



Springtree Group

Serving the Agent & Broker Community

There are more than 400,000 insurance agencies in the U.S., the vast majority of which have annual revenues less than \$5 million. In fact, the average agency in the U.S. generates approximately \$1 million revenue per year. Built from the ground up by their owners, these small to mid-sized agencies face unique management and financial challenges, particularly when it comes to structuring the purchase or sale of the business.

Springtree Group is uniquely positioned to serve this specialized market, offering a full spectrum of M&A and financing services to insurance agencies with under \$5 million of annual revenues.

For Baby Boomers planning to retire in the next five to ten years, Springtree Group has particular expertise in managing these ownership transition events. We facilitate the business transfer through a four-step process:

- 1. Deal Origination to Confidently Match Buyers & Sellers**
- 2. Qualification & Negotiation**
- 3. Deal Structure & Financing Development**
- 4. Due Diligence & Closing Processes**

No other company offers comprehensive acquisition process management, combined with a complete suite of lending and financing tools specifically tailored for small to mid-size insurance agencies and brokerages.

Business Transfer Management

If employees, customers, carriers or competitors learn of an agency owner's intention to sell, the business could suffer tremendous losses. Consequently, only 10 percent of agency acquisitions made in today's market are publicly known.

Springtree Group works directly with buyers to find suitable acquisition opportunities and offers a full range of services to facilitate a successful business transfer. Using our hands-on approach combined with our extensive network of industry experts, including sell-side business intermediaries, legal and accounting experts, and our long-standing financing relationships, we manage the process from start to finish.



Our Process

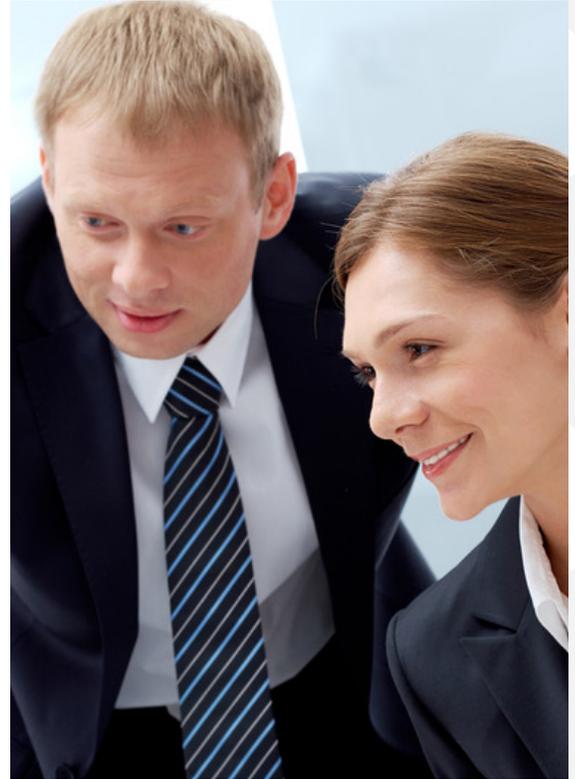
Deal Origination – Developing acquisition opportunities is a multi-level and joint endeavor with the buyer. We engage with more than 5000 sell-side business intermediaries; research our in-house database of known sellers; employ social media and technology tools; investigate industry specific assets; work with DOIs, banking and funding sources; and communicate directly with potential sellers to identify viable targets for our client buyers. Our largest single source for potential sellers is provided by our financing division. These opportunities would include “broken” or excess deals that other buyers failed to complete or decided not to pursue.

Qualification & Negotiation – From introductory calls to financial valuation analysis, deal structure management, Deal Point development, and LOI documentation, we provide comprehensive support to qualify and match acquisition opportunities and buyers. In addition, we handle price negotiations, addressing issues such as down payments, earn outs, seller notes, asset transfers and key employee retention.

Financing Development – STG will manage all of the financial variables surrounding cash flow, debt loads, credit history, process timing, add-backs, and other considerations to customize a financing deal that will be acceptable to one of our 10 different funding platforms. We work with our lending and underwriting partners to develop the financials for both the seller's firm and the buying firm.

Due Diligence & Closing – In the final stages of an acquisition deal, STG facilitates operational and financial due diligence and legal review, bringing in technical experts as needed. We also make available our network of attorneys, accountants, CPAs, and IT professionals and can provide checkpoints, document templates, communication plans and activity targets for the completion of their work.

Springtree Group is the leading national firm supporting buyers looking for insurance agencies or sellers in need of confidential access to buyers. Let us bring the strength of our complete M&A and lending solutions to support your next acquisition project in any part of the country.



To structure a **successful business transfer,
call **Springtree Group** at **972.395.8811**
or visit **www.springtreegroup.com****



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