

Secondary liquidity solutions

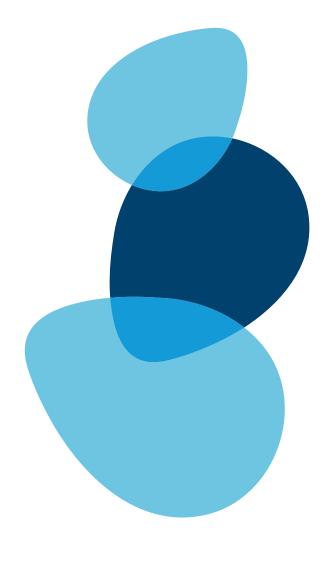
Product brochure **Australia**

Overview

Our transaction liability insurance solutions are structured to support a range of acquisition and portfolio management strategies for both private equity and corporate clients.

These solutions can be applied across a range of M&A structures, sectors, vintage years and geographies.

We facilitate the allocation of risk which allows our clients to optimize capital and balance sheet liabilities and negotiate smoother, quicker and commercially attractive deals.



About CFC

CFC is a specialist insurance provider and a pioneer in emerging risk. With a track record of disrupting inefficient insurance markets, CFC uses proprietary technology to deliver high-quality products to market faster than the competition while making it easier for brokers to do business. Our broad range of commercial insurance products are purpose-built for today's risks, and we aim to give our customers everything they need in one, easy-to-understand policy.

Headquartered in London, CFC serves more than 130,000 businesses in over 90 countries. Learn more at cfc.com and LinkedIn.

Contact.



Angus Marshall Head of Transaction Liability

> amarshall@cfc.com +44 (0)207 469 1754

Coverage highlights

Solutions for the secondary market

We are recognised as the leading provider of transaction liability insurance solutions for the secondary market. We provide a range of bespoke solutions to private market investors who are acquiring, divesting or restructuring interests in private equity, private credit or other fund assets. Our solutions utilise insurance capital to facilitate transactions and provide an indemnity backstop for breaches of representations/warranties or the Excluded Obligations indemnity. We have experience with a range of transaction structures from GP-led restructurings, LP portfolio transfers and end of fund wrap-up liabilities. Utilising transaction liability insurance on a secondary transaction allows our clients to: optimise capital (by negating the need for postclosing escrow or hold-back), navigate a smoother deal process, have recourse for post-closing indemnification issues and divest assets with a clean exit.

Knowledge and expertise

We have a dedicated secondaries underwriting practice made up of funds lawyers, chartered accountants and investment bankers. Our team is international in both its makeup and outlook giving us experience and insights to work globally and bridge differing cultural, commercial and legal expectations.

Speed and certainty

Acquisitions are often fast paced and complex. Our objective is to align with clients as partners and work together throughout the process. We are deal facilitators and are here to conclude transactions with speed and certainty of execution.

Dedicated M&A claims team

In addition to providing deal facilitation, our solutions offer post-closing indemnification for a breach of representations / warranties or an excluded obligations claim. We have a dedicated and experienced M&A claims team who work cooperatively with clients and assist with gaining a detailed understanding of post-acquisition issues. Our solutions are backed by Lloyd's of London and our own CFC syndicate giving you recourse to high quality capital without the need to pursue deal teams or your secondary investment partners.

Market leading process and coverage

We recognise that each secondary transaction is unique. Our coverage and underwriting process is designed to compliment deal structures and timelines. We were the first insurance market to provide coverage for excluded obligations and are continuously exploring ways to innovate.

Limits, deductibles, premium and transaction size

Maximum limit	AUD 40m
Retention	0.50% or 0.25% of net asset value
Minimum premium	
Average underwriting fee	

Appetite



What we love

We can facilitate a range of secondary transactions:

- GP-led restructurings
- LP-LP transfers
- End of fund life/fund wrap-up
- Private credit
- GP stakes
- Strip deals
- Single and multi-asset transfers
- Real estate and infrastructure transactions



Additional policy enhancements

- Top up coverage for fundamental representations
- Coverage for portfolio company / asset level representations with due diligence or appropriate knowledge qualifiers to the representations
- Contingent liability insurance policies for known issues or tax liabilities
- Synthetic excluded obligations (EO) coverage
- Nil retention for fundamental warranties and EO coverage