



Summary

This is a style of signatories' certificate in connection with a sale and purchase of commercial property. In a transaction involving (usually) a limited company as seller, key management personnel, such as the directors, may be required in terms of the missives to make a number of undertakings in relation to the activities of the seller prior to settlement. For instance, the certifiers, due to their proximity to the seller, will normally be in the best position to warrant whether, for instance, the seller has (whether fraudulently or otherwise) entered into any transactions which might impact adversely on the purchase and on the transfer of a good title to the purchaser. The warranties also cover whether the seller has entered (for example) administration or liquidation in circumstances where this might not have been disclosed in the latest continuation of company searches against the seller. The warranties given in the certificate – which are often reinforced by indemnities, as in this style – are designed to give a measure of comfort to the purchaser in the immediate aftermath of settlement when the purchaser has paid over the purchase price to the seller but remains vulnerable pending registration of the purchaser's title to the property.

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