

BUY-SIDE FINANCIAL DUE DILIGENCE AGREEMENT

This Buy-Side Financial Due Diligence Agreement (the "Agreement") is entered into and made effective as of _____, by and between:

Client: _____, with a principal place of business at _____ (hereinafter referred to as the "Client"),

and

Advisor: _____, with a principal place of business at _____ (hereinafter referred to as the "Advisor").

The Client and the Advisor may collectively be referred to as the "Parties" or individually as a "Party."

RECITALS

WHEREAS, the Client is considering a potential acquisition of _____ (the "Target Company"); and

WHEREAS, the Client desires to retain the Advisor to perform independent financial due diligence on the Target Company, and the Advisor agrees to perform such services under the terms and conditions set forth herein.

NOW, THEREFORE, the Parties agree as follows:

1. SCOPE OF SERVICES

The Advisor shall perform the financial due diligence services specified below (the "Services"):

1. Review of historical financial statements of the Target Company for the fiscal years ending _____, _____, and _____.
2. Analysis of the Quality of Earnings (QofE) to identify any non-recurring, one-time, or unusual items impacting historical EBITDA.
3. Evaluation of working capital requirements and determination of a normalized working capital peg.
4. Review of key accounting policies, internal controls, and financial reporting systems.
5. Assessment of tax compliance, potential historical tax exposure, and net debt components.
6. Preparation and delivery of a written report summarizing findings (the "Due Diligence Report").

2. PERFORMANCE AND STANDARDS

The Advisor will perform the Services with professional skill and care in accordance with industry standards. The Services and the resulting Due Diligence Report are intended solely for the internal use of the Client to assist in evaluating the potential transaction.

3. ACCESS TO INFORMATION

The Client shall facilitate access to the management, financial records, books, and other relevant information of the Target Company. The Advisor shall not be liable for any inaccuracies, errors, or omissions in the Due Diligence Report resulting from incomplete, inaccurate, or misleading information provided by the Target Company or the Client.

4. FEES, EXPENSES, AND PAYMENT TERMS

1. **Professional Fees:** The Client shall pay the Advisor a fee of _____ for the performance of the Services.
2. **Retainer:** An initial retainer of _____ shall be paid upon execution of this Agreement.
3. **Expenses:** The Client shall reimburse the Advisor for all reasonable out-of-pocket expenses incurred during the performance of the Services.
4. **Payment Terms:** Invoices shall be payable within _____ days of receipt.

5. CONFIDENTIALITY

The Advisor agrees to hold in confidence all non-public, proprietary, or confidential information regarding the Client, the Target Company, and the transaction itself, and shall not disclose such information to third parties without the prior written consent of the Client, except as required by law.

6. LIMITATION OF LIABILITY

The total liability of the Advisor for any claims, losses, damages, or expenses arising out of or in connection with this Agreement shall be limited to the total fees paid by the Client to the Advisor under this Agreement. In no event shall either Party be liable for consequential, incidental, indirect, or punitive damages.

7. TERM AND TERMINATION

This Agreement shall commence on the effective date and shall terminate upon the delivery of the final Due Diligence Report, unless terminated earlier by either Party providing _____ days' written notice. Upon termination, the Client shall pay the Advisor for all Services performed and expenses incurred up to the date of termination.

8. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed by and construed in accordance with the laws of _____. Any dispute arising out of or in connection with this Agreement shall be resolved through binding arbitration in _____.

9. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the Parties and supersedes all prior agreements or understandings, whether oral or written, regarding the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Financial Due Diligence Agreement as of the date first written above.

CLIENT:

ADVISOR:

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date