if carried out at the written request of the Sellers.
   3. [The provisions of paragraph 4.1, paragraph 5.2, paragraph 5.3 and paragraph 5.4 of this Schedule shall not apply to any Liability for Tax falling within [paragraph 2(g)](#a559184) of this Schedule.]
3. Limitations
   1. The liability of the Sellers under paragraph 2 will terminate on:
      1. the twenty-first anniversary of Completion, for any claim under paragraph 2 for a liability arising from a loss of Tax caused fraudulently or deliberately by the Company, any Subsidiary or any related person, including a liability arising from an arrangement caught by Part 7A of ITEPA 2003 or from the failure of the Company or any Subsidiary to comply with an obligation to disclose information about a tax avoidance scheme to which it was a party; or
      2. the seventh anniversary of Completion (in any other case),

except for any claim under paragraph 2 of which written notice is given to the Sellers before that relevant date containing, if reasonably practicable, a description of that claim and the estimated total amount of the claim.

* 1. Subject to paragraph 5.5 and paragraph 5.6, the aggregate liability of the Sellers under paragraph 2 [and for all Claims, when taken together,] shall not exceed [£][AMOUNT].
  2. The Sellers shall not be liable for any claim under this Tax Covenant unless the amount of the claim exceeds £[AMOUNT].
  3. [The Sellers shall not be liable for any claim under this Tax Covenant unless the amount of the claim when aggregated with all other claims under this Tax Covenant and the Sellers' liability for all Claims exceeds £[AMOUNT].]
  4. The amount of the aggregate liability of the Sellers under paragraph 5.2 will be increased by any amount received by the Sellers by payment or set off under paragraph 6 (Overprovisions), paragraph 7 (Savings) or paragraph 8 (Recovery from third parties).
  5. The amount of the Sellers' aggregate liability under paragraph 5.2 will be increased by the amount of any liability of the Sellers arising (or that would have arisen but for paragraph 4) in respect of Tax which is primarily the liability of, or is attributable to, a person other than the Company.

1. Overprovisions
   1. If, on or before the seventh anniversary of Completion, [the Buyer believes that there is an Overprovision, the Buyer shall notify the Sellers and if] the auditors for the time being of the Company or any Subsidiary determine (at the request and expense of the Sellers) that there is an Overprovision, then:
      1. the amount of any Overprovision shall first be set off against any payment then due from the Sellers under this Tax Covenant;
      2. if there is an excess, a refund shall be made to the Sellers of any previous payment or payments made by the Sellers under this Tax Covenant (and not previously refunded under this Tax Covenant) up to the amount of that excess; and
      3. if the excess referred to in paragraph 6.1(b) is not exhausted, the remainder of that excess will be carried forward and set off against any future payment or payments that become due from the Sellers under this Tax Covenant.
   2. After the Company's or Subsidiary's auditors have made a determination under paragraph 6.1, the Sellers or the Buyer may, at any time before the seventh anniversary of Completion, request the auditors for the time being of the Company or the relevant Subsidiary to review and, if necessary and as appropriate, amend the original determination (at the expense of the party requesting the review, or where a payment becomes due under this paragraph 6.2 at the expense of the party required to make that payment) and an adjusting payment equal to the amount of any disparity between the original and revised determinations shall be made by or to the Sellers as soon as reasonably practicable.
2. Savings
   1. If, on or before the seventh anniversary of Completion, [the Buyer believes that a Saving has arisen, it shall inform the Sellers and if] the Company's or Subsidiary's auditors for the time being determine (at the request and expense of the Sellers) that a Saving has arisen, the Buyer shall as soon as reasonably practicable repay to the Sellers, after deduction of any amounts then due by the Sellers, the lesser of:
      1. the amount of the Saving (as determined by the auditors) less any costs incurred by the Buyer, the Company or the relevant Subsidiary; and
      2. the amount paid by the Sellers under paragraph 2 for the Liability for Tax which gave rise to the Saving less any part of that amount previously repaid to the Sellers under any provision of this Tax Covenant or otherwise.
   2. After the Company's or Subsidiary's auditors have made a determination under paragraph 7.1, the Sellers or the Buyer may, at any time before the seventh anniversary of Completion, request the auditors for the time being of the Company or the relevant Subsidiary to review and, if necessary and as appropriate, amend the original determination (at the expense of the party requesting the review, or where a payment becomes due under this paragraph 7.2, at the expense of the party required to make that payment) and an adjusting payment equal to the amount of any disparity between the original and revised determinations shall be made by or to the Sellers as soon as reasonably practicable.
3. Recovery from third parties
   1. Where the Sellers have paid an amount under paragraph 2 for any Liability for Tax and the Buyer, the Company or any Subsidiary is, or becomes, entitled to recover from some other person that is not the Buyer, the Company or any Subsidiary or any other company in the Buyer's Tax Group, any amount for any Liability for Tax, the Buyer shall or shall procure that the Company or the relevant Subsidiary shall:
      1. notify the Sellers of their entitlement as soon as reasonably practicable; and
      2. if required by the Sellers and, subject to the Buyer and the Company being [secured and] indemnified by the Sellers against any Tax that may be suffered on receipt of that amount and any costs and expenses incurred in recovering that amount, take, or procure that the Company or the relevant Subsidiary takes all reasonable steps to enforce that recovery against the person in question (keeping the Sellers fully informed of the progress of any action taken) provided that the Buyer shall not be required to take any action under this paragraph 8.1 [, **OR** other than an action against:
         1. [a Tax Authority; or]
         2. [a person who gave Tax advice to the Company or any Subsidiary on or before Completion),]]

that, in the Buyer's reasonable opinion, is likely to harm its, the Company's or the relevant Subsidiary's commercial or employment relationship (potential or actual) with that or any other person.

* 1. If the Buyer, the Company or the relevant Subsidiary recovers any amount referred to in paragraph 8.1, the Buyer shall account to the Sellers for the lesser of:
     1. any amount recovered (including any related interest or related repayment supplement) less any Tax suffered in respect of that amount and any costs and expenses incurred in recovering that amount (except where and to the extent that amount has already been made good by the Sellers under paragraph 8.1(b)); and
     2. the amount paid by the Sellers under paragraph 2 in respect of the Liability for Tax in question.

1. Corporation tax returns
   1. Subject to this paragraph 9, the Buyer will have exclusive conduct of all Tax affairs of the Company and the Subsidiaries after Completion.
   2. [The Buyer will procure that the Company keeps the Sellers[' representative appointed under this agreement] fully informed of its Tax affairs for any accounting period ended on or before Completion for which final agreement with the relevant Tax Authority of the amount of Tax due from the Company or any Subsidiary has not been reached. The Buyer will not submit any substantive correspondence or submit or agree any return or computation for any such period to any Tax Authority without giving the Sellers a reasonable opportunity to comment and taking account any reasonable representations made by the Sellers[' representative].
   3. The Buyer will procure that neither the Company nor any Subsidiary amends or withdraws any return or computation or any claim, election, surrender or consent made by it for its accounting periods ended on or before Completion without giving the Sellers a reasonable opportunity to comment and taking account of any reasonable representations made by the Sellers[' representative].

**OR**

* 1. [The Sellers or their duly authorised agent shall at the Sellers' cost and expense prepare the corporation tax returns and computations of the Company and the Subsidiaries for all accounting periods ended on or before [the Accounts Date **OR** Completion], if the same have not been prepared before Completion, and submit them to the Buyer.
  2. The Buyer shall procure that the returns and computations referred to in paragraph 9.4 shall be authorised, signed and submitted to the relevant Tax Authority without amendment or with any amendments as the Buyer reasonably considers to be necessary and shall give the Sellers or their agent all reasonable assistance (at the Sellers' cost and expense) to finalise those returns and computations with the relevant Tax Authority, save where the return or computation is not full, true and accurate in all material respects.
  3. The Sellers or their duly authorised agent shall at the Sellers' cost and expense prepare all documents and shall have conduct of all matters (including correspondence) relating to the corporation tax returns and computations of the Company and the Subsidiaries for all accounting periods ended on or before [the Accounts Date **OR** Completion] provided that the Sellers shall not without the prior written consent of the Buyer (not to be unreasonably withheld or delayed) transmit any communication (written or otherwise) to the relevant Tax Authority or agree any matter with the relevant Tax Authority.
  4. The Buyer shall procure that the Company and the Subsidiaries, at the Sellers' cost and expense, provide such access to their books, accounts and records as is necessary and reasonable to enable the Sellers or their duly authorised agent to prepare the corporation tax returns and computations of the Company and the Subsidiaries for all accounting periods ended on or before [the Accounts Date **OR** Completion] and conduct matters relating to them in accordance with this paragraph 9.
  5. The Sellers shall take all reasonable steps to ensure that the corporation tax returns and computations of the Company and the Subsidiaries for all accounting periods ended on or before [the Accounts Date **OR** Completion] are prepared and submitted to the relevant Tax Authority as soon as possible.]
  6. For the avoidance of doubt:
     1. where any matter gives rise to a Tax Claim, the provisions of paragraph 10 shall take precedence over the provisions of this paragraph 9; and
     2. the provisions of this paragraph 9 shall not prejudice the rights of the Buyer to make a claim under this Tax Covenant.

1. Conduct of Tax Claims
   1. Subject to paragraph 10.2, if the Buyer, the Company or any Subsidiary becomes aware of a Tax Claim, the Buyer shall give or procure that notice in writing is given to the Sellers[' representative] as soon as reasonably practicable, provided that giving that notice shall not be a condition precedent to the Sellers' liability under this Tax Covenant.
   2. If the Sellers become aware of a Tax Claim, the Sellers[' representative] shall notify the Buyer in writing as soon as reasonably practicable, and, on receipt of the notice, the Buyer shall be deemed to have given the Sellers notice of the Tax Claim in accordance with the provisions of paragraph 10.1.
   3. Subject to paragraph 10.4, if the Sellers indemnify [and secure] the Buyer, the Company and the relevant Subsidiary to the Buyer's reasonable satisfaction against all liabilities, costs, damages or expenses that may be incurred (including any additional Liability for Tax) the Buyer shall take and shall procure that the Company or the relevant Subsidiary shall take any action that the Sellers[' representative] may reasonably request by notice in writing given to the Buyer to avoid, dispute, defend, resist, appeal, request an internal HMRC or WRA review or compromise any Tax Claim.
   4. The Buyer, the Company or any Subsidiary shall not be obliged to appeal or procure an appeal against any assessment to Tax if the Buyer, having given the Sellers[' representative] written notice of that assessment, does not receive written instructions to do so from the Sellers[' representative] within ten Business Days.
   5. Without prejudice to the liability of the Sellers under this Schedule, the Buyer shall not be obliged to take, or procure the taking of, any action under paragraph 10.3 in respect of any Tax Claim:
      1. if the Sellers[' representative] [do **OR** does] not request the Buyer to take any action under paragraph 10.3 or the Sellers fail to indemnify [and secure] the Buyer, the Company or the relevant Subsidiary to the Buyer's reasonable satisfaction in a reasonable period of time (starting with the date of the notice given to the Sellers[' representative]) considering the nature of the Tax Claim and the existence of any time limit for avoiding, disputing, defending, resisting, appealing, seeking a review or compromising that Tax Claim, and that period will not in any event exceed [ten] Business Days;
      2. where [it reasonably appears that] the Sellers (or the Company or any Subsidiary before Completion) have engaged in fraudulent conduct or deliberate default relating to the Liability for Tax that is the subject matter of the Dispute; or
      3. if the Dispute involves an appeal against a determination by the Tax Chamber of the First-tier Tribunal or higher tribunal, unless the Sellers have obtained the opinion of Tax counsel of at least [five] years' standing that the appeal has a reasonable prospect of success.
   6. [If paragraph 10.3 does not apply by virtue of any provision in paragraph 10.5, the Buyer, or the Company or the relevant Subsidiary shall have the absolute conduct of the Dispute (without prejudice to its rights under this Tax Covenant) and shall be free to pay or settle the Tax Claim on any terms that the Buyer, the Company or the relevant Subsidiary in its absolute discretion considers fit.]
   7. [Subject to paragraph 10.9, by agreement in writing between the Buyer and the Sellers[' representative] and on any terms as they may agree from time to time, the conduct of a Dispute may be delegated to the Sellers[' representative] provided that, unless the Buyer and the Sellers[' representative] specifically agree otherwise in writing, the Sellers[' representative] shall:
      1. promptly inform the Buyer of all matters relating to a Dispute and shall provide the Buyer with copies of all correspondence and notes, or other written records of telephone conversations or meetings relating to a Dispute;
      2. obtain the Buyer's written approval (not to be unreasonably withheld or delayed) before appointing solicitors or other professional advisers;
      3. submit to the Buyer for prior written approval (not to be unreasonably withheld or delayed) all material written communications relating to the Dispute to be transmitted to the relevant Tax Authority and shall make any amendments the Buyer reasonably requests; and
      4. not settle or compromise the Dispute or agree any matter relating to it without the Buyer's prior written approval (not to be unreasonably withheld or delayed).]
   8. [The Buyer shall provide and shall procure that the Company or the relevant Subsidiary provides to the Sellers and the Sellers' professional advisors reasonable access to premises and personnel and to any relevant assets, documents and records in their power, possession or control to investigate the matter and enable the Sellers to take any action referred to in this paragraph 10.]
   9. Neither the Buyer, the Company nor any Subsidiary shall be liable to any of the Sellers for non-compliance with any of the provisions of this paragraph 10 if the Buyer, the Company or the relevant Subsidiary has acted in good faith in accordance with the instructions of any one or more of the Sellers.
2. Grossing up
   1. All amounts due under this Tax Covenant from the Sellers to the Buyer shall be paid in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax required by law). If any deductions or withholdings are required by law to be made from any of the sums payable under this Tax Covenant, the Sellers shall provide any evidence of the relevant withholding as the Buyer may reasonably require and shall pay to the Buyer any sum as will, after the deduction or withholding is made, leave the Buyer with the same amount as it would have been entitled to receive without that deduction or withholding.
   2. If any sum payable by the Sellers to the Buyer under this agreement is subject to Tax in the hands of the Buyer, the Sellers shall pay any additional amount required to ensure that the net amount received by the Buyer shall be the amount that the Buyer would have received if the payment was not subject to Tax.
   3. If the Buyer would, but for the availability of a Buyer's Relief, incur a Tax liability falling within paragraph 11.2, it shall be deemed for the purposes of that paragraph 11.2 to have incurred and paid that liability.
   4. [If the Buyer assigns the benefit of this Tax Covenant or this agreement, the Sellers shall not be liable under paragraph 11.1 or paragraph 11.2, except where and to the extent that the Sellers would have been so liable had that assignment not occurred.]
3. General
   1. All payments made by the Sellers to the Buyer or by the Buyer to the Sellers in accordance with this Tax Covenant will be treated, if possible, as an adjustment to the Purchase Price for the Sale Shares.
   2. The Buyer shall in its absolute discretion decide whether to make a claim under this Schedule or the Tax Warranties or both.
4. Intellectual Property Rights
5. Registered Intellectual Property Rights

[INSERT DETAILS OF REGISTERED IPR]

1. [Material] Unregistered Intellectual Property Rights

[INSERT DETAILS OF [MATERIAL] UNREGISTERED IPR]

1. Intellectual Property Rights licensed from third parties

[INSERT DETAILS OF IPR LICENSED BY TARGET GROUP]

1. Intellectual Property Rights licensed to third parties

[INSERT DETAILS OF IPR LICENCES GRANTED BY TARGET GROUP]

1. Information technology
2. Particulars of the IT Systems

[INSERT DETAILS OF THE IT SYSTEMS]

1. Particulars of the IT Contracts

[INSERT DETAILS OF THE IT CONTRACTS]

1. Particulars of Domain Names and Social Media Accounts

[INSERT DETAILS OF DOMAIN NAMES AND SOCIAL MEDIA ACCOUNTS]

1. The Properties
2. Particulars of the Freehold Properties

|  |  |
| --- | --- |
| **Description of the Property** |  |
| **Owner** |  |
| **Registered/unregistered** |  |
| **Title number (if registered)** |  |
| **Occupier** |  |
| **Current Use** |  |
| **Is there an Investment Lease?** |  |
| **Tenant under an Investment Lease** |  |
| **Contractual date of termination of Investment Lease** |  |

1. Particulars of the Leasehold Properties

|  |  |
| --- | --- |
| **Description of the Property** |  |
| **Description of Lease (lease, underlease, licence, date and parties)** |  |
| **Owner** |  |
| **Registered/unregistered** |  |
| **Title number (if registered)** |  |
| **Contractual date of termination of lease** |  |
| **Occupier** |  |
| **Current Use** |  |
| **Is there an Investment Lease?** |  |
| **Tenant under an Investment Lease** |  |
| **Contractual date of termination of Investment Lease** |  |

1. [Provisions relating to the Properties]

[INSERT PROVISIONS]

|  |  |  |
| --- | --- | --- |
| Signed by [NAME OF SELLER] |  | .................... |
|  |
| Signed by [NAME OF SELLER] |  | .................... |
|  |
| Signed by [NAME OF SELLER] |  | .................... |
|  |
|  | | |
| Signed by [NAME OF DIRECTOR] for and on behalf of [NAME OF BUYER] |  | ....................  Director |