

INKVEX

DILIGENCE MEMORANDUM

Asset Purchase Agreement

Analyzed: January 15, 2026

Target: Northwind Logistics SaaS, Inc. (SAMPLE)

C

DEAL GRADE

January 15, 2026

Re: First-Pass Diligence Review, Asset Purchase Agreement, Northwind Logistics SaaS, Inc. (SAMPLE)

To the buyer and counsel:

This memorandum is a structured first-pass diligence read of the contract identified above. It is designed to surface the issues, exposures, and negotiation points that should be reviewed before the next legal or commercial decision.

This memorandum is legal information, not legal advice. It is not a substitute for review by your M&A, franchise, or transaction attorney. First-pass for attorney review means the report is built to make counsel's review faster, narrower, and more focused.

Use the flagged issues, dollar-exposure figures, and suggested redlines as a starting agenda for counsel. The goal is to help you enter that conversation with the risk areas already organized and tied to the contract text.

The scope of this memorandum is limited to the document or documents provided and the market benchmarks cited in the report. It does not opine on facts, side agreements, diligence materials, or legal issues outside the contract text.

Prepared by,

Inkvex Diligence

DILIGENCE MEMORANDUM

Scope & Methodology

This section defines the review boundary, analysis method, and reliance limits for the first-pass diligence memorandum.

DOCUMENT	Asset Purchase Agreement
ANALYSIS DATE	January 15, 2026
TARGET	Northwind Logistics SaaS, Inc. (SAMPLE)

Scope

This memorandum reviews the four-corners of the Asset Purchase Agreement for Northwind Logistics SaaS, Inc. (SAMPLE) supplied for analysis on January 15, 2026. The review is limited to the document text and associated data provided to Inkvex.

Methodology

Inkvex applies structured clause extraction and risk assessment against the provided document text. The review identifies provisions that may affect economics, control, timing, post-closing obligations, assignment rights, default exposure, or negotiation leverage.

Where market context is relevant, the memorandum compares observed provisions to published industry studies. Specific citations and benchmark details appear in the applicable memo sections.

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Findings are risk-rated and prioritized so counsel can focus on the issues most likely to affect the transaction.

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Reliance & Limitations





- 1.** This memorandum provides legal information, not legal advice, and creates no attorney-client relationship.
- 2.** It is a first-pass tool intended to focus and accelerate review by the recipient's qualified M&A, franchise, or real-estate attorney.
- 3.** It reflects only the document(s) and data provided, and does not account for side letters, oral agreements, or materials not supplied.
- 4.** Market benchmarks are general reference points, not deal-specific legal conclusions.
- 5.** The recipient should not act or refrain from acting solely on this memorandum.

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DILIGENCE MEMORANDUM

Issues Summary

Buyer-facing risk register for attorney review and deal triage.

TOPIC	REF	RISK	ISSUE & RECOMMENDATION
Indemnification Cap	§4.1	 HIGH	<p>Aggregate liability cap is set at \$500,000, roughly 1.2% of enterprise value, well below market for a transaction of this size.</p> <p>Recommendation: Raise the cap toward the market median (about 11.76% of deal value on deals without rep and warranty insurance) and negotiate a separate, higher cap for fundamental representations.</p>
Survival Period	§4.2	 MEDIUM	<p>All representations, including fundamental representations, survive only 12 months. Twelve months is the market median for general representations, but fundamental representations (title, authority, capitalization) are carved out to survive to the statute of limitations in the large majority of deals.</p> <p>Recommendation: Carve fundamental representations out to the statute of limitations, and consider extending general survival toward 18 months, which roughly 40% of deals adopt.</p>
Sandbagging	§4.6	 MEDIUM	<p>The agreement is silent on sandbagging, leaving it ambiguous whether the buyer may recover for breaches it knew about before closing.</p> <p>Recommendation: Add an explicit pro-sandbagging provision to preserve the buyer's claims.</p>
Non-Compete Scope	§5.1	 LOW	<p>A three-year non-compete may face enforceability limits depending on the governing jurisdiction.</p> <p>Recommendation: Confirm governing law and tailor duration and geography to what is enforceable there.</p>

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Dollar Exposure

Estimated financial exposure tied to the red flags surfaced for attorney handoff.

ESTIMATED AGGREGATE EXPOSURE

\$850,000 - \$2,400,000

§4.1 Indemnification cap gap

HIGH CONFIDENCE

EXPOSURE RANGE

METHOD

\$600,000 - \$1,900,000

Cap shortfall versus market-median exposure

§4.2 Short survival window

MED CONFIDENCE

EXPOSURE RANGE

METHOD

\$150,000 - \$350,000

Estimated value of claims lost to early expiry

§4.6 Sandbagging ambiguity

LOW CONFIDENCE

EXPOSURE RANGE

METHOD

\$100,000 - \$150,000

Estimated cost of disputed knowledge-based claims

These figures are first-pass triage estimates for legal information review. They are not a valuation, legal opinion, legal advice, or a guaranteed liability number.

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Section-by-Section Review

Sequential review of the provisions surfaced for attorney handoff.

§2.1 | Purchase Price and Adjustments

CLEAR

Standard working-capital true-up; no concerns noted.

§4.1 | Indemnification

ISSUE

Cap is materially below market. See Issues Summary.

§4.2 | Survival of Representations

ISSUE

Twelve-month survival is short relative to market.

§6.3 | Closing Conditions

CLEAR

Customary conditions; material adverse effect defined.

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DILIGENCE MEMORANDUM

Industry Overlay

Industry-specific diligence checks applied to the provided contract analysis.

VERTICAL	SaaS
CLASSIFICATION	User confirmed
CONFIDENCE	94%

1. Revenue and Churn Representations

No representation addresses logo or revenue churn or the ARR bridge, which is material for a SaaS target. Consider requesting churn representations.

2. Customer Concentration

Disclosure schedules indicate the top customer represents roughly 31% of ARR; this concentration is not separately addressed in the indemnity.

Appendices

Appendix A: Documents Reviewed

Document	Type	Pages
Asset Purchase Agreement (sample execution draft)	APA	62
Disclosure Schedules (sample)	Schedules	28
Escrow Agreement (sample draft)	Ancillary	11

Appendix B: Defined Terms

Fundamental Representations

Representations regarding organization, authority, capitalization, and title, which typically survive longer and carry a higher cap.

§1.1

Material Adverse Effect

As defined in the agreement's definitions section.

§1.1

APPENDIX C

Market Benchmark Citations

Primary-source market data filtered to the flagged issues in this memorandum. Empty percentile labels are omitted.

CONTRACT Asset Purchase Agreement

COVERAGE 3 relevant benchmark rows selected for flagged Asset Purchase Agreement issues.

Benchmarks are market data for first-pass context, not legal advice.

PROVISION	BENCHMARK	SOURCE
Indemnification Cap (% Of Deal Value) Confidence A	P25: 8.5% of deal value Median: 11.8% of deal value P75: 20% of deal value	ABA Private Target Deal Points Study (illustrative sample) (2025)
Survival Period (months) Confidence A	P25: 12 months Median: 12 months P75: 18 months	ABA Private Target Deal Points Study (illustrative sample) (2025)
Escrow (% Of Transaction Value) Confidence A	Median: 7.2% of deal value	ABA Private Target Deal Points Study (illustrative sample) (2025)

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Appendix D: Suggested Revisions

Visual redlines prepared for attorney review.

Suggested revisions are legal information and a first-pass starting point for negotiation. They are not legal drafting advice and should not be used as final language without review, adaptation, and approval by the buyer's attorney.

Redline Before and After

§4.1

ORIGINAL

shall not exceed Five Hundred Thousand Dollars (\$500,000)

PROPOSED

shall not exceed eleven and seventy-six hundredths percent (11.76%) of the Purchase Price

Rationale: Aligns the cap to market; current figure is about 1.2% of enterprise value.

§4.2

ORIGINAL

survive the Closing for a period of twelve (12) months

PROPOSED

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survive the Closing for a period of eighteen (18) months

Rationale: Twelve months matches the market median; about 40% of deals extend general survival to 18 months, giving the buyer more time to surface breaches.

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Appendix D: Counter-Proposal Clauses

Counter-proposal language prepared for attorney review.

Suggested revisions are legal information and a first-pass starting point for negotiation. They are not legal drafting advice and should not be used as final language without review, adaptation, and approval by the buyer's attorney.

Counter-Proposal Clauses

Indemnification cap

The Seller's aggregate liability under this Article shall not exceed eleven and seventy-six hundredths percent (11.76%) of the Purchase Price, provided that liability for breaches of Fundamental Representations shall not exceed the Purchase Price.

Source citation: Aligned to market-median cap (illustrative sample)

Survival period

The representations and warranties shall survive the Closing for eighteen (18) months, except that Fundamental Representations shall survive until sixty (60) days after the applicable statute of limitations.

Source citation: Reflects fundamental-rep carve-out and extended general survival (illustrative sample)

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D I L I G E N C E M E M O R A N D U M

Appendix E: Negotiation Leverage

Where the surfaced red flags give the buyer the most room to push, ordered by leverage. Scores are first-pass strategic context from market patterns, not a guarantee of negotiation outcome.

§4.1 Indemnification cap far below market

LEVERAGE

|||||

MARKET PATTERN

WHY IT GIVES LEVERAGE

Sellers concede roughly 72% of the time

The cap sits well below market, so sellers commonly expect and concede upward movement here.

§4.2 Survival and fundamental-rep carve-out

LEVERAGE

|||||

MARKET PATTERN

WHY IT GIVES LEVERAGE

Sellers concede roughly 48% of the time

Extending general survival toward 18 months and carving fundamental reps to the statute of limitations is a common and frequently winnable ask.

§4.6 Sandbagging silence

LEVERAGE

|||||

MARKET PATTERN

WHY IT GIVES LEVERAGE

Sellers concede roughly 30% of the time

Adding a pro-sandbagging clause is moderately contested.

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Leverage scores are legal information for first-pass negotiation planning, not legal advice or a prediction of any specific result. Review strategy with your attorney.

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APPENDIX F

Post-Close Playbook

First 30 Days

Confirm escrow is funded and the escrow agent acknowledgment is received.

Owner: Buyer counsel

File any required change-of-control notices with key customers.

Owner: Buyer

Days 30-60

Complete the working-capital true-up calculation and deliver the statement.

Owner: Finance

Adjustment window under the purchase price section.

Days 60-100

Diary the survival and indemnity calendar, including the negotiated survival expiry dates.

Owner: Buyer counsel

DILIGENCE MEMORANDUM

Preparer Attestation

This memorandum was prepared by Inkvex Diligence Engine (Premium analysis tier).

Inkvex is a software tool, not a law firm. This attestation confirms the scope of the automated analysis only; it does not certify legal sufficiency.

Jurisdiction-specific provisions were checked against: Delaware, California.

The following were outside the scope of this analysis: Tax opinion, Environmental Phase II, Title insurance review.

A qualified attorney should complete a full review prior to execution.

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