

Exit Strategy Letter

Date: [Insert Date]

To: [Partner's Name]

From: [Your Name]

Subject: Exit Strategy for Partnership

Dear [Partner's Name],

As we progress in our business partnership, it is essential to discuss our exit strategy to ensure a smooth transition should the need arise in the future. This letter outlines the proposed exit strategy, which we can further refine together.

1. Reasons for Exit

Outline potential reasons for exit, including personal circumstances, financial goals, or business performance issues.

2. Exit Timeline

Propose a timeline for the exit process, detailing key milestones and timeframes.

3. Valuation of Partnership Assets

Explain the method of valuation for the business and assets, ensuring fairness for both parties.

4. Buyout Terms

Detail the terms of the buyout, including payment structures and timelines.

5. Confidentiality and Non-Compete Clauses

State any confidentiality agreements or non-compete clauses that will remain in effect post-exit.

I believe that discussing this exit strategy now will lead to a more amicable and structured separation if it ever becomes necessary. I look forward to your thoughts and feedback on this proposal.

Thank you for your attention.

Sincerely,

[Your Name]

[Your Title]

[Your Contact Information]