

20%/80% PURCHASE AGREEMENT FOR THE ACQUISITION OF
BETWEEN

BUYER:

SELLER:

SERVING AS ESCROW AGENT:

CLOSING _____, 200_

STOCK PURCHASE AGREEMENT

AGREEMENT among _____(herein after the "Sellers"), and _____ (herein after the "Purchaser").

WHEREAS, Sellers are the owners of ____ % of the issued and outstanding common stock (the "Stock") of _____(herein after the "Company"), and

WHEREAS, Seller wishes to sell and Purchaser wishes to purchase the Stock on the terms and conditions set forth below.

NOW, THEREFORE, for good and valuable consideration and in consideration of the mutual covenants set forth herein, it is agreed as follows:

Sale of Company

On the Closing Date set forth below for the closing of the within sale, the Seller will deliver to Purchaser, Certificates (the "Certificates") representing the stock.

Prior to the Closing (defined below), Seller shall not terminate any registration or license held by the Company.

Not included in the sale, (Seller shall have right to retain) (i) all of the Company's cash and cash equivalents (ii) the Company's bank accounts and deposits (iii) the Company portfolio of securities, if any (v) any tangible assets of the Company on the closing date. (Purchaser may replace cash and cash equivalents by transferring cash at final closing to maintain continuity of capital in the Company).

The withdrawal or exchange of these assets shall take place simultaneously with Purchaser's infusion of requisite regulatory "net capital" as shall be appropriate (see Purchaser's obligations).

Purchase Price

The purchase price is \$_____ the purchase price will be paid on the Closing Date.

Initial Closing

The closing and delivery of funds to the Seller, and certificates to the Purchaser, and other items specified (hereinafter the "Closing") shall occur on or prior to_____, 200__ (hereinafter the "Closing Date") or sooner.

On the Initial Closing Date, the initial purchase price will be paid by the Purchaser to the Escrow Agent and twenty per cent (20%) of the outstanding shares will be tendered by the Seller to the Escrow Agent. Thereafter, upon the date of notification by FINRA (below defined) that transfer of ownership has been confirmed, (i) Escrow Agent shall deliver to Seller by overnight express courier the net proceeds of the sale and (ii) Escrow Agent shall have delivered to the Purchaser, Certificates and other items held by him for the benefit of the purchaser. If transfer of the Company is not possible, the Escrow Agent shall forthwith return all funds to the Purchaser, and the Escrow Agent shall return to Seller all Certificates and other items previously deposited by Seller, except as below provided.

Seller will hold books, records and other non-confidential files respecting the company in the principal office of the Company until FINRA has indicated that the Company is transferable.

Investigation by Purchaser

If FINRA disallows transfer of ownership, Escrow Agent will return all funds to the Purchaser. Purchaser shall have until the Closing Date to fully investigate and examine the due diligence package of the broker/dealer and the Seller's representation set forth below. If the Purchaser's investigation indicates any deficiency in the business of Company, broker-dealer compliance, licensing or other matter as Purchaser shall determine within that three (3) business day period. Purchaser, on notice to Seller given prior to the Closing Date, may terminate this transaction and demand a return of its deposit. Failure to so notify Seller shall be deemed approval by Purchaser. Acceptance of the Certificates by Purchaser shall be deemed full performance of all covenants and conditions of Seller's part to be performed and satisfied hereunder.

Closing

Upon the date of receiving satisfaction of the conditions of sale (Closing Date), Escrow Agent shall perform the Final Closing by proceeding to deliver funds to the Seller less fees due, and the certificates representing eighty (80) per cent of the ownership of the Company to the Purchasers. "Satisfaction of the conditions of release" and "transfer of ownership" referred to above, is hereby defined as notification from FINRA, Inc./Central Registration Depository of current registration of the Broker/Dealer (CRD # _____) with no deficiencies other than the pending registration in states other than _____, dated after the filing of the amended Form BD showing the changes of ownership created by the contract.

Purchaser's Obligations

Immediately following the Closing, Purchaser will immediately prepare and file an Amended Form BD with the Securities and Exchange commission, FINRA and the State(s) of _____ indicating the change in ownership of Company and listing the new officers and directors. Seller shall cooperate with Purchaser's efforts with respect to the foregoing and Purchaser will provide Seller with copies of any materials filed with the SEC/FINRA.

Immediately following Closing, Seller shall withdraw all of the Company's capital and Purchaser shall contemporaneously fund an amount in the Company Account in full compliance with the applicable "net capital" rules, or the Purchaser may deliver funds in the same amount to the Seller.

Representations of Purchaser

Purchaser represents and warrants that he is thoroughly familiar with the financial condition and business of the Company and that he has been given the opportunity to ask questions and has been provided with full and complete access to such of the books and records of the Company as he has deemed necessary in forming his decision to purchase the stock of the Company.

Representation of Seller

Seller represents and warrants to Purchaser the following on the date hereof, which representations shall continue to be true on the Final Closing date (which shall merge into the closing except as herein expressly provided:

- (a) Company is a validly formed corporation in good standing in the State of _____ .

- (b) As of the date hereof, and on the Final Closing Date, there are absolutely no debts, or liabilities of any nature or kind respecting the Company remaining unsatisfied other than those specifically assumed by Purchaser, and _____ shares of common stock representing 80% ownership in the Company will be conveyed, on the Closing Date, free of any claim, debt, or obligation whatsoever. This subparagraph “(b)” shall survive the Closing Date.
- (c) Company is duly licensed as a broker/dealer with (I) the Securities and Exchange Commission, (ii) FINRA, (iii) the State(s) of _____ and (iv) SIPC. The Company has a paid up Securities Dealer Blanket Bond through 200__.
- (d) The Company on the Final Closing Date will be operating in full compliance with the laws, rules and regulations of the regulatory agencies having jurisdiction over the Company.

Indemnification:

The Seller shall indemnify and hold harmless the Purchaser with respect to all matters, which pursuant to the express terms of this Agreement above shall survive the Closing. This indemnification shall include, without limitation, any claim, debt, or liability whatsoever asserted against the stock which arose prior to the Closing, and shall include the Purchaser’s costs and attorney’s fees in defending any such claim.

The Purchaser shall indemnify and hold harmless the Seller with respect to all claims, losses, actions, and/or expenses arising by reason of the Purchaser’s operations of the Company and/or the Purchaser’s misrepresentations and/or breach of the terms of this Agreement.

Notices:

This Agreement shall be enforced and interpreted in accordance with the terms of the State of _____ law in and in the Courts of the State of _____, which shall have sole jurisdiction therefor. Personal service in any proceeding shall be made and accepted in the manner for giving of notice as below stated.

Any notices, demands, consent, or other communication which may or shall be given one business day after the day sent by overnight courier service, in each case, addressed to the parties as below provided.

If to Purchaser at:

If to Seller at:

If to Escrow Agent at:

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF the parties have set their hands and seals this _____ day of _____, _____.

By: _____
(Purchaser)

By: _____
(Seller)

By: _____
(Escrow Agent)