

**OFFER TO PURCHASE INTEREST IN SOFTWARE
(letter form)**

_____ (insert date)

_____ (insert full name of potential purchaser)

_____ (insert complete address)

(the "Purchaser")

Gentlemen:

The purpose of this letter is to set forth the terms of an offer by which the Purchaser will obtain rights to software referred to hereafter as the "Vendor Software" which includes, but is not limited to, the software known as _____ (insert title of software) and the software contained in the source code in the schedule attached to this letter, owned by _____ (insert full name of Vendor) (the "Vendor"). The Purchaser offers GBP £_____, (insert amount) which sum is to be paid to the Vendor upon execution by both parties of a final, definitive sales agreement, for a _____% (insert number) interest in all rights to the Vendor Software subject to the following:

1. The Purchaser hereby agrees to purchase and the Vendor agrees to sell a full undivided _____ (insert number in words) percent (____%) (insert number) interest in and to the Vendor Software. The Vendor and the Purchaser will each have all rights arising out of ownership of the Vendor Software, subject to paragraphs 2 and 6 hereof. The Vendor affirmatively represents that no one other than the Vendor has any ownership rights in any Vendor Software and that none of the Vendor's licensees of the Vendor Software have nor will have any right to modify the Vendor Software or to develop any derivative works from the Vendor Software and that such licensees do not and shall not have access to the source code for the Vendor Software.
2. The Vendor agrees not to sell or otherwise alienate in any way the source code for the Vendor Software for a period of ____ (insert number) years after the effective date of the final sales agreement. Neither the Purchaser nor the Vendor shall have any obligation to account to the other for any reason, including without limitation, for any income or expenses, however characterised, as a result of their co-ownership of the Vendor Software. Neither the Purchaser nor the Vendor will own any interest whatsoever in any modification or derivative work of the Vendor Software which is developed by the other party.
3. This agreement is expressly made subject to due diligence reviews by the Purchaser of all pertinent records, licences, contracts and other relevant facts and documents pertaining to this transaction. This agreement is binding upon the parties hereto subject to these due diligence reviews and satisfactory resolution of any problems that may be discovered. The Purchaser's obligation to close the transaction contemplated by this agreement is subject to the due diligence conducted by the Purchaser not having caused the Purchaser to become aware of any facts relating to such transaction which, in the sole judgement of the Purchaser, make it inadvisable to proceed with such transaction. This agreement will terminate unless a final, definitive agreement containing such covenants, representations, warranties, closing conditions and other provisions as the parties may agree is entered into no later than _____. (insert date) Termination of this agreement shall not release any party hereto from liability for any breach hereof.

In the event the Purchaser through its due diligence does not satisfy the above conditions within ____ (insert number) days of the date of this letter or does not agree to waive such conditions, then the Purchaser and the Vendor shall have no obligation to the other and the contemplated purchase and sale shall not be completed.

THIS IS A 2-PAGE FORM.