Business Separation Agreement

This **Business Separation Agreement** ("***Agreement***") is entered into as of _____ ("***Effective Date***"), by and between the following parties:

Party A

_____

_____ _____

_____ _____ _____ _____

_____ _____

Party B

_____

_____ _____

_____ _____ _____ _____

_____ _____

Party A and Party B are collectively referred to as the "***Parties***" and individually as a "***Party***."

WHEREAS, the Parties have conducted business together through a shared business relationship, partnership, joint venture, ownership arrangement, or other commercial association;

WHEREAS, the Parties have mutually decided to separate their business interests and conclude or restructure their business relationship in an orderly manner;

WHEREAS, the Parties desire to establish their respective rights, responsibilities, and obligations relating to the separation to minimize future disputes.

NOW, THEREFORE, in consideration of the mutual promises and obligations contained in this Agreement, the Parties agree as follows.

1. Purpose

The purpose of this Agreement is to establish the terms governing the separation of the Parties' business relationship, including the allocation of assets, liabilities, responsibilities, financial obligations, confidentiality, and other matters arising from the separation.

2. Effective Date of Separation

The Parties agree that the business separation shall become effective on _____, unless another date is mutually agreed upon in writing. Beginning on the Separation Date, each Party shall conduct its business independently except as expressly provided in this Agreement.

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3. Business Interests

The Parties acknowledge that the following business interests are affected by this Agreement:

Business Interest	Description
Business Name	
Ownership Structure	
Nature of Business	
Ownership Interests	

Any ownership transfers contemplated by this Agreement shall become effective upon completion of all required approvals, filings, and documentation.

4. Division of Assets

The Parties agree that the business assets shall be allocated as follows:

Asset	Receiving Party	Notes

Each Party agrees to execute any documents reasonably required to complete the transfer of assets described in this Agreement.

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5. Allocation of Liabilities

Responsibility for existing debts, obligations, contracts, and liabilities shall be allocated as follows:

Liability	Responsible Party	Notes

Except as expressly stated in this Agreement, neither Party assumes responsibility for obligations assigned to the other Party.

6. Financial Settlement

The Parties agree to the following financial arrangements:

Item	Amount	Payment Terms
Separation Payment		
Asset Purchase Payment		
Outstanding Balance		

All payments shall be made using a mutually agreed payment method unless otherwise specified.

Interest may accrue on overdue amounts at the maximum rate permitted by applicable law or another lawful rate agreed upon by the Parties.

7. Business Records

Each Party shall have reasonable access to records relating to periods before the Separation Date when such access is necessary for accounting, taxation, legal compliance, audits, or the resolution of legitimate business matters.

Each Party shall retain records in accordance with applicable legal and business recordkeeping requirements.

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8. Contracts and Customer Relationships

The Parties shall identify existing customer agreements, supplier contracts, leases, licenses, and other commercial arrangements that require assignment, termination, amendment, or replacement.

Each Party agrees to cooperate in obtaining any required third-party approvals necessary to complete the transition.

9. Employees and Independent Contractors

If employees or independent contractors are affected by the separation, responsibility for their continued engagement shall be determined by mutual agreement and applicable law.

Nothing in this Agreement guarantees continued employment or engagement with either Party.

10. Intellectual Property

Ownership of intellectual property shall be allocated as follows:

Intellectual Property	Owner after Separation	Notes

Any licenses granted between the Parties after the separation shall be documented in a separate written agreement.

11. Confidentiality

Each Party shall continue to protect confidential information received during the business relationship. Confidential information shall not be disclosed to any third party except as required by law, with the other Party's written consent, or when reasonably necessary to enforce this Agreement.

This obligation survives the termination or completion of this Agreement.

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12. Non-Disparagement

The Parties agree to refrain from knowingly making false or misleading statements that could reasonably harm the reputation, business relationships, or commercial interests of the other Party.

Nothing in this clause restricts truthful statements required by law or made during legal proceedings.

13. Mutual Release

Upon fulfillment of the obligations contained in this Agreement, each Party releases the other Party from claims, demands, and obligations arising from the business relationship before the Separation Date, except for:

- obligations created by this Agreement;
- claims arising from fraud, intentional misconduct, or other matters that cannot legally be waived; and
- obligations that expressly survive under this Agreement.

14. Indemnification

Each Party agrees to indemnify and hold the other Party harmless from losses, damages, liabilities, costs, and reasonable expenses arising from that Party's breach of this Agreement or from obligations allocated to that Party under this Agreement.

The indemnified Party shall promptly notify the other Party of any claim for which indemnification is sought and provide reasonable cooperation in its defense.

15. Tax Matters

Each Party shall remain responsible for its own tax obligations except as otherwise stated in this Agreement.

The Parties shall cooperate in preparing and providing records reasonably necessary to complete tax filings relating to periods before the Separation Date.

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16. Future Cooperation

Following the Separation Date, the Parties shall cooperate in good faith to complete any remaining actions reasonably necessary to implement this Agreement, including executing additional documents and providing information required to complete the separation.

17. Notices

Any notice required under this Agreement shall be in writing and delivered personally, by recognized courier, certified mail, or electronic mail with confirmation of delivery to the addresses designated by each Party.

A Party may update its notice information by providing written notice to the other Party.

18. Amendment

No amendment or modification of this Agreement shall be effective unless made in writing and signed by both Parties.

19. Termination

This Agreement shall remain effective until all obligations have been fulfilled unless terminated earlier by mutual written agreement.

Termination of this Agreement shall not affect:

- accrued payment obligations;
- confidentiality obligations;
- indemnification obligations;
- record access rights; or
- any other provisions intended to survive termination.

20. Entire Agreement

This Agreement constitutes the complete understanding between the Parties concerning the business separation and supersedes all prior discussions, negotiations, and written or oral agreements relating to its subject matter.

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21. Severability

If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall continue in full force to the extent permitted by law.

22. Governing Law and Dispute Resolution

This Agreement shall be governed by the laws of _____, without regard to conflict of law principles.

Before initiating legal proceedings, the Parties agree to make a good-faith effort to resolve disputes through negotiation. If a dispute cannot be resolved through negotiation, either Party may pursue any legal remedies available under applicable law.

23. Counterparts and Electronic Signatures

This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all counterparts together shall constitute one agreement.

Electronic signatures shall have the same effect as handwritten signatures to the extent permitted by applicable law.

Signatures

The Parties acknowledge that they have read this Agreement, understand its contents, and voluntarily agree to be bound by its terms.

Party A

Name _____

Date _____

Signature _____

Party B

Name _____

Date _____

Signature _____

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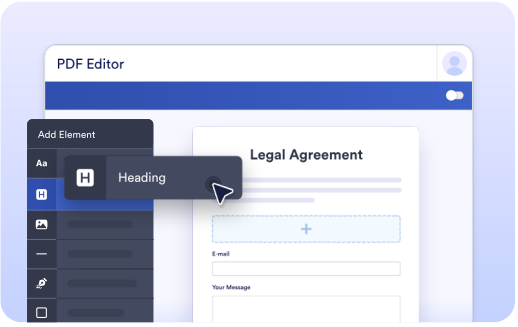
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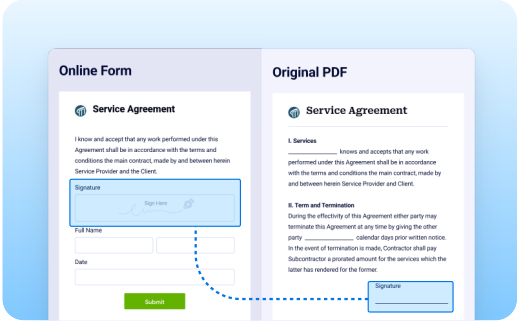
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