

Our M&A services are designed to support clients who are entering into due diligence and will need to be advised on the adequacy of the existing insurance and self-insurance arrangements and how to protect themselves from the transactional risk.

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## Due Diligence Insurance Audit

A multitude of risks exist in the merger or acquisition of a business that an ordinary financial audit may not expose. Utilising our insurance audit services prior to settling on a purchase can assist greatly in ensuring you have not paid too much for a business. It will also give you comfort that a previously uninsured exposure does not result in a large loss post purchase.

Our Due Diligence Insurance Audit service will incorporate the following key areas:

### Risk Profiling & Gap Analysis

We will conduct a risk analysis of the business and determine which risks are uninsured or underinsured. By analysing the risk exposures, we can also determine if the business is exposed to recurring risk exposures that require high risk mitigation measures and investment prior to purchase.

### Corporate & Professional Liabilities

It is important to identify the corporate and professional liabilities that will impact the new shareholders post-sale unless covered by run-off insurance arrangements that remain the vendors responsibility.

### Contingent Liabilities

We will assess the contingent liabilities pertaining to insurance or self-insurance. Examples of the typical insurance liabilities are:

- o Aggregate Deductibles
- o Deferred Premiums
- o Self-insurance/Captive Reserves
- o Surety Bonds
- o Liquidated Damages Perils

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## Transactional Risk Insurance Solutions

We can help maximise the value and returns of a deal, bridge the gaps that threaten deal closure, enhance a buyer's bid in competitive auctions, and cover a seller for innocent misstatements.

We offer insurance products suited to both buyers and sellers, allowing them to manage the risks inherent in mergers and acquisitions. Transactional Risk Insurance, also known as Warranty and Indemnity insurance is designed to mitigate risks to either the Seller or the Buyer.

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### For further information contact:



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