*[Your firm name and logo]*

[Valuation firm name]
[Firm address]
[Date]
[Client name]
[Client address]
Re: Valuation of [subject interest] as of [valuation date]

Dear [Client contact name],

**Subject interest**
We will estimate the value of [percentage or number of shares] [class] interest in [entity name], a [state] [entity type], as of [valuation date]. The interest is [controlling / non-controlling] and subject to [agreements and restrictions].

**Purpose and intended users**
The valuation is for [purpose, for example a gift tax return / an estate tax return / a buy-sell agreement / a marital dissolution]. Its intended users are [client name] and [other named users]. No one else may rely on it, and it may not be used for any other purpose.

**Type of engagement**
Option A: a valuation engagement, in which we will choose the approaches and methods we consider appropriate and express a conclusion of value. Option B: a calculation engagement, in which we will apply the following agreed approaches and procedures: [list], and express a calculated value.

**Standard and premise of value**
We will use the standard of [fair market value / fair value / investment value], defined as [definition], from [source]. We will assume the business is valued as a [going concern / liquidation].

**Report**
We will issue a [detailed report / summary report / calculation report] by [date], provided we receive the documents below by [date]. We are not obliged to update the report for information we learn after its date.

**Assumptions and limiting conditions**
Our work will be subject to the assumptions and limiting conditions attached as Schedule 1, which will also appear in our report. Hypothetical conditions, if any: [list].

**Your responsibilities**
You will give us complete and accurate information, access to [names] in management, and access to the business premises if we ask. At the end you will sign a representation letter confirming the information you gave us is complete.

**Documents**
By [date], please send: financial statements and federal tax returns for [years]; interim statements; budgets or projections; operating, shareholder and buy-sell agreements; the capitalization table; key contracts and leases; and prior valuations.

**Specialists (optional)**

[Specialist name] will appraise [real estate / equipment], engaged by [you / us]. Our report will state the extent of our responsibility for that work.

**Independence and fee basis**
We have disclosed to you any relationship with the parties that could affect our objectivity: [none / description]. Our fee does not depend on the value we conclude or on any outcome.

**Gift tax rider (optional)**
For use with a gift tax return, our report will state the date of the transfer, the date of our appraisal and its purpose, describe the property, the process used and the assumptions, conditions and restrictions that affect the value. We confirm we are not the donor, the donee, a family member of either, or employed by any of them.

**Charitable gift rider (optional)**
For a charitable contribution that requires a qualified appraisal, we will prepare one, sign it within the period the regulations allow, and sign the appraiser declaration on Form 8283, Section B. Our fee is not based on the appraised value.

**Fees and testimony**
Our fee is [amount / rate per hour], with a retainer of [amount] due on signing. Depositions, trial testimony and preparation for them are outside this letter and will be covered by a separate letter at [rate] per hour.

**Confidentiality and disputes (optional)**
We will keep your information confidential and use it only for this engagement, except as the law or our professional standards require. This letter is governed by the laws of [state], and any dispute will first go to non-binding mediation in [city, state].

**Acceptance**
Please sign and return this letter with the retainer. Either of us may end the engagement in writing, and you will pay for work done to that date.

Sincerely,
[Analyst name], [credentials]
[Valuation firm name]
Signature: _____ Date: _____
Accepted by [Client name]: [Signer name], [Title]
Signature: _____ Date: _____