

CLIENT PORTFOLIO SALE AGREEMENT.

PARTIES.

THIS AGREEMENT is made on between the following parties:

<Insert full name of Seller>, ABN <insert ABN> of <insert full address> ("Seller")

Contact name: <insert contact name>

Fax number: <insert fax number>

Email address: <insert email address>

and

<Insert full name of Buyer>, ABN <insert ABN> of <insert full address> ("Buyer")

Contact name: <insert contact name>

Fax number: <insert fax number>

Email address: <insert email address>

BACKGROUND.

- A. The Seller carries on a general insurance <broking / agency> business and has a portfolio of clients.
- B. The Seller wants to sell, and the Buyer wants to acquire, certain proprietary rights used in connection with the Seller's portfolio of clients to enable the Buyer to offer general insurance <broking / agency> services to those clients.
- C. The Buyer wants to acquire the Seller's proprietary rights relating to the clients and the portfolio of insurance business in order to service those clients directly.

AGREEMENT.

1. Definitions

Where appearing in this agreement, the following words have the meaning set out below.

Actual Portfolio Income means the Commission Income and Fee Income earned by the Seller in respect of the Insurance Portfolio in the Post-Sale Measurement Period.

Associate in respect of a person means anyone who is that person's associate under section 318 of the *Income Tax Assessment Act 1936* (Cth).

Bank Cheque means an unendorsed cheque made payable to the person to be paid and drawn on its own funds by a bank or if authorised in writing by Seller or their solicitors, some other cheque.

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Pre-Sale Measurement Period means the timeframe stated in Item 2 of **Schedule 1**.

Post-Sale Measurement Period means the timeframe stated in Item 3 of **Schedule 1**.

Purchase Price means the amount calculated in accordance with Items 4, 4A and 4B of **Schedule 1**.

Restraint Period means the periods stated in item 10 of Schedule 1.

Warranty Period means the period stated in Item 6 of Schedule 1.

Warranties mean the representations and warranties on the part of the Seller contained in **clause 7**.

[OPTIONAL: Delete clause 2 if no conditions precedent or customise as necessary]

2. CONDITIONS PRECEDENT

2.1 Completion is conditional

Completion is conditional on:

- 2.1.1 The director(s) of the Seller approving the entry into and performance of this agreement by the Seller.
- 2.1.2 The director(s) of the Buyer approving the entry into and performance of this agreement by the Buyer.
- 2.1.3 [The Buyer notifying the Seller in writing that, after investigation, it is satisfied, with the results of its due diligence enquiries in respect of the Client Portfolio and the Client Data.]
- 2.1.4 [The Buyer obtaining a formal notification from its financier in relation to the financier's commitment to providing the necessary funding for the purchase of the Client Portfolio and the Client Data.]

3. PURCHASE OF INSURANCE PORTFOLIO

3.1 Assignment of Client Data and right to service Clients

In consideration of the Purchase Price and with effect on the Effective Date, the Seller hereby assigns absolutely to the Buyer:

- 3.1.1 All rights, title and interest in and to the Client Data, including all present and future rights to copyright subsisting in the Client Data;
- 3.1.2 Any proprietary right or interests which vests in the Seller (whether at law or in equity) to service the Clients in respect of the Insurance Portfolio.

3.2 Purchase Price

- 3.2.1 The Buyer will pay to the Seller the Purchase Price as stated in Item 1 of **Schedule 1**.
- 3.2.2 All payments made by one party to the other must be by Bank Cheque or cleared funds or as otherwise agreed by the parties in writing.
- 3.2.3 If the party to whom an amount is to be paid gives the party who must make the payment a written payment direction not less than **<insert number e.g. five (5)>** business days before the due date for payment, payment must be made in accordance with the direction.
- 3.2.4 The Buyer is responsible for payment of any and all duty and taxes which may be payable in connection with the transactions contemplated under this agreement (including any stamp duty).

3.3 Adjustment to Purchase Price

- 3.3.1 The Purchase Price will be adjusted as stated in Item 4B of **Schedule 1**.

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