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| **Letter of intent** |

This template is prepared by Lundgrens Law Firm P/S for Clean Solutions and the Danish Industry Foundation

A Letter of Intent (“LoI”) expresses the intentions of the parties to collaborate and to enter into binding agreements.

A LoI is generally used in the very beginning of the negotiations between the parties and will typically include key terms for the on-going collaboration and the purpose hereof. The content of the key terms will vary depending on the discussions that have taken place between the parties and the specific nature of the project. The key terms should always be carefully assessed and should set out the immediate contributions and actions by each party.

In some projects a LoI may be followed by the signing of a non-binding Memorandum of Understanding (“Mou”) that typically will set out the scope for the intended collaboration of the parties in more detail, including project deliveries, expected timing and project organisation. However, depending on the project and how advanced the negotiations are between the parties a LoI may also be replaced by binding agreements (e.g. co-operation agreements or consortium agreements).

This template should be used taking into consideration that it should be adjusted to the specific project and the parties.

***Important Information***

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**CONTENTS**

[1. Background 4](#_Toc468186374)

[2. key terms 4](#_Toc468186378)

[3. Definitive agreements 4](#_Toc468186385)

[4. Exclusivity 4](#_Toc468186387)

[5. Confidentiality 5](#_Toc468186389)

[6. Costs and expenses 5](#_Toc468186392)

[7. Term and termination 5](#_Toc468186394)

[8. statement of intent only and binding effect 6](#_Toc468186397)

[9. Governing LAW AND ARBITRATION 6](#_Toc468186400)

[10. SIGNATURES 7](#_Toc468186405)

[11. references 8](#_Toc468186407)

This Letter of Intent (LOI) is made on the ¦[date]| between

¦[Name]**|**

¦[Address]|

¦[City]|

[Country]

[Business Registration No.]

(hereinafter (“[●]”)

and

[Name]

[Address]

[City]

[Country]

[Business Registration No.]

(hereinafter (“[●]”)

and

[Name]

[Address]

[City]

[Country]

[Business Registration No.]

(hereinafter (“[●]”)

and

[Name]

[Address]

[City]

[Country]

[Business Registration No.]

(hereinafter (“[●]”)

(collectively the “Parties” and individually the “Party”)

# Background

## ¦The Parties have agreed to further explore the business opportunity in relation to [insert description of the project] (the “Project”).

## This LoI summarises the Parties’ understanding of the intended future collaboration and the obligations of each Party in relation to the Project. The purpose of the LoI is to establish a basis for further discussions between the Parties.

## The LoI does not create any binding obligations, expressed or implied, on the Parties, except as expressly set forth in this LoI.

# key terms

## The Parties shall dedicate such time and effort to the Project that is reasonably necessary to ensure that the below steps are achieved.

## Party [●] shall contribute with:

### [Include description of key areas of expertise and outline relevant tasks]

## Party [●] shall contribute with:

### [Include description of key areas of expertise and outline relevant task][[1]](#endnote-1)

## Each Party shall appoint a key contact person that is responsible for the overall communication between the Parties in relation to the Project. Subject to the understanding that a Party may appoint other key contact persons from time to time, the following key contact persons have been appointed:

* [●]
* [●]

# Definitive agreements

## As soon as practically possible after the execution of the LoI, the Parties shall enter into good faith negotiations with a view to enter into customary binding agreements in relation to the Project. [[2]](#endnote-2)

# Exclusivity

## Until the date of termination of the LoI, the Parties shall not enter into discussions with any third party regarding a possible collaboration in relation to the Project.

# Confidentiality

## Prior to this LoI, the Parties have signed a separate Non-Disclosure Agreement dated [●] (the “NDA”). The confidentiality obligations that are set out in the NDA shall also apply to this LoI and any Confidential Information (as defined) that are exchanged between the Parties going forward[[3]](#endnote-3).

## **[**Alternatively: Except as required by law, each Party agrees that it shall not disclose any Confidential Information to any third party except its advisors who are bound by a duty of confidentiality and that it shall not use any Confidential Information other than in connection with its evaluation of the Project. For the purpose hereof, "Confidential Information" means any information about the other Party provided hereunder, and the LoI except information which: (i) is generally available to or known by the public other than as a result of improper disclosure by a Party, or (ii) is obtained by a Party from a source other than the other Party, provided that such source was not bound by a duty of confidentiality to the other Party with respect to such information.**]**

# Costs and expenses

## Except as set out in any binding agreements, each Party shall bear its own costs and expenses, including, but not limited to, legal and professional fees that are incurred in pursuing or consummating binding agreements in relation to the Project.[[4]](#endnote-4)

# Term and termination

## The LoI shall enter into force when it has been duly executed by each Party and shall terminate on the earlier of: (i) the date of execution of any binding agreements, or (ii) on [date], unless the Parties agree to extend the date.

## The Parties shall have no claim against each other as a result of a termination of the LoI for any reason.

# statement of intent only and binding effect

## This LoI is a statement of intent only and it does not create any legally binding commitments or obligations on any of the Parties, except as set forth in clause 4 (Exclusivity), clause 5 (Confidentiality), clause 6 (Costs and Expenses), clause 7.2 (Term and Termination) and Clause 9 (Governing law and arbitration).

## The rights and obligations of the Parties in relation to the Project shall only be set forth in final executed agreement(s).

# Governing LAW AND ARBITRATION

## This LoI and any dispute arising out of or in connection with this LoI, shall be governed by and construed in accordance with the laws of Denmark.

## Any dispute between or by Parties arising out of or in connection with this LoI shall be finally settled by arbitration in accordance with the rules of the Danish Institute of Arbitration (Danish Arbitration). The arbitration procedure shall take place in [●] and shall be carried out in the [English] language.

## Notwithstanding the foregoing, a Party shall be entitled to initiate legal proceedings concerning injunctions before the ordinary courts with a view to enforcing clause 4 (Exclusivity) and clause 5 (Confidentiality).

## The proceedings and any award shall be kept confidential by the Parties.

# SIGNATURES

## This LoI is signed in [●] original copies, one for each of the Parties.

|  |  |  |
| --- | --- | --- |
| ¦[Place]|, on ¦[Date]|: |  | ¦[Place]|, on ¦[Date]|: |
| For ¦[Part1]|: |  | For ¦[Part2]|: |
|  |  |  |
|  |  |  |
|  |  |  |
| ¦[Name and Title]| |  | ¦[Name and Title]| |

|  |  |  |
| --- | --- | --- |
| ¦[Place]|, on ¦[Date]|: |  | ¦[Place]|, on ¦[Date]|: |
| For ¦[Part3]|: |  | For ¦[Part4]|: |
|  |  |  |
|  |  |  |
|  |  |  |
| ¦[Name and Title]| |  | ¦[Name and Title]| |

# references

1. The content of the key terms will vary depending on the project deliverables and the field of expertise of the involved parties. The key terms should always be carefully assessed and should set out the immediate contributions and actions by each party. [↑](#endnote-ref-1)
2. If relevant, further information on specific agreements to be entered into by the parties may be included. [↑](#endnote-ref-2)
3. If the parties have not entered into the Non-Disclosure Agreement, separate provisions on “confidentiality” should be included. It should be agreed that provisions on “confidentiality” is binding and enforceable between the parties. [↑](#endnote-ref-3)
4. The customary starting point is that each party shall bear its own costs. However, the parties may decide to split the costs differently between them to take into account e.g. different contributions. If costs are spilt in a different way, the LoI should clearly set out the agreed split. [↑](#endnote-ref-4)