

DUAL M&A

DUAL

M&A Transactional Insurance

making relationships count

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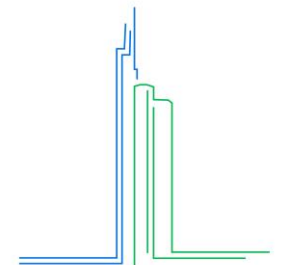
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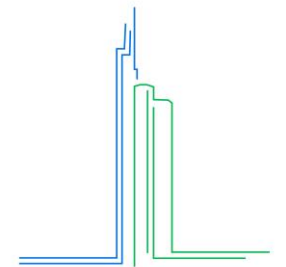
W&I INSURANCE
How does it work and help
your transaction, the process



making relationships count

01

DUAL EUROPE GMBH
DUAL M&A
At a glance



making relationships count

Part of a dedicated, global insurance group



Largest underwriting agency in the world

Provides specialist insurance solutions: connecting capacity providers to new geographic markets and segments and brokers with new insurance markets

**Active in over 38 countries,
Europe, the Middle East,
Asia Pacific and the Americas**

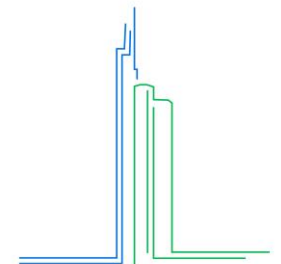


Specialist for W&I, Tax and Litigation insurance solutions
Capacity holders with at least A-ratings – Liberty Mutual, Travelers and R+V

DUAL Europe GmbH, under the brand DUAL M&A, is part of the DUAL Group, the world's largest international underwriting agency and Lloyd's largest international coverholder, and the specialist underwriting arm for the Hyperion Insurance Group

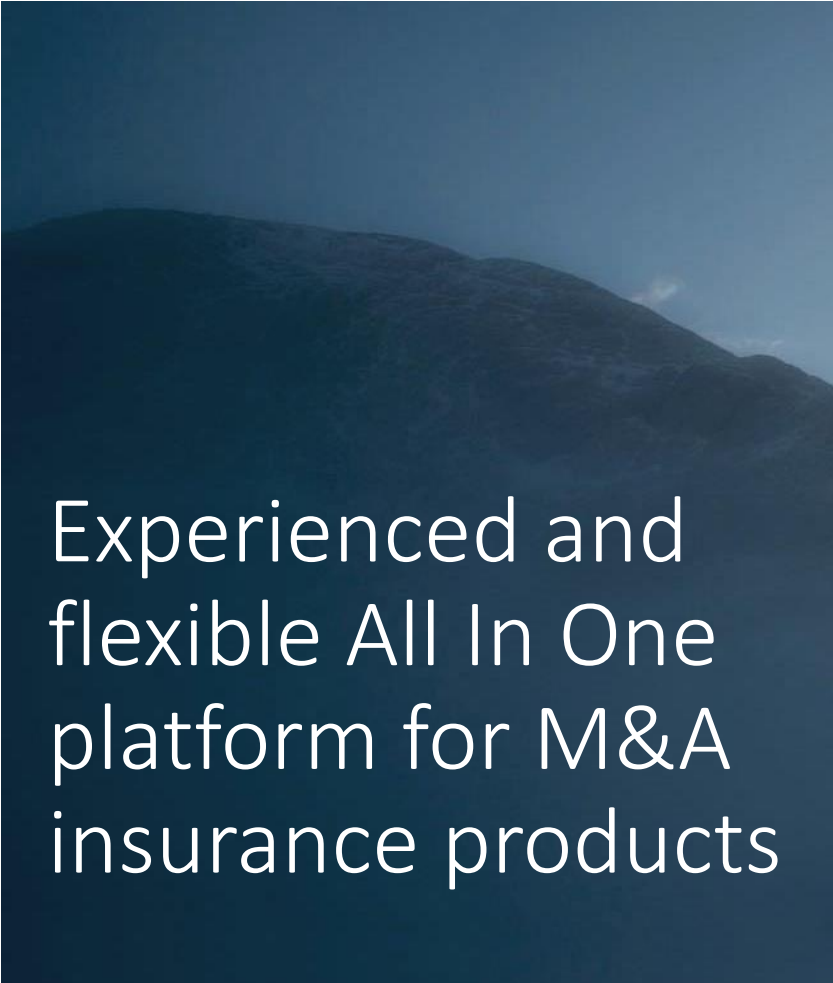
**Limit of cover per transaction of up to EUR
60,000,0000**

Offering policy coverage in all European countries




making relationships count

Why us?

A dark, atmospheric photograph of a mountain range under a clear sky, serving as a background for the text on the left side of the slide.

Experienced and flexible All In One platform for M&A insurance products

A solid green rectangular box containing five lines of white text, listing key benefits of the company.

One of the most experienced teams in the market

Cover 30 jurisdictions with relating policies

All M&A insurance products out of one hand

High process and policy flexibility

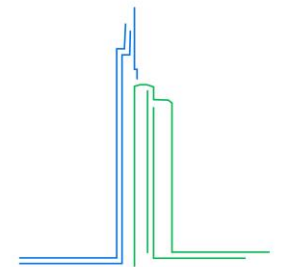
Team with interdisciplinary M&A professional background



02

M&A INSURANCE

Products, coverage and structure

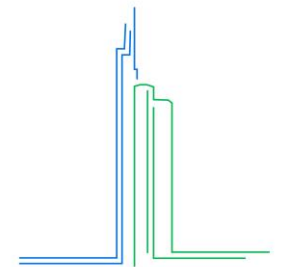
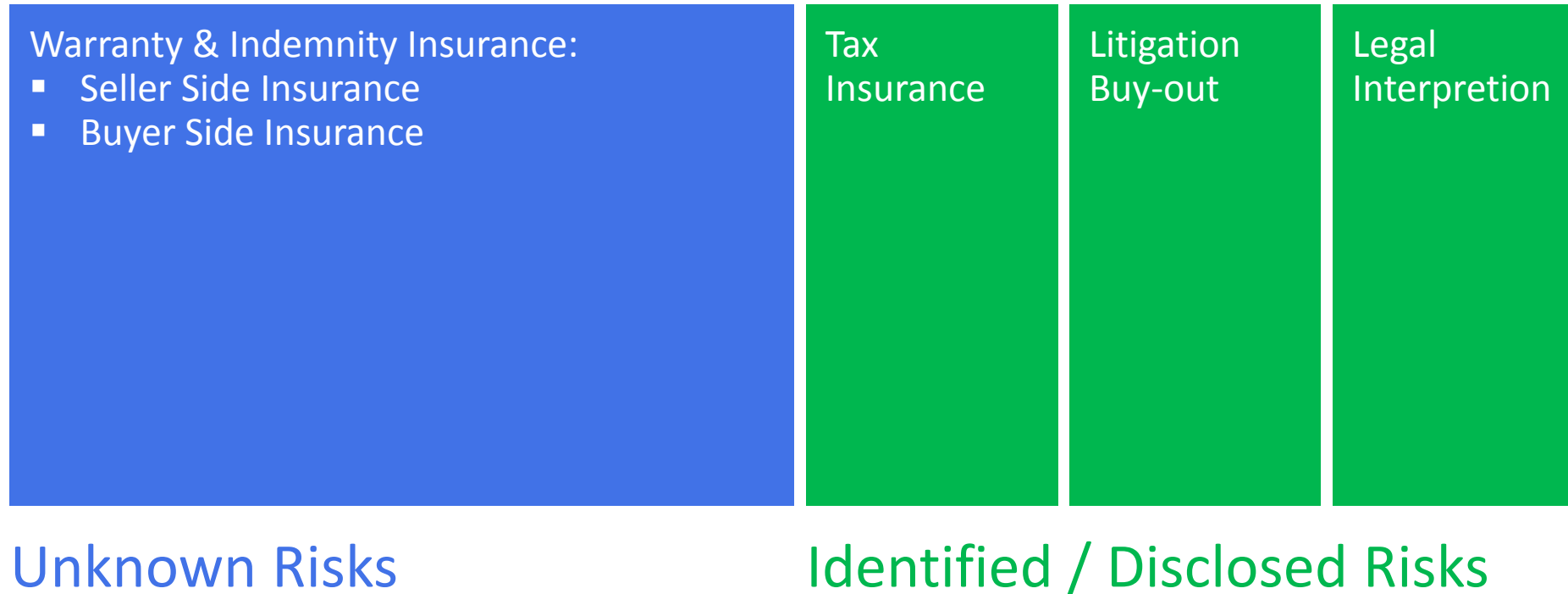


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Core M&A insurance products

Key product groups



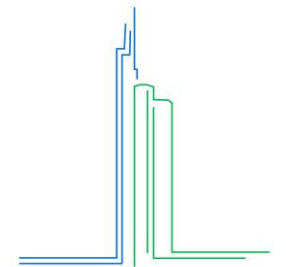
03

W&I INSURANCE

How can it help the transaction, the process



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W&I Insurance

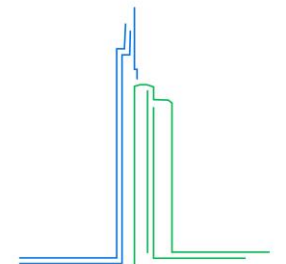


Buyer Side W&I Insurance - structure

- Covering defence costs and breaches of warranties
- Covering fraud by the seller
- No requirement to pursue the seller before claiming under the policy
- The basics of the insurance are: due diligence of the buyer
- Reliance of the buyer's advisors on DD reports is not necessary, however, a proper due diligence inspection by the buyer is expected (e.g. phase I environmental DD)
- Inquiry of the buyer's deal team regarding known risks
- Basically, retention must be claimed before insurance is valid
- Synchronism of retention and threshold (tax-free allowance) in the SPA possible

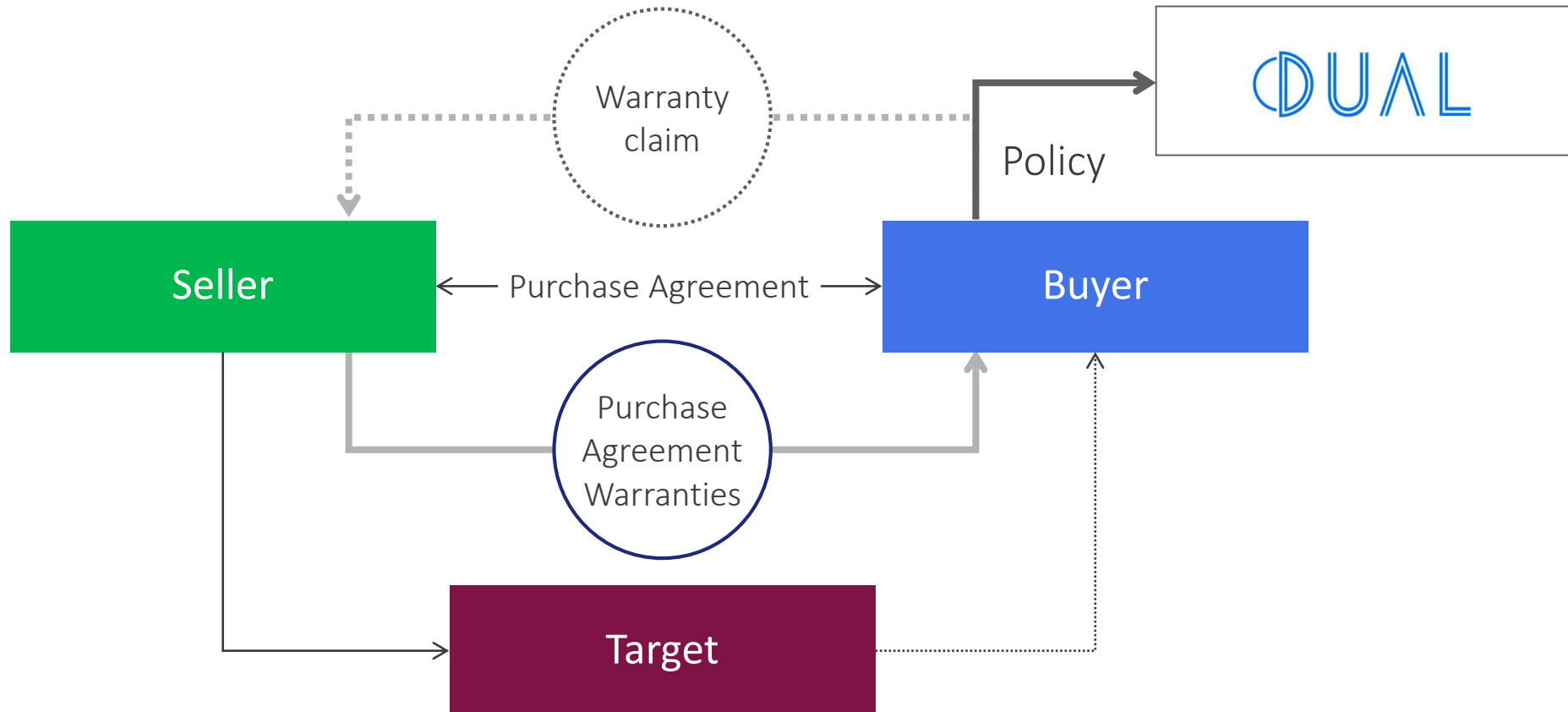
Seller Side W&I Insurance – structure

- In case the seller is liable for a warranty breach, the seller is entitled to claim indemnification from the insurer. The seller's right to coverage under the policy can be transferred to the buyer (direct claim)
- No coverage in case of fraud
- As insurance needs basis for issuing the policy, vendor due diligence reports would be ideal; otherwise seller has to expect material exclusions under the policy



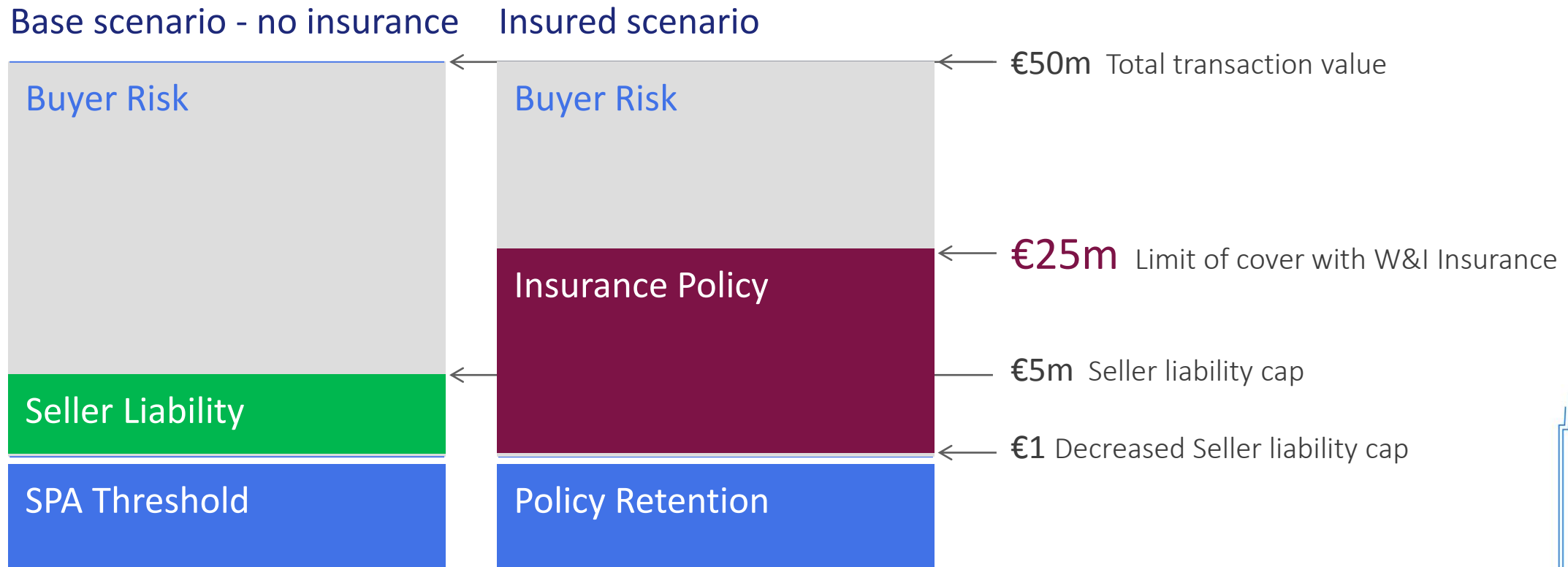
W&I insurance structure and solution

The insurer becomes the new contractual adversary to the buyer



W&I – insurance structure

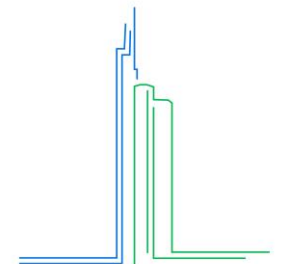
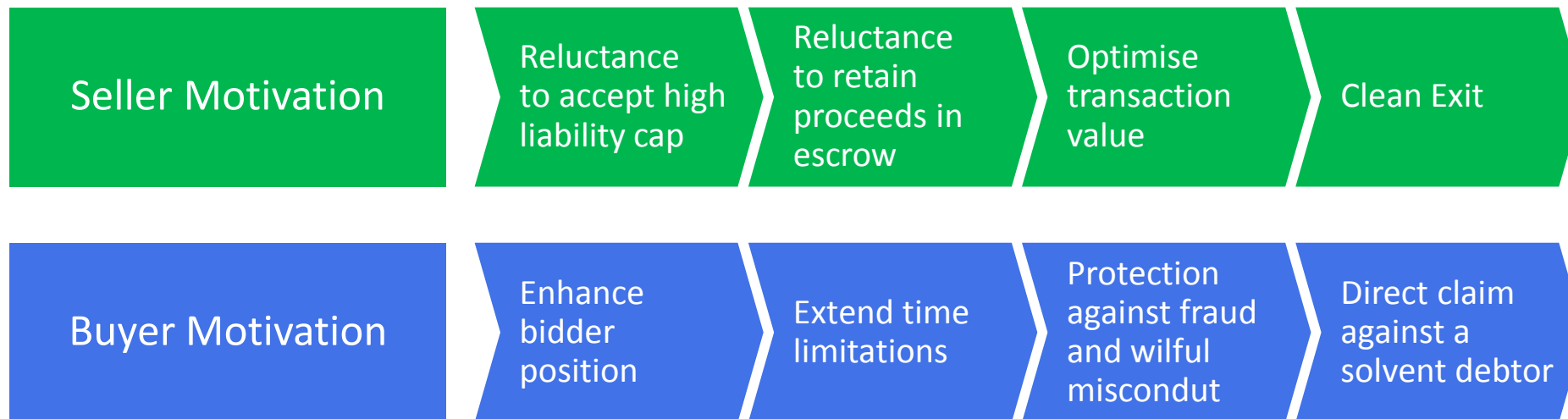
Buy-side W&I Insurance reduces the sellers potential liability and can even provide further protection



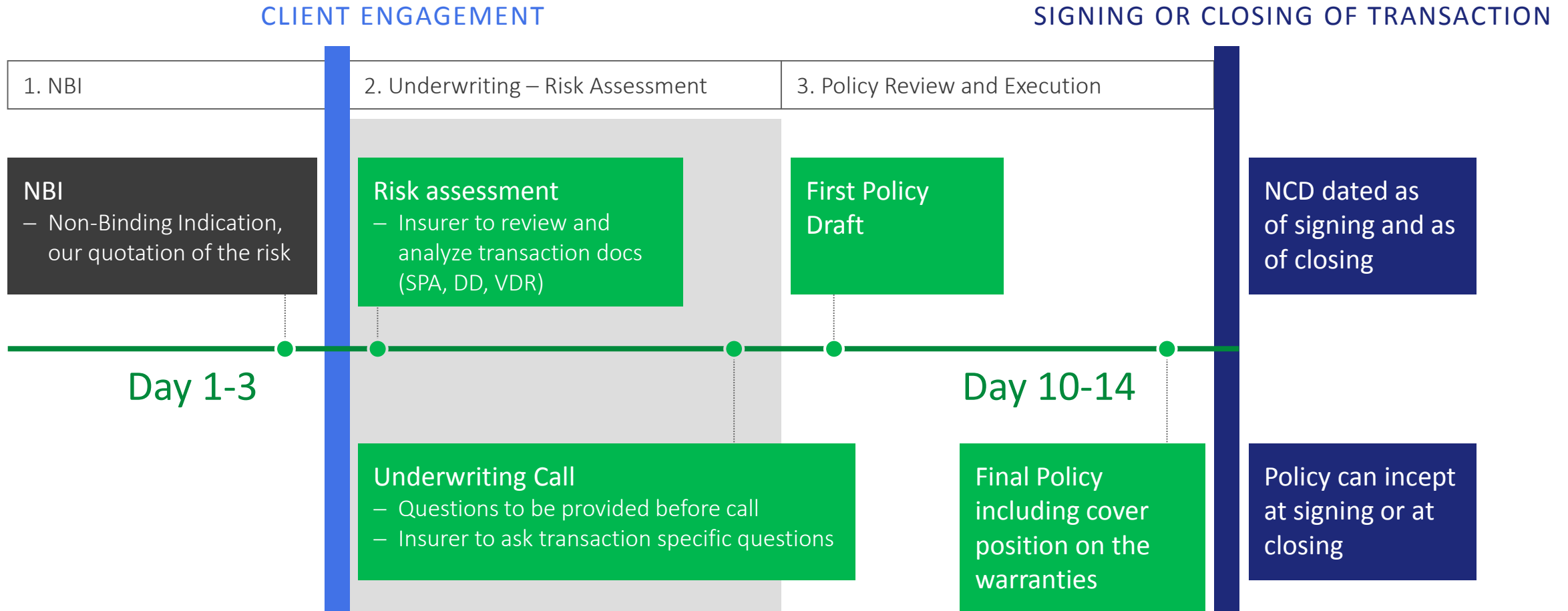


Motivation for use

W&I Insurance is commonly used as a strategic tool for a buyer who wishes to differentiate itself from other bidders, or a seller seeking a clean exit.



W&I underwriting process: Timeline





Information required to provide NBI and start the underwriting

Following information and documentation must be provided to have a transaction underwritten

Information memorandum / teaser or similar information in order to understand transaction background

SPA draft, and annexes (if available)

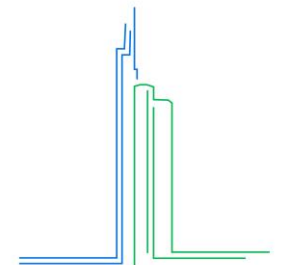
Information on transaction volume

Preferred insurance limit

Information on involved advisors (lawyers, M&A Advisors etc.)

& once the NBI has been accepted:

- Latest version of the SPA
- Signed letter of engagement
- Data room access
- Due diligence reports (legal, tax, financial, commercial)



W&I premium and cost of cover

Premium is determined by several transaction related parameters

Parameters to be considered

Target sector and geographical scope

Target financial conditions

SPA parameters

Scope of the warranties

Advisors involved

Transaction process and value

Contractual

- Insurance limit
- Retention / Threshold / De Minimis
- Claims management
- Liability cap

Premium calculation

PREMIUM
USUALLY
1-2%
OF INSURANCE
LIMIT



Key factors - the underwriting process and coverage

The following factors are key for solid a coverage and smooth process

