

Exclusive Authorization to Represent Seller

- 🔊 This is similar to a Finder's Fee agreement, but is designed to enable a person to manage the transaction of selling a single item for you. The "Finder's Fee" agreement is for the finder to bring a buyer to you – that's it – and for you to handle the entire transaction.
- 🔊 See also "Sales Representative" agreement if you are interested in having a person or firm represent your company and/or products on an ongoing basis.
- 🔊 The first part of the Memorandum should be completed and distributed to the other party along with a copy of the Exclusive Authorization to Represent Seller.

Date: **[Month, Day, Year]**



To: **[Name of other party]**

From: **[Owner/Founder]**

[Company]

Subject: **Exclusive Authorization to Represent Seller**

Attached is an "Exclusive Authorization to Represent Seller" in order to clearly establish the terms and conditions by which [Enter Name] have / has been authorized to act on [Owner/Founder]'s behalf regarding this transaction.

I believe that it embodies everything we discussed.

Please read the agreement carefully.

We recommend that you also have it reviewed by your own qualified legal counsel.

Time is of the essence.

Please sign and return it to me asap.

Thank you very much!

From JIAN

NOTICE:

We wish we could provide an agreement that was tailored *exactly* to your business. While this is not always possible, we feel that we've come very close and that this document provides you with the head-start that you need to get your deal moving. Nevertheless, we must make this disclaimer:

- 🔴 **Do Not Use This Agreement 'As-Is.'**
- 🔴 **This Agreement Is Not Legal Advice.**
- 🔴 **Read it Thoroughly and Make All Appropriate Changes to Fit Your Requirements.**
- 🔴 **You Should Have this Agreement Reviewed and Approved by a Qualified Attorney at Law Before Using It.**
- 🔴 **JIAN Accepts No Liability for the Effectiveness of This Document For Your Purposes.**

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We're building a network of business experts who are eager to help you when you need it. They can review your work, make suggestions, handle unique situations and introduce you to influential people. On our website you can search by expertise and location, then e-mail or jump straight to their website. Although they are professionals and charge for their services, most offer an initial consultation free of charge. They're in your area and you can contact them directly.


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- Please visit our website under [Updates](#).
- Remember to bookmark our website: www.JIAN.com

Editing Your Sample Contract

Since this entire agreement is formatted in Word, you can edit it like any other Word document. You can jump from variable to variable by clicking the above  green arrows (JIAN Menu) which will take you forward / backward and highlight the entire sample text identified within the “[]” brackets – simply edit / type-over with your information.

To make sure you have filled in all the variables, use Word's 'FIND' function to locate any “[]” which may contain an unedited variable.

- Click the  icon in the JIAN menu above to turn the expert comments on/off.
- Upon completion, delete any unnecessary blank lines that remain.
- You may format this document any way you like.
- Delete this page.

- **Serial #** [0000]

1.3 Selling Price:

[To be negotiated / \$[x] / between \$[x] and \$[x] / not less than \$[x]]

- ☞ The following paragraph includes a typical best efforts clause. Since the Seller is giving the Broker the exclusive right to sell the property, the Broker is agreeing to use his / her best efforts. He cannot just sit back and do nothing.

In consideration of this *Exclusive Authorization to Represent Seller* (“Authorization”), the Broker agrees to diligently pursue the sale of property for the Seller.

2. Broker Authorization

- ☞ The following section limits the Broker to the specifics outlined in Section 1. In other words, if the Seller authorizes the Broker to sell his / her car, the Broker cannot sell his / her boat.
- ☞ Section 2.3 gives the Broker the right to negotiate for the Seller, but requires the Seller's prior written consent before the Broker can actually execute a contract on the Seller's behalf. As such, the Broker should disclose to a buyer the fact that he is negotiating on behalf of a third party, the Seller, and that the Seller must ultimately approve the transaction.

Broker is authorized only:

- 2.1 To sell the property described above;
- 2.2 To represent only those properties for the Seller; and
- 2.3 On the Seller's approval, to negotiate for their sale, but not to commit the Seller to the sale of any property or to sign any instrument on behalf of the Seller without the Seller's prior written consent.

3. Compensation

- ☞ Section 3 sets forth how the Broker will be compensated.
- ☞ With regard to the first insert, the Broker can be paid a flat fee, a percentage of the purchase price, or no fee.
- ☞ As to the second insert, this pertains to when the Seller will have to pay the Broker.
- ☞ Hint: It is important to clearly establish how the Broker is to be compensated in advance. Note that in most cases the Broker is paid by the Seller though in some cases he may be paid by a buyer.

The Seller shall pay the Broker a commission of [x]% of the purchase price / \$[x]. This commission shall be due and payable upon transfer of title / when payment is received by Seller.

- ☞ This next paragraph provides that the Seller is still responsible to the Broker for the Broker's fee even if the Broker negotiates a sale after the expiration of the Agreement. In addition, if the Broker has worked with a particular Buyer, and the Seller later sells to that Buyer, the Broker may still receive his / her commission. This protects the Broker in that the Seller cannot circumvent him by selling the property on his / her own after the Agreement expires.
- ☞ Generally, 60 days is used. However, the parties may want to provide for more or less time. Obviously, the Broker wants this to be as long as possible, and the Seller wants it to be as short as possible.

This Agreement pertains to all properties on which the Broker may enter negotiations during the term specified above, or within [Enter 30 / 60 / 90 / other] days of expiration of this Agreement.

- ☞ This paragraph requires the Broker to act diligently in selling the property.

In consideration of this Agreement, the Broker agrees to use diligence in locating buyers acceptable to the Seller, and to negotiate terms and conditions for the sale of the above described property acceptable to the Seller.

Understood, Agreed & Accepted

In witness of this, the Seller and the Broker have executed this Agreement as of the Effective Date first written above.

Seller:

Broker:

[Owner/Founder]

[Broker Name]

Title



Title