

[Company Letterhead]

[Date]

[Recipient Name]

[Recipient Title]

[Client Company Name]

[Address Line 1]

[Address Line 2]

Subject: Advisory Engagement for Leveraged Finance Portfolio Restructuring

Dear [Recipient Name],

Following our recent discussions regarding [Client Company Name]'s current capital structure and the prevailing market conditions, [Advisory Firm Name] is pleased to submit this proposal to act as your lead restructuring advisor.

1. Objectives

The primary objective of this engagement is to optimize your leveraged loan portfolio, improve debt service coverage ratios, and extend maturity profiles to ensure long-term financial stability. We will focus on mitigating risks associated with [mention specific triggers, e.g., floating rate exposure or upcoming bullets].

2. Scope of Services

Our advisory services will include:

- Comprehensive review of existing credit agreements, covenants, and collateral packages.
- Analysis of liquidity requirements and debt capacity.
- Development of a restructuring strategy, including potential debt-for-equity swaps, amend-and-extend transactions, or refinancing options.
- Negotiation with senior lenders, mezzanine providers, and bondholders.
- Execution support for capital raising or divestiture activities required for deleveraging.

3. Proposed Timeline

We anticipate the initial assessment phase to conclude within [Number] weeks, followed by a formal negotiation period with creditors lasting approximately [Number] months.

4. Fee Structure

Our compensation will consist of a monthly retainer fee of \$[Amount] and a success fee based on [Percentage]% of the total debt restructured or refinanced upon successful closing.

5. Confidentiality

All proprietary information shared during this engagement will be governed by the Non-Disclosure Agreement signed on [Date].

Please indicate your acceptance of this proposal by signing and returning the enclosed copy of this letter.

Sincerely,

[Your Signature]

[Your Name]

[Your Title]

[Advisory Firm Name]

Accepted and Agreed:

For and on behalf of [Client Company Name]:

Signature: _____

Name: [Name]

Date: [Date]