

[Company Letterhead]

[Date]

[Contact Name]

[Client Company Name]

[Address]

[City, State, Zip Code]

Re: Engagement for Vendor Due Diligence Services

Dear [Contact Name],

This letter confirms the terms and conditions under which [Firm Name] ("we" or "us") will provide vendor due diligence services to [Client Company Name] ("you" or "the Company") in connection with the potential [Transaction Type, e.g., sale of the business].

1. Scope of Services

We will perform a financial and/or operational review of the Company's records for the period [Start Date] to [End Date]. Our procedures will include:

- Review of historical financial statements and management accounts.
- Analysis of revenue trends and customer concentration.
- Assessment of normalized EBITDA and working capital requirements.
- Review of key operational processes and internal controls.

2. Deliverables

Upon completion of our review, we will provide a written Vendor Due Diligence Report ("the Report"). The Report is intended for use by the Company and potential qualified bidders who sign a non-reliance or reliance letter as agreed upon.

3. Management Responsibilities

The Company management is responsible for providing all necessary financial data, documents, and access to personnel required for this engagement. You represent that all information provided to us will be accurate and complete to the best of your knowledge.

4. Fees

Our professional fees for this engagement are estimated at [Amount], plus out-of-pocket expenses. We will bill you [Monthly/Upon Completion]. Invoices are payable within [Number] days of receipt.

5. Confidentiality

We will treat all information obtained during this engagement as confidential and will not disclose it to third parties without your prior written consent, except as required by law.

6. Limitation of Liability

Our liability for any claims arising out of this engagement shall be limited to the total amount of fees paid to us under this agreement.

7. Governing Law

This agreement shall be governed by and construed in accordance with the laws of [State/Country].

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

Sincerely,

[Signature]

[Name of Partner/Director]

[Firm Name]

Accepted and Agreed:

For [Client Company Name]

Date: _____