
STOCK PURCHASE AGREEMENT

Between

[SELLER CO.]

and

[BUYER CO.]

Dated as of _____, 201_

SAMPLE

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

SECTION 1.01. Certain Defined Terms	1
SECTION 1.02. Definitions.....	6
SECTION 1.03. Interpretation and Rules of Construction	6

ARTICLE II

PURCHASE AND SALE

SECTION 2.01. Purchase and Sale of the Shares	7
SECTION 2.02. Purchase Price	7
SECTION 2.03. Closing	7
SECTION 2.04. Closing Deliveries by the Seller.....	7
SECTION 2.05. Closing Deliveries by the Buyer	8
SECTION 2.06. Post-Closing Adjustment of Purchase Price.....	8

ARTICLE III

REPRESENTATIONS AND WARRANTIES
OF THE SELLER

SECTION 3.01. Organization, Authority and Qualification of the Seller	10
SECTION 3.02. Organization, Authority and Qualification of the Company.....	10
SECTION 3.03. Capitalization; Ownership of Shares.....	11
SECTION 3.04. No Conflict.....	11
SECTION 3.05. Governmental Consents and Approvals	11
SECTION 3.06. Financial Information.....	11
SECTION 3.07. Absence of Undisclosed Material Liabilities	12
SECTION 3.08. Conduct in the Ordinary Course.....	12
SECTION 3.09. Litigation.....	12
SECTION 3.10. Compliance with Laws.....	12
SECTION 3.11. Environmental Matters.....	12
SECTION 3.12. Intellectual Property	13
SECTION 3.13. Real Property.....	13
SECTION 3.14. Employee Benefit Matters.....	13
SECTION 3.15. Taxes	14
SECTION 3.16. Material Contracts	14
SECTION 3.17. Brokers	15
SECTION 3.18. Disclaimer of the Seller.....	15

ARTICLE IV

REPRESENTATIONS AND WARRANTIES
OF THE PURCHASER

SECTION 4.01. Organization and Authority of the Buyer.....	16
SECTION 4.02. No Conflict.....	16
SECTION 4.03. Governmental Consents and Approvals.....	16
SECTION 4.04. Investment Purpose.....	16
SECTION 4.05. Financing.....	17
SECTION 4.06. Litigation.....	17
SECTION 4.07. Brokers.....	17
SECTION 4.08. Independent Investigation; Seller’s Representations.....	17

ARTICLE V

ADDITIONAL AGREEMENTS

SECTION 5.01. Conduct of Business Prior to the Closing.....	17
SECTION 5.02. Access to Information.....	18
SECTION 5.03. Confidentiality.....	19
SECTION 5.04. Regulatory and Other Authorizations; Notices and Consents.....	19
SECTION 5.05. [Retained Names and Marks.....	20
SECTION 5.06. Notifications[; Update of Disclosure Schedule].....	21
SECTION 5.07. [Transition Services.....	21
SECTION 5.08. Further Action.....	21

ARTICLE VI

EMPLOYEE MATTERS

SECTION 6.01. [Offer of Employment.....	22
SECTION 6.02. Employee Benefits.....	22

ARTICLE VII

TAX MATTERS

SECTION 7.01. Tax Indemnities.....	22
SECTION 7.02. Tax Refunds and Tax Benefits.....	23
SECTION 7.03. Contests.....	23
SECTION 7.04. Preparation of Tax Returns.....	24
SECTION 7.05. Tax Cooperation and Exchange of Information.....	24
SECTION 7.06. Conveyance Taxes.....	25
SECTION 7.07. Tax Covenants.....	25
SECTION 7.08. Miscellaneous.....	25
SECTION 7.09. Section 338(h)(10) Election.....	26

ARTICLE VIII

CONDITIONS TO CLOSING

SECTION 8.01. Conditions to Obligations of the Seller.....	26
SECTION 8.02. Conditions to Obligations of the Buyer.....	26

ARTICLE IX

INDEMNIFICATION

SECTION 9.01. Survival of Representations and Warranties 27
SECTION 9.02. Indemnification by the Seller 27
SECTION 9.03. Indemnification by the Buyer..... 28
SECTION 9.04. Limits on Indemnification..... 28
SECTION 9.05. Notice of Loss; Third Party Claims..... 28
SECTION 9.06. Remedies 29
SECTION 9.07. Tax Matters 30

ARTICLE X

TERMINATION, AMENDMENT AND WAIVER

SECTION 10.01. Termination..... 31
SECTION 10.02. Effect of Termination..... 31

ARTICLE XI

GENERAL PROVISIONS

SECTION 11.01. Expenses..... 31
SECTION 11.02. Notices 32
SECTION 11.03. Public Announcements..... 32
SECTION 11.04. Severability 32
SECTION 11.05. Entire Agreement 33
SECTION 11.06. Assignment..... 33
SECTION 11.07. Amendment..... 33
SECTION 11.08. Waiver 33
SECTION 11.09. No Third Party Beneficiaries..... 33
SECTION 11.10. Currency..... 33
SECTION 11.11. Governing Law..... 33
SECTION 11.12. Waiver of Jury Trial..... 34
SECTION 11.13. Counterparts..... 34

EXHIBITS

- 1.01(a) Form of IP License Agreement
- 1.01(b) Seller's Knowledge
- 5.07 Form of Transition Services Agreement
- 6.01 Transferred Employees

SAMPLE

STOCK PURCHASE AGREEMENT (this "Agreement"), dated as of _____, 201_, between [SELLER CO.], a _____ corporation (the "Seller"), and [BUYER CO.], a _____ corporation (the "Buyer" and, together with the Seller, the "Parties").

WHEREAS, the Seller owns all the issued and outstanding shares (the "Shares") of common stock, \$_ par value per share (the "Common Stock"), of [TARGET CO.], a _____ corporation (the "Company");

WHEREAS, the Company and the Subsidiaries are engaged in the business of [DESCRIBE BUSINESS] at various locations around the world (the "Business"); and

WHEREAS, the Seller wishes to sell to the Buyer, and the Buyer wishes to purchase from the Seller, the Shares, all upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants hereinafter set forth, and intending to be legally bound, the Seller and the Buyer hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Certain Defined Terms. For purposes of this Agreement:

- (a) "Action" means any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority.
- (b) "Affiliate" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person.
- (c) "Ancillary Agreements" means the IP License Agreement, the Transition Services Agreement and [_____].
- (d) "Assets" means the assets and properties of the Company and the Subsidiaries.
- (e) "Book Value" means the excess of the book value of the Assets over the book value of the Assumed Liabilities and the Liabilities of the Company and the Subsidiaries, as shown on the Closing Statement of Net Assets or the Reference Statement of Net Assets, as the case may be.
- (f) "Business Day" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in The City of New York.
- (g) "Buyer's Accountants" means [NAME], independent accountants of the Buyer.
- (h) "Closing Statement of Net Assets" means the consolidated statement of net assets (including the related notes and schedules thereto) of the Company and the Subsidiaries to be prepared pursuant to Section 2.06(a) and to be dated as of the date of the Closing.
- (i) "Code" means the Internal Revenue Code of 1986, as amended through the date hereof.

(j) “Company IP Agreements” means all (i) licenses of Intellectual Property to the Company or a Subsidiary, and (ii) licenses of Intellectual Property by the Company or a Subsidiary to third parties.

(k) “Company Intellectual Property” means all Intellectual Property owned by the Company or a Subsidiary that is material to the operation of the Company and the Subsidiaries as currently conducted.

(l) “Competition Act” means the Competition Act (Canada), as amended.]

(m) “control” (including the terms “controlled by” and “under common control with”), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly or as trustee, personal representative or executor, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee, personal representative or executor, by contract, credit arrangement or otherwise.

(n) “Conveyance Taxes” means sales, use, value added, transfer, stamp, stock transfer, real property transfer or gains and similar Taxes.

(o) “Designated Amount” means \$ _____.]

(p) “Disclosure Schedule” means the Disclosure Schedule attached hereto, dated as of the date hereof [and as amended or supplemented by Seller pursuant to the terms hereof], delivered by the Seller to the Buyer in connection with this Agreement. Notwithstanding anything to the contrary contained in the Disclosure Schedule or in this Agreement, the information and disclosures contained in any section of the Disclosure Schedule shall be deemed to be disclosed and incorporated by reference in any other section of the Disclosure Schedule as though fully set forth in such other section for which the applicability of such information and disclosure is reasonably apparent on the face of such information or disclosure.]

(q) “Encumbrance” means any security interest, pledge, hypothecation, mortgage, lien or encumbrance, other than any licenses of Intellectual Property.

(r) “Environmental Law” means any federal, state, local or foreign statute, law, ordinance, regulation, rule, code, order, consent decree or judgment, in each case in effect as of the date hereof, relating to pollution or protection of the environment.

(s) “Environmental Liability” means any claim, demand, order, suit, obligation, liability, cost (including the cost of any investigation, testing, compliance or remedial action), consequential damages, loss or expense (including reasonable and incurred attorney’s and consultant’s fees and expenses) arising out of, relating to or resulting from any Environmental Law or environmental, health or safety matter or condition, including natural resources, and related in any way to the Assets or to this Agreement or its subject matter, in each case whether arising or incurred before, at or after the Closing.

(t) “Environmental Permits” means any permit, approval, identification number, license and other authorization required under or issued pursuant to any applicable Environmental Law.

(u) “Excluded Taxes” means (i) Taxes imposed on or payable by the Company or any Subsidiary for any taxable period that ends on or before the date of the Closing; (ii) with respect to Straddle Periods, Taxes imposed on the Company or any Subsidiary which are allocable, pursuant to

Section 7.01(b), to the portion of such period ending on the date of the Closing; and (iii) Taxes attributable to a taxable period ending on or before the date of the Closing for which the Company or any Subsidiary are held liable under Section 1.1502-6 of the Regulations (or any similar provision of state, local or foreign law) by reason of the Company or any Subsidiary being included in any consolidated, affiliated, combined or unitary group with the Seller (or any Affiliates of the Seller) at any time before the date of the Closing; provided, however, that Excluded Taxes shall not include Taxes (A) resulting from any act, transaction or omission of the Buyer, the Company or any Subsidiary occurring after the Closing that is not in the ordinary course of business; and (B) resulting from an actual or deemed election under Section 338 of the Code with respect to the Transactions.

(v) “Exon-Florio Provision” means Section 721 of the Defense Production Act of 1950, as amended, and the regulations promulgated thereunder.

(w) “GAAP” means United States generally accepted accounting principles and practices in effect from time to time applied consistently throughout the periods involved.

(x) “Governmental Authority” means any federal, national, supranational, state, provincial, local or other government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body.

(y) “Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

(z) “Hazardous Material” means (a) any petroleum, petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials or polychlorinated biphenyls or (b) any chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under any Environmental Law.

(aa) “HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

(bb) “Indemnified Party” means a Buyer Indemnified Party or a Seller Indemnified Party, as the case may be.

(cc) “Indemnifying Party” means the Seller pursuant to Section 9.02 and the Buyer pursuant to Section 9.03, as the case may be.

(dd) “Intellectual Property” means (a) patents and patent applications, (b) trademarks, service marks, trade names, trade dress and domain names, together with the goodwill associated exclusively therewith, (c) copyrights, including copyrights in computer software, (d) confidential and proprietary information, including trade secrets and know-how, and (e) registrations and applications for registration of the foregoing.

(ee) “IP License Agreement” means the IP License Agreement to be executed between the Seller and the Buyer (or their designees) at the Closing, substantially in the form of Exhibit 1.01(a).

(ff) “IRS” means the Internal Revenue Service of the United States.

(gg) “Law” means any federal, national, supranational, state, provincial, local or similar statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including common law).

(hh) “Leased Real Property” means the real property leased by the Company or any Subsidiary, in each case, as tenant, together with, to the extent leased by the Company or any Subsidiary, all buildings and other structures, facilities or improvements currently or hereafter located thereon, all fixtures, systems, equipment and items of personal property of the Company or any Subsidiary attached or appurtenant thereto and all easements, licenses, rights and appurtenances relating to the foregoing.

(ii) “Liabilities” means any and all debts, liabilities and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Law, Action or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking.

(jj) “Material Adverse Effect” means any circumstance, change in or effect on the Company and the Subsidiaries that is materially adverse to the consolidated results of operations or the consolidated financial condition of the Company and the Subsidiaries, taken as a whole; provided, however, that none of the following, either alone or in combination, shall be considered in determining whether there has been a breach of a representation, warranty, covenant or agreement that is qualified by the term “Material Adverse Effect”: (a) events, circumstances, changes or effects that generally affect the industries in which the Company and the Subsidiaries operate (including legal and regulatory changes), (b) general economic or political conditions or events, circumstances, changes or effects affecting the securities markets generally, (c) changes arising from the consummation of the transactions contemplated by, or the announcement of the execution of, this Agreement, including (i) any actions of competitors, (ii) any actions taken by or losses of employees or (iii) any delays or cancellations of orders for products or services, (d) any reduction in the price of services or products offered by the Company and the Subsidiaries in response to the reduction in price of comparable services or products offered by a competitor, (e) any circumstance, change or effect that results from any action taken pursuant to or in accordance with this Agreement or at request of the Buyer and (f) changes caused by a material worsening of current conditions caused by acts of terrorism or war (whether or not declared) occurring after the date hereof.

(kk) “Owned Real Property” means the real property in which the Company or any Subsidiary has fee title (or equivalent) interest, together with all buildings and other structures, facilities or improvements currently or hereafter located thereon, all fixtures, systems, equipment and items of personal property of the Company or any Subsidiary attached or appurtenant thereto and all easements, licenses, rights and appurtenances relating to the foregoing.

(ll) “Permitted Encumbrances” means (a) statutory liens for current Taxes not yet due or delinquent (or which may be paid without interest or penalties) or the validity or amount of which is being contested in good faith by appropriate proceedings, (b) mechanics’, carriers’, workers’, repairers’ and other similar liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of the Company or any Subsidiary, as the case may be, or the validity or amount of which is being contested in good faith by appropriate proceedings, or pledges, deposits or other liens securing the performance of bids, trade contracts, leases or statutory obligations (including workers’ compensation, unemployment insurance or other social security legislation), (c) zoning, entitlement, conservation restriction and other land use and environmental regulations by Governmental Authorities which do not materially interfere with the present use of the Assets, (d) all covenants, conditions, restrictions, easements, charges, rights-of-way, other Encumbrances and similar matters of record set forth in any state, local or municipal franchise of the Company and the Subsidiaries which do

not materially interfere with the present use of the Assets, (e) matters which would be disclosed by an accurate survey or inspection of the Real Property which do not materially impair the occupancy or current use of such Real Property which they encumber and (f) all other Encumbrances that would not have a Material Adverse Effect.

(mm) “Person” means any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity, as well as any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended.

(nn) “Purchase Price Bank Account” means a bank account in the United States to be designated by the Seller in a written notice to the Buyer at least five Business Days before the Closing.

(oo) “Real Property” means all land, buildings, improvements and fixtures erected thereon and all appurtenances related thereto.

(pp) “Reference Statement Date” means _____, 201_.

(qq) “Reference Statement of Net Assets” means the consolidated statement of net assets (including the related notes and schedules thereto) of the Company and the Subsidiaries, dated as of _____, 201_, a copy of which is set forth in Section 3.06(a) of the Disclosure Schedule.

(rr) “Regulations” means the Treasury Regulations (including Temporary Regulations) promulgated by the United States Department of Treasury with respect to the Code or other federal tax statutes.

(ss) “Securities Act” means the Securities Act of 1933, as amended.

(tt) “Seller’s Accountants” means [NAME], independent accountants of the Seller.

(uu) “Seller’s Knowledge”, “Knowledge of the Seller” or similar terms used in this Agreement mean the actual (but not constructive or imputed) knowledge of [NAME], [NAME] and [NAME] as of the date of this Agreement (or, with respect to a certificate delivered pursuant to this Agreement, as of the date of delivery of such certificate) without any implication of verification or investigation concerning such knowledge.

(vv) “Stock Option Plan[s]” means [NAMES OF ALL EQUITY INCENTIVE PLANS OF THE COMPANY AND INDIVIDUAL OPTION GRANTS NOT MADE PURSUANT TO PLANS].

(ww) “Securities Act” means the Securities Act of 1933, as amended.

(xx) “Straddle Period” means any taxable period beginning on or before the date of the Closing and ending after the date of the Closing.

(yy) “Subsidiaries” means [THE SPECIFIC SUBSIDIARIES OF THE COMPANY].

(zz) “Tax” or “Taxes” means any and all taxes of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any government or taxing authority.

(aaa) “Tax Returns” means any and all returns, reports and forms (including elections, declarations, amendments, schedules, information returns or attachments thereto) required to be filed with a Governmental Authority with respect to Taxes.

(bbb) “Transactions” means the transactions contemplated by this Agreement and the Ancillary Agreements.

SECTION 1.02. Definitions. The following terms have the meanings set forth in the Sections set forth below:

<u>Definition</u>	<u>Location</u>
“ <u>Agreement</u> ”	Preamble
“ <u>Allocation</u> ”	7.09
“ <u>Business</u> ”	Recitals
“ <u>Buyer</u> ”	Preamble
“ <u>Buyer Indemnified Party</u> ”	9.02
“ <u>Closing</u> ”	2.03
“ <u>Common Stock</u> ”	Recitals
“ <u>Company</u> ”	Recitals
“ <u>Confidentiality Agreement</u> ”	5.03(a)
“ <u>Contest</u> ”	7.03(b)
“ <u>ERISA</u> ”	3.14(a)
“ <u>EU Merger Regulation</u> ”	3.05
“ <u>Existing Stock</u> ”	5.05(c)
“ <u>Financial Statements</u> ”	3.06(a)
“ <u>ICA</u> ”	3.05
“ <u>Interim Financial Statements</u> ”	3.06(a)
“ <u>Independent Accounting Firm</u> ”	2.06(b)
“ <u>Loss</u> ”	9.02
“ <u>Material Contracts</u> ”	3.16(a)
“ <u>Plans</u> ”	3.14(a)
“ <u>Purchase Price</u> ”	2.02
“ <u>Retained Names and Marks</u> ”	5.05(a)
“ <u>Seller</u> ”	Preamble
“ <u>Seller Indemnified Party</u> ”	9.03
“ <u>Shares</u> ”	Recitals
“ <u>Termination Date</u> ”	5.04(b)
“ <u>Third Party Claim</u> ”	9.05(b)
“ <u>Transferred Employee</u> ”	6.01
“ <u>Transition Services Agreement</u> ”	5.07

SECTION 1.03. Interpretation and Rules of Construction. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

(a) when a reference is made in this Agreement to an Article, Section, Exhibit or Schedule, such reference is to an Article or Section of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated;

(b) the table of contents and headings for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

(c) whenever the words “include,” “includes” or “including” are used in this Agreement, they are deemed to be followed by the words “without limitation”;

(d) the words “hereof,” “herein” and “hereunder” and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

(e) all terms defined in this Agreement have the defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein;

(f) the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

(g) references to a Person are also to its successors and permitted assigns; and

(h) the use of “or” is not intended to be exclusive unless expressly indicated otherwise.

ARTICLE II

PURCHASE AND SALE

SECTION 2.01. Purchase and Sale of the Shares. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Seller shall sell to the Buyer the Shares, and the Buyer shall purchase the Shares.

SECTION 2.02. Purchase Price. Subject to the adjustments set forth in Section 2.06, the purchase price for the Shares shall be \$[AMOUNT] (the “Purchase Price”).

SECTION 2.03. Closing. Subject to the terms and conditions of this Agreement, the sale and purchase of the Shares contemplated by this Agreement shall take place at a closing (the “Closing”) to be held at the offices of [LAW FIRM 1] at [ADDRESS] at 10:00 a.m. New York time on the fifth Business Day following the satisfaction or waiver of the conditions to the obligations of the Parties set forth in Section 8.01(b) and Section 8.02(b) or at such other place or at such other time or on such other date as the Seller and the Buyer may mutually agree upon in writing.

SECTION 2.04. Closing Deliveries by the Seller. At the Closing, the Seller shall deliver or cause to be delivered to the Buyer:

(a) stock certificates evidencing the Shares duly endorsed in blank, or accompanied by stock powers duly executed in blank and with all required stock transfer tax stamps affixed;

(b) executed counterparts of each Ancillary Agreement to which the Seller is a party;

(c) a receipt for the Purchase Price;

(d) a true and complete copy, certified by the Secretary or an Assistant Secretary of the Seller, of the resolutions duly and validly adopted by the Board of Directors of the Seller and

the stockholders of the Seller evidencing their authorization of the execution and delivery of this Agreement and the Ancillary Agreements and the consummation of the Transactions;

(e) a certificate of the Secretary or an Assistant Secretary of the Seller certifying the names and signatures of the officers of the Seller authorized to sign this Agreement and the Ancillary Agreements and the other documents to be delivered hereunder and thereunder;

(f) a certificate of a duly authorized officer of the Seller certifying as to the matters set forth in Section 8.02(a); and

(g) a certificate as to the non-foreign status of the Seller pursuant to section 1.1445-2(b)(2) of the Regulations.

Closing Deliveries by the Buyer. At the Closing, the Buyer shall deliver to the Seller:

(h) the Purchase Price by wire transfer in immediately available funds to the Purchase Price Bank Account;

(i) executed counterparts of each Ancillary Agreement to which the Buyer is a party;

(j) a true and complete copy, certified by the Secretary or an Assistant Secretary of the Buyer, of the resolutions duly and validly adopted by the Board of Directors of the Buyer evidencing its authorization of the execution and delivery of this Agreement and the Ancillary Agreements to which it is a party and the consummation of the Transactions;

(k) a certificate of the Secretary or an Assistant Secretary of the Buyer certifying the names and signatures of the officers of the Buyer authorized to sign this Agreement and the Ancillary Agreements and the other documents to be delivered hereunder and thereunder; and

(l) a certificate of a duly authorized officer of the Buyer certifying as to the matters set forth in Section 8.01(a).

Post-Closing Adjustment of Purchase Price. The Purchase Price shall be subject to adjustment after the Closing as specified in this Section 2.06:

(m) Closing Statement of Net Assets. As promptly as practicable, but in any event within [NUMBER] Business Days following the Closing, the Seller shall deliver to the Buyer the Closing Statement of Net Assets, together with the report thereon of the Seller's Accountants, stating that the Closing Statement of Net Assets fairly presents the consolidated financial position of the Company and the Subsidiaries at the Closing and that it has been prepared in accordance with GAAP in a manner consistent with the preparation of the Reference Statement of Net Assets.

(n) Disputes. (i) Subject to clause (ii) of this Section 2.06(b), the Closing Statement of Net Assets delivered by the Seller to the Buyer shall be final, binding and conclusive on the Parties.

(ii) The Buyer may dispute any amounts reflected on the Closing Statement of Net Assets to the extent the net effect of such disputed amounts in the aggregate would affect the Book Value reflected on the Closing Statement of Net Assets by more than the Designated Amount, but only on the basis that the amounts reflected on the Closing Statement of Net Assets were not arrived at in accordance with GAAP in a manner