

[Date]

[Recipient Name]

[Recipient Title]

[Company Name]

[Address Line 1]

[Address Line 2]

**RE: Letter of Intent for Escrow Agreement regarding Bankruptcy Restructuring of [Debtor Name]**

Dear [Recipient Name],

This Letter of Intent ("LOI") outlines the proposed terms for an escrow arrangement in connection with the Chapter 11 reorganization and restructuring of [Debtor Name] (the "Debtor").

**1. Purpose:** The escrow account shall be established to hold funds intended for [Specific Purpose, e.g., Creditor Distributions, Operational Exit Costs, or Asset Purchase Deposits] pursuant to the Proposed Plan of Reorganization.

**2. Escrow Agent:** [Name of Escrow Agent/Bank] shall serve as the Escrow Agent, subject to approval by the Bankruptcy Court.

**3. Escrow Amount:** The sum of \$[Amount] (the "Escrow Funds") shall be deposited into the account upon [Triggering Event/Date].

**4. Release of Funds:** The Escrow Funds shall be released only upon the occurrence of the following conditions:

- Confirmation of the Plan of Reorganization by the Bankruptcy Court;
- Receipt of a joint written instruction from the Debtor and the [Creditor Committee/Trustee]; or
- A final, non-appealable Order from the Bankruptcy Court directing the release.

**5. Fees and Expenses:** All fees associated with the Escrow Agent's services shall be paid by [Responsible Party] as an administrative expense of the bankruptcy estate.

**6. Governing Law:** This agreement shall be governed by the laws of the State of [State] and the United States Bankruptcy Code.

**7. Non-Binding Nature:** Except for provisions regarding confidentiality and exclusivity, this LOI is non-binding and serves as a framework for the formal Escrow Agreement to be executed by the parties.

Please indicate your acceptance of these preliminary terms by signing below.

Sincerely,

[Your Signature]

[Your Printed Name]

[Your Title]

**Acknowledged and Agreed:**

\_\_\_\_\_  
For [Recipient Company/Entity]

Date: \_\_\_\_\_