[Company Header/Letterhead]

[Date]

To the Board of Directors
[Target Company Name]
[Address]
[City, State, Zip Code]

Re: Valuation Opinion regarding the proposed merger with [Acquiring Company Name]

Dear Members of the Board:

We understand that [Target Company Name] (the "Company") and [Acquiring Company Name] (the "Acquiror") intend to enter into an Agreement and Plan of Merger (the "Agreement"). Pursuant to the Agreement, the Acquiror will acquire all outstanding shares of the Company for a consideration of [Amount and Type of Consideration, e.g., $XX.XX per share in cash] (the "Transaction").

You have requested our opinion as to whether the consideration to be received by the shareholders of the Company in the Transaction is fair, from a financial point of view, to such shareholders.

In connection with this opinion, we have reviewed:

- The draft Agreement dated [Date];
- Annual reports and audited financial statements for the fiscal years ended [Dates];
- Internal financial statements and projections provided by management;
- Market data and stock price history of the Company;
- Financial terms of comparable merger and acquisition transactions;
- Valuations of publicly traded companies in similar lines of business.

We have assumed and relied upon the accuracy and completeness of all financial and other information provided to us. We have not performed an independent appraisal of the physical assets or liabilities of the Company.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the consideration to be received by the shareholders of the Company in the Transaction is fair, from a financial point of view.

This letter is for the benefit and use of the Board of Directors in its consideration of the Transaction and does not constitute a recommendation to any shareholder as to how to vote on the proposed Transaction.

Very truly yours,

[Signature]
[Name of Managing Director/Partner]
[Name of Financial Advisory Firm]