

# LETTER OF INTENT

November 22, 2005

[name]  
[street address]  
[city, province, postal code]

Dear Sirs:

**Re:** *Purchase of Shares of [NAME OF BUSINESS] (the "Business")*

Please accept this letter as a sincere expression of our intent to negotiate in good faith for the purchase of all of the shares and securities of the Business upon the following terms:

## 1. Binding Nature

This letter is not intended to be and will not create any legally binding obligation on anyone, except as specifically set out in Part B below. This entire transaction is subject to the negotiation and execution of a legal agreement of purchase and sale as reasonably required by our legal counsel (the "Definitive Agreement"), to be negotiated following execution of this Letter of Intent and executed on closing.

## Part A – Business Terms

As set out under Section 1 above, the provisions of this Part A shall not be legally binding upon the parties, and are a good faith expression of intent only.

## 2. Purchased Assets

The Buyer will be [name of purchaser].

The Purchased Assets will be all the shares and securities of the Business, and all shareholder loans or monies owing to shareholder related parties. By acquiring these shares and securities, the Buyer will acquire all the assets and year to date profits of the Business, and will assume all liabilities of the Business.

## 3. Liabilities Assumed

All shareholder loans and monies owing to shareholder related parties will be included in the purchase price, and all other liabilities of the Business will be assumed.

## 4. Purchase Price and Terms

The Purchase Price will be determined, allocated and paid as follows (subject to due diligence):

Purchase Price:	\$ _____
Payment Terms:	\$ _____
Allocation of Purchase Price:	\$ _____

## 5. Collateral Agreements

(a) \_\_\_\_\_ will agree that they will not directly or indirectly compete with the Business anywhere in \_\_\_\_\_ for a period of \_\_\_\_\_ years after Closing.

(b) \_\_\_\_\_ will agree that they will not solicit or attempt to solicit or accept business from any customers of the Business anywhere in \_\_\_\_\_ for a period of \_\_\_\_\_ months after Closing for and with respect to products or services competitive with those of the Business.

THIS IS A 4-PAGE DOCUMENT.