

Private Equity and M&A Practice

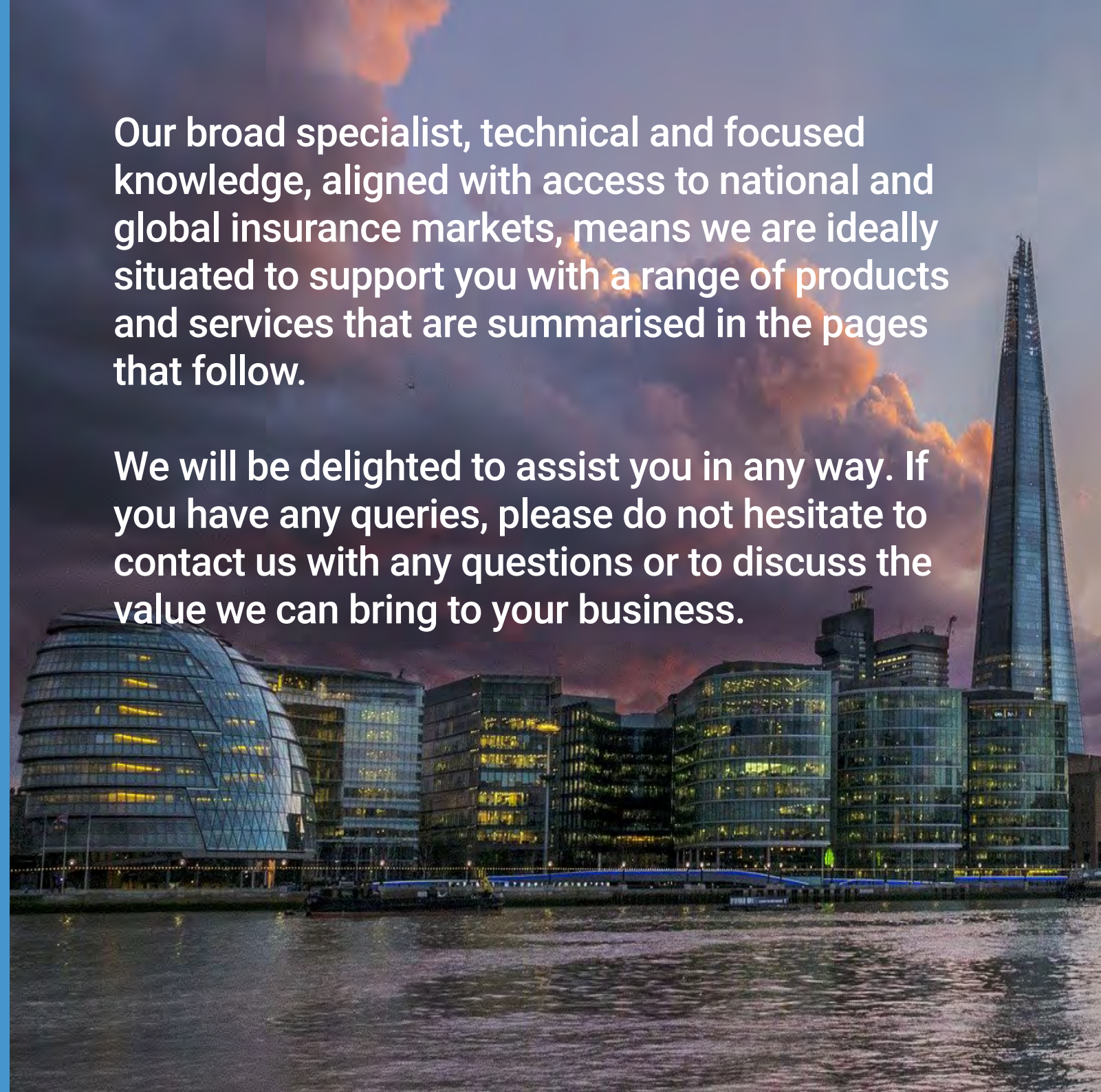
pib insurance
brokers

**We're with you
all the way**

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 us with any questions or to discuss the value we can bring to your business.



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

As part of PIB Group we are one of the UK & Ireland's leading insurance brokers

-  3980+ employees
-  £1.3bn gross written premium
-  £551m annual revenue
-  20+ regional offices
-  Chartered status
-  Named #1 High Flyer by Insurance Times

Our facts and figures tell an indisputable story. Over 3980 employees, £551m+ annual revenue and £1.3bn+ gross written premium gives us the leverage to really look after our clients, while a growing network of over 20 regional offices gives us a local presence across countries.

Add to that being named as the #1 High Flyer by Insurance Times, named as one of the top 10 brokers within Insurance Age's Top 75 UK Insurance Brokers, ranked in The Sunday Times Virgin Atlantic Fast Track 100 and in The Sunday Times PwC Top Track 250, alongside our Chartered expertise, and our credentials are in no doubt.

There are many good reasons why over 50,000 clients trust us to take care of their insurance requirements.



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Consistent strong performance has seen PIB achieve tremendous growth from when it first started. A regular in the high flyers list, but this is the first year they are on the podium. PIB was the first domestically based consolidator to really start acquiring in Europe. At the time, it seemed brave - Now it looks fantastic.

Insurance Times

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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

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 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.

Using Credit Solutions to support creative deal making and help create value.

Credit Insurance and Surety backed solutions can be used to support the entire M&A lifecycle. These can help to lower the cost of capital, provide off-balance sheet solutions for transaction-related demands for collateral, and enable short-term financing.

The use of Non-Payment and Surety Solutions can help reduce the cost of capital and enable short term financing, whilst providing off-balance sheet solutions for transaction-based demands for collateral.

One area that is becoming more popular is the use of Surety Bonds to meet deferred consideration requirements. This allows both the buyer and seller to access cheaper insurance capital in comparison to bank capital.

With all solutions what we try to focus on is using the Credit & Surety market to create a tangible financial benefit where the solution effectively pays for itself through cost saving or maximising working-capital.

Cashflow
Insights



Capital
Optimisation



Innovative Takeover
Support



Deal
Synergies



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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With you all the way
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