

Asset Purchase Agreement Criteria

We at PPCLOAN strongly recommend that you procure the services of an attorney and an accountant to assist you with your business acquisition. These professionals can help you determine how to structure your business and draft and review your purchase documentation.

PPCLOAN and its funding sources require that purchase agreements contain not less than the following:

- Purchase Price
- Effective Date of Purchase
- Legal Names of Seller, Purchaser, and any Principals if Seller and Purchaser are business entities
- Description and Listing of Assets being purchased and affirmation that the Assets are being sold free and clear of any liens or encumbrances
- Covenant Not to Compete with a term not less than 3 years and mileage radius not less than 15 miles (unless otherwise deemed acceptable)
- Covenant Not to Solicit clients, employees, or referral sources of the business being purchased
- Reference to and copies of any other agreements entered into in conjunction with your purchase, such as:
 - a Promissory Note to your seller,
 - Security Agreement
 - Guaranty Agreement
 - Consulting Agreement
 - Employment Agreement, etc.
- Seller's Spouse's written consent to sale
- Signatures of all parties and declaration that the signing parties are authorized to enter into the agreement on behalf of any involved Business Entities