**STRICTLY CONFIDENTIAL**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Re: Confidential Letter of Intent between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Dear \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *(Seller’s Name)*:

We appreciate the support that has been afforded us as we evaluate your business. Based on the information available to us to date, we are interested in exploring an acquisition of your business (“Business”). This letter of intent (“Letter”) is intended to summarize on a non-binding basis the principal terms on which we would propose to effect such a purchase. In this Letter, you and we are sometimes called the “Parties” and our possible acquisition of the Business is sometimes called the “Possible Acquisition.” The terms of a Possible Acquisition currently under discussion by the Parties are summarized in the non-binding term sheet attached as Exhibit A to this Letter. The following Sections 1 through 6 of this Letter (the “Binding Provisions”) are the legally binding and enforceable agreements of the Parties.

1. ***Confidentiality***. The Mutual Confidentiality Agreement, dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Confidentiality Agreement”) shall remain in effect unless and until superseded by the execution and delivery of a definitive agreement in respect of the Proposed Transaction.
2. ***Expenses***. Each Party will bear its own costs and expenses (including any broker’s or finder’s fees and the expenses of its representatives) incurred at any time in connection with pursuing or consummating the Possible Acquisition.
3. ***Entire Agreement***. The Binding Provisions constitute the entire agreement between the parties, and supersede all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealing between the parties on the subject matter hereof. Except as otherwise provided herein, the Binding Provisions may be amended or modified only by a writing executed by all of the parties.
4. ***Governing Law***. The Binding Provisions will be governed by and construed under the laws of the State of New York without regard to any conflicts of laws principles that would require application of the law of any other jurisdiction.
5. ***Counterparts***. This Letter may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Letter and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Letter and of signature pages by facsimile transmission, by electronic mail in “portable document format” (“.pdf”) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means, shall constitute effective execution and delivery of this Letter as to the Parties and may be used in lieu of the original Letter for all purposes.
6. ***No Liability***. The paragraphs and provisions of Exhibit A to this Letter do not constitute and will not give rise to any legally binding obligation on the part of any of the Parties. Moreover, except as expressly provided in the Binding Provisions (or as expressly provided in any binding written agreement that the Parties may enter into in the future), no past or future action, course of conduct, or failure to act relating to the Possible Acquisition, or relating to the negotiation of the terms of the Possible Acquisition or any Definitive Agreement, will give rise to or serve as a basis for any obligation or other liability on the part of the Parties.

If you agree to the foregoing, please so indicate by executing a copy of this Letter and returning the same to the undersigned no later than \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Thank you for your consideration, and we look forward to proceeding in this process.

**Accepted and agreed to as of this date:**

**­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 [BUYER]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[SELLER]

**Exhibit A**

**Non-Binding Summary of Proposed Terms**

|  |  |
| --- | --- |
| **Buyer** | *Advisor Name/Firm* |
| **Seller** | *Advisor Name/Firm* |
| **Asset Acquisition** | Buyer would purchase the following assets and rights:1. Sellers’ relationships with its financial advisors (the “Seller Advisers”) and, subject to receipt of applicable client consents, the related brokerage, advisory, consulting and other service agreements with Seller clients (“Client Agreements”) and the related customer accounts, relationships and goodwill (the “Acquired Business”);
2. the Sellers’ software, data, and books and records relating to the Acquired Business; and
3. such other assets relating to the foregoing as may be identified as purchased or assigned assets in the Definitive Agreements (collectively, the “Acquired Assets”).

At the closing of the Possible Acquisition (the “Closing”), Seller would cause all related assets (securities, insurance, etc.) to be transferred to Buyer’s management, custody (where applicable) and servicing at Closing or within a fixed period of time thereafter, including all accounts of Seller’s affiliated broker-dealer, subject only to receipt of appropriate client consents where applicable and any applicable regulatory requirements. Buyer would assume no liabilities from Sellers other than obligations arising after the date of the Closing (the “Closing Date”) under the express terms of any Client Agreement or other contract included in the Acquired Assets. |
| **Transaction Rationale** | Why is this transaction of interest and how does it fit with your initiatives in wealth management? Please highlight any perceived business synergies with the Company. Specifically, are there additional resources within your organization that the Company’s team could leverage with respect to business development, operational/administrative efficiency, or other areas? How does the Company’s geography tie in to your overall growth strategy? |
| **Pricing and Transaction Structure** | The “Purchase Price” would be comprised of the following components: (i) a cash payment by Buyer to Seller at the Closing in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (ii) a promissory note issued by Buyer (or an affiliate of Buyer) to Seller on the Closing Date, having a principal amount equal to $\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and (iii) the assumption of certain assumed liabilities.Please indicate any contingencies/lookbacks/retention adjustments that would be part of this arrangement.  |
| **Proposed Integration Plans** | Please describe to what extent the Company would remain as a stand-alone entity or be integrated with your organization. If your intention is to integrate the Company, please provide color on the timeline for integration and any specific plans for the Company's management and employees, including compensation and incentive programs, as well as the Company's brand. |
| **Representations and Warranties** | The Definitive Agreement would include representations and warranties of Sellers customary for a transaction of this nature and covering all matters material to the Acquired Assets and the Sellers. |
| **Covenants:** | The Definitive Agreement would provide for non-competition and non-solicitation covenants of the Sellers, and other covenants of the parties customary in agreements of this type or otherwise mutually agreed by the parties, including covenants of the Sellers in respect of obtaining applicable client consents. Buyer’s conduct of its business post-Closing would not be subject to any restrictions as a result of its entry into the Definitive Agreement. |