

ASSET PURCHASE AGREEMENT CHECKLIST

Deal Agreements

- Letter of intent (the initial agreement between the parties – may be binding or nonbinding)
- Asset purchase agreement (the main contract)
- Brokerage agreement (i.e., a contract with anyone who procured the deal)
- Security agreement (for situations where the seller retains an interest in the asset or other property in the event of a buyer default)
- Escrow agreement (terms for handling funds and property during the process of closing the asset purchase agreement)
- Stock purchase agreement
- Employment agreements (for when the asset is a company with key personnel)
- Consulting agreements
- Noncompetition agreements
- Nondisclosure or confidentiality agreement

Agreements for assignments or assumptions of liabilities

leases for real property or personal property

loans

intellectual property transfers

Related instruments or other legal documents

- Promissory note (repayment terms for asset purchases that are financed or paid for through installments)
- Bill of sale (a receipt for transfer of property often used for items like equipment, vehicles, inventory, etc.)
- vehicle title certificates
- UCC financing statement (document filed with Secretary of State listing creditors and security interests in assets subject to the agreement)
- Certificate of incorporation (a certification from an officer of the buyer and seller attesting to the valid organization of their entities that are party to an agreement)
- Legal opinions (lawyer certified statements that attest to the legitimacy of parts of a deal based on an agreed-upon set of facts)
- Third-party consents (usually in the context of property subject to a lease or loan agreement)

Exhibits to the asset purchase agreement

- A list of assumed business names, trade names, and internet domains
- A list of employees and independent contractors involved in a business acquisition
- A list of customers, clients, referrals, and other trade secrets
- Disclosures of licenses and permits the seller holds
- Disclosure of any encumbrance(s) on the asset
- Other statements to verify applicable regulatory compliance
- Insurance policies
- Warranty claims related to the asset

Financial statements

- Balance sheet
- Income statements
- Profit and loss statements
- Accounts receivable
- Tax returns or other documentation showing tax clearance with the IRS

Organizational documents

- Operating agreement
- Bylaws
- Consent resolutions
- Annual reports
- Meeting minutes

Important terms and dates for the transaction

- Purchase price of the asset
- Due diligence period
- Escrow dates
- Closing date
- Post-closing items