[Your Name]

Managing Director

International Business Management (IBM)

Date

**RE:** [SUBJECT]

Dear Mr. /Mrs. XYZ,

This letter serves as a letter of intent to outline the terms and conditions of purchasing the business on (date). The terms and conditions mentioned in this letter are open to negotiation and are not binding on either party. We are open to discussion regarding the terms and the business value.

We have agreed to purchase your chain of frozen foods and sell it under our own brand name. We would expect you to clear any liabilities before we purchase this business. And inform your stakeholders regarding selling the business. Our team of auditors and accountants have accessed the market value of the business based on the financial statements that you have provided us. We are happy to pay that price in three installments.

We are looking forward to acquiring a loan for the purchase transaction. We will be paying the first installment as our loan request gets accepted. We have presented the bank with all the necessary documentation and expect the loan to be approved in a weeks’ time. We will share with you all plan regarding the installments and payment dates.

I propose that we should meet during this week in the presence of our lawyers to take this deal further. We can discuss any other issues or suggestions that you might have regarding this proposal. Please feel free to call me or email me if you have any questions and I will be happy to assist you.

As mentioned earlier, this letter serves as an indication of our intention and has no legal binding. We will formulate an official contract once we agree to mutual terms.

Regards,  
Peter S. M