

Financial Services: Transactional Risk Products

A number of insurance and financial products are being used to reduce or eliminate many of the risks associated with mergers and acquisitions. M&A insurance products facilitate these transactions, often preventing the failure of a transaction to occur. In addition, these solutions are commonly used by both private and public companies to manage balance sheet liabilities. These are innovative risk transfer products for your client's balance sheet - Products that serve the purpose of providing certainty in an otherwise uncertain situation.



TARGET COMPANIES:

- For-Profit Entities - All industry groups
- Financial Institutions
- Bankruptcy / Distressed

AVAILABLE PRODUCTS

Representations & Warranties Insurance

In M&A transactions, the Buyer typically requires the Seller to escrow a percentage of the purchase price to cover any breach of the representation and warranties the Seller makes to buy the Buyer during an M&A transaction. Insurance can either reduce or replace the escrow, or provide additional protection above the amount escrowed.

Tax Guarantee Insurance

Insurance guarantees a particular tax position taken by a company.

Trade Credit / Accounts Receivable Insurance

Insurance can protect a company's Account Receivable against non-payment by their customers and unexpected noncollectable debts. Policies can be arranged on a domestic only, export only or worldwide cover basis.

Liability / Litigation / Claim Cost Cap

A policy is purchased that "caps" existing litigation, or an open-ended liability at a pre-determined amount - often excess over a designated "loss pic".



Please contact your local broker for more information or to submit a risk.



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