Letter of Intent

Canada version

This letter sets out the main terms on which _____ proposes to enter into a transaction with _____.

1. Proposed transaction

_____

2. Price and key terms

_____

3. Conditions

_____

4. Exclusivity

For _____ days from signing, the recipient will not solicit, negotiate or accept any competing proposal for the same transaction.

5. Binding and non-binding terms

Only the sections on exclusivity, confidentiality, costs, governing law and this section are legally binding. All other terms are non-binding and subject to a definitive agreement signed by both parties.

6. Confidentiality

The parties will keep the existence and terms of this letter, and information exchanged under it, confidential.

7. Costs

Each party pays its own costs, whether or not the transaction completes.

8. Changes and waiver

Any change to this agreement must be in writing and signed by all parties, which may be done electronically. A failure or delay in enforcing any part of this agreement is not a waiver of that right.

9. Disputes

The parties will first try in good faith to resolve any dispute through discussion for at least 30 days before starting court proceedings.

10. Governing law and jurisdiction

This agreement is governed by the laws of the Province of _____ and the federal laws of Canada that apply there. Each party submits to the jurisdiction of the courts of the Province of

_____.

11. Electronic signatures and counterparts

This agreement may be signed electronically and in counterparts, each of which is an original and which together form one agreement. The parties agree that electronic signatures are valid and binding under the electronic commerce legislation of the Province of _____ and the Personal Information Protection and Electronic Documents Act (PIPEDA), and have the same effect as handwritten signatures.

12. Signatures

Signed by the parties on the dates shown below.

Seller or Recipient

_____

Full name

_____

Company

_____

Designation

_____

Date

_____

Buyer or Proposer

_____

Full name

_____

Company

_____

Designation

_____

Date

_____