



## Documents Required Selling your Business:

- Section 52 (FORM 2):** Please speak to your accountant / tax agent.

(For the purposes of section 52 of the Estate Agents Act 1980 a small business is a business in which the goodwill, plant, equipment and fittings being sold have a total price of \$350,000 or less).

### OR

- Profit & Loss Statement & Balance Sheet** (for 3 years)

Where the business turnover is more than \$ 350,000 (That includes goodwill, plant, equipment and fittings):

- Copy of Lease and disclosure statement:**

- List of the equipment / chattels:**

- a) List of equipment / chattels fully owned with estimated present value.
- b) List of equipment / chattels on lease / rent / Hire purchase.

- Copy of Business Registrations:**

- Copy of Permits (when applicable):**

- Copy of License & approvals:**

- Copy of Franchise Agreement (when applicable)**



Exclusive Authority to Sale Business

This is a continue authority until the business is sold (i.e. Exclusive Authority Period than General Authority period)

In accordance with Estate Agents Act 1980, Section 49A (1) (b): The Vendor acknowledges being informed by the Agent before signing this authority that the commission to be paid to the agent and any money to be paid in respect of outgoings were subject to negotiation. In accordance with Estate Agents (Professional Conduct) Regulations 2009: The Agent advises the Vendor that the Agent has procedures for resolving complaints and disputes that may arise between them. If a complaint or dispute arises, the Agene will advise the Vendor of the procedures as soon as possible.

The Business Broker (Agent) named in Schedule Item 1 is Exclusively appointed by the Vendor named in Schedule Item 2 as the Vendor’s agent to endeavour to sell the Vendor’s business described in Schedule Item 3. The appointment is made by the Vendor and accepted by the Agent on terms set of the Vendor’s business.

SCHEDULE

Item 1:

Agent: (Business Broker): Haider Nominees Pty Ltd T/As Real Estate @ Australia – A C N 123 727 328
Address: 11 Westwood Drive, Ravenhall, Victoria 3023, Australia
Phone 03-83485786, Email: info@businessbrokersvictoria.com.au Attention: .....

Item 2:

Vendor: (Name):.....Position: Director ...../ Proprietor.....
Company Name: (Vendor’s Company Name): .....
Residential Address:
Phone / Mobile: .....Email: .....

Item 3:

Business / Trading Name (Vendor’s Business Name): .....
Business ABN: .....ACN: .....
Business Address: .....

- The equipment / chattels owned by the vendor: The asking price include equipment / chattels “List attached”
Yes ..... No.....
If the vendor’s business is sold subject to trial period, the Vendor warrants the gross turnover of the business will be not less than \$...... inclusive of GST per week during that period.

Item 4:

Exclusive Authority Period for 180 days, date started on ..... During the exclusive authority period if the business is sold by any means the agent is entitled for the commission.

Item 5:

The continuing General authority period will begin same day when Exclusive Authority Period ends and continue till the Business is sold. During the continuing general authority period the agent is entitled for the commission if he/she sells the business.

Item 6:

Authorized terms for the sale of vendor’s business: Authorized Price\$..... (GST included OR GST Excluded or a Going Concern – please tick) or the price on which vendor and buyer are agreed or the price in a contract of sale of business signed by the Vendor and Purchaser. Plus agreed stock at valuation: present average stock value is \$ .....



**Item 7:**

Commission: \$ .....Plus GST (i.e. Business Sale Price plus stock price = Total Sale Price included stock plus GST)

**OR**

Calculated as percentage % ..... (Plus GST) Dollar Amount \$ .....Plus GST on Total Sale Price that include stock price. (i.e. Business Sale Price plus stock price = Total Sale Price included stock plus GST)

**Item 8:**

Marketing Expense plus GST:.....

Advertising: \$.....Other Expenses \$ .....Total \$.....

**VENDOR'S AUTHORITY TO VENDOR'S SOLICITOR / CONVEYANCER:**

I/We hereby authorize my Solicitor / Conveyancer that on sale of this business on settlement date "please pay Real Estate @ Australia / Business Broker their / his Commission (the Commission plus GST based on total sale price that include stock price) and Marketing Expense as per Item 7 and Item 8 of this authority as a Bank Cheque or Director Deposit in to their following Bank Account.

Bank: Westpac: Title Real Estate @ Australia BSB: 033092 Account No: 258914

**Terms & Conditions: It is agreed that:**

**1. Exclusive Authority Period:**

- 1.1 The Vendor appoints the Agent for the exclusive authority period recorded in Schedule Item 4.
- 1.2 During the period recorded in Schedule Item 4, the vendor grants the Agent the exclusive right to endeavour to sell the vendor's business for the Authorised Price (the price declared at the authority document or contract of sale of business) and upon the terms of sale referred to in Schedule Item 6. The grant of the exclusive right is irrevocable during the period recorded ends at midnight on the day it expires, no notice is necessary.
- 1.3 The exclusive authority period ends at midnight on the day it expires, no notice is necessary.

**2. Continuing Authority Period:**

- 2.1 The continue authority (General Authority) period will start immediately after the exclusive period ends, it is recorded in Schedule item 5.
- 2.2 The vendor appoints the agent to endeavour to sell the Business during the continuing authority (General Authority) period and terms & conditions of this authority continue to apply.
- 2.3 The agent does not have an exclusive right to endeavour to sell the Vendor's business during the continuing authority period. The business broker (Agent) who sells the business will entitle for the commission.

**3. The Business:**

The Vendor's business that the agent will endeavour to sells recorded in Schedule item 3.

**4. Terms of Sale:**

The vendor's Authorised Price is recorded in Schedule item 6.

**5. Commission:**

The Vendor will pay the Agent the commission recorded in Schedule item 7, subject to the terms of this authority.

**6. Sharing of commission:**

- 6.1. If the Agent will be sharing the commission with any other agent (that is not working in the same real estate agency / company or partnership) the details are recorded in the Notice of Commission Sharing annexed to this Authority.
- 6.2. If during the term of appointment the Agent wishes to share the commission with a third party to facilitate the sale of the Vendor's business the Agent may do so, but must first give the vendor written advice of the arrangement. The Vendor will sign any document reasonably required to enable the share of the commission to be paid.

**7. Agent's entitlement to receive commission:**

- 7.1 The Agent is entitled to receive the commission if the Vendor's business is sold for the Authorized Price or the price on which vendor and buyer are agreed or the price in a contract of sale of business signed by the Vendor and Purchaser.
  - 7.1.1 by the Agent or by any other person (including by way of illustration but not limited to the Vendor or another agent) during the exclusive authority period or
  - 7.1.2 to a person introduced to the business by the Agent before the Vendor signed this Authority: or
  - 7.1.3 by the Agent during the continuing authority period (General Authority Period) or
  - 7.1.4 to a person introduced to the business by the Agent within the exclusive authority period and to whom, as a result of the introduction, the business is sold after the expiry of the exclusive authority period.
- 7.2 The Agent will not be entitled to receive commission if the business is sold in accordance with clauses 7.1.2 or 7.1.3 or 7.1.4 and at the date of the sale the Vendor has incurred a liability to pay commission to another agent under the



terms of an exclusive authority signed by the vendor and dated after the expiry of the exclusive authority period recorded in Schedule item 4.

- 7.3 The commission the Agent is entitled to receive is due and payable by the Vendor to the Agent on the date the business is sold in accordance with the terms of this Authority.
- 7.4 The purchaser must pay deposit money into agents trust account i.e. Bank: Westpac: Title Real Estate @ Australia BSB: 033092 Account No: 258914
- 7.5 On Settlement the purchaser pay the residue (balance of payment) and price for the stock amount into Agents trust Account. The purchaser can draw two separate cheques i.e. one cheque being brokerage agrees and marketing fees and second cheque directly two the vendor for residue amount and stock amount. The Agent Real Estate @ Australia can deduct their commission and marketing fees on settlement date and remaining amount can be given to Vendor or Vendor's Solicitor / Conveyancer.
- 7.6 by signing this authority vendor authorized his / her solicitor to pay Agent's commission / broker fees and marketing expense either bank cheque or bank transfer into agent's trust account.

**8. Marketing and other expenses:**

- 8.1 The Vendor authorises the Agent to incur the marketing expenses recorded in Schedule item 8; and
- 8.2 The Vendor will pay the marketing and other expenses to the Agent on the signing of this Authority or otherwise on demand.
- 8.3 The Vendor will pay the marketing and other expenses to the Agent whether or not the Agent sells the business.
- 8.4 When this Authority comes to end, the Agent will provide the Vendor with itemised details of the advertising expenses State and / or Commonwealth taxes expended or payable.

**9. Rebates:**

In accordance with Section 48A of the Estate Agents Act 1980; the Agent to immediately pay to you any rebate they receive in relation to the sale, management or leasing of your property. The agent is not entitled to retain any rebate and must not charge you an amount for any expenses that is more than the cost of those expenses.

- 9.1 The Agent will not be entitled, or is not likely to be entitled to any rebates.
- 9.2 If the agent is entitled to rebate the particulars are recorded in the rebate statement annexed to this authority.

**10. GST and the Authorised Price:**

- 10.1 At the time of signing this Authority the Vendor must accurately inform the Agent whether or not sale of the vendor's business will or may result in the Vendor making a taxable supply in accordance with the Goods and Services Tax Act 1999 ("GST information").
- 10.2 If the Vendor will or may make a taxable supply, the Agent is not obliged to advertise or market the business, until accurately advised whether the vendor's Authorised Price is inclusive or exclusive of Good and Services Tax (GST).
- 10.3 If the Vendor will or may make a taxable supply, in advertising and marketing the business the Agent will indicate whether the vendor's authorised price is inclusive of GST or whether GST is or may be payable by a purchaser in addition to the vendor's authorised price or it is a contract of Going Concern.
- 10.4 The Vendor indemnifies and will continue to hold the Agent fully indemnified for all direct and consequential expense, loss or damage incurred by the Agent as a result of inaccurate GST information being provided to the Agent by the Vendor or by the Vendor's advisers. This indemnity will not merge on this Authority coming to an end but will continue until barred by the Limitation of Actions Act 1958 or discharged by performance.

**11. Signatory personally responsibility**

A natural person signing this Authority on behalf of the Vendor is personally liable for the due performance of the Vendor's obligations under this Authority as if that person was the Vendor.

**12. Guarantee**

If the Vendor is a corporation or an incorporated association, the Agent may require one or more of the Vendor's directors or office bearers to guarantee the Vendor's performance of this Authority in a form of guarantee acceptable to the Agent.

**13. Deposit**

- 13.1 If the Agent receives deposit monies they will be held by the Agent as a stakeholder until the settlement of the sale of the Vendor's business.
- 13.2 The Agent may transfer deposit monies to an Australian Legal Practitioner acting for the Vendor, provided the Practitioner has previously acknowledged to the Agent in writing that the Practitioner will hold the deposit monies as a stakeholder until settlement of the sale of the Vendor's business. The Agent may retain from deposit monies to be so transferred any professional fees / commission payable to the Agent in accordance with the terms of by this Authority.
- 13.3 At the settlement of the sale of the Vendor's business the Agent will pay the deposit monies to the Vendor in the Vendor's own right or as the Vendor may otherwise direct in writing, subject to deduction of professional fees by payable to the Agent in accordance with the terms of this Authority.
- 13.4 If the contract for the sale of the Vendor's business is rescinded by the vendor as a result of the default of the purchaser, the Vendor will be entitled to be paid the deposit monies in the Vendor's own right, subject to deduction of professional fees payable to the Agent in accordance with the terms of this authority.



- 13.5 If the contract for the sale of the Vendor's business is rescinded by the purchaser as a result of the default of the Vendor, the purchaser will be entitled to the immediate refund of the deposit monies.
- 13.6 If there is a dispute about the entitlement of the Vendor to be paid or retain the deposit monies and legal proceedings are issued, the Agent may pay the deposit monies into the court / tribunal pending the determination or other resolution of the proceedings.
- 14. Professional fees may be deducted from deposit**  
The Agent may deduct professional fees / Commission payable in accordance with this Authority and also any State or Commonwealth taxes required by law to deduct, including but limited to GST from deposit monies which the Vendor is entitled.
- 15. No deposit received by the Agent**  
If the business is sold and no deposit is paid or the deposit is received by someone other than the Agent, the professional fees / Commission are due and payable by the Vendor to the Agent on demand together with any state or Commonwealth taxes required by law to be deducted, including but not limited to GST
- 16. Vendor entitled to forfeit deposit**  
The Vendor will take all reasonable measures to recover any part of the deposit that is forfeited but unpaid. From the amount recovered, the Vendor will pay the Agent the professional fees / Commission payable in accordance with this Authority and also any state or Commonwealth taxes required by law to be deducted, including but not limited to GST.
- 17. Vendor's reimbursements to Agent for third party expenses**  
If the Agent makes an acquisition from a third party for or on behalf of the Vendor which entitles the Agent to claim a GST input tax credit, the amount for payment, reimbursement or contribution by the Vendor to the Agent will be the GST exclusive value of the acquisition by the Agent plus the GST payable in respect of that supply, but only if the Agent's recovery from the Vendor is a taxable supply under the Good and Services Tax Act 1999.
- 18. Vendor must supply section 52 or Profit & Loss Statement & Balance Sheet**  
The Vendor will promptly provide the Agent with the statement required by section 52 of the Estate Agents Act 1980, where it is required in connection with the sale of the Vendor's business or Profit & Loss statement & Balance sheet of the vendor's business.
- 19. Vendor must supply ancillary document**  
The vendor will promptly provide the Agent with complete and legible copies of licences, business registrations, permits, leases, assignments and / or renewals of leases, and security documents for chattels, equipment, fixtures and fittings relating to the Vendor's business together with any relevant agreements and documents.
- 20. Agent may sign contract on behalf of Vendor**  
The Agent may sign a contract of sale for the Vendor's business, but only if requested in writing by the Vendor to do so.
- 21. Interest**  
21.1 If the Vendor does not pay to the Agent monies due and payable under this Authority within 7 days of the date on which the monies due and payable, the Vendor will pay the Agent interest at the rate of two per centum per annum higher than that fixed from time to time under Penalty interest Rates Act 1983, section 2, no demand is necessary.  
21.2 The interest will be computed on the monies due and payable to the Agent but unpaid from time and will be calculated beginning on the day after the date on which the monies were due and payable to and including the date on which the monies are paid in full.
- 22. Security for Payment of Professional Fees / Commission**  
The Vendor agrees to charge all of his estate or interest in land and all properties in which the Vendor has a legal interest with the payment of the Agent's overdue and unpaid Professional Fees / Commission payable in accordance with this Authority. The charge will continue until the overdue and unpaid professional fees are paid. If the Agent and / or the Vendor are more than one person, this authority is binding of all of them jointly and individually.
- 23. Making of Complaints**  
Any complaint relating to commission or outgoings can be made to Director, Consumer Affairs Victoria (CAV) GPO Box 123, Melbourne, Victoria 3001 or by telephoning 1300737030. Unless there are exceptional circumstances Consumer Affairs Victoria cannot deal with any dispute concerning commission or outgoings unless it is given notice of the dispute within 28 days of the client receiving an account for, or notice that the Agent has taken the amount in dispute, whichever is later.
- 24. Vendor Acknowledgements**  
24.1 The Vendor is obliged to pay the marketing expenses incurred during the currency of this Authority whether or not a sale takes place.  
24.2 The marketing expenses are payable to the agent upon signing of this Authority.



- 24.3 The vendor is obliged to pay the Agent commission in accordance with the terms of this Authority, if the vendor sells the business / the corporation owning the business during the exclusive authority period.
- 24.4 The Vendor signed this Authority before signing a binding contract for the sale of business / the corporation owning the business.
- 24.5 When signing this authority, the vendor received a copy of this authority for his / her record.
- 24.6 The agent is entitled to lodge a caveat to notify its charge for unpaid and overdue professional fees/ commission.
- 24.7 In case the vendor is default in making payment to agent / business broker for agent's commission, marketing, advertising fees or any expenses incurred by agent; the agent has right to take legal action against the vendor; the vendor indemnify to pay all legal costs, expenses in this regard. The vendor will also pay update penalty interest starts from the date of settlement of business.
- 24.8 Having been advised by the Agent that the Agent has in place procedures for resolving complaints and disputes, before the signing of this Authority.

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**Vendor Signature (s)**

By signing I / We accept above terms and conditions:

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**Agent Signature (s)**

By signing I / We accept above terms and conditions:



**BUSINESS BROKERS VICTORIA**

trusted people in business

**REIV** Accredited  
Business Broker

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**AUTHORITY TO VENDOR'S SOLICITOR / CONVEYANCER BY THE VENDOR ON SETTLEMENT DATE:**

To:  
Solicitor / Conveyancer

I/We hereby authorize my Solicitor / Conveyancer that on sale of this business on settlement date "please pay Real Estate @ Australia / Business Broker their / his Commission (the Commission plus GST based on total sale price that include stock price) and Marketing Expense as per Item 7 and Item 8 of this authority as a Bank Cheque or Director Deposit to their following Bank Account.

Bank: Westpac: Title Real Estate @ Australia BSB: 033092 Account No: 258914

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**Vendor Signature (s)**

By signing I / We accept above terms and conditions:



## **PRIVACY ACT 1988**

Collection and use of personal  
information

As your business broker / estate agent we collect personal information about you (if you are an individual) and with your consent will use it for the following purposes-

- To act for you and perform our obligations under this authority, or carry out other instructions you give to us during the term of this Authority;
- To liaise with your conveyancer, legal practitioner, accountant, financial planner or institution, tradespeople, bodies corporate, government, statutory or municipal bodies or other necessary third parties in connection with performing our obligations under this authority or other instructions you may give to us;
- To advise The Real Estate Institute of Victoria Ltd (REIV) or realestateview.com.au and Real Business / Real Commercial of the details of the sale of your business or property (except your name) for the purpose of enabling either or both of them to collect and / or document details of sales of business and real estate and / or cause to be published in print or electronic form details of sales of business and real estate for the benefit of estate agents, valuers, government departments, statutory or municipal bodies stocktakers, accountants and the general public so there is an informed and transparent real estate market and also for the benefit of REIV members to assist them in providing the best possible service to their clients;
- To enable us to provide estimates of the selling price of real estate / business as required by the Estate Agents Act 1980;
- To enable us to prepare or arrange appraisals and / or valuations of real-estate and businesses;
- To enable us to promote our services and / or seek out potential clients;

Unless you subsequently advise us in writing that we may no longer use your personal information for any or all of these purposes.

We may be required to collect and use your personal information under Commonwealth and Victorian laws relating to the sale of business / real estate, taxation, foreign investment, money laundering and terrorism.

You may contact us between 9:00am and 5:00pm Monday to Friday (public holidays exempted) to gain access to or amend the personal information we hold about you. Our contact details are on the first page of this authority.

The main consequences for you if all or part of your personal information is not provided to us are that we may not be able to act for you and / or perform our obligations under this authority or effectively liaise with persons with whom we will need to have contact to perform our obligations under this authority or otherwise carry out other instructions you give to us. I/We consent to the collection and use of my / our personal information for the above purposes.

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**Vendor Signature (s)**

By signing I / We accept above terms and conditions:

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**Agent Signature (s)**

By signing I / We accept above terms and conditions: