

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Engagement for Valuation Services - [Project Name/Target Company]

Dear [Client Contact Name],

This letter confirms that [Firm Name] ("the Firm") has been engaged by [Client Name] ("the Client") to provide valuation services in connection with the potential acquisition or merger involving [Target Company Name].

1. Scope of Services

The Firm will perform a valuation analysis to determine the [Fair Market Value / Investment Value] of [Target Company Name] as of [Valuation Date]. Our services will include:

- Analysis of historical financial statements and future projections.
- Review of industry and economic conditions.
- Application of relevant valuation methodologies (Income, Market, and Asset-based approaches).
- Delivery of a [Summary/Detailed] Valuation Report.

2. Client Responsibilities

The Client agrees to provide all necessary financial data, contracts, and operational information required for the valuation. The Firm will rely on this information without independent verification for accuracy or completeness.

3. Fees and Expenses

The professional fee for this engagement is estimated at \$[Amount]. A retainer of \$[Amount] is required upon signing. Out-of-pocket expenses will be billed at cost. Payments are due within [Number] days of invoice receipt.

4. Confidentiality

The Firm will maintain the confidentiality of all non-public information provided by the Client and will not disclose such information to third parties without prior written consent, except as required by law.

5. Limitation of Liability

The valuation report is intended solely for the use of the Client for the purpose of the M&A transaction. It may not be distributed to third parties without written consent. The Firm's total liability shall be limited to the amount of fees paid for this engagement.

6. Governing Law

This agreement shall be governed by the laws of the State of [State Name].

Please sign below to indicate your acceptance of these terms.

Sincerely,

[Your Name]

[Your Title]

[Firm Name]

Accepted and Agreed:

Signature: _____

Name: [Client Representative Name]

Title: [Title]

Date: [Date]