

BUYER'S DISCLOSURE STATEMENT

Business _____ Broker _____

Buyer _____ Broker's Agent _____

This series of questions and answers is to inform the Seller about potential buyers of the Business. It is supplied to help the Seller determine their qualifications to buy and operate the Business, but does not take the place of the Seller's investigation of the Buyer's qualifications to buy and operate the Business. This should be determined by the Seller. The Broker has not verified the accuracy or completeness of any of the information supplied here by the Buyer.

- | | YES | NO |
|---|-----------------------|-----------------------|
| 1. Have you been the subject of any bankruptcy filing, assignment for benefit of creditors or insolvency proceedings of any kind during the last five years, or consulted with an attorney or advisor regarding such proceedings? | ☐ | ☐ |
| 2. Have you been late or defaulted on a business loan, premises lease or equipment lease? | ☐ | ☐ |
| 3. Is there anything about your personal, business operating or credit history that, if disclosed to the Seller, might adversely affect the Seller's decision to sell the Business to you? | ☐ | ☐ |
| 4. Are there any representations you have made to the Seller regarding your financial statement, experience or education that are not true? | ☐ | ☐ |
| 5. Is there any reason you would not be able to investigate the suitability and performance of this Business yourself? If yes, please name the advisor(s) you will be using to assist you. | ☐ | ☐ |
| 6. If the Business is a gasoline station, dry cleaner, auto repair or body shop, manufacturing or other business which utilizes or may have utilized any hazardous materials, such as solvents, fuels, petroleum products or any potential contaminants, will you decline to have Phase I testing professionally done prior to finalizing your purchase, or to obtain a professional evaluation of environmental hazards which may exist in connection with the Business? | ☐ | ☐ |
| 7. Is there any reason that you will not have sufficient operating capital for this Business after paying the down payment and closing costs? | ☐ | ☐ |
| 8. Is there any reason why you might be denied any of the necessary licenses or permits to operate this Business? | ☐ | ☐ |
| 9. Have you ever been convicted of a felony? | ☐ | ☐ |
| 10. Is there any person or entity other than you who will have an equity interest in the Business? | ☐ | ☐ |
| 11. Will you have to borrow or obtain from other sources any of the funds you will need to purchase or operate the business? If yes, how much? \$ _____ | ☐ | ☐ |
| 12. Are there any other facts or conditions not disclosed above that might adversely affect your ability to operate this Business or prevent you from fulfilling the terms of your purchase agreement? | ☐ | ☐ |

**IF YOU HAVE ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS,
PLEASE GIVE A COMPLETE EXPLANATION ON THE ADDENDUM**

**BUYER WARRANTS THAT THE ABOVE INFORMATION IS TRUE AND CORRECT AND ACKNOWLEDGES
RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT.**

Name

Signature

Date

Name

Signature

Date

Corporation, LLC or other Entity

by: _____

Signature and Title

Date

**SELLER ACKNOWLEDGES HAVING REVIEWED THE INFORMATION RELATING TO THE BUYER CONTAINED
IN THIS DISCLOSURE STATEMENT AND HAVING RECEIVED A COPY.**

Seller

Date

Signature

Date

☐ SELLERS ☐ BUYERS

Broker

Broker's Agent _____

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

THE UNDERSIGNED ☐ SELLER ☐ BUYER CERTIFIES THAT THE ABOVE INFORMATION IS TRUE AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT.

Signature _____ Date _____

Signature _____ Date _____