

GENERAL COUNSEL

A P R O F E S S I O N A L C O R P O R A T I O N

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REPLY TO: LOS ANGELES OFFICE

29 June 2006

VIA FACSIMILE: (562) 555-1212

Mr. John Doe
12345 Main Street
Anytown, California 90000

Re: Client: General
Our File No.: ABCD.122101.01

Dear Mr. Doe:

As I'm sure RRRRR has mentioned to you, I have the privilege of representing Client as its General Counsel. I understand that you and he have had some very positive discussions regarding the purchase of your stock by the company, and that you are both now ready to put these discussions down on paper and move forward with the transaction on a formal basis. Therefore, on Client's behalf and at RRRRR's instructions, I am pleased to provide you this Letter of Intent to purchase all your shares of stock in Client. The purpose of this Letter of Intent is to summarize the basic terms and conditions upon which Client plans to commit to a binding agreement.

1. Stock. Client will purchase from John Doe (hereinafter referred to as "Doe") 584 shares of stock in Client, which represents all of your stock in Client (hereinafter referred to as the "Stock"). The Stock shall be transferred to Client free of all liens and encumbrances except as expressly assumed by Client.
2. Purchase Price. Contingent upon confirmation by Client of the Stock being free of all liens and encumbrances, Client shall pay to Doe a purchase price for all the Stock and the Noncompetition Agreement, described herein, of \$2,000,000.00 USD (two million dollars).
3. Employment Agreement. Contingent upon confirmation by Client of the Stock being free of all liens and encumbrances, Client shall execute with John Doe an Employment Agreement with a term of 6 years, with an annual salary of \$12,000.00. During the term of this Employment Agreement, Client will continue to provide John Doe and his dependents with the same health insurance as is currently provided as of the date of this letter. Client shall also provide to John Doe during the term of this Employment Agreement a company car, to be mutually-agreed to by the parties, including all gasoline charges, with a total aggregate agreed-to value of approximately \$12,000.00 per year. Finally, during the term of the Employment Agreement, Client shall provide John Doe with a customer/supplier entertainment budget of \$6,000.00 per year. During the term of this Employment Agreement John Doe will not compete with Client.

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4. Loan Repayment. The loan made by John Doe to Client in the amount of \$210,000.00 shall be repaid over 3 years at an interest rate of 10 percent (\$5,833.33 per month principal plus interest).
5. Allocation of Purchase Price. The parties hereto intend to agree upon an allocation of the Purchase Price as between the purchase of the Stock and the Noncompetition Agreement.
6. Terms of Payment. The purchase price shall be paid at a time and in a manner to be mutually agreed upon by the parties hereto following the completion of the time frame set forth in section 9, below.
7. Title. Title to the Stock shall be conveyed by bill of sale free and clear of all encumbrances, except as approved by Client in writing during the time frame set forth in section 9, below.
8. Assumption of Liabilities. Client shall assume no liabilities except as expressly set forth in this letter.
9. Document Completion and Financing Period. On execution of this Letter of Intent, Client shall have a period of ninety (90) days (the "Document Completion and Financing Period") within which to inspect and investigate the Stock and obtain financing for the transaction. During this Period, Client shall obtain all financing needed to complete the transaction contemplated in this Letter of Intent. Obtaining such financing is a necessary condition to completing the transaction, and Client's obligation to purchase the Stock is expressly contingent on Client successfully obtaining financing during the Document Completion and Financing period. Also during this time, Client will complete all the formal and further documentation contemplated by this Letter of Intent to effectuate the transaction. If Client determines that the Stock is not satisfactory and as expected, Client shall have the right, at Client's election, to terminate this Letter of Intent and to preclude any purchase of the Stock by written notice to Doe given on or prior to the expiration of the Document Completion and Financing Period. In the event of such a termination, neither Doe nor Client shall have any further obligations.

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10. Representations and Warranties. The documentation relating to the purchase of the Stock by Client shall contain customary representations and warranties of Doe including but not limited to the following:
- (a) Doe have good and marketable title to the Stock and have the right to transfer the same to Client.
 - (b) There is no pending litigation against Doe.
 - (c) Doe have prepared and filed all federal, state and local income, withholding, sales, real property, personal property and other tax returns and have paid all required taxes.
11. Client's Representations and Warranties. The documentation relating to the purchase of the Stock by Client shall contain customary representations and warranties of Client including, but not limited to, Client's warranties of the following:
- (a) Client has the power, authorization, and capacity to enter the transaction.
 - (b) Consummation of the sale of the Stock by Client will not violate any contract or agreement to which Client is a party.
12. Noncompetition Agreement. At the Closing, Client shall receive from John Doe an Agreement not to compete with Client for a period of two (2) years from the end of his Employment Agreement. An amount mutually agreeable to the parties hereto of the purchase price of the Stock will be allocated to the Noncompetition Agreement.
13. Closing Date. The Closing Date shall be subsequently determined as a date mutually agreed upon by the parties hereto.
14. Conduct of Business Until Closing. Until the Closing, John Doe will continue to conduct the business and maintain business relationships in the ordinary and usual course, and will not encumber or dispose of the Stock except in the regular and ordinary course of business. During that period, John Doe also shall not incur additional long-term lease or other contracts, or pay any special bonuses or compensation to employees. Until the Closing, all risk of loss, damage or destruction of the Stock shall be borne solely by Doe.

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15. Purchase Agreement. The obligations of Doe to sell and of Client to buy the Stock are contingent upon the execution of a purchase agreement consistent with this Letter of Intent and otherwise in a form mutually acceptable to both parties. The purchase agreement shall be executed by both parties as expeditiously as possible after Doe return to Client a fully executed copy of this Letter of Intent.
16. Confidentiality. Doe and Client agree to hold in confidence all terms and conditions of this Letter of Intent, except that the parties may disclose documents, materials or information to parties who are required to know that information for the proper performance of their duties in effectuating the purchase and sale of the Stock; provided, however, that the disclosing party notifies all parties to whom information is disclosed that the information must be kept confidential in accordance with the terms of this Paragraph. Neither Doe nor Client shall issue any press release or general public announcement concerning the terms or fact of this Letter of Intent without first obtaining the consent of the other party, except as may be required by law.
17. Taxes. Each party hereto shall be responsible for their own taxes and the tax implications of this transaction. Neither party has given tax advice to each other in this transaction.
18. Breach of Warranties. Doe shall indemnify Client against any loss, cost or liability incurred by Client as a result of the breach of any representation or warranty by Doe contained in the purchase documentation.
19. Expenses. The parties shall each bear all of their expenses, including attorneys' fees, in connection with the negotiation of the documentation of the sale of Stock.
20. Negotiation Stand-Still and Right of First Refusal. For a period of 90 days commencing with the date of execution of this letter of intent, Doe agree that Doe will not enter a binding agreement with any other party relating to the sale of the Stock. For a period of 90 days commencing with the date of execution of this letter of intent, Doe agrees that Doe will not enter negotiations or discussions with any other party concerning the sale of the Stock. Doe further agree that Client shall have the right of first refusal to purchase the Stock for a period of ninety (90) days following the end of the Due Diligence period. During this time, Client shall have the sole and exclusive right to offer to purchase the Stock. Should Doe enter into an agreement with any third party during this period, said agreement shall be voidable at the sole election of Client. Furthermore, any purchase price for the Stock agreed to by Doe with any third party during this time shall be deemed by the parties hereto as an irrevocable offer by Doe to Client to purchase the Stock at that price. Client shall have sole discretion to accept this offer for a period of ninety (90) days following the end of the Document Completion and Financing period. No failure by Client to so accept such an offer shall be interpreted as a waiver of Client's sole and exclusive right to purchase the Stock during this period.

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21. Letter of Intent Nonbinding Except as Otherwise Specified. This letter of intent is intended as an outline of material business terms to serve as a basis for the preparation of a purchase agreement for review and approval by Client and Doe. This Letter of Intent shall not constitute a formal binding agreement and neither party is obligated to execute the purchase agreement. It is intended that all legal rights or obligations between the parties who are executing this Letter of Intent shall come into existence only when a definitive agreement is executed and delivered by those parties. Notwithstanding the preceding provisions of this section, however, section 16 of this Agreement, relating to confidentiality of information, and section 20, restricting Doe right to enter into any agreements or conduct negotiations with other parties, shall be legally binding and enforceable by the Parties.

If the terms of this letter of intent are acceptable to you, please execute the enclosed counterpart of this Letter of Intent, without addition or deletion, and deliver same to Client on or before 24 July 2006. Failure to deliver the fully executed Letter of Intent by that date will render the provisions of this Letter of Intent inoperative and of no further force and effect.

Best Regards,

John A. Safyurtlu
General Counsel

I hereby approve and agree with the terms listed above.

July _____, 2006

By: _____
John Doe

July _____, 2006

By: _____
RRRRRR
on behalf of
Client