**[*INSERT Your LETTERHEAD*]**

**Our ref:** [y*our ref]*   
**Your Ref:** [*insert their*]

[*Date*]

[*name]*

*[street address]*

*[SUBURB] [STATE] [POSTCODE*]

Dear Mr/Ms [*NAME*]

**Seller: [Seller Name]**

**Buyer: [Buyer Name]**

**Business: [Business Name]**

**Premises: [Business Address]**

**Sale of Business**

Thank you for asking us to act for you in relation to this sale.

[*insert solicitor name*] will be handling your matter. Please contact [*him*]/[*her*] directly if you have any queries.

**Your instructions**

We refer to your meeting with our Supervising Partner on [*insert date*] and note your instructions as follows:

**Sale of Business**

You are in the process of selling the above Business and have informally agreed with the proposed Buyer to the following terms for the sale:

|  |  |
| --- | --- |
| **Buyer:** | [insert full name] of [address] |
| **Business:** | [insert name of business] registration number [registration number] |
| **Premises:** | [address] |
| **Sale Price:** | $[amount] apportioned as $[amount] for Goodwill and $[amount] for Assets.  All Assets of the Business are to pass on the Settlement Date. We confirm you have provided us a list of the Assets which we will include in the Agreement for Sale of Business. |
| **Deposit:** | $[amount] being 10% of the Sale Price payable by the Buyer upon execution of the Agreement for Sale of Business. |
| **Stock:** | Stock is included in the Sale Price. |
| **Settlement Date:** | [date] or earlier as agreed between the parties. You will continue to trade the Business on the Settlement Date. |
| **Landlord:** | [landlord] of [address]. The landlord’s lawyers are [name of law firm]. |
| **Assignment of Lease :** | The Landlord has agreed to reduce the rent for the Premises by $[amount] for a period of [number] months between [date] and [date]. |
| **Employees / Staff** | You currently have [number] staff employed casually in the Business. They are, [name] and [name].  The Buyer will not be employing the staff after the Settlement Date and you will (if you have not already done so) provide the staff with written notices terminating their casual employment prior to the Settlement Date. |
| **Restraint of Trade:** | You have agreed that, after completion the Settlement Date, you will not be engaged in any business (whether directly or indirectly) which will be similar to or in competition with the Business.  The period of restraint is [number] years from the Settlement Date. The restraint area is [number] kilometres in radius from the Premises. |
| **Assistance:** | You will provide the Buyer (free of charge) with assistance in the Business for a period of 3 days immediately after the Settlement Date.  Such assistance entails allowing the Buyer to observe the way the Business is conducted by you and introducing the Buyer to the clients, customers and suppliers of the Business.  Further, the Buyer will be entitled to inspect the Business and the Business Premises within 3 Business Days prior to the Date for Settlement. |
| **Weekly takings:** | The Sale is subject to the weekly takings of the Business for the week of [date] to [date] of not being less than $[amount].  If the Business does not achieve the takings level, then the Buyer will have the right to end the Agreement for Sale of Business.  If the Buyer ends the Agreement for Sale of Business in this manner, you must refund the deposit to the Buyer without deduction.  During the takings period you must give the Buyer access to the Business during normal trading hours, so that he can obtain a working knowledge of the conduct of the Business and check the takings.  Please telephone the writer by [date] to instruct whether the Business has achieved the minimum takings. |
| **Hire Agreement:** | The Business has a verbal hire agreement with Beta Neon Pty Ltd (“Beta”) for a neon sign board.  Under that agreement, you pay $[amount] per quarter as invoiced by Beta. The invoice commences on the first of the month and you pay it in advance.  There are no outstanding payments. Beta has indicated, in writing, that it will transfer the hire agreement to the Buyer at settlement.  You have provided the Buyer with a copy of the letter from Beta. |

Under the lease you must pay for building insurance. This amount will be adjusted at settlement. You have provided us with a letter from National Capital Insurance Ltd which indicates that that you have paid for the current period. We note you have provided the buyer with a copy of this letter.

You want us to prepare the Agreement for Sale of Business and attend to all necessary steps in the sale of the Business.

**Lease and Assignment of Lease**

[ *insert information about the client’s obligations under the lease and the requirements and steps for transferring the lease*.]

**Capital Gains Tax (“CGT”) and Goods and Services Tax (“GST”)**

[*insert information about the client’s liability, if any, to CGT and GST in this transaction*]

**Further Steps**

[ *explain to the client what the steps are in the sale of the business and what you will do and what you need to client to do*]

**Costs**

[*inform client of the costs and enclose required cost disclosure information*]

Thank you for the $ [amount] you have provided on account of costs and disbursements which is held in our trust account. We enclose our Trust Account Receipt dated [*insert date*].

**Limitations of Retainer**

[*Set out what is not covered in your retainer – ie what you will not provide advice on*]

Should you have any queries, please do not hesitate to contact the writer.

Yours faithfully

**[FIRM NAME]**

per: [insert name]

[position]

Encl.