

# BROKERAGE AGREEMENT

This is a customizable starting template, not a finished legal document. Replace every [BRACKETED] field with your specifics, delete or adapt any clause that does not fit your deal, and have a licensed attorney in the governing jurisdiction review it before you or anyone else signs. CyberSygn is not a law firm and this template is not legal advice.

This Brokerage Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[CLIENT LEGAL NAME], a [STATE] [ENTITY TYPE / INDIVIDUAL] with its principal place of business or residence at [CLIENT ADDRESS] ("**Client**"); and

[BROKER LEGAL NAME], a [STATE] [ENTITY TYPE / INDIVIDUAL] with its principal place of business at [BROKER ADDRESS] ("**Broker**").

Client and Broker are each a "**Party**" and together the "**Parties**."

**Recitals.** Client wishes to engage Broker to locate, introduce, or facilitate a [DESCRIBE TRANSACTION TYPE, e.g. sale of Client's business / purchase of equipment / placement of insurance / securing of financing] (a "**Transaction**"), and Broker, who holds any license required to provide such services, wishes to be engaged on the terms below. In consideration of the mutual promises below, the Parties agree as follows.

## 1. Engagement and Scope

**1.1 Engagement.** Client engages Broker to use commercially reasonable efforts to identify counterparties and facilitate a Transaction of the type described in the Recitals, and Broker accepts the engagement on the terms of this Agreement.

**1.2 Exclusive or non-exclusive.** This engagement is [EXCLUSIVE / NON-EXCLUSIVE]. [If exclusive: During the term, Client will refer all inquiries relating to a Transaction to Broker and will not engage another broker for the same Transaction.]

**1.3 Scope of services.** Broker's services include [DESCRIBE, e.g. identifying prospects, making introductions, marketing the opportunity, assisting in negotiations, and coordinating documentation]. Broker does not provide legal, tax, accounting, or appraisal advice, and Client should obtain its own professional advisors.

**1.4 No authority to bind.** Unless this Agreement expressly says otherwise, Broker has no authority to enter into any contract, accept any offer, or bind Client. Client retains sole discretion to accept or reject any proposed Transaction.

## 2. Licensing and Compliance

**2.1 Licenses.** Broker represents that it holds, and will maintain throughout the term, all licenses, registrations, and approvals required to perform the services under the laws of the jurisdiction in which it operates.

**2.2 Compliance with law.** Each Party will comply with all laws applicable to its activities under this Agreement, including any disclosure or recordkeeping requirements that apply to brokered transactions of this type.

2.3 **Disclosure of interest.** Broker will disclose to Client in writing any financial or personal interest Broker has in a prospective counterparty or Transaction.

### 3. Broker Duties

3.1 **Standard of care.** Broker will perform its services with reasonable skill, care, and diligence, consistent with professional standards for brokers in its field.

3.2 **Good faith.** Broker will act in good faith and will not knowingly present Client with materially misleading information about a prospective counterparty or Transaction.

3.3 **Confidentiality of Client information.** Broker will keep Client's non-public information confidential and will disclose it to prospective counterparties only as reasonably necessary to pursue a Transaction and, where appropriate, under confidentiality protections.

3.4 **Reporting.** Broker will keep Client reasonably informed of its efforts and of material developments, including the identity of prospects introduced under this Agreement.

### 4. Client Duties

4.1 **Information.** Client will provide Broker with accurate and complete information reasonably necessary for Broker to perform, and will promptly correct any information that becomes inaccurate.

4.2 **Cooperation.** Client will cooperate reasonably with Broker, including by responding to inquiries and making itself available for meetings with prospective counterparties.

4.3 **No circumvention.** During the term and for [NUMBER, e.g. 12] months after it ends, Client will not, directly or through others, complete a Transaction with a counterparty that Broker introduced or first brought to Client's attention without paying Broker the compensation due under Section 5.

### 5. Compensation

5.1 **Commission.** If a Transaction closes with a counterparty Broker introduced or procured, Client will pay Broker a commission equal to [PERCENTAGE]% of [BASIS, e.g. the gross Transaction value] or [a flat fee of [AMOUNT]], as applicable.

5.2 **When earned and payable.** The commission is earned on the closing of the Transaction and is payable within [NUMBER] days after closing, or, where permitted, at closing out of Transaction proceeds.

5.3 **Procuring cause.** Broker is entitled to a commission only for a Transaction of which Broker is the procuring cause, meaning Broker introduced the counterparty or materially facilitated the Transaction. Disputes about procuring cause will be resolved under Section 9.

5.4 **Tail period.** Broker is entitled to its commission on any Transaction that closes within [NUMBER, e.g. 12] months after termination with a counterparty Broker introduced during the term, provided Broker identifies that counterparty in writing to Client within [NUMBER] days after termination.

5.5 **Expenses.** Broker is responsible for its own expenses unless Client agrees in writing in advance to reimburse specified, documented expenses.

### 6. Confidentiality

6.1 **Confidential Information.** "Confidential Information" means non-public information disclosed by one Party to the other that is marked confidential or that a reasonable person would understand to be confidential given its

nature.

**6.2 Obligations.** The receiving Party will use Confidential Information only to pursue a Transaction, will protect it with at least reasonable care, and will not disclose it except to those who need it and are bound by confidentiality obligations at least as protective as these.

**6.3 Survival.** This Section survives termination for [NUMBER, e.g. 2] years, and indefinitely for any information that qualifies as a trade secret under applicable law.

## 7. Term and Termination

**7.1 Term.** This Agreement begins on the Effective Date and continues for [NUMBER, e.g. 6] months, then automatically renews for successive [NUMBER]-month periods unless either Party gives written notice of non-renewal at least [NUMBER] days before the end of the then-current period.

**7.2 Termination for convenience.** Either Party may terminate on [NUMBER, e.g. 30] days' prior written notice, subject to the tail-period commission rights in Section 5.4.

**7.3 Termination for cause.** Either Party may terminate immediately on written notice if the other materially breaches and fails to cure within [NUMBER] days after written notice.

**7.4 Effect of termination.** Termination does not affect commissions already earned or earnable under Sections 5.3 and 5.4. Each Party will return or destroy the other's Confidential Information on request.

## 8. Representations, Liability, and Indemnification

**8.1 Mutual representations.** Each Party represents that it has the authority to enter into this Agreement and that doing so does not violate any other agreement binding on it.

**8.2 No guarantee of result.** Broker does not guarantee that a Transaction will be found or completed. Broker's obligation is to use commercially reasonable efforts.

**8.3 Limitation of liability.** Except for indemnification obligations, breach of confidentiality, or a Party's gross negligence or willful misconduct, neither Party is liable for indirect, incidental, special, or consequential damages, and each Party's aggregate liability will not exceed the total commissions paid or payable under this Agreement.

**8.4 Indemnification.** Each Party will indemnify the other against third-party claims arising from the indemnifying Party's breach of this Agreement, negligence, or violation of law.

## 9. General Provisions

**9.1 Independent contractor.** Broker is an independent contractor. Nothing creates a partnership, joint venture, or employment relationship.

**9.2 Governing law and venue.** This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the courts located in [COUNTY, STATE].

**9.3 Dispute resolution.** Before filing suit, the Parties will attempt in good faith to resolve any dispute through direct discussion within [NUMBER] days of written notice of the dispute. [OPTIONAL: mediation or arbitration clause — discuss with counsel.]

**9.4 Assignment.** Neither Party may assign this Agreement without the other's prior written consent, except to a successor in connection with a merger or sale of substantially all assets.

9.5 **Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

9.6 **Entire agreement; amendment.** This Agreement is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

9.7 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

9.8 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the Effective Date.

**CLIENT**

**BROKER**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed name: **[NAME]**

Printed name: **[NAME]**

Title: **[TITLE / N/A]**

Title: **[TITLE / N/A]**

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

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

*Template provided by CyberSygn. Not legal advice. CyberSygn is not a law firm. Consult a licensed attorney in your jurisdiction before relying on this document.*