

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

**STRICTLY P&C ADDRESSEES ONLY**

NAME  
ADDRESS  
CITY  
POSTCODE

Dear MR / MRS / MISS / MS,

**INTRODUCTIONS TO INVESTORS AND BUSINESS SUPPORT SERVICES IN CONNECTION WITH THE PROPOSED UK FUNDRAISING FOR FULL COMPANY NAME (THE “BUSINESS”) – THE “TRANSACTION”**

Following on from our recent discussions, we are writing to confirm the services that we will provide to COMPANY NAME for undertaking the role of introducing you to Funders.

We are all very excited at the prospect of working with you to deliver a successful outcome to this very important assignment.

**Background**

The Business \_\_\_\_\_

The Business is currently seeking funding of £££££ for development capital purposes. {We understand that the Business has already secured £££££ of this from existing and new investors.} We understand that the business requires the support of Co Angel Investment Service to raise the balance of funding required {of £££££.} from potential investors (“the Funders”).

**Scope of work**

The scope of our work will be limited to introducing you to new potential investors and we will not be providing you with advice.

- (a) *Funding model*
  - a. COMPANY NAME is to provide operational forecasts together with a supporting assumptions pack for five years, at least the first two years to be monthly. The model is to be fully integrated and contain profit and loss, cash flow and balance sheet.

(b) *Further discussion with Funders*

- a. Upon completion of the funding model we will approach the Funders following discussion and agreement with **COMPANY NAME**.
- b. We will solicit conditional offers of funding which will be subject to due diligence and full credit approval.
- c. As part of this process there may be a requirement for further formal management presentations to Funders.

(c) *Agree the formal Offer*

- a. At this stage we will procure a formal termsheet from the Funders for you. This will provide the framework for the Transaction and grant a period of exclusivity in order to secure the funding and for the Funders to undertake any further due diligence.

(d) *Due diligence*

- a. We will support the Funders with their due diligence process to provide comfort in relation to their financial support.
- b. We will work towards ensuring the scope of any work is appropriate thereby reducing cost and securing the smooth-running of this process in order that there is minimal disruption to you.

(e) *Transaction documentation*

- a. We will liaise with the Funder's lawyers, to review the legal documents to ensure as best as we can that the commercial intent of the Transaction is correctly reflected in the documentation.

(f) *Completion*

- a. We will proactively manage the Transaction through to completion.

## **The team**

The team for this project will be led by **CO ANGEL NAME (POSITION)** and will also include other members of the Co Angel Investment team as appropriate.

## **Timetable**

The project timetable will be documented once the Funders' investment approval process is specified and critical early decisions have been agreed.

Throughout the Transaction, we will keep you informed of our progress with telephone and e-mail dialogue and regular meetings of the project team. We would, based on what we know now, anticipate that it will take a minimum of 8 weeks after agreeing a Termsheet for the deal to complete.

## **Fees**

Our fees will be structured by way of a fully-contingent success fee of 5% +VAT of the amounts invested by the Funders.

## **VAT and expenses**

In addition to the above fees, VAT and directly attributable expenses incurred during the engagement will be charged where applicable.

## **Withdrawal**

It is our standard practice to include withdrawal provisions in our terms of engagement. The following provisions will apply to this Transaction only in the event that **COMPANY NAME** signs a termsheet from the Funders in relation to an offer of investment:

If you should withdraw from the transaction before completion whilst still in the exclusivity and completion period required by the termsheet (which shall normally be no longer than 3 months following the date of signature of that termsheet), you undertake to reimburse us our time costs plus VAT associated with the Transaction up to the point of withdrawal plus any directly attributable expenses plus VAT incurred on your behalf.

Our daily charge out rate for this purpose is £1,000 per day with the total fee capped at £10,000.

## **Money laundering**

In order for us to comply with our statutory obligations in respect of Money Laundering, we require all new clients to provide us with identification. The identification we require is a passport and a recent utility bill for all directors of the Business and all shareholders with excess of 20% of the equity of the Business.

We should be grateful if you would make these documents available at our next meeting, so that we can photocopy them for our records.

## **Publicity**

Co Angel Investment will require publicity for the successful outcome of the service provided in the event that the introductions made on our behalf result in investment being made. All publicity and press releases will be agreed by you but in signing this letter you agree to co-operate with us in publicising any investment secured by you.

## **Paperwork and evidence of support**

We will require you to sign a Business Registration form upon signature of this Engagement Letter, please see attached Appendix 1.

Furthermore we will need you to provide evidence of any jobs which are created or safeguarded as a result of our support in the same detail as per the attached Appendix 2.

### Next steps

We are all excited at the prospect of working with you and are keen to get started as soon as possible. Please give me a call once you have had chance to consider the contents of this letter and we can then look to finalise any outstanding points and move forward.

We look forward to hearing from you soon.

Yours sincerely

CO ANGEL NAME

POSITION

Co Angel Investment Service

***We confirm our agreement to the terms of this letter and that we are duly authorised to accept the terms of this engagement letter.***

\_\_\_\_\_  
DIRECTOR NAME OF COMPANY

POSITION

COMPANY NAME

\_\_\_\_\_  
Date