

ADDENDUM TO PURCHASE AND SALE OF BUSINESS/ASSETS AGREEMENT

This Addendum to Purchase and Sale of Business/Assets Agreement, dated as of \_\_\_\_\_, 202\_ (this "Addendum"), supplements and shall be considered a part of the Purchase and Sale of Business Agreement, dated \_\_\_\_\_, 202\_ ("Agreement"), by and between \_\_\_\_\_, a(n) \_\_\_\_\_, with an address at \_\_\_\_\_ ("Seller") and \_\_\_\_\_, a(n) \_\_\_\_\_, with an address at \_\_\_\_\_ ("Purchaser"). The Seller and Purchaser may be referred to individually or collectively as "Party" or "Parties".

Purchaser is purchasing all of the assets and obligations of Seller and upon conclusion of the sale Seller's entity will have merged into Purchaser as more fully described within the Agreement.]

The Parties to the Agreement hereby acknowledge and confirm that Seller on or about \_\_\_\_\_, 2020 entered into a loan with Valley National Bank ("Valley") pursuant to the Small Business Association ("SBA") Paycheck Protection Program ( "PPP") promulgated in accordance with the Sections 1102-1106 of the Coronavirus Aid, Relief and Economic Security Act ("Cares Act") in the Amount of \$ \_\_\_\_\_ (the "Loan"). While the Loan remains outstanding, consummation of the Agreement is subject to the SBA's approval of Seller's sale of its business or assets to Purchaser. The Parties have applied for such approval through Valley and each Party understands that the SBA approval is contingent upon Seller and Purchaser adhering to all of the obligations set forth in this Addendum.

The Parties shall simultaneously upon execution of the Addendum deposit the full amount outstanding pursuant to the Loan in a non-interest-bearing deposit account at Valley, in the name of the Seller. Said account shall be governed by a separate Escrow Agreement executed between the Parties and Valley.

The Loan is subject to forgiveness of all or part of the outstanding amount, if the Seller adhered to all the forgiveness qualifications set forth in the PPP and the Cares Act. Such forgiveness is subject to review of the forgiveness application and other pertinent documentation submitted to the SBA and their review and approval of the forgiveness amount, which may be denied or approved for less than the outstanding amount on the Loan.

Upon disposition of the forgiveness application, the funds held in the deposit account will be dispersed by Valley in the manner approved by the SBA. Any remainder of the amount in the deposit account after the funds are dispersed will be paid to (Seller/Purchaser). If the funds are insufficient to pay all the amounts due and owing under the Loan, the Parties agree to immediately pay to Valley the amount of any shortfall.

The amounts held in the deposit account shall not be subject to any lien or claim with respect to any party other than the SBA or Valley. All other terms and conditions of the Agreement remain in full force and effect.

**IN WITNESS WHEREOF**, the parties have executed this Addendum as of the date set forth above.

Seller:

By: \_\_\_\_\_

Name:

Title:

Purchaser:

By: \_\_\_\_\_

Name:

Title: