

# LETTER OF INTENT TO ACQUIRE SHARES

*(indicate method of delivery)*

..... (city), ....., 20...

..... (name)

..... (title)

..... **(business name)**

..... (address)

..... (city), ..... (province)

..... (postal code)

**Re:** ..... *(description of the contemplated transaction)*

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Dear Mr.[Ms.] .....

This letter is further to our recent discussions and is based of a preliminary analysis and summary of the information that has been forwarded to us regarding ..... *(identify business)*, hereinafter the “**BUSINESS.**” We, the undersigned, are pleased to confirm our interest in submitting to you an official offer for the acquisition of the main assets of the BUSINESS.

Notwithstanding the terms used in this letter of intent, it must under no circumstances be interpreted or construed as a formal offer to purchase, as we have not yet received sufficient information to make such an offer. As detailed in the pages that follow, a formal offer could be signed depending on how negotiations progress and on compliance with the terms and conditions set out herein.

## **1.00 PURCHASE OF SUBJECT SHARES**

Subject to the terms and conditions provided in this letter, the proposed offer to purchase would relate to the following shares:

..... (.....) Class “...” shares, representing ..... PERCENT (..... %) of the voting and participating shares of the BUSINESS, having a paid-up capital of ..... DOLLARS (\$.....) per share and the certificate(s) in respect of which is/are registered under number(s) .....

**2.00 CONDITIONS FOR FORMAL OFFER**

In addition, the undersigned interest to purchase the shares will be subject to:

- (a) obtaining adequate and sufficient financing in order to cover all the monetary obligations arising from the transactions required in order to perfect the acquisition;
- (b) during regular business hours, the undersigned and their representatives will give reasonable access, free of charge, to any information necessary to allow them to begin the due diligence process with regard to the BUSINESS and its management and operations; and
- (c) any other condition determined following a due diligence review conducted in order to ensure the transfer of title, the release and discharge and the delivery of the shares in a manner and in a condition that is considered satisfactory.

**3.00 PRICE OFFERED**

The price offered for the subject shares, will be ..... DOLLARS ( \$ ..... ), which will be allocated approximately as follows:

Number of Shares	Unit Price	Total Consideration

Furthermore, at closing, you will be released and discharged from any guarantees and endorsements you granted in favour of the BUSINESS.

**4.00 TERMS OF PAYMENT**

**4.01 Deposit**

This offer will also be accompanied by a deposit equal to ..... PERCENT ( ..... % ) of the price offered, which deposit will be held in trust by our legal counsel until the closing date.

**4.02 Holdback**

**4.02.01 Indemnification**