[Firm letterhead]

_____ __, 20[__]

[_____]
[_____]
[_____]

Dear [_____],

On behalf of [_____] LLC ("_____"), I am pleased to submit this non-binding proposal to acquire the business of [_____] ("_____" or the "Company"). From our conversations, I [insert flattering statement about the business, how it was built, how excited you are and how you envision taking it to the next level].

[Add a paragraph or two about your fund and perhaps highlight your or your investors' experience with similar companies and/or operating in similar industries.]

[Add a paragraph about post-closing role for founder and senior management]

[_____] would propose to purchase the business for a total enterprise value range of approximately $[_____ to $_____]. This valuation is based on [_____]. In determining the valuation, we have relied upon the Confidential Information Memorandum and information provided to date by [_____]. The proposed valuation assumes a full step up in the basis of the Company's assets and is subject to potential changes based on meetings with management, fully understanding and discussing the future prospects of the Company, touring the facilities, reviewing additional company information, conducting customary due diligence, and getting comfortable with the Company's historical financial trends and growth and margin opportunities in the future.

We would envision financing the acquisition through a prudent combination of debt, seller financing and equity. [_____] maintains relationships with a number of banks and providers of long-term capital, many of whom have completed transactions with our partners in the past. Given these resources, we are extremely confident in our ability to raise any necessary financing at the most competitive levels.

This proposal is submitted on a confidential basis and is not to be disclosed to other bidders or third parties. As part of our customary due diligence investigation and prior to making any commitment of any kind, we would expect to (i) conduct a further detailed review of the Company's historical financial statements, budgets and projections, (ii) conduct a quality of earnings analysis, (iii) meet with members of management to learn their views of the Company, both historical and projected, and ascertain their personal objectives following the acquisition, (iv) visit the Company's facilities and (v) conduct limited customer and supplier diligence surveys. This proposal is in no way a binding agreement, and it is subject to the completion of our business, legal, accounting, risk management and environmental due diligence on a basis we deem satisfactory in our sole discretion, to the negotiation and execution of a mutually satisfactory definitive purchase agreement and related documents, and to the availability of any necessary transaction financing on acceptable terms.

[Insert paragraph about how excited you are to work with them and how quickly you will work if selected (without committing to <u>any</u> particular timetable]

Sincerely,

[_____]

By:

[_____]
Managing Partner