

Selling a business is a very confidential process. Sellers do not want their employees, customers, vendors or competitors to know that their business is for sale. They also want information about potential buyers before we share their confidential information with them. Accordingly, before I am authorized to disclose details about the business, I must have you complete the attached forms (if married, please have your spouse sign and initial also):

- The **Disclaimer** at the bottom of this page
- **Buyer's Non-Disclosure, Confidentiality, and Non-Circumvention Agreement**
- **Confidential Buyer Profile**
- **Agency Discloser and Agreement (Sign page one, initial page two)**

Once you have completed and signed all five pages, please scan and email or fax them to my attention at 866.591.9665. If you do not have access to a fax machine, our mailing address is 4181 Flat Rock Drive, Suite 308, Riverside, CA, 92505.

Upon receipt of the above four noted documents, I can disclose to you additional information regarding the business that should answer many of your questions, including the revenue and earnings history reported by the owner.

If you have any questions, please call me at 951.678.5671. I will not be able to provide you with additional information about the business until I receive all four forms back from you.

I look forward to talking with you soon.

Sincerely,



D. Joe Atchison, CBI, CBB, CMMBI, MBA
 Business Broker, BRE #01438544

Disclaimer: Any and all information provided you about any business that you inquire about will be that which is furnished by Seller(s). Broker does not confirm, verify or audit any information provided by the Seller(s), and Broker makes no representation as to its accuracy or reliability. Buyer(s) understands that due diligence efforts are totally the responsibility of the Buyer(s). Broker urges Buyer(s) to engage the services of legal, tax, environmental, accounting, marketing and other advisors that you deem necessary to advise you in your due diligence responsibilities.

I (WE) HAVE READ, UNDERSTAND, AND ACCEPT THE ABOVE DISCLAIMER:

Buyer(s) Signature(s): _____ Date _____
 _____ Date _____
 _____ Date _____



BUYER'S NON-DISCLOSURE, CONFIDENTIALITY, AND NON-CIRCUMVENTION AGREEMENT ("Agreement")

The undersigned prospective purchaser ("Buyer") acknowledges being first introduced to the business and/or real estate identified herein, and any other businesses listed by Sunbelt Business Sales ("Broker") and requests information relating to any and all such business and/or real estate opportunities ("Business" or "Real Estate").

Listing NAME/TITLE _____, and any other listing by Broker.

PLEASE NOTE THE LISTING DESCRIPTION, NOT THE WEBSITE LISTING NUMBER

Such information shall be provided to the undersigned for the sole purpose of entering into discussions with seller ("Seller") of said Business for the possible purchase by the undersigned of the assets of the Business and/or Real Estate of the Seller. This Agreement also applies to the exercise of any and all subsequent purchase options and lease renewals on the Business or any Real Estate owned by seller. The term "Buyer" applies to the undersigned and any partnerships, corporations, individuals, or other entities with which the undersigned is affiliated.

THE UNDERSIGNED AGREES AS FOLLOWS:

1. NON-DISCLOSURE OF INFORMATION: The undersigned acknowledges that Seller desires to maintain the confidentiality of the information disclosed. The undersigned agrees with Broker not to disclose or permit access to any Confidential Information without the prior written consent of Seller, to anyone other than Buyer's employees, legal counsel, accountants, lenders or other agents or advisors to whom disclosure or access is necessary for Buyer to evaluate the Business. Disclosure of Confidential Information shall be made to these parties only in connection with the potential acquisition of the Business, and then only if these parties understand and agree to maintain the confidentiality of such Confidential Information. The undersigned shall be responsible for any breach of this Agreement by these parties, and neither Buyer nor these parties shall use or permit the use of Confidential Information in any manner whatsoever, except as may be required for Buyer to evaluate the Business, secure a loan or as may be required by legal process. If the Buyer does not purchase the Business, Buyer, at the close of negotiations, will destroy or return to Broker (at Broker's option) all information provided to Buyer and will not retain any copy, reproduction, or record thereof.

2. DEFINITION OF CONFIDENTIAL INFORMATION: The term "Confidential Information" shall mean all information including the fact that the Business is for sale, all financial, production, marketing and pricing information, business methods, business manuals, manufacturing procedures, correspondence, processes, data, contracts, customer names, employee names and any other information whether written, oral or otherwise made known to Buyer: (a) from any inspection, examination, or other review of the books, records, assets, liabilities, processes, or production methods of Seller, (b) from communications with Seller or its directors, officers, employees, agents, suppliers, customers or representatives; (c) during visits to Seller's premises, or (d) through disclosure or discovery in any other manner. However, Confidential Information does not include any information which is readily available and known to the public.

3. DISCLAIMER OF BROKER'S LIABILITY AND BUYER'S RESPONSIBILITY: When business brokers take a business to market they receive information about the business from the Seller, usually including but not limited to tax returns, financial statements, equipment lists and facility leases. Based on information provided by the Seller, brokers often prepare a description of the business, adjusted or pro-forma financial statements and a calculation of Seller's discretionary earnings. Buyer understands that the Broker does not audit, verify or confirm any information given to Broker or make any warranty or representation as to its accuracy or completeness, nor in any way guarantees future business performance. Buyer is solely responsible to examine and investigate the business, its assets, liabilities, financial statements, tax returns, environmental and any other facts or issues which might influence Buyer's decision to purchase or the price Buyer is willing to pay. Any decision by Buyer to purchase the Business shall be based solely on Buyer's own investigation and that of legal, tax, environmental and other advisors whose counsel Buyer may chose to seek. Broker urges Buyer to obtain independent legal, tax, environmental and other professional advisors to assure a thorough investigation of the Business.

4. NON-CIRCUMVENTION AGREEMENT: The Seller has entered into an agreement providing that Seller shall pay a fee ("Broker's Fee") to the listing Broker if during the term of that agreement, and for a period of twenty-four (24) months after the agreement expires, the Business is transferred to a Buyer introduced by listing Broker or a cooperating broker. Buyer shall conduct all inquiries into and discussions about the Business solely through Broker and shall not directly contact the Seller or the Seller's representatives. Should Buyer purchase all or part of the stock or assets of Business or Real Estate, acquire any interest in, or become affiliated in any capacity with Business or Seller's Real Estate without Broker's participation, or in any way interferes with Brokers right to a fee, Buyer shall be liable to listing Broker for such Broker's Fees and any other damages including reasonable attorney fees, court costs, expert witness fees and other expenses related to such attempt to recover, including such fees, costs and expenses on appeal. Furthermore, Broker's Fee shall, from the date such fees were due, bear interest at the lesser of one and one-half percent (1-1/2%) per month, or the maximum rate allowed for the forbearance of money under California and Federal Law on the date of such default. Such interest shall be compounded monthly. Buyer agrees that all assets of the business or proceeds of the sale will be security for Broker's Fee. Buyer grants Broker a security interest in the assets of the Business.

5. FURTHER TERMS: Neither Buyer nor Buyer's agents will contact Seller's employees, customers, landlords or suppliers without Seller's written consent. For a period of twenty-four (24) months from the date of this Agreement, Buyer shall not directly or indirectly solicit for employment any employees of Seller, nor solicit or accept business with Seller's customers or vendors. Broker acts as an agent for the Seller but may, with written notice to, and signed by the Seller and Buyer, act as a dual agent representing both Seller and Buyer. Seller is specifically intended to be beneficiary of the duties and obligations of this Agreement and may prosecute any action at law or in equity necessary to enforce its terms and conditions as though a party hereto. Seller may assign this Agreement to any new ownership of the Business. This Agreement can only be modified in writing, signed by both Broker and Buyer. Waiver of any breach of this Agreement shall not be a waiver of any subsequent breach. If a dispute arises out of, or related to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties shall promptly make a good faith attempt to settle the dispute by mediation with a mediator that shall be selected from the list of mediators provided by the Riverside County Bar Association's ("RCBA") Dispute Resolution Service under their Mediation Rules (See www.riversidecountybar.com). If one or both of the parties disagree with the mediator's decision, then **both parties hereby agree to binding arbitration** under the guidance of the RCBA following their Arbitration Rules. If either party does not cooperate with the requesting party by promptly (within 10 days of the service of a written demand by the other party) agreeing to mediation followed, if necessary, by binding arbitration, the initiating party may file a law suit. If a party agrees to mediation but does not cooperate by scheduling the mediation within a reasonable period of time, the other party may file a law suit. If the requested party cooperates with the requesting party for mediation and binding arbitration then both parties are precluded from filing a lawsuit. If mediation and arbitration or a law suit is initiated, the prevailing party in such action shall be entitled to recover from the non-prevailing party or parties all expenses related to such action, including reasonable attorney's fees, expert fees and costs and other expenses relating to such attempt to recover, including such fees, costs and expenses on appeal. If Buyer is a corporation, partnership, or other such legal entity, the undersigned executes this Agreement on behalf of Buyer and warrants that he/she is duly authorized to do so. Furthermore, in the event that any Broker's Fee due Broker is not promptly paid to Broker, they shall, from the date of such default, bear interest at the lesser of one a one-half-percent (1-1/2%) interest per month, or the maximum rate allowed for the forbearance of money under California and federal law on the date of such default. Such interest shall be compounded monthly.

6. Choice of Law & Jurisdiction: The Agreement shall be construed under and governed by the laws of the Sate of California and the venue shall be the County of Riverside regardless of where the business is located or where the Buyer is based.

7. Invalid Provision(s): If any provision or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SIGNATURES INDICATE THAT BUYER HAS READ, UNDERSTOOD AND AGREES WITH ALL OF THE ABOVE NOTED TERMS.

Signature(s)	Date	Name(s) (Please Print)	
E-Mail Address		Cell Phone	Fax Number
Home Address		Home Phone	Business Phone
City, State, ZiP		D. Joe Atchison, CBI, CMMBI, CBB Business Broker, BRE #01438544	



CONFIDENTIAL BUYER PROFILE

Seller has requested that you provide the following information prior to releasing to you any information about their business

1. Are you currently employed? _____ If so, in what industry and what position? _____
2. Note any experience you have related to the business you are inquiring about (send resume, if available): _____
3. All types of businesses that you have owned or operated: _____

4. Please circle each business category and sub category that interests you and note the specific type:

Advertising _____	Financial Services _____	Mail Box Services _____	Retail _____
Auto Repair _____	Florist _____	Maintenance _____	Signs _____
Business Services _____	Gas Station/C Store _____	Manufacturing _____	Tanning _____
Child Care/Pre-school _____	Health & Beauty _____	Motels/Hotels _____	Travel _____
Computer/IT Technology _____	Home Improvement _____	Pet Care _____	Tutoring/Educational _____
Decorating _____	Car Wash/Coin Op _____	Professional Practices: Medical, Insurance, Tax & _____	Absentee Ownership _____
Distribution _____	Home Inspection _____	Photographic Services _____	Franchises: New or Existing? _____
Dry Cleaning/Laundry _____	Ice Cream _____	Printing/Copying _____	Home Based Businesses _____
Eldercare _____	Internet Based Business _____	Repair & Restoration _____	Other _____
Employment/Personnel _____	Lubrication/Oil Service _____	Restaurants _____	_____
Food: Fast/Quick/Casual _____	Personal Services _____		_____

5. Do you plan to operate business Absentee or Owner/Operated (Please Circle One)?
6. What is your current or most recent annual income? _____
7. What is the MINIMUM monthly income amount you need to get by during the first year of owning your own business? _____
8. Do you have the flexibility to go without income for a year while building your business? _____
9. How much cash (purchase price & working capital) do you have to invest in a business (don't say "it depends"), and are prepared to substantiate at the time of making an offer? \$ _____
10. What are your sources of funds for a business purchase?
Cash \$ _____ **Stocks \$** _____ **Loans \$** _____ **Equity \$** _____ **401(K)/IRA \$** _____
11. What is the equity in any real estate you own? _____ Will you be borrowing money from friends/family? _____
12. What is your net worth (all assets owned less any debt you owe)? _____
13. Have you ever filed bankruptcy? _____ Had a foreclosure? _____ Had an unpaid civil judgment against you? _____
14. Is there any reason you might be declined a loan for a business acquisition? _____
15. Does your spouse work? _____ Spouse's Income? _____ Industry and position? _____
16. Special Interests, Education, Hobbies? _____
17. How far from your home are you willing to drive one way to a business you buy? _____
18. What is your time frame to purchase a business (Please Circle One)? **ASAP** **1-3 Months** **4-6 Months** **No Hurry**
19. If inquiring about a CA business but do not live in CA, what are your relocation plans and timeframe? _____
20. How long have you been looking for a business? _____
21. What businesses have you looked at and why didn't you buy them? _____

I certify that the above information is true and correct and understand that Seller may rely on my answers in providing information about their business to me and/or entering into a contract with me.

Printed Name _____ Signature(s) _____ Date _____ E-mail _____

Address _____ City _____ State _____ Zip Code _____

Mobile _____ Home _____ Work _____ Fax _____

Please Circle Preferred Telephone Contact Number



Agency Disclosure and Agreement

Sign below and initial page 2

WEBSITE LISTING DESCRIPTION: _____ **BROKER:** D. Joe Atchison

Agency and Dual Agency: On page 2 of this form is printed a portion of California Civil Code section 2079.16, which requires disclosure of some concepts and definitions concerning the relationship between a principal and an agent in the sale of certain residential real estate. While the listing and sale of a business is not a transaction requiring the use of the form prescribed by that Code section, the information provided is completely applicable to the business sale context as well, and you are requested to read it carefully and acknowledge that you have been advised of its contents.

When a broker lists a business for sale, the broker becomes an “agent” representing the seller. The same broker also often works with prospective buyers, and by the nature of that relationship, becomes a buyer’s agent as well; this is called “dual agency.” Although a buyer and seller are sometimes represented by different agents of the same brokerage firm, this is also a dual agency, because the broker who employs each of the agents is really the agent for both parties.

Full Disclosure: Under California law, the buyer and the seller of a business are each required to fully and fairly disclose to the other, any and all information which is known to that party, or reasonably should be known, and which may or will be “material” to the other party’s decision to enter into the transaction. An agent must fully disclose all relevant information known to the agent to the party or parties that the agent represents. An agent, whether acting only for one party, or as a dual agent, must make the same such disclosures to the other party, or to the other party’s agent, and cannot withhold any material information which such agent may know, or in the exercise of reasonable diligence, should discover.

Price and Valuation: There is an exception to the rule that a dual agent must disclose all information in his or her possession. In representing both seller and buyer, the agent shall not, without the express permission of the respective party, disclose to the other party that the seller will accept a price less than the asking price or that the buyer will pay a price greater than the price offered, even though there otherwise might be a duty to do so. Likewise, a broker acting as a dual agent will not disclose valuations or appraisals prepared by the broker for the seller (but must disclose any comparable sales figures which may have been a major factor in such evaluation), nor the contents of any previous negotiations, contracts or offers between either the buyer or seller and any other parties. This is the only way negotiations can be conducted when the broker represents both the buyer and the seller.

Acknowledgment of Disclosure and Agreement to Dual Agency: Each party, by signing below, acknowledges and agrees that:

1. The party has carefully read and fully understands the matters discussed above, as well as the language of the statute quoted on page 2 of this form, and has had the opportunity to ask questions and/or to seek the advice of legal counsel prior to signing below.
2. The Seller consents and agrees that the Broker representing said party may, in his discretion, act as an agent for any Buyer or prospective Buyer as well as for the Seller, as explained above and on page 2 hereof, and agrees to the conditions stated above.
3. The Buyer consents and agrees that the Broker representing the Seller will continue to do so even though said Broker will also represent the Buyer as a dual agent, understands all of the information stated above and on page 2 hereof and consents to such dual agency.

THIS FORM MAY BE SIGNED IN COUNTERPARTS. NOT ALL SIGNATURES ARE REQUIRED TO APPEAR ON THE SAME COPY. FACSIMILE SIGNATURES ARE ACCEPTABLE AND BINDING.

BUYER(S)/SELLER(S)

BUYER(S)/SELLER(S)

Signature

Date

Signature

Date

Name (print)

Name (print)

Signature

Date

Signature

Date

Name (print)

Name (print)

Agency Disclosure and Agreement

Page 2 of 2

SELLER'S AGENT: When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

BUYER'S AGENT: An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER: A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

(a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Seller or the Buyer.

(b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Website Listing Description _____

_____ initials

_____ initials

_____ initials

_____ initials