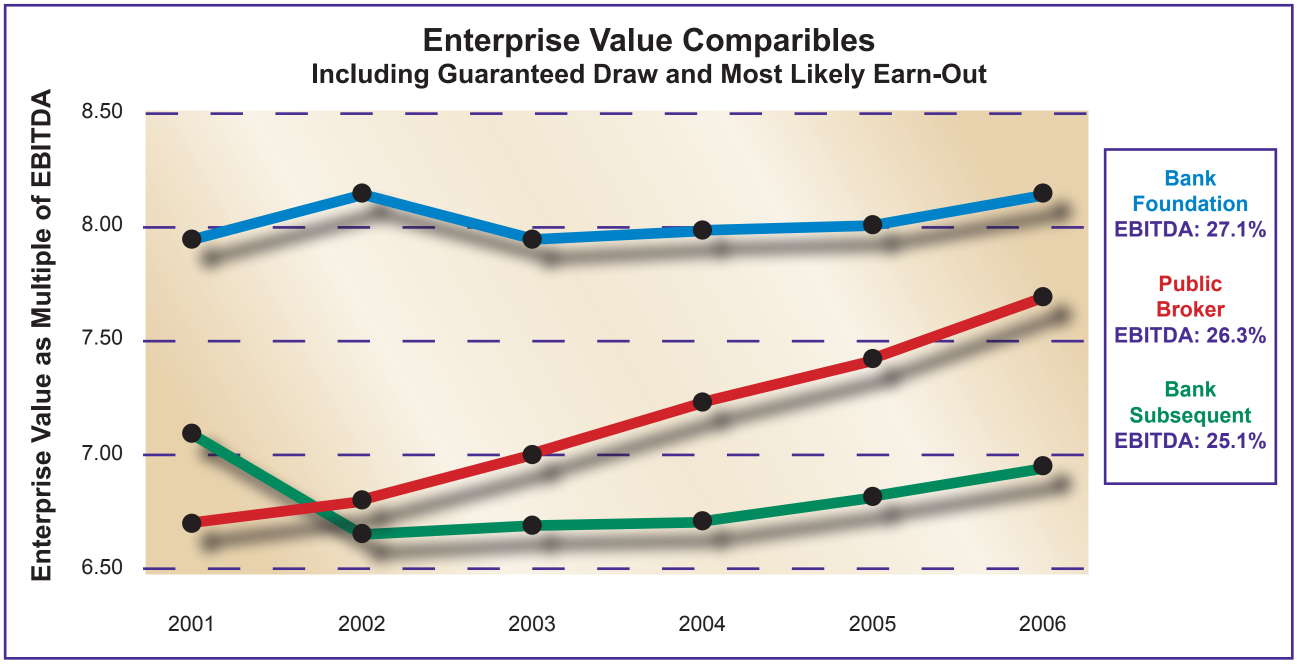
FOR THE RECORD
A MarshBerry Publication
Volume I, Issue 4 April, 2007

Historical Deal Comparables

Aggressive buy-side appetites relative to the limited supply of quality target agencies that are willing to sell have resulted in peak pricing for deals. The chart below illustrates historical pricing by banks and public broker buyers for specific types of targets. Please note that due to the supply and demand dynamics in the increasingly competitive merger and acquisition environment, the numbers below are reflective of premium pricing over and above fair market valuations. The multiples incorporate post-closing earn-out hurdles.

Our analysis shows that these specific buyers are getting what they pay for relative to earnings expectations and that peak performing agencies are commanding the highest sales prices. Peak performing agencies are typically characterized by high organic growth rates, strong earnings, healthy balance sheets, staff age dispersion and the ability to perpetuate internally. The publicly held bank and broker segments are astute buyers, guided by investment returns, and will not overpay for weak performance.



Information considered in preparing estimated market comparables includes private transactions in which we were involved and have detailed information, private transactions from which we have general knowledge, transactions in the public record, our knowledge of the current M&A marketplace, and discussions with buyers and sellers that are active in the marketplace. Value illustrated is net of WC requirement.

It is important to note that these transaction prices include earn-outs that are typically paid over a three-year period post closing. Guaranteed purchase price EBITDA multiples generally range from 5.3 times to 7.3 times, depending upon the buyer, seller and deal.

Authored by Wayne Walkotten, MarshBerry Senior Vice President, 616-667-1056

MarshBerry • 4420 Sherwin Road • Willoughby, Ohio 44094 • 800-426-2774 • www.MarshBerry.com • MarshBerry@MarshBerry.com