

Case Study

Sector: Medical Supplies

Jurisdiction: Ireland

Deal value: c. GBP 22 million

Issue: Insurance was required to protect Buyer prior to IPO

Background:

Irish trade buyer wished to acquire a UK competitor to access its UK and US distribution networks. This acquisition was to be funded through an Initial Public Offering (IPO) scheduled for a few weeks after signing the acquisition.

Issue:

The sellers were individuals and the Buyer, intending an IPO to finance the acquisition, wanted to protect against transactional risks and be able to state in the prospectus documentation that it had insured the acquisition.

Solution:

The Buyer's corporate lawyer suggested the use of M&A insurance and approached us via a M&A insurance broker.

We provided an insurance policy which covered the general and tax warranties on signing and completion that allowed the IPO prospectus documents to identify that the acquisition was insured and providing the financial covenant that was superior than what could be obtained from the individual sellers.

