

PIB Insurance Brokers
Private Equity

Private Equity and M&A Practice

pib insurance
brokers



Chartered

Introduction



At PIB Insurance Brokers, we are proud of our connections in the world of private equity. We have extensive experience in providing solutions and protection for private equity firms, investment portfolios and M&A transactions.

Our broad specialist, technical and focused knowledge, aligned with access to national and global insurance markets, means we are ideally situated to support you with a range of products and services that are summarised in the pages that follow.

We will be delighted to assist you in any way. If you have any queries, please do not hesitate to contact [David Walters](#) with any questions or to discuss the value we can bring to your business.

PIB Group

PIB Insurance Brokers is part of PIB Group. A dynamic insurance group created to fill a gap in the market for a specialist, independent, client centric and service focused intermediary.

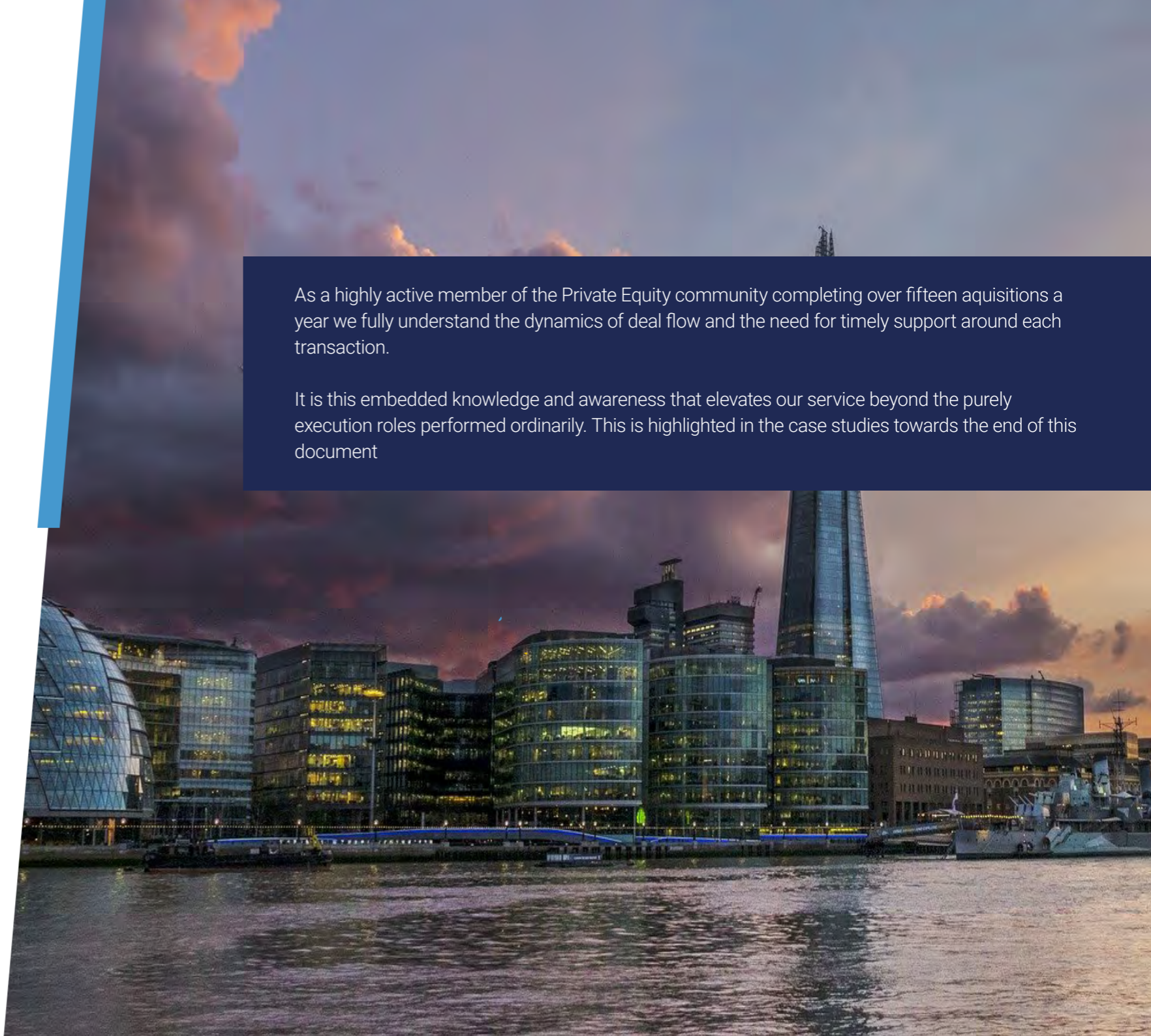
Founded in 2015 the group operates out of more than 45 offices in the UK and Europe, employs more than 2,000 people and controls more than £1bn in premium.

In 2020 the group was named in the Sunday Times Virgin Atlantic Fast Track 100 and the Sunday Times PwC Top Track 250 placing the group as one of the fastest growing and leading mid-market companies in the UK.



As a highly active member of the Private Equity community completing over fifteen acquisitions a year we fully understand the dynamics of deal flow and the need for timely support around each transaction.

It is this embedded knowledge and awareness that elevates our service beyond the purely execution roles performed ordinarily. This is highlighted in the case studies towards the end of this document





Private Equity Insurance Solutions



Working with PIB Insurance Brokers gives you access to a comprehensive suite of solutions and services that will underpin your business across a wide spectrum of risks that you may face.

Our range of expertise allows us to engage professionally with your investment business and, on a wider scale, your portfolio companies. We have broken down the overall strategic services that we can offer into three tactical compartments:



Protecting Transactions



Protecting Investment Portfolios



Protecting the Private Equity Hub



Protecting the Transaction



Every transaction and business is unique, and we provide protection through pre-transactional due diligence, protection of the transaction itself and post-transactional cover.

Insurance Due Diligence

In advance of any transaction taking place, we are able to undertake a review of the insurance programme to identify uninsured risks, areas of duplication, gaps in cover and the extent of liability being accepted by the purchaser.

PIB Group is well experienced in the world of Private Equity and is considered to be one of the more acquisitive insurance brokerage houses. We are continually performing Due Diligence (DD) and understand the full extent that appropriate DD can perform both in assessing a target and its risks alongside its function in the event of any subsequent issues.

We will be pleased to perform any insurance DD required when an asset is being analysed and can then map this into any placement requirements. This can be performed on a traffic light triage basis with which you will be familiar.

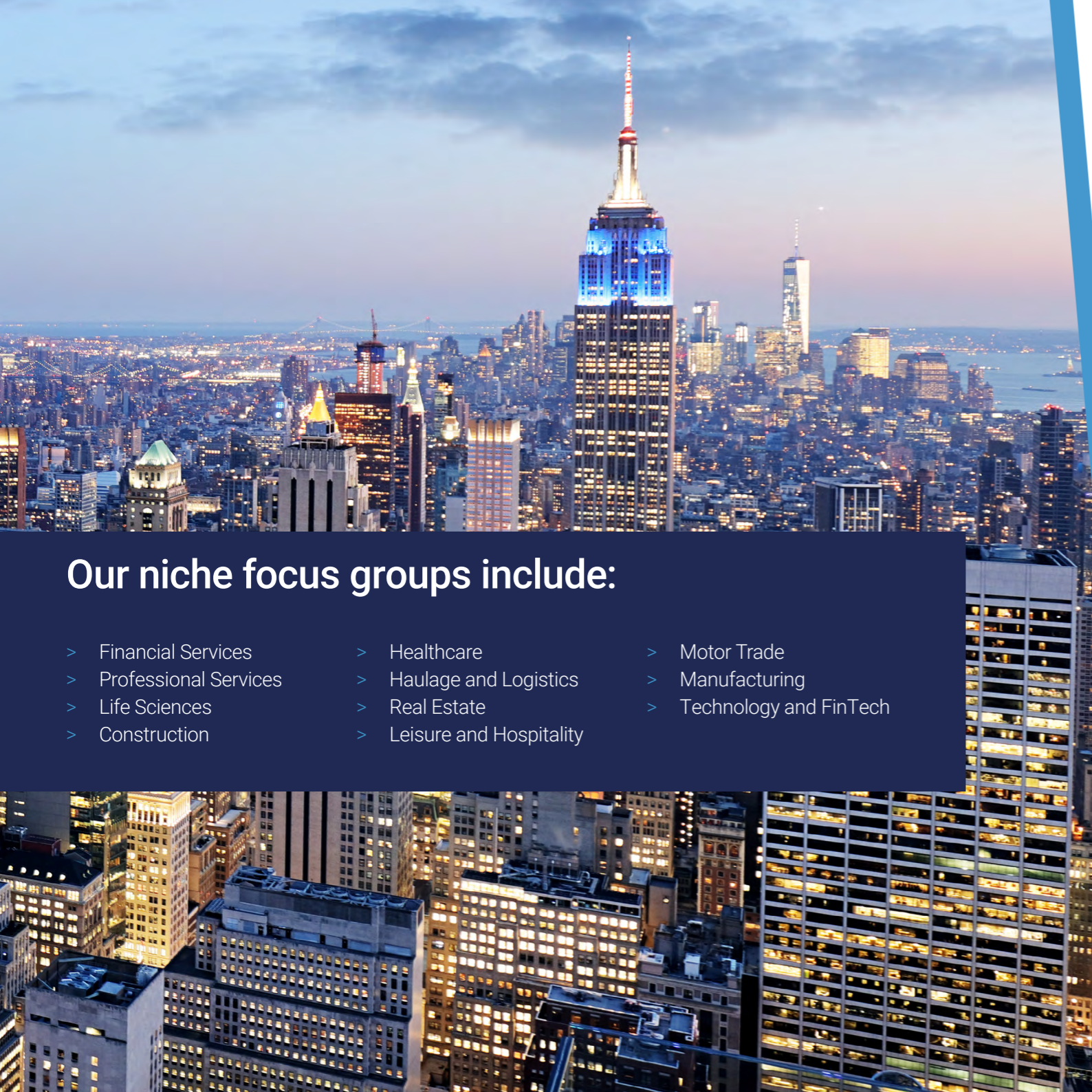
Transactional Covers

To protect the firm, we can transfer overt liabilities such as Warranty and Indemnity issues, or known Tax risks in the event of a sale or acquisition.

Rather than allowing the insurance placement to dictate the deal terms, we support it by providing:

- > Risk Management
- > Tax Liability
- > Title to Shares
- > Litigation Funding
- > Personal Guarantee
- > Intellectual Property

In the event of exit via IPO we can also support the transaction by means of entity insurance that covers the placing document.



Protecting the Portfolio Assets



Given the wide nature of any portfolio of investments, the potential insurance requirements will need to be managed by a wide spectrum of expertise.

Our niche focus groups include:

- > Financial Services
- > Professional Services
- > Life Sciences
- > Construction
- > Healthcare
- > Haulage and Logistics
- > Real Estate
- > Leisure and Hospitality
- > Motor Trade
- > Manufacturing
- > Technology and FinTech

Our approach is consultative and collaborative throughout the life cycle of your investment. We work to fully understand your risk appetite and portfolio focus and then leverage this in the insurance market to deliver those benefits your scale should rightfully expect.

The insurance market is going through a 'hard' market cycle and has shown itself to be unwilling to be proactive to assist here without very careful management. At PIB we are adept at maintaining insurer risk appetite and breadth of coverage for PE backed companies.

As well as the more traditional insurance placement, we work with our partners to provide solutions for:

- > Workplace Pensions
- > Key Person and Critical Illness
- > Property and Legal Indemnities
- > Rights of Light
- > Trade Credit and Political Risk

We can also assist in the sourcing of non-recourse litigation funding and strategic use of After the Event ("ATE") legal expenses cover to de-risk portfolio companies' pursuit of valuable commercial claims whilst protecting capital ratios and eliminating potential cost liability.

Protecting the Private Equity Hub



There are complexities and exposures of a Private Equity business that a traditional business would not have, and therefore it is important that this is understood by both broker and insurer in order to provide a package of specialist covers to protect the business and its Directors.

The combined experience of our team ensures that you will be represented in the insurance market both professionally and purposefully.

The pillars of a successful financial lines placement start with the essential policies such as Directors & Officers (D&O) and Professional Indemnity (PI). We also encourage discussion around other key areas of risk such as:

- > Employment Practices Liability
- > Cyber Liability & Breach Response
- > Crime & Fidelity

We recommend that both D&O and PI be placed with the same insurance provider whenever possible. This means that in the event of a claim which potentially falls to both policies there will not be a coverage dispute between competing sets of underwriters.

Furthermore, we have designed wordings which reflect the structures used and risks contemplated.



A nighttime cityscape featuring several tall skyscrapers with their windows glowing with light. The buildings are set against a dark sky, and the overall scene is illuminated by the city lights.

Case Study 1

A PE backed entity in the retail sector with a long history of buying D&O was unable to secure any workable solution via their existing broker despite them approaching over 40 markets.

Following an interview with the board of directors we were able to build a considered and informative insurance market pathfinder document which we sent to a select number of carriers.

The end result was a new D&O placement supported by underwriters who fully understood the risk and were prepared to reconsider their earlier decision making.

Case Study 2

An asset was being sold with a known tax uncertainty which potentially was a barrier to completion. By utilising W&I insurance in a collaborative and proactive way we secured an insurance solution for the issue, enabling the transaction to proceed.

Key Contacts

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