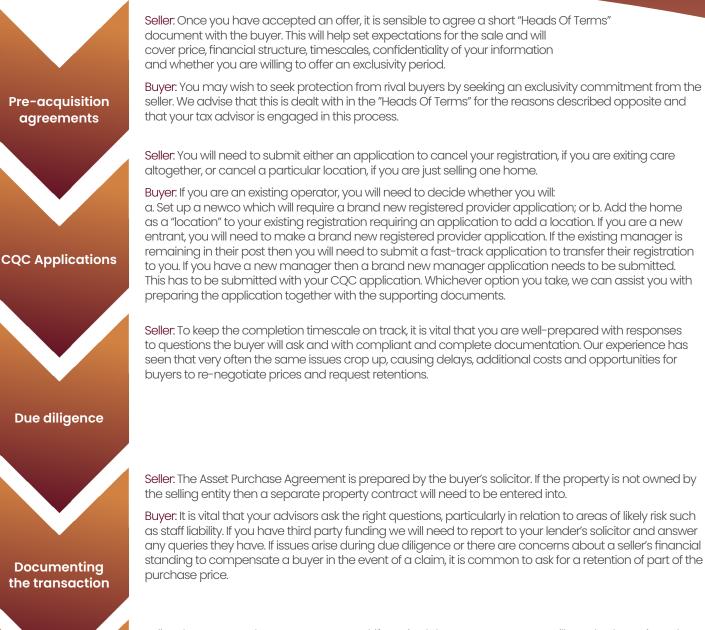
## Sale and purchase process for asset deals in care





Negotiate and agree the share purchase agreement Seller: The Asset Purchase Agreement and, if required, the property contract will need to be reviewed and negotiated. We will help you limit the scope of the warranties you provide and negotiate limitation of your liability.

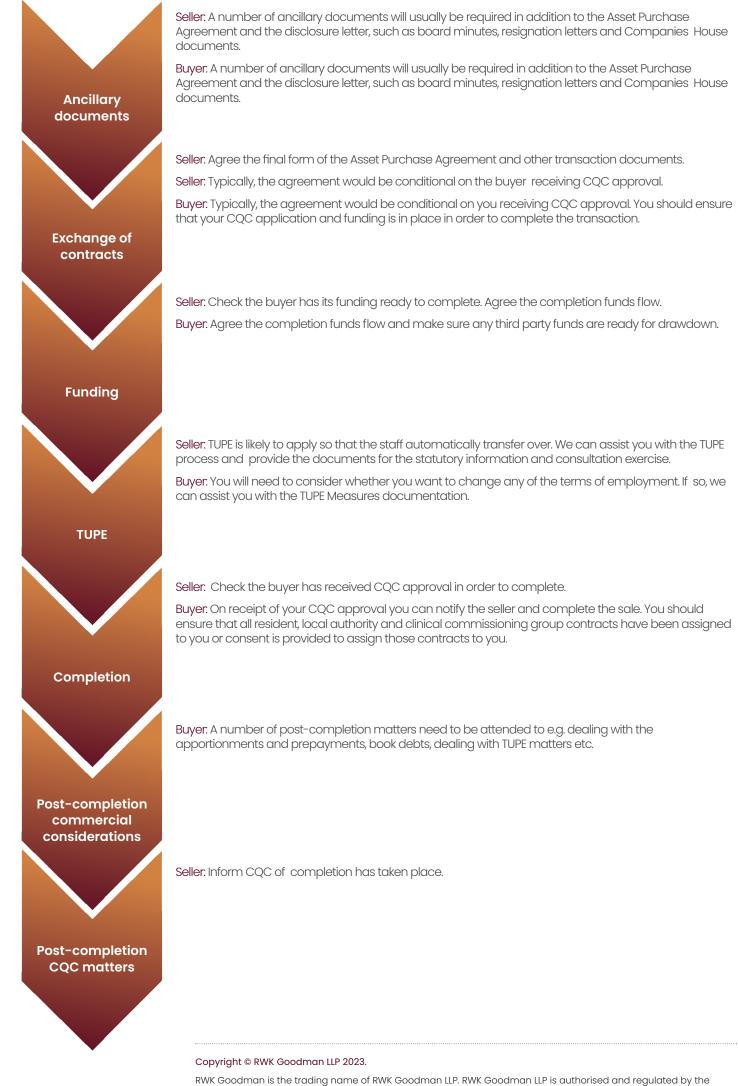
Buyer: The Asset Purchase Agreement is a lengthy document prepared by the buyer's solicitor. It

would include warranties to cover all aspects of the care business. Typically, the agreement would be exchanged with completion, conditional on receiving CQC approval. If the property is not owned by the selling entity then a separate property contract will need to be entered into.

Seller: We need to prepare the disclosure letter. A disclosure letter is prepared by the seller to identify and make known to the buyer any exceptions to the warranties that are given by the seller in the Asset Purchase Agreement.

Buyer: Our job will be to review and negotiate the disclosure letter prepared by the seller. The seller will give certain warranties in the Asset Purchase Agreement to you. The disclosure letter "discloses" information to you where a warranty is untrue or misleading, or where the warranty requests further information or documentation to be provided. You will be deemed to buy the business on the basis that you are aware of the disclosure and will not be able to make a claim if you subsequently suffer loss.

## **Disclosure** letter



Solicitors Regulation Authority - SRA number 557896. Information contained in this communication does not constitute legal advice. All statements of law are applicable to the laws of England and Wales only.