

[Date]

[Client Name]
[Client Address]
[City, State, Zip Code]

Attn: [Contact Name]

Re: Engagement Letter for Buy-Side Financial Due Diligence Services

Dear [Contact Name],

This letter confirms the engagement of [Accounting/Advisory Firm Name] ("we" or "us") to provide financial due diligence services to [Client Name] ("you" or "the Client") in connection with the potential acquisition of [Target Company Name] (the "Target").

1. Scope of Services

We will perform the following procedures for the period covering [Date] to [Date]:

- Analysis of historical quality of earnings (EBITDA).
- Review of historical revenue trends and customer concentration.
- Analysis of working capital requirements.
- Review of historical capital expenditures.
- Inquiry into significant accounting policies and internal controls.

2. Deliverables

We will provide a written report summarizing our findings. This report is intended solely for the use of the Client and for the specific purpose of evaluating the proposed transaction.

3. Client Responsibilities

The Client is responsible for providing all necessary financial records and ensuring access to the Target's management. The sufficiency of these procedures is solely the responsibility of the Client.

4. Fees

Our professional fees for this engagement are estimated to be \$[Amount]. This estimate excludes out-of-pocket expenses which will be billed at cost. Fees are payable upon receipt of invoice.

5. Limitation of Liability

Our services do not constitute an audit, review, or compilation of financial statements in accordance with GAAS. We do not provide an opinion on the Target's financial statements as a whole.

6. Governing Law

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

Please sign and return a copy of this letter to indicate your acceptance of these terms.

Sincerely,

[Name of Authorized Signatory]

[Title]

[Firm Name]

Accepted and Agreed:

For [Client Name]:

Signature: _____

Name: [Print Name]

Date: _____