

# NON-BINDING LETTER OF INTENT

\_\_\_\_\_, (“Seller”) and  
\_\_\_\_\_ (“Buyer”) hereby express  
their non-binding intention to enter into an agreement in the future pursuant to which  
Buyer intends to purchase from Seller the business/property known as  
\_\_\_\_\_ (“the Business”),  
located at \_\_\_\_\_ upon the  
following terms and conditions:

The purchase price in the total sum of \$ \_\_\_\_\_ (“the Purchase Price”)  
shall be payable as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

The Purchase Price shall be allocated among real and personal assets of the Business  
being purchased by Buyer as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

The final binding agreement between Seller and Buyer contemplated hereby shall be  
subject to an escrow, the conditions of which shall include the following:

- Buyer’s and Buyer’s representatives’ review of all of Seller’s books and records regarding the Business including, without limitation, financial records; bank records; tax returns; production records; vendor records; customer records; employee records; material legal documents and contracts; records of pending or past litigation, administrative actions or notices of any kind from any governmental agency involving or affecting the Business,
- Buyer’s and Buyer’s representatives’ inspection and approval of the physical condition of Seller’s fixtures, equipment and inventory used in the Business.
- Buyer’s and Buyer’s representatives’ physical inspection and approval of any real property and improvements thereon owned or occupied by the Business including the environmental condition thereof and any existing environmental or other reports concerning the condition of same,
- Buyer’s and Buyer’s representatives’ review of Seller’s lease for the premises occupied by the Business, if any, and obtaining of Seller’s lessor’s approval of the transfer thereof, if required,
- Obtaining of Seller’s Franchisor’s approval of this sale, if required,
- Satisfaction of Buyer’s lender’s requirements, if any,

- Approval by appropriate governing agencies of the transfer of any licenses, permits or interests in property required to operate the Business,
- Disclosure of, and Seller's examination and approval of, Buyer's (and any guarantor's) credit and financial condition and agreement as to any security for payment of the Purchase Price if Seller is agreeing to finance any portion of the Purchase Price,
- Preparation of and agreement to final documents of sale and approval thereof by the parties' respective attorneys and other representatives and agents including, without limitation, documentation of any covenant not to compete, consulting agreement or other covenant or condition related to the sale of the Business.

Any additional or modified terms and conditions of the sale contemplated hereby shall be included in the final documents of sale to be agreed upon and executed by the parties after execution of this Non-Binding Letter of Intent.

The parties shall each bear their own respective attorneys fees and other costs, including commissions payable to any brokers or finders, unless and until agreed otherwise.

**This is intended to constitute a Letter of Intent only. The terms and conditions of this Letter of Intent shall not bind either the parties hereto or their successors, assigns or agents unless or until the parties enter into final documents of sale providing that same shall be binding upon the parties. Except as to the provisions stated in the immediately preceding paragraph, which are intended to be binding and enforceable, there is no legally binding or enforceable contract between the parties pertaining to the subject matter of this Letter of Intent, and statements of intent or understandings herein shall not be deemed to constitute any offer, acceptance, or legally binding agreement and do not create any rights or obligations for or on the part of any party hereto.**

Date: \_\_\_\_\_

\_\_\_\_\_  
Seller

Date: \_\_\_\_\_

\_\_\_\_\_  
Buyer