

# Representations and Warranties

## 1. Parties' Representations and Warranties

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Each party hereby represents and warrants to the other party, as of the Effective Date, as follows:

1. **Organization and Authority.** Such party is duly organized, validly existing, and in good standing under the laws of its jurisdiction of organization and has full corporate power and authority to enter into and perform its obligations.
2. **Due Authorization.** The execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action.
3. **Enforceability.** This Agreement constitutes a valid and binding obligation and is enforceable in accordance with its terms.
4. **No Conflicts.** The execution and performance of this Agreement will not violate or conflict with any other agreement or legal obligation binding upon such party.

## 2. Seller's Additional Representations and Warranties

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1. **Title to Assets.** The Seller has good and marketable title to the assets being sold, free and clear of all liens and encumbrances except as disclosed.
2. **Compliance.** The Seller is in compliance with all applicable laws, regulations, and permits with respect to the assets.
3. **No Litigation.** There is no pending or threatened litigation which would affect the assets or the Seller's ability to perform under this Agreement.

## 3. Buyer's Additional Representations and Warranties

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1. **Financial Capability.** The Buyer has sufficient resources to consummate the purchase as contemplated in this Agreement.
2. **Independent Decision.** The Buyer has conducted its own due diligence and is not relying on any representation or warranty not contained in this Agreement.

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### Important Notes:

- Representations and warranties allocate risk between parties and are a key part of contractual negotiations.
- Accuracy and truthfulness of these statements are critical; misrepresentations may result in rescission or damages.
- Typically, survival periods and limitations of liability may be negotiated for these clauses.
- Both parties should carefully review and tailor representations and warranties to fit the specific transaction.