

[Your Law Firm Name]  
[Address Line 1]  
[Address Line 2]  
[City, State, Zip Code]  
[Date]

[Recipient Name]  
[Institution Name]  
[Address Line 1]  
[City, State, Zip Code]

**RE: Letter of Intent for the Securitization of Unbilled Legal Services (Work in Progress)**

Dear [Recipient Name],

This Letter of Intent ("LOI") outlines the proposed terms and conditions under which [Law Firm Name] ("the Firm") proposes to enter into a securitization arrangement with [Institution Name] ("the Investor") regarding the Firm's portfolio of unbilled legal services, commonly referred to as Work in Progress (WIP).

- 1. Asset Description:** The assets to be securitized consist of identified unbilled hours and disbursements recorded in the Firm's practice management system, representing valid, enforceable claims for legal services rendered to clients but not yet invoiced.
- 2. Transaction Structure:** The Firm intends to transfer the equitable interest in a defined pool of WIP to a Special Purpose Vehicle (SPV) or directly to the Investor in exchange for immediate liquidity. The Investor will receive a right to a portion of the future receivables once billed and collected.
- 3. Valuation and Discount:** The parties will agree upon a "Haircut" or discount rate applied to the face value of the WIP to account for potential write-downs, collection delays, and risk of non-payment.
- 4. Due Diligence:** Upon execution of this LOI, the Investor shall have a period of [Number] days to conduct due diligence, including an audit of the Firm's historical billing realization rates, collection cycles, and client concentration risks.
- 5. Reporting and Servicing:** The Firm shall remain responsible for the management, billing, and collection of the WIP. The Firm agrees to provide [Monthly/Quarterly] reports detailing the status of the securitized assets.
- 6. Exclusivity and Confidentiality:** The parties agree to maintain strict confidentiality regarding the terms of this transaction. The Firm agrees not to engage with other financing parties regarding this specific asset pool for a period of [Number] days.

**7. Non-Binding Nature:** Except for the provisions regarding Confidentiality and Exclusivity, this LOI is non-binding and serves as a framework for the drafting of definitive legal agreements.

If the terms outlined above are acceptable, please sign and return a copy of this letter.

Sincerely,

[Signature]

[Name of Authorized Signatory]

[Title]

[Law Firm Name]

**Agreed and Accepted:**

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[Name of Investor Representative]

[Title]

[Date]