



Confidentiality Agreement

The undersigned prospective purchaser (“Buyer”) hereby requests confidential information, currently and from this time forward, on businesses represented by Sunbelt Business Advisors (“Sunbelt”). Buyer hereby acknowledges that Sunbelt first provided such information to the Buyer. In consideration of Sunbelt having provided such information, the Buyer hereby agrees:

1. Any information Sunbelt provides about a business was obtained from the business owner, and Sunbelt makes no representations or warranties as to its accuracy or completeness. Buyer is solely responsible for investigating all aspects of the business and obtaining any legal, tax or other counsel Buyer deems necessary, prior to purchasing the business.
2. Any information Buyer is given about a business, including its availability for acquisition, shall be treated as confidential and proprietary. Buyer shall not disclose, without prior written permission, any such information to any third party except Buyer’s representatives/affiliates engaged in evaluating the information, and shall obtain the agreement of such third parties to maintain confidentiality. If Buyer decides not to purchase the business, Buyer shall promptly notify Sunbelt of this fact and shall promptly return all documentation without retaining copies, summaries, analyses or extracts. Any unauthorized disclosure shall constitute a material breach of Buyer’s duty to the Seller and Sunbelt and could result in their seeking recourse against the Buyer. Buyer shall indemnify, defend and hold Sunbelt harmless from any liability resulting from such unauthorized disclosure.
3. The Seller of each business about which a Buyer shall be given information by Sunbelt has entered into an agreement providing that Seller shall pay a fee to Sunbelt if, during the term of that agreement or within twenty four months thereafter, the business is transferred to a Buyer introduced by Sunbelt. Should Buyer, Buyer Family Member or anyone with whom Buyer is connected acquire any interest in or become affiliated in any capacity with such a business, Buyer shall protect Sunbelt’s right to a fee from the Seller.
4. Buyer shall conduct all inquiries into and discussion with any business about which Sunbelt provides information solely through Sunbelt, and shall not directly contact the owner, employees or other representatives of the business except by prior written permission from Sunbelt.
5. If Buyer breaches the terms of this Agreement or in any way interferes with Sunbelt’s right to a fee, Buyer shall be liable for such fee and any other damages, including reasonable attorney’s fees. All parties to the Agreement shall mediate any dispute or claim between them arising out of this Agreement or any resulting relationship or transaction between such parties. The mediation shall be held prior to any court action or arbitration. The mediation shall be confidential and in accordance with applicable sections of the California Evidence Code. In the event the parties are not able to agree on a mediator within thirty (30) days of the first party seeking mediation, the presiding judge of the Superior Court of the county in which venue would lie for the filing of a complaint for relief in such dispute shall have jurisdiction to appoint a mediator. In the event the mediator determines that a second mediation is necessary, it shall be conducted in accordance with this paragraph. Should any party attempt an arbitration or a court action before attempting to mediate, that party or parties shall not be entitled to attorney’s fees that might be otherwise available to them in a court action or arbitration and the party who is determined by the arbitrator or judge to have resisted mediation may be sanctioned by the arbitrator or judge. Mediation fees, if any, shall be divided equally by the parties to the dispute.
6. Sunbelt may act as a dual agent representing both Buyer and Seller. 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 both the Seller and the Buyer, b) diligent exercise of reasonable skill and care in performance of the agent’s duties, c) a duty of honest and fair dealing and good faith, d) a duty to disclose all facts known to the agent materially affecting the value or desirability of the business that are not known to, or within the diligent attention and observation of, the parties and e) a duty to disclose all facts known to the agent materially affecting the desirability of the Buyer – financial history, creditworthiness and background of the Buyer that are not known to, or within the diligent attention and observation of, the parties.
7. Buyer Acknowledges receiving a copy of this Agreement.
8. The undersigned executes this Agreement on behalf of Buyer and warrants that he/she is duly authorized to do so.

 Name (print)

 Date

 Signature

 Business Telephone

 Residence Street Address

 Fax Number for Sending Confidential Info

 Residence City, State and Zip

 Email Address for Sending Confidential Info

 Residence Telephone

 Contacting Instructions

 Cell Telephone

Jerry Li

 Sunbelt’s Agent



Jerry Li

Sunbelt Business Advisors

BizSellBrokers Orange County

Brok
er

Phone: (714) 224-7300 Fax: (714) 415-5548

Listing Name/#: _____

WE PROVIDE EACH SELLER THE FOLLOWING CONFIDENTIAL FACTS ABOUT YOUR FIRM PRIOR TO RELEASING ANY INFORMATION ABOUT THEIR BUSINESS.

BACKGROUND INFORMATION:

- What type of business is your Firm:
 - Private
 - Public, stock symbol _____
 Is it a:
 - C Corporation
 - S Corporation
 - Limited Liability Corporation
- In what industry is the Firm presently active? _____
- Please give a brief description of the Firm's present business:

- Please list the following officers of the Firm:

Chairman _____ CEO/President _____

COO _____ CFO _____
- Do you have a web site? _____ If so what is the address? _____
- What are the Firm's current annual sales? _____
- Why is the Firm looking to buy a business? _____
- What amount does the Firm have for a down payment? _____
- What are the Firm's down payment ability and the source of those funds that will be **substantiated** at the time of making an offer? _____
- Firm equity [all assets minus all liabilities] exceeds \$100,000 _____ \$500,000 _____ \$1,000,000 _____ \$5,000,000 _____
- Has firm ever filed bankruptcy? _____ Had a foreclosure? _____ Had a judgment filed against it? _____
- Is there any reason the Firm might be declined a loan for a business acquisition? _____
- Will anyone outside of the Firm's officers advise in the review of business records and the decision to purchase a business? _____ If so, who? _____
- What is the Firm's timeframe to purchase? Immediate No hurry
- Will the Firm supply management for an acquisition? _____ Or, does it want management in place? _____
- What are the Firm's geographic limitations? _____

Signature

Date

Printed Name

Title

I certify that the above information is true and correct; that I represent and warrant that I have the authority to sign this profile on behalf of said entity and its owners; and acknowledge receipt of a copy of this profile



Sunbelt Business Advisors

BizSellBrokers Orange County

Phone: (714) 224-7300

Fax: (714) 415-5548

Listing Name/Number: _____

Disclosure Regarding Agency Relationship for Jerry Li

When you enter into a discussion regarding a business opportunity transaction, you should from the outset understand what type of agency relationship or representation you have with a Business Broker.

AGENT REPRESENTING BOTH SELLER AND BUYER

A Business Broker, a California licensed Real Estate Salesperson or Real Estate Broker, can legally be the agent of both the Seller and the Buyer in a transaction (dual agency) and is hereby notifying you that this is the situation in most of his/her transactions.

In a dual agency situation, the Business Broker 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 both the Seller and the Buyer.
- (b) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (c) A duty of honest and fair dealing and good faith.
- (d) A duty to disclose all facts known to the agent materially affecting the value or desirability of the business that are not known to, or within the diligent attention and observation of, the parties.
- (e) A duty to disclose all facts known to the agent materially affecting the desirability of the Buyer - financial history, creditworthiness and background of the Buyer that are not known to, or within the diligent attention and observation of, the parties.

A Business Broker 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.

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 asking price or that the Buyer will pay a price greater than the price offered.

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

Throughout your business opportunity transaction you may receive more than one disclosure form, depending upon the number of Business Brokers assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.

BUYER/SELLER _____ Date _____

BUYER/SELLER _____ Date _____

BUSINESS BROKER Jerry Li _____ Date _____