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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made this ___ day of March, 200X, by and between John _____ not individually, but as assignee for the benefit of the creditors of [Seller], Inc., an Illinois corporation, ("**Seller**"), and [Buyer], Ltd. an Illinois _____ ("**Buyer**").

RECITALS:

WHEREAS, [Seller], Inc. ("**[Seller]**") operated its business (the "**Business**") at certain leased real properties identified in Exhibit A (collectively the "**Premises**"); and

WHEREAS, due to operational and financial difficulties, [Seller] made an assignment for the benefit of its creditors to John [Assignee], not individually, but as assignee for the benefit of [Seller]'s creditors, effective as of March _____, 200X (the "**Assignment**"); and

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, all Seller's rights, title and interest, if any, in and to certain assets on the terms described below.

NOW, THEREFORE, the parties agree as follows:

1. Preamble; Preliminary Recitals.

The preamble and preliminary recitals set forth above are by this reference incorporated in and made a part of this Agreement.

2. Purchase of Assets.

Subject to the provisions of this Agreement, Buyer agrees to purchase, and Seller agrees to sell, all Seller's rights, title and interest, if any, in and to the Purchased Assets, as defined in this paragraph. The purchase price for the Purchased Assets shall be \$16,500 ("**Purchase Price**").

"Purchased Assets" means, collectively all tangible property, including but not limited to, furniture, fixtures, machinery, equipment, tools, and inventory ("**Inventory**"), and the following intangible property: all right, title and interest of Seller, if any, under leases of personal property and equipment and under the leases for the Premises, intellectual property (including, without limitation, trademarks, tradenames, and service marks), telephone numbers and telephone listings, insurance policies, trade accounts receivable ("**Accounts**"), promissory notes arising from Accounts, all causes of action related to the Purchased Assets, contingent and unliquidated claims, counterclaims and rights to setoff claims related to the Purchased Assets, customer lists, goodwill and other intangible property related to the Business, which is located at the Premises on the Closing Date; but excluding all other assets of Seller and specifically excluding: (i) cash; (ii) any accounting related books and records, whether written or electronically recorded; (iii) causes of action not related to the Purchased Assets; (iv) contingent and unliquidated claims of every nature except those related to the Purchased Assets, including tax refunds, counterclaims, and rights to set off claims; (v) deposits and (vi) any personal property subject to any security interest in favor of a third party other than _____.

3. Payment of Purchase Price.

Buyer shall deliver to Seller by certified or bank check, \$16,500.

4. Assumption of Liabilities.

At Closing Buyer shall assume and agree to pay, discharge or perform as appropriate only the following liabilities and obligations (the "**Assumed Liabilities**"):

- a. All obligations with respect to the Premises arising on or after Closing;
- b. All obligations under customer purchase orders;
- c. All leases of personal property and equipment, and contracts or agreements with vendors providing services to the Business after the Closing Date;
- d. All obligations under the certain Consulting Agreement between [Seller], Inc. and Robert Angus, Sr., dated March ____, 200X; and
- e. All obligations with respect to the factored accounts receivable of [Seller], Inc.

Except for the Assumed Liabilities, Buyer is not assuming, nor shall it in any way be liable or responsible for, any liabilities, obligations or debts of Seller, whether accrued, absolute, contingent or otherwise, arising before or after the Closing.

5. Seller's Auction.

Buyer acknowledges that after execution of this Agreement, Seller shall advertise to the public in such manner as Seller in his sole discretion deems appropriate, that the Purchased Assets are for sale and: (i) will be sold to the highest and best bidder at a publicly advertised auction to be conducted by Seller by publication in the Sunday edition of the Chicago Tribune no later than March ____, 200X. In connection therewith, the Purchased Assets and copies of this Agreement shall be available for examination by other prospective Buyers or interested parties prior to the Auction at such time or times as Seller in his sole discretion deems appropriate. Buyer shall be entitled to submit bids at the Auction in the event that an offer that is higher and better than the Purchase Price is received by Seller.

6. Covenants of Seller.

Seller hereby covenants and agrees with Buyer that:

- a. Until the Closing Seller shall use its best efforts to maintain its current relationships with suppliers, customers and others having business relations with Seller in connection with the Purchased Assets.
- b. Until the Closing, except as may be first approved in writing by Buyer or as is otherwise permitted or contemplated by this Agreement, Seller shall conduct its business and all transactions with respect to the Purchased Assets, only in the usual and ordinary course of business consistent with Seller's past practice.
- c. Until the Closing, Seller shall make no sale of assets other than in the ordinary