



**BLUEGRASS
BUSINESS
ADVISORS**

ENGAGEMENT AGREEMENT

This is a legal and binding instrument. If not understood, seek legal advice.

This agreement made and entered into this _____ by and between _____ herein after referred to as the SELLER, whose business is: _____ located at _____ and **Bluegrass Business Advisors**, hereinafter referred to as the BROKER.

1. In consideration of the BROKER to list and use its efforts to find a purchaser for the business described above the SELLER hereby gives to the BROKER an Exclusive Right of Sale and presentment of the above described business at the following price and terms or at any other price and terms acceptable to the SELLER:

PRICE: \$ _____

TERMS: Negotiable

EFFECTIVE DATE: _____ EXPIRATION DATE: _____

The SELLER agrees to pay to the BROKER a commission of **10%** of the gross sales price to be paid in full at closing from the closing proceeds. For the purpose of this agreement the term gross sales all sums to be paid to the SELLER plus assumed indebtedness, as a result of the sale. Should the transaction be structured as a transfer of the stock of an incorporated SELLER, commission shall be calculated as if the sale were a sale of assets.

In addition, should the transaction include the sale or lease of SELLER's real property, SELLER agrees to pay to the Broker a commission of **6%** of the sale price or full contract base rent for the term of the lease.

A minimum commission of **\$20,000** shall apply to any transaction.

2. Should the SELLER convey or lease the business or business premises to a prospect presented during the term of this agreement by the BROKER or a co-operating broker, within one year subsequent to the termination of this agreement or should the BROKER present a ready, willing and able buyer to the SELLER under the terms of this agreement or any other terms whether different than the terms hereof, which are subsequently accepted by the SELLER, the BROKER shall be entitled to the full commission. Closing shall not be a prerequisite to the entitlement to commission.

3. The SELLER warrants that all information supplied to the BROKER contained herein to be true and accurate and that no information that would adversely affect the sale of this business has been omitted and to indemnify the BROKER against any legal action which may result against the BROKER due to the SELLER's misrepresentation or omissions. If the BROKER secures a buyer ready, willing and able to buy and a sale is lost as a result of the misrepresentation or omission of the SELLER, the SELLER agrees to pay the full stated brokerage commission notwithstanding the fact that a sale was not consummated.

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4. The SELLER warrants that the business is in compliance with all the federal, state and local regulations and licensing requirements for the operation of the business.
5. As agent for the SELLER, BROKER or any co-operating Broker or other authorized escrow agent is authorized to accept, receipt for, and hold all monies paid or deposited as a binder thereon in accordance with the laws of Kentucky.
6. The SELLER understands that this agreement does not guarantee the sale of the business but does guarantee' that the BROKER will make an earnest effort to sell the same.
7. The SELLER agrees to provide the BROKER with copies of all financial statements, balance sheets, leases, equipment lists, notes and all other pertinent documents relating to the sale of the business.
8. The SELLER agrees to notify and refer to the BROKER all buyers and other Brokers expressing interest in the SELLER's business.
9. The SELLER agrees that in the event of voluntary or involuntary dissolution of or closing or other event which renders the business unable to sell during the term of this agreement or should the SELLER default with any obligation or fail to perform in terms hereof, the SELLER shall reimburse BROKER for all damages caused thereby, including reasonable attorney's fees in all courts, trials and appeals.
10. The terms SELLER and Buyer shall include singular or plural as the case may be and shall apply to individuals, partnerships, associations and other legal entities.

Dated: _____

SELLER: _____

BROKER: Bluegrass Business Advisors

SELLER: _____

By: _____

SELLER: _____

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