

[Sender Name]
[Sender Title]
[Company Name]
[Date]

[Recipient Name]
[Partner Title]
[Company Name]

RE: Letter of Intent for Management Buyout of Equity Stake

Dear [Recipient Name],

This Letter of Intent ("LOI") outlines the preliminary terms under which the undersigned management team ("Purchaser") proposes to acquire the entire equity interest held by [Recipient Name] ("Seller") in [Company Name].

1. Purchase Price: The proposed purchase price for the Seller's [Percentage]% equity stake is \$[Amount].

2. Payment Terms: The consideration shall be paid as follows:

- \$[Amount] in cash at the time of closing.
- \$[Amount] via a structured promissory note over [Number] years.

3. Transition Period: To ensure business continuity, the Seller agrees to remain in a consultancy role for a period of [Number] months following the closing date.

4. Due Diligence: This proposal is subject to the completion of standard financial and legal due diligence to the satisfaction of the Purchaser and any involved lending institutions.

5. Exclusivity: The Seller agrees to a period of exclusivity for [Number] days, during which the Seller will not negotiate with any third parties regarding the sale of their equity.

6. Non-Binding Nature: This LOI serves as a statement of intent and is non-binding, with the exception of the Exclusivity and Confidentiality clauses. A formal Purchase Agreement will follow.

If these terms are acceptable, please sign and return a copy of this letter.

Sincerely,

[Signature]
[Name of Lead Management Member]

Accepted and Agreed:

[Recipient Name]

Date: _____