

Instructions & Checklist

Stock Purchase Agreement

- This package contains:
 - (1) Instructions and Checklist for the Stock Purchase Agreement;
 - (2) Information about the Stock Purchase Agreement; and
 - (3) The Stock Purchase Agreement

- Both the Seller and Purchaser must sign the Stock Purchase Agreement.

- Generally both the Purchaser and the Seller(s) each retain an original signed Stock Purchase Agreement. Therefore, if there is one Purchaser and one Seller, two original Stock Purchase Agreements should be executed (i.e. signed).

- At the closing of the transaction contemplated in the Stock Purchase Agreement, Purchaser will need to deliver the purchase price as set forth in this agreement.

- At the closing of the transaction contemplated in the Stock Purchase Agreement, Seller will need to deliver the certificates representing the stock sold to the Purchaser.

- This form contains italicized, bracketed instructions to help you. They should be erased before you print your completed form.

- Do not use this form if the Seller is the “Company” whose stock is being sold.

- Federal and state securities laws are very complex. These materials are not intended and are not a substitute for legal advice. These materials should only be a starting point for you and should not be used or signed before first consulting with an attorney to ensure that it addresses your particular situation. An attorney should be consulted before negotiating any document with another party.

- This type of transaction may have tax consequences. You should check with your accountant before using this form.

- The purchase and use of these forms is subject to the “Disclaimers and Terms of Use” found at findlegalforms.com

Information Stock Purchase Agreement

A stock purchase agreement is an agreement wherein the owner of shares of stock (the "Seller") agrees to sell the stock to a buyer (the "Purchaser"). Generally, this type of form is used for the stock of a small corporation. A stock purchase agreement can be beneficial for both parties because it clearly lays out the expectations of the transaction including: (i) the number and type of stock sold, (ii) the purchase price and (iii) when the transaction will take place. In addition, the Seller will make representations about his/her ownership of the shares of stock, thereby giving the Buyer additional comfort.

Both federal and state securities laws govern the sale of stock. These laws can be quite complex, so you should check with your attorney before selling or purchasing stock. In addition, this type of arrangement may have large tax consequences. Check with your accountant before entering into this type of agreement.

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (“Agreement”) is entered into as of _____, 20__ by and between _____ (“Seller”) and _____ (“Purchaser”). Purchaser and Seller may collectively be referred to as the “Parties.”

WHEREAS, Seller is the record owner and holder of shares of the capital stock of _____ (the “Company”), a _____ [insert state of incorporation] Corporation; and

WHEREAS, the Parties desire to enter into this Agreement pursuant to which Purchaser will purchase from Seller shares of capital stock of the Company.

NOW, THEREFORE, in consideration for the promises set forth in this Agreement, the Parties agree as follows:

- 1. PURCHASE AND SALE:** Subject to the terms and conditions set forth in this Agreement, Purchaser hereby agrees to purchase from Seller, and Seller hereby agrees to sell, transfer and convey to the Purchaser _____ (_____) shares of _____ [insert class of stock—e.g. common, preferred, etc.] stock of the Company (the “Stock”).
- 2. PURCHASE PRICE:** The purchase price for each share of Stock shall be _____ dollars (\$_____) for an aggregate purchase price of _____ dollars (\$_____) (the “Purchase Price”), to be paid to the Seller in cash at the closing.
- 3. CLOSING:** The closing contemplated by this Agreement for the transfer of the Stock and the payment of the Purchase Prices shall take place at _____, on _____, 20__ at _____ [insert place and time] (the “Closing”). The certificates representing the Stock shall be duly endorsed for transfer or accompanied by an appropriate stock transfer.
- 4. REPRESENTATIONS AND WARRANTIES OF SELLER:** Seller hereby warrants and represents that:
 - (a) Restrictions on Stock.** The Seller is not a party to any agreements that create rights or obligations in the Stock relating to any third party including voting or stockholder agreements. The Seller is the lawful owner of the Stock, free and

clear of any encumbrances, security interests or liens of any kind and has full power and authority to sell and transfer the Stock as contemplated in this Agreement.

(b) Organization and Standing. To the Seller's knowledge, the Company is duly organized, validly existing and in good standing under the laws of the State of _____ *[insert state of incorporation]* and has full power and authority to own and operate its property and assets and to carry on its business as presently conducted.

5. **SEVERABILITY:** If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.
6. **BINDING EFFECT:** The covenants and conditions contained in this Agreement shall apply to and bind the parties and the heirs, legal representatives, successors and permitted assigns of the Parties.
7. **BROKER'S FEES:** The Parties represent that there has been no act in connection with the transactions contemplated in this Agreement that would give rise to a valid claim against either party for a broker's fee, finder's fee or other similar payment.
8. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both the Seller and Purchaser.
9. **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of _____.
10. **NOTICE:** Any notice required or otherwise given pursuant to this Agreement shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery service:

(a) If to Purchaser:

(b) If to Seller:

11. WAIVER: The failure of either party to enforce any provisions of this Agreement shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

PURCHASER:

SELLER:

(Name)

(Name)

(Position)

(Position)