SPECIALTY

Deal-enabling, value-protecting solutions for corporate transactions

Over the last decade, Transactional Risks (TR) insurance products have become essential tools for dealmakers. TR is now a well-established, multi-billion dollar, dynamic, international insurance class. TR products help to preserve asset value, and unblock difficult, high stakes negotiations. They are increasingly low cost and user-friendly. The claims data is compelling – TR insurance responds when required.

Warranty and Indemnity / Representations and Warranties Insurance

When to use it:

- ☑ During M&A transactions of almost any size or structure.

What it covers:

Issues that 'fall through the cracks' during due diligence and seller disclosure. If unexpected liabilities are discovered post completion, and the buyer has overpaid for the business. The key trigger for the policy to respond is a breach of seller warranty, representation or tax indemnity/covenant.

Key benefits for sellers:

- ☑ Facilitates a clean exit, allowing the seller to cap their liability to $1 for breaches under the transaction documents.
- ☑ An alternative to escrow arrangements / holdbacks / parent company guarantees. Sellers can receive and distribute the purchase price in full at closing.

Key benefits for buyers:

- ☑ Fast recourse – an alternative to multi-year, adversarial litigation.
- ☑ Enhances a bid in a competitive auction context.

Benefits for both parties:

- Smoother, faster commercial and legal negotiations.
- Preserve relationships.
- Bridge valuation gaps.
- One-off process and premium payment – no recurring costs.

Learn more about our global solutions at **oneglobalbroking.com**