

## **Restraint of Trade Deed #1**

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Sale of Business

Date:

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**THIS DEED** dated

2020

**PARTIES:**

[NAME] (ACN/ABN [For tax reasons, normally an ABN will be required. However if a company has no ABN, the ACN may be used in certain circumstances. See sections 153 and 1344 of the Corporations Act.]) of [ADDRESS] (abbreviation)

OF THE FIRST PART  
**AND**

[NAME] (ACN/ABN [For tax reasons, normally an ABN will be required. However if a company has no ABN, the ACN may be used in certain circumstances. See sections 153 and 1344 of the Corporations Act.]) of [ADDRESS] (abbreviation)

OF THE SECOND PART

**Recitals**

- A. The Buyer has contracted with the Seller to buy the assets of the Seller's business including the Goodwill.
- B. The Buyer and the Seller have agreed to enter into this deed as a condition of the sale of business.

**Terms**

**1 RESTRAINT OF TRADE**

**1.1 Restraint**

In consideration of THE BUYER entering into this Agreement and to reasonably protect the Goodwill, the Seller and the

Key Persons jointly and each of them severally agrees with THE BUYER that:

- (a) this Deed has effect as if it consisted of several separate covenants and restraints consisting of each



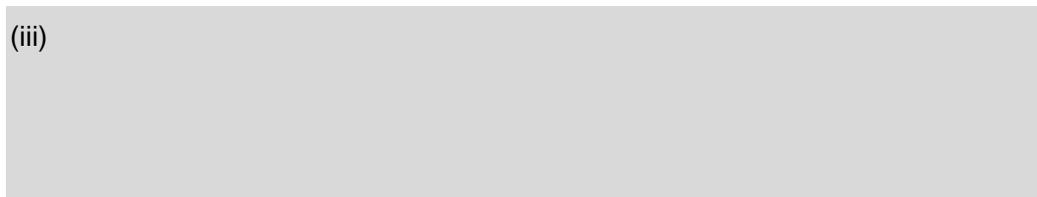
- (b) without the prior written consent of THE BUYER, the Seller and the Key Persons:

- (i) [ NAME ]

- (ii) [ NAME ]

and each of them jointly and severally will not, whether directly or indirectly and whether solely or jointly with or as an officeholder, partner, associate, agent, shareholder, unitholder, corporation, employee, manager, contractor, consultant or in any capacity whatever for the period and within the area specified in this clause:

- (iii)



- (iv) induce or solicit any employee or agent of THE BUYER to leave the employment or agency of THE BUYER;

- (v) approach or accept any approach from any customer who has been a customer of the

Business within two years immediately preceding the Completion Date with the view to soliciting the business of that customer; and

(vi)

(c) the periods of time referred to above are:

- (i) during the period of two years from the Completion Date;
- (ii) during the period of three years from the Completion Date;

(iii)

(iv)

(v)

(d)

(i)

(ii)

- (iii) within a radius of 30 kms from the Premises;
- (iv) within a radius of 20 kms from the Premises;
- (v) within a radius of 10 kms from the Premises;
- (vi) with a radius of 5 kms from the Premises; and
- (vii) within a radius of 1 km from the Premises.

## 1.2 Damage to Business

The parties agree that any combination of the acts referred to

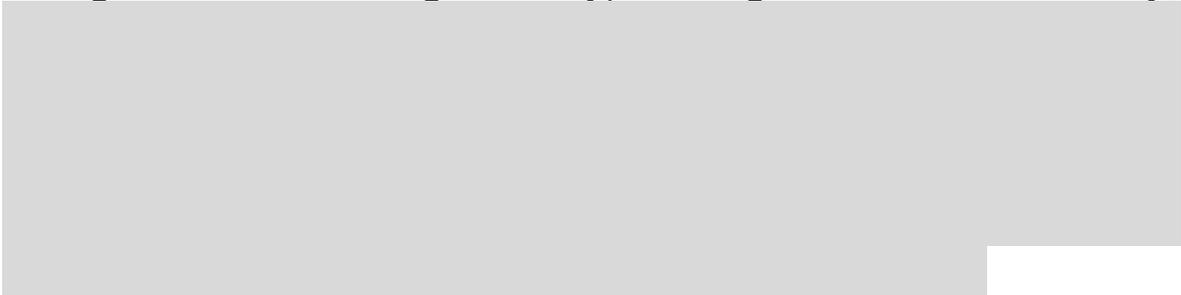
### **1.3 Restraint reasonable**

The parties agree that each separate covenant and restraint



### **1.4 Interpretation**

The parties agree that each and all of the words “directly or indirectly interested or engaged in or concerned with” be given the widest possible interpretation and include (without derogation from their generality) management without salary,



## **2 GENERAL PROVISIONS**

### **2.1 Counterparts**

- (a) This Deed may be executed in any number of counterparts.
- (b) Each counterpart will be an original and all counterparts together will constitute one and the same instrument.
- (c) The date of the Deed will be the date on which it is executed by the last party.

### **2.2 Further assurance**

Each party will from time to time do all things necessary or desirable to give full effect to this Deed, including executing further documents.

### 2.3 Governing law and jurisdiction

This Deed is governed by the laws of [STATE] Each party irrevocably submits to the jurisdiction of the courts of [STATE]

### 2.4 Notices

A notice by one party to another must be in writing and:

- (a) delivered personally;
- (b) sent by registered mail to the address of the addressee specified in this Deed; or
- (c) sent by facsimile transmission to the facsimile number of the addressee with

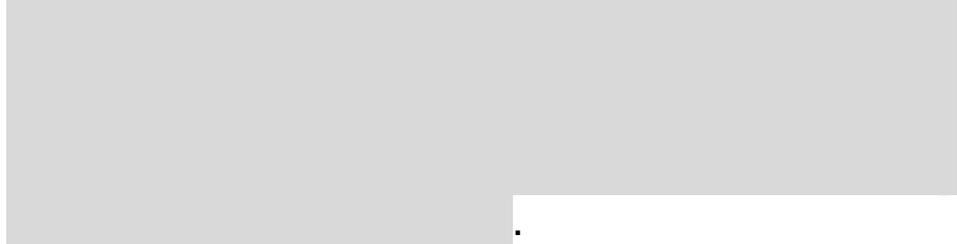
[REDACTED]

### 2.5 Service of notices

- (a) For the purpose of the notice under this clause, a  
[REDACTED]
- (b) A notice may be served by:
  - (i) giving it to a party personally,
  - (ii) by posting it by registered post or
  - (iii) by faxing it.
- (c) When a Notice is Received by Post
  - (i) [REDACTED]
  - (ii) When a Notice is Received by Fax
- (d) If the notice is faxed it is deemed to be received by the receiving party when the completed transmission report is received, unless:

- (i) the sending party's machine indicates a malfunction in transmission, or the receiving party within a reasonable time (and in any event no longer than two Business Days) informs the sending party of an incomplete transmission; or

(ii)



## 2.6 Severability

If a clause is void, illegal or unenforceable, it may be severed without affecting the enforceability of the other provisions in this Deed.

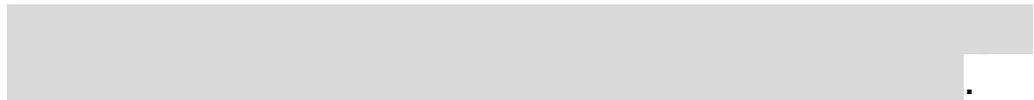
## 2.7 Variation

A variation or waiver of a provision of this Deed will be ineffective unless it is:

- (a) in writing and;
- (b) executed by the parties.

## 2.8 Waiver

(a)



- (b) The exercise of a power or right does not preclude:
  - (i) its future exercise; or
  - (ii) the exercise of any other power or right.

**Executed** as a Deed on the Agreement Date.

<b>SIGNED    SEALED    &amp;  DELIVERED</b> by [ NAME] in the presence of:		
..... Signature of Witness  ..... Name of Witness		..... Signature

<b>SIGNED    SEALED    &amp;  DELIVERED</b> by [ NAME] in the presence of:		
..... Signature of Witness  ..... Name of Witness		..... Signature