



M&A Insurance DACH region

Overview

What is M&A/ W&I (Warranty & Indemnity) Insurance?

- A specialist area of insurance which includes products and solutions such as Warranty & Indemnity Insurance, Tax Liability Insurance and one-off, unique policies created for individual risks
- Provides protection against a defined liability arising under the warranties and indemnities contained in a sale agreement. The policy can either be taken out by the seller or the buyer.
- A tool to facilitate M&A transactions

Why buy M&A Insurance?

- Helps to provide a clean exit for seller
- Extends the duration and/or cap of warranties
- Faster claims settlement and pay-out for valid claims (no need for legal actions in buy-side scenarios)
- Helps to protect against seller credit-risk
- Unwillingness to sue the seller/helps to protect relationships with seller

How long does underwriting take?

- Ideally seven business days – in urgent cases within a shorter period
- The policy is usually negotiated alongside the SPA and taken out at the time of signing

What is covered?*

- Losses suffered as a result of a breach of the seller's warranties or indemnities (buy-side)
- Coverage in the event that the buyer sues the seller for a breach of warranty or indemnity (sell-side)

What is excluded?*

- Known facts or matters identified by a buyer in due diligence or otherwise disclosed by a seller
- Forward-looking warranties, such as the target company achieving post-completion profit goals
- Fines or penalties that may not legally be insured against, price adjustments, leakage, etc.

Why Liberty Global Transaction Solutions (GTS)?

Liberty GTS is a leader in M&A Insurance. Liberty GTS has a presence in 10 jurisdictions throughout EMEA, the Americas and APAC – including the largest team of underwriters in the London market who are Tax Insurance and W&I specialists.

The Liberty GTS underwriters typically close in excess of 500 deals a year and average more than eight years' direct M&A experience across a variety of industry sectors.

The DACH team is based in a dedicated M&A office in Frankfurt. The German team comprises three underwriters who are all German lawyers with in depth experience of M&A transactions in the DACH market having worked at major law firms (Milbank, Clifford Chance and Noerr) before joining Liberty GTS.

We have the ability to write up to EUR 170 million, which enables us to handle a spectrum of deal sizes.

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**Subject to terms and conditions.*

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