

[Date]

[Selling Shareholder Name]

[Law Firm Name]

[Address]

[City, State, Zip Code]

## **RE: Non-Binding Letter of Intent for Phased Shareholder Buyout**

Dear [Selling Shareholder Name],

This Letter of Intent ("LOI") outlines the proposed terms for the phased buyout of your equity interest in [Law Firm Name] ("the Firm") by [Purchasing Shareholder/Entity Name] ("the Purchaser").

**1. Purchase Price:** The total valuation of the shares to be acquired is agreed to be \$[Amount], subject to final financial verification.

**2. Phased Acquisition Schedule:** The buyout shall occur in [Number] tranches:

- **Phase 1:** [Percentage]% of shares to be transferred on [Date] for \$[Amount].
- **Phase 2:** [Percentage]% of shares to be transferred on [Date] for \$[Amount].
- **Phase 3:** Remaining [Percentage]% of shares to be transferred on [Date] for \$[Amount].

**3. Payment Terms:** Payments for each phase will be made via [Wire Transfer/Promissory Note/Installments] according to the following terms: [Details].

**4. Transition of Responsibilities:** During the phased buyout period, the Selling Shareholder agrees to:

- Maintain active management of [Specific Client Accounts].
- Mentor the Purchaser on firm operations and administrative duties.
- Gradually reduce billable hour requirements as per the attached schedule.

**5. Governance and Voting Rights:** During the transition, voting rights shall [remain with the Seller / be transferred proportionately / be held in escrow] until the final phase is completed.

**6. Non-Compete and Non-Solicitation:** Upon completion of the final phase, the Selling Shareholder will be subject to a non-compete agreement for a period of [Number] years within a [Number]-mile radius of the Firm.

**7. Due Diligence:** This proposal is contingent upon the Purchaser's satisfaction with a review of the Firm's financial records, client list, and professional liability history.

**8. Definitive Agreement:** The parties intend to execute a formal Purchase Agreement within [Number] days of signing this LOI.

**9. Exclusivity:** The Selling Shareholder agrees not to negotiate with other potential buyers for a period of [Number] days from the date of this letter.

**10. Non-Binding Nature:** Except for sections 8, 9, and 10, this letter is a statement of intent and does not create a legally binding obligation.

Sincerely,

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[Purchaser Signature]  
[Purchaser Name]

**Agreed and Accepted:**

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[Selling Shareholder Signature]  
[Date]