

Option Agreement

This **Option Agreement** ("**Agreement**") is entered into on _____ ("**Effective Date**") by and between the following parties:

Grantor

Holder

The Grantor and the Holder may be referred to individually as a "**Party**" and collectively as the "**Parties**."

WHEREAS, the Grantor owns or controls the rights to the asset described in this Agreement;

WHEREAS, the Holder wishes to obtain an exclusive option to purchase or otherwise acquire the asset under the terms set forth in this Agreement; and

WHEREAS, the Grantor is willing to grant such option in exchange for the consideration described herein.

NOW, THEREFORE, in consideration of the mutual promises and other valuable consideration acknowledged by the Parties, the Parties agree as follows:

1. Grant of Option

The Grantor grants the Holder an exclusive and irrevocable option to purchase the asset described in this Agreement during the Option Period, subject to the terms and conditions contained herein.

The Grantor shall not sell, transfer, assign, encumber, or otherwise dispose of the asset or grant any similar rights to any third party during the Option Period unless this Agreement is terminated in accordance with the Termination clause.

2. Description of the Asset

The option granted under this Agreement applies to the following asset:

Description	Details
Asset	
Location (if applicable)	
Identification Number	
Additional Information	

3. Option Fee

In consideration for the option granted under this Agreement, the Holder shall pay the Grantor a non-refundable option fee of _____ on or before _____.

Unless otherwise expressly stated in this Agreement, the option fee shall not be credited toward the purchase price if the Holder exercises the option.

4. Purchase Price

If the Holder exercises the option, the purchase price for the asset shall be _____, payable in accordance with the purchase transaction documents executed by the Parties.

Unless otherwise agreed in writing, the purchase price shall be paid in full at the closing of the transaction.

5. Option Period

The option granted under this Agreement shall begin on the Effective Date and remain in effect until _____ ("**Option Period**"), unless terminated earlier in accordance with this Agreement.

The Holder may exercise the option at any time before the expiration of the Option Period.

If the option is not exercised before the expiration of the Option Period, all rights granted under this Agreement shall automatically expire without further notice.

6. Exercise of the Option

The Holder may exercise the option by delivering written notice to the Grantor before the expiration of the Option Period.

The notice shall clearly state the Holder's intention to exercise the option and identify this Agreement.

Upon valid exercise, the Parties shall promptly cooperate in preparing and executing all documents reasonably necessary to complete the purchase transaction.

7. Obligations During the Option Period

During the Option Period, the Grantor shall:

- Maintain ownership or lawful control of the asset.
- Refrain from taking any action that would materially reduce the value of the asset.
- Provide reasonable access to the Holder for inspections upon reasonable advance notice, where applicable.
- Notify the Holder of any material event affecting the asset.

During the Option Period, the Holder shall:

- Comply with any agreed inspection procedures.
- Maintain the confidentiality of any non-public information received regarding the asset.
- Exercise the option only in accordance with this Agreement.

8. Representations and Warranties

Each Party represents and warrants that:

- It has the legal authority to enter into and perform this Agreement.
- Execution of this Agreement does not violate any agreement or legal obligation applicable to that Party.
- This Agreement constitutes a valid and binding obligation upon execution by both Parties.

The Grantor further represents that, to the best of its knowledge, it has the legal right to grant the option described in this Agreement.

9. Taxes and Expenses

Each Party shall be responsible for its own legal, professional, and administrative expenses associated with this Agreement unless otherwise agreed in writing.

Any taxes, duties, filing fees, or transfer costs arising from the completed purchase transaction shall be allocated between the Parties in accordance with the applicable purchase documentation or applicable law.

10. Confidentiality

The Parties shall keep confidential the terms of this Agreement and any confidential business or financial information exchanged in connection with it, except where disclosure is required by law, necessary to complete the contemplated transaction, or authorized in writing by the other Party.

This obligation shall survive the expiration or termination of this Agreement.

11. Assignment

Neither Party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other Party, except to a legal successor resulting from a merger, acquisition, or similar corporate reorganization.

12. Default

A Party shall be considered in default if it materially breaches this Agreement and fails to remedy the breach within _____ days after receiving written notice describing the breach.

The non-defaulting Party may exercise any rights available under this Agreement or applicable law following an uncured material breach.

13. Termination

This Agreement may be terminated:

- By mutual written agreement of the Parties.
- Upon expiration of the Option Period without exercise of the option.
- By either Party if the other Party materially breaches this Agreement and fails to cure the breach within the applicable cure period.
- If completion of the contemplated transaction becomes unlawful or impossible due to circumstances beyond the reasonable control of the Parties.

Upon termination:

- The Holder's option rights shall immediately cease.
- The Grantor shall be free to dispose of the asset without restriction.
- Any provisions intended to survive termination, including the Confidentiality clause and any payment obligations accrued before termination, shall remain in effect.

14. Notices

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

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

15. Governing Law and Dispute Resolution

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

The Parties shall first attempt in good faith to resolve any dispute arising under this Agreement through negotiation.

If the dispute cannot be resolved through negotiation within a reasonable period, either Party may pursue any remedies available through the courts located in the agreed jurisdiction unless the Parties later agree to another form of dispute resolution.

16. Entire Agreement

This Agreement constitutes the entire understanding between the Parties regarding the subject matter and supersedes all prior discussions, negotiations, representations, and agreements relating to the option granted herein.

17. Amendments

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

18. Severability

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

19. Waiver

A Party's failure to enforce any provision of this Agreement shall not constitute a waiver of that provision or any future right to enforce it.

20. Counterparts and Electronic Signatures

This Agreement may be executed in counterparts, each of which shall be deemed 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

By signing below, the Parties acknowledge that they have read, understood, and agree to be bound by the terms of this Agreement.

Grantor

Name

Date

Signature

Holder

Name

Date

Signature



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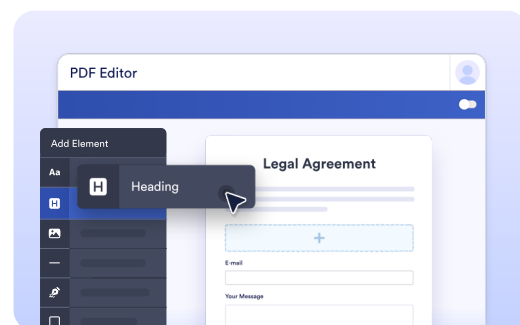
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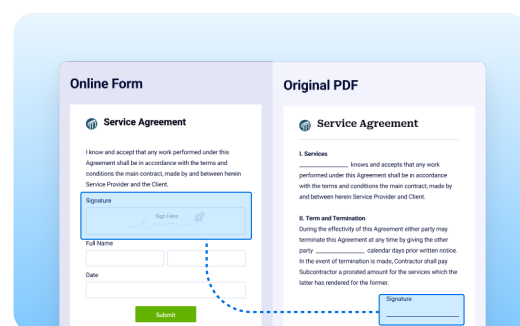
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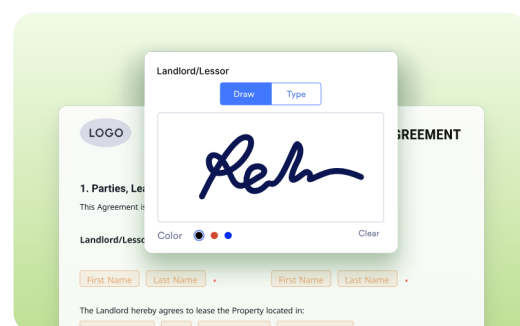
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