SELLER TOOLKIT

Questions to Ask a Broker Before You Sign

A good broker will answer every one of these in writing. Vague answers on fees or representation are a reason to keep looking.

Experience

- How many insurance agency or book sales have you closed in the last 3 years?
- Can I speak with two sellers you represented?
- What size agencies do you usually sell?

Who you work for

- Do you represent me, the buyer, or both?
- Do you receive any payment from buyers, lenders or carriers? If so, how much?
- Are you owned by, or tied to, any acquirer or network?

Fees

- What is your success fee, and is it calculated on cash at closing or the total price including earnouts?
- Is there a minimum fee?
- Is there a retainer? Is it credited against the success fee at closing?

Contract terms

- How long is the exclusive engagement?
- What is the tail period, and does it cover only buyers you introduced?
- How can either of us end the agreement?

Process

- How do you keep the sale confidential from my staff, clients and carriers?
- Do you require an NDA before naming my agency to a buyer?
- How many buyers will you approach, and how do you choose them?
- Who on your team will do the actual work?

Record

- Which licenses do you hold, if any are required in my state?
- Any complaints or regulatory actions in the last 10 years?

Brokers welcome. AgencyLedge charges no fees to sellers or brokers. List with a broker or on your own: agencyledge.com/sell-my-agency/