

COMMON DEFINED TERMS WITHIN A CONTRACT

BY PARMJIT BHOGAL OF BOWLING & CO.



AGREED FORM	Documents within the contract may be referred to as documents in an "agreed form" where they are in a form agreed by the seller and the buyer and initialed by them or on their behalf for the purposes of identification.
ASSETS	Assets are usually divided into fixed or capital assets and current or trading assets. The former are intended to be held and used in the business; the latter are intended to be realised in the course of trading. The Assets to be sold will be listed in the Contract.
ASSOCIATES	Self-employed dentists engaged at the practice, which may be engaged by a purchaser of a dental practice after the sale.
ASSOCIATES AGREEMENT	An existing contract for services between the Seller and each of the Associates under which each of the Associates practice dentistry at the Practice.
BOOK DEBTS	The aggregate amount due to the Seller, including book and other debts in respect of transactions effected on or before the Completion Date in connection with the Business.
BUSINESS	A term identifying the business being sold by the Seller which in the case of dentistry is the business of a dental practice carried on by the Seller from identified property as a Going concern.
THE BSA	A terms referring to the Business Services Authority for the England and Wales.
BUYER'S SOLICITOR	The Solicitor who is acting for the Buyer.
BUSINESS NAME	The name of the Seller's business under which it operates.
COMMERCIAL CONTRACTS	The of contracts and accepted orders usually listed in a schedule to the sale and purchase contract which have been entered into or placed by or on behalf of the Seller for the supply to the Seller of goods and/or services in connection with the business which contracts and accepted orders remain on the Completion Date to be performed.
COMPLETION DATE	The date specified in the contract for completion of the sale and purchase.

COMMISSIONING BOARD	The NHS Commissioning Board, NHS England as successor to the relevant Primary Care Trust.
CQC	The Care Quality Commission.
DEED OF PARTNERSHIP	The reference to a deed proposed to be entered into between the Seller and the Buyer where the sale of the dental practice includes an NHS Dental Contract.
DEED OF RETIREMENT	The reference to a deed proposed to be entered into between the Seller and the Buyer documenting the dissolution of the partnership created under a deed of partnership.
EMPLOYEES	Those persons employed by the Seller in connection with the business which will usually specified in the schedule to the contract.
EXCLUDED ITEMS	Items that may be excluded by the Seller in connection with the sale of the business. The excluded items are usually specified in a schedule to the contract.
EQUIPMENT	An inventory of the various equipment, including dental equipment, that is included in the sale of the business, which is usually attached to the contract.
GDS CONTRACT	A standard General Services Contract between the Seller and the relevant PCT.
GENERAL ASSETS	A term referring to all intangible assets and choses in action of the Seller relating to the Practice and which are included in the sale of the business, but usually excludes Book Debts or cash in hand of the Seller or in bank accounts.
GOODWILL	A term, referring to the goodwill, custom and connection of the Seller in relation to the Practice which will be one of the assets sold to the Buyer to enable the Buyer to represent himself as carrying on the Practice in succession to the Seller including.
INITIAL DEPOSIT	The sum paid by the Buyer on exchange of the contract and held by the Seller's solicitors pending completion of the sale.
IT SYSTEM	Items of computer hardware and software used in relation to the business which will be sold as part of the business.

THE PARTIES	The Buyer and the Seller or otherwise the parties to the contract for the sale and purchase of the dental practice.
NHS	National Health Service.
PATIENTS	The dental patients of the Practice who have been treated prior to the date of the contract.
PATIENT CONTRACTS	Patient contracts entered into by the Seller with Patients for the provision of dental treatment at the Practice which are outstanding on the completion date of the sale and purchase.
PCT	The Primary Care trust and its successor body NHS England.
PRACTICE	A term referring to the business operated by the Seller, typically as the practice of a dental surgery currently carried on by the Seller from the property.
PROPERTY	The property from where the business operates which will be specified in the contract and included in the sale. The Property may be leasehold premises or freehold premises.
PURCHASE PRICE	The price to be paid by the Buyer for the business.
RESIDUAL MOVEABLE ASSETS	Any other moveable assets of the Seller, including equipment used or employed in the practice at completion, including appointment books and paper record lists and books correspondence and documents relating exclusively to the practice and the patients prepared by the Seller in the course of the business of the practice which will be included in the sale of the business.
RESTRICTIVE COVENANT PERIOD	A period of time specified in the contract from the completion date of the sale, during which the Seller must comply with certain non-compete covenants in the contract to protect the Buyer.
RESTRICTED AREA	A geographical area specified in the contract, usually in terms of a radius from the property, where the Seller is prevented from practicing in competition with the Seller after the sale of the business.
SELF EMPLOYED PERSONS	Those persons who are self employed at the practice.

STANDARD CONDITIONS	The Standard Commercial Property Conditions (specified edition) which will govern the terms on which the premises from where the dental practice operates will be sold.
STOCK	The stock will usually be defined as such usable and unopened stock of dental materials being not more than six months old at the completion date that may be on or about the practice property as at close of business on the Stock Valuation Day. Depending on what the parties agree, certain stock may be excluded from the sale and this will be identified in the contract.
STOCK PRICE	A term referring to the valuation of the Stock, being the cost price of the Stock (plus any VAT paid). In default of agreement between the Seller and the Buyer the value of the Stock will be fixed by the Valuers as experts and costs of such valuation is usually shared equally between the Seller and the Buyer and the valuation will be binding on the parties.
STOCK VALUATION DAY	A day specified in the contact on which the parties will jointly agree the value of the stock (usually at cost price) or jointly procure the Stock Price be calculated by the Valuer.
UDA	A term referring to the Units of Dental Activity to be performed under the GDS Contract.
VALUERS	A term referring to a firm of valuers agreed between the parties or in the absence of agreement to be appointed on the reference by either of them to an independent chartered accountant. The valuers will usually be engaged for valuing the dental stock sold as part of the sale of the business.
THE REGULATIONS	The Transfer of Undertakings (Protection of Employment) Regulations 2006 under which the Seller's employees will be transferred to the Buyer and become the Buyer's employees on completion of the sale of the business.

<p>292 NOTICE</p>	<p>A notice given under clause 292 of the GDS Contract. If a Contractor under a GDS Contract proposes to practice in partnership with one or more persons during the existence of the contract, the Contractor notifies the PCT in writing of the name of the persons with whom it proposes to practice in partnership and the date on which the Contractor wishes to change its status as a Contractor from that of an individual dental practitioner to that of a partnership by submitting a notice under clause 292 of the GDS Contract.</p> <p>An Agreed Form draft is usually attached to the contract</p>
<p>295 NOTICE</p>	<p>A notice given by the Commissioning Board under clause 295 of the GDS contract. If the PCT is satisfied as to the accuracy of the matters to be contained in the 292 Notice, the PCT will give notice in writing to the Contractor pursuant to clause 295 of the GDS Contract confirming that the Contract will continue with the partnership entered into by the Contractor and its partners, from the date that the PCT specifies in that notice.</p>