

Letter of Representation

_____, (date) _____
Place

To

(Company stamp)

Re: Valuation report on the business value of _____
_____ **as at** _____

A. Declarations and evidence

In my / our capacity as executive board member(s) / executive officer(s) / sole proprietor / owner-manager(s) of the entity I / we hereby declare that all the documents provided to you, as well as all explanations and information given, are complete and accurate. With respect hereto I / we have disclosed to you, not only my / our personal knowledge, but also the knowledge held by the other members of the managing body.

I / we have named the following persons as being authorized and qualified to furnish information:

These persons have been instructed by me / us to provide you with all (required and requested) explanations and evidence correctly and completely.

B. Information concerning the valuation of the business

In particular, I / we declare that

the business planning dated _____ for fiscal years from _____ to _____ as well as the assumptions on which the planning is based and the related explanations and information provided to you correspond to my / our current expectations with regard to the future developments in income and expenses and the future cash inflows and outflows of the business being valued. In my / our view, these expectations have been plausibly derived and consider all known circumstances, opportunities and risks.

In detail, I / we herewith make the following representations:

1. The legal, tax, and economic relationships and circumstances disclosed to you are complete and accurate and reflect the essential fundamentals of the entity. They are accurately presented in your valuation report.

Please tick as applicable.

Muster U: to be used for business valuations.

Issued by Institut der Wirtschaftsprüfer in Deutschland e.V.

(German Institute of Public Auditors incorporated association)

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- a) Contracts and pending transactions which are or could become of significance for the assessment of the entity due to their particular nature, their subject, their term, their scope or in any other way (e.g. contracts with shareholders, suppliers, customers, employees, (other) group entities, corporate agreements, options, tenders and leases, repurchase agreements or contractual penalties, insurance agreements, patent or license agreements, forward contracts, dealings with financial derivatives, letters of comfort, warranties or letters of subordination and such like), as well as corresponding resolutions of the governing bodies to that effect (e.g. profit appropriation resolutions, resolutions regarding the conclusion of corporate agreements)
- did not exist at the valuation date nor at the date of this letter of representation
- have been disclosed to you in full in writing or are stated in section C or the Appendix _____ hereto.
- b) Rights of third parties to the intangible and tangible assets belonging to the entity and which have been completely substantiated to you (e.g. liens, collateral assignment, reservation of title, restrictions of the right of disposal, options) including the rights to assets qualified as non-essential operational assets
- did not exist at the valuation date nor at the date of this letter of representation
- have been disclosed to you in full in writing or are stated in section C or the Appendix _____ hereto.
2. Significant transactions that do not comply with existing internal regulations, management guidelines, guidelines of the supervisory board, etc. which are significance for the future development of the valuation object
- did not occur and currently do not exist
- have been disclosed to you in full in writing or are stated in section C or the Appendix _____ hereto.
3. Discernible changes in the legal and economic environment of the entity that are of significance for the entity's earnings/its ability to generate future distributable cash flows, as well as any planned or initiated measures which are of significance for the future development of the entity, including but not limited to changes in human resources (e.g. a change in management), in the competition or market environment (e.g. changes in procurement), the composition of the customer base and distribution channels, own developments and other work aimed at generating future benefits, inclusion of new products in the program or phasing out of existing ones, cooperations and comparable actions of third parties, to the extent that such matters have come to our notice (e.g. changes in the technical parameters),
- did not exist at the valuation date nor at the date of this letter of representation.
- have been considered in the business planning in full.
- have been disclosed to you in full in writing or are stated in section C or the Appendix _____ hereto.
4. The
- annual financial statements
- consolidated financial statements
- management reports
- group management reports and
- and following comparable documents _____
- submitted to you are complete and accurate.
We have drawn your attention to all significant factors and occurrences that are considered to be non-recurring.
5. Documents from the entity's internal information systems that could be of significance for the valuation of the entity have been submitted to you in full.

6. Internal and external reports and studies (e.g. on the corporate strategy) etc., which could be of significance for the valuation of the entity
- do not exist.
 - have been made accessible to you in full or are stated in section C or the Appendix ____ hereto.
7. Assets which are qualified as non-essential operational assets and other material assets that may, as the case may be, need to be valued separately, including those with high hidden reserves or hidden liabilities
- are not known to us.
 - have been disclosed to you in writing or are stated in section C or the Appendix ____ hereto.
8. Risks which are of significance for the future development of the entity (e.g. with regard to operating licenses, taxes, environmental protection)
- did not exist at the valuation date or at the date of this letter of representation.
 - have been considered in the business planning in full.
 - have been disclosed to you in full in writing or are stated in section C or the Appendix ____ hereto.
9. Significant changes in my / our expectations as to the future and in my / our assumptions between the date on which the business planning was prepared and the date on which this letter of representation is signed.
- did not occur.
 - have been explained and disclosed to you in full in writing or are stated in section C or the Appendix ____ hereto.

C. Other information and Comments

Signatures