

LETTER OF INTENT FOR STRATEGIC PARTNERSHIP FOR THE PURPOSE OF SOFTWARE DEVELOPMENT & MARKETING

(date)

[Name of Partner 1]
[address of Partner 1]

Dear Sirs:

Pursuant to our ongoing negotiations, this Letter of Intent is intended to summarise the principal terms of a strategic partnership ("Partnership") between [Name of sender - Partner 2] and [Name of recipient - Partner 1] under which the parties will develop, implement, market and maintain *[insert a description of the software]*, currently titled "_____". The terms of the Partnership are as follows:

1. **Software Development:** {Partner 1}, in consultation with [Partner 2] will develop and provide *[describe PARTNER 1's obligations to the Partnership]*. [Partner 2], in consultation with [Partner 1] will develop and provide *[describe PARTNER 2's obligations to the Partnership]*. The parties intend that the Software will be developed in accordance with the milestones set out in Exhibit A attached hereto, and will perform according to the specifications set out in Exhibit B attached hereto.
2. **Support:** *[set out the terms of ongoing support, both between the partners with respect to their obligations to each other, and their support / maintenance / upgrade obligations to customers]*
3. **Marketing:** The parties will work together to develop all revenue streams for the Software and to implement all marketing and advertising sales for the Software, in accordance with Exhibit C attached hereto and subject to the marketing budget to be approved in advance by the parties ("Marketing Budget").
4. **Ownership of Intellectual Property:** _____ *[insert name of party retaining ownership, or if both, indicate that the parties will jointly own]* will retain all right, title and interest in and to the Software, including all modifications, enhancements, fixes and upgrades thereto and derivative works thereof, and will [jointly] apply for and register all applicable trademarks, trade names, service marks and related logos ("Marks") with respect to the Software. *[if not joint ownership: _____ will license to _____ on a royalty-free, non-exclusive basis the right to use the Marks for the purpose of fulfilling its obligations with respect to the Partnership. Both parties will receive equal credit and attribution for developing and delivering the Software.]*
5. **Revenue and Cost Splitting:** *[if the parties are to share equally in payment of costs and receipt of revenue, set that out here. If either party is paying a royalty to the other partner, set out the details of the royalty arrangements here]*
6. **Confidentiality:**
 - (a) "Confidential Information" of a party, as that phrase is used in this Letter of Intent and in any resulting definitive agreement ("Final Agreement") based on this Letter of Intent, shall mean any and all technical and non-technical information, including patent, copyright, trade secret and proprietary information, techniques, sketches,

drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, source code, object code, formulas and documentation related to the current, future and proposed products and services of such party, and includes without limitation such party's information concerning its respective research, experimental work, development, design details and specifications, engineering, financial information, procurement requirements, purchasing, manufacturing, customer lists, advertiser lists, business forecasts, sales, merchandising, marketing plans and other business information. "Confidential Information" also includes proprietary or confidential information of any third party that may disclose such information to a party in the course of such party's business.