

State of _____

ESCROW HOLDBACK AGREEMENT ADDENDUM

_____ (the "Buyer"), located at _____, City of _____, State of _____, _____, and

This Escrow Holdback Agreement Addendum (the "Agreement") is made as of the _____ day of _____, 20____ (the "Effective Date") by:

_____ (the "Seller"), located at _____, City of _____, State of _____, _____. Each Buyer and Seller may be referred to individually as a "Party" and collectively as the "Parties."

a. The Parties have entered into _____ [Title of the original purchase agreement], dated as of the _____ day of _____, 20____ (the "Primary Agreement").

b. The Parties have designated _____, located at _____, City of _____, State of _____, _____ (the "Escrow Agent").

c. To encourage the Buyer to enter into the Primary Agreement, the Parties agree to withhold and place in escrow the Escrowed Amount (as defined herein), pending the fulfillment of certain obligations, subject to the terms and conditions outlined in this Agreement.

The Parties hereby agree as follows:

1. Appointment of Escrow Agent. The Buyer and Seller hereby designate _____ as the escrow agent in accordance with the terms and conditions specified herein, and the Escrow Agent consents to this appointment. The Parties affirm that they have obtained written consent from the Escrow Agent.

2. Escrow Agent Fee. In exchange for the services rendered by the Escrow Agent under this Agreement, the Parties agree to pay the Escrow Agent a fixed fee of _____ [Escrow agent fee].

Seller:

Buyer:

amount in words] (_____) [Escrow agent fee amount in numbers] (the “Escrow Agent Fee”). The Escrow Agent Fee is due upon the execution and fulfillment of all obligations outlined for the Escrow Agent in this document.

☐ The Escrow Agent shall not have the authority to deduct any additional fees or expenses from the Escrowed Amount.

☐ The Escrow Agent may deduct the Escrow Agent Fee and/or associated expenses from the Escrowed Amount only with prior written consent from the Buyer.

1. Bank Account. The Escrow Agent will establish or designate an interest-bearing bank account with a federally and state-regulated bank (the “Bank Account”). This Bank Account is intended to hold and distribute the Escrowed Amount according to the provisions set forth in this Agreement.

2. Duties and Obligations of the Escrow Agent. The Escrow Agent agrees to perform only those duties explicitly outlined in this Agreement, with no implied responsibilities. The Escrow Agent is not granted any fiduciary or discretionary powers in this arrangement. The Escrow Agent's liability is limited to the safekeeping and disbursement of the Escrowed Amount as specified in this Agreement, without obligation to inquire into any other agreements. The Escrow Agent will not be liable for actions taken or not taken in good faith, unless a court of competent jurisdiction finds that the Escrow Agent's gross negligence or willful misconduct was the primary cause of any loss to either party.

3. Escrowed Amount. At the closing, the Buyer shall deposit with the Escrow Agent a sum of _____ [Escrowed amount in words] (_____) [Escrowed amount in numbers] (the “Escrowed Amount”).

4. Disposition of Escrowed Amount. The Escrow Agent will hold and manage the Escrowed Amount according to the terms specified herein, upon receiving written notice from the Parties indicating that some or all conditions for its disposition have been met.

5. Seller's Duties and Obligations. The Buyer and Seller agree that the Escrowed Amount will remain with the Escrow Agent until all milestones (“Seller's Duties”) have been achieved and completed by the Seller. The Parties agree that the Seller will receive the Escrowed Amount upon the completion of all specified milestones, as follows:

☐ a prorated Escrowed Amount,

Escrowed Amount	Milestone
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____
\$ _____	_____

6. Disbursement of Escrowed Funds. Upon receiving written instructions jointly provided by both the Buyer and Seller, the Escrow Agent will disburse the Escrowed Amount, or any part of it, to the Seller as specified in this Agreement. These joint instructions must not authorize the Escrow Agent to release an amount that conflicts with the milestones outlined in Section 7 of this Agreement.

7. Communications. All notices, instructions, and communications related to this Agreement or the transactions described herein must be in writing. They will be considered delivered and received when sent to the following addresses of the respective parties involved:

a. If to the Escrow Agent:

 E-mail: _____

b. If to the Buyer:

 E-mail: _____

c. If to the Seller:

 E-mail: _____

8. Governing Law. Any disputes arising between the parties in connection with this Agreement, whether related to contract, tort, or any other matter, shall be governed by and interpreted in accordance with the internal laws.

Governing laws of the State of _____ shall apply to contracts executed and fully performed within the State of _____. The parties to this Agreement hereby irrevocably agree to submit to the jurisdiction of the State of _____.

11. Counterparts. This Agreement may be signed in one (1) or more counterparts, which can be delivered via mail or e-mail as mentioned in this Agreement. All counterparts shall be deemed as one and the same agreement and will become effective once one or more counterparts have been signed by all parties and delivered to each other. It is understood that not all parties are required to sign the same counterpart.

12. Accrued Interest. Any interest accrued on the Escrowed Amount shall be forwarded to the Buyer.

As of the Effective Date, the Parties have entered into this Agreement.

IN WITNESS WHEREOF

SIGNATURES

Seller Signature

Seller Name

Seller Name

Representative Signature

Representative Name and Title

Buyer Signature

Buyer Name

Buyer Name

Representative Signature

Representative Name and Title

Escrow Agent Signature

Escrow Agent Name