



Transaction liability

Product brochure
United States

Overview

Our transaction liability insurance products are structured to protect against financial loss arising as a result of inaccuracies in representations or warranties made in share and asset purchase agreements. Available to both parties, our policies can minimise seller liability on business exit, enhance bids by potential buyers and bridge differing indemnification expectations. We offer a full suite of transaction liability insurance products, including representation and warranty insurance (R&W) and insurance for contingent tax and other liabilities arising in the context of mergers and acquisitions (M&A).



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 70,000 businesses in over 80 countries. Learn more at cfcunderwriting.com and [LinkedIn](https://www.linkedin.com/company/cfcunderwriting).

Contact



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Coverage highlights

Bespoke cover

Each policy is tailored to a specific M&A transaction, ensuring that cover is flexible enough to address the specifics of the deal.

Breach of warranties

Our R&W policy provides cover for financial loss or liability arising from a breach of a representation or warranty in an M&A acquisition agreement.

Clean exit

Our policy can help minimise the impact of post transaction claims against the seller by the buyer, which can allow a seller to make a clean exit from their investment.

Bid enhancement

The question of indemnity caps is a significant issue in M&A transactions. With our insurance, which provides alternative recourse on a deal, a buyer can accept a lower indemnity cap from a seller, which makes their bid more attractive to the latter.

Cross-border deals

Different indemnification expectations on cross-border deals can lead to widely differing requirements for buyers and sellers. Having a R&W insurance policy provides security for either party.

Limited seller security

Companies located in overseas jurisdictions may not offer a buyer sufficient security for post-indemnification claims. Being 100% backed by Lloyd's, our policy offers access to stable and high quality capital recourse.