



# Aon M&A Solutions

**Working with you. Throughout the lifecycle of a deal.**

We help you sign and complete the deal, minimise and transfer deal risks and achieve your cost and revenue goals.

## **The right information. At the right time.**

At Aon, we will work with you before, during and after a transaction.

The complexity of a merger and acquisition demands skilled and dedicated advisors who can identify risks and opportunities.

Our capabilities are designed to run in parallel with the deal cycle, providing information and adding value at each stage of the transaction process.

## **Maximised performance. Improved decision-making.**

Clients demand and deserve the best deal execution team to address a full range of risk and people issues – from transaction risk solutions, to due diligence and post-merger integration.

As a leader in risk and people advice, Aon M&A Solutions examines small details of the deal to identify large opportunities, uncover obstacles and ensure that investments are protected.

Our Transaction Insurance Solutions Team facilitates the successful completion of your deal and conducts comprehensive risk reviews to devise innovative solutions to transfer or eliminate transactional risks, including environmental risks.

## **Global reach. Local expertise.**

As an Aon client you can have peace of mind from our comprehensive solutions and global support.

With a dedicated team of more than 200 specialists in 23 key financial centres, plus access to many more consultants across the world, Aon M&A Solutions has an unrivalled depth of ability to provide support for mergers, acquisitions and other corporate change events.

In Australia, over 1,500 Aon employees located in all capital cities and many regional cities provide support to corporations across all industries on their risk and people needs.

When you merge expert capabilities with insight and innovation, you get solutions.

## Transaction Liability Solutions

Aon M&A Solutions provides bespoke insurance solutions designed to facilitate and support M&A transactions including Warranty & Indemnity Insurance, Tax Liability Insurance, Contingent Liability Insurance, Litigation Insurance and Public Offering of Securities/IPO Insurance.

### Benefits

- De-risk transactions by transferring deal risk to insurance markets.
- Enable a clean exit and expedited returns to investors.
- Allow distressed or dissolving sellers to sell a business.
- Bridge divergences in risk assessment between buyer and seller by capping exposures to both unknown and known liabilities (including tax and environmental risk).
- Eliminate tax risks relating to the structuring of an M&A deal.

### Services

- Structure bespoke transaction liability solutions to capture the benefits detailed above.
- Develop loss mitigation strategies and solutions to cap known liabilities.
- Evaluate liabilities, indemnification obligations and other issues associated with acquisitions and divestitures to address potential liabilities.

## Insurable Risk Due Diligence Services

Specialised insurance due diligence is a vital component in any effective due diligence process. It can identify potential future risks and analyse the effectiveness of existing solutions, allowing potential liabilities to be identified, quantified and transferred.

We analyse the robustness of insurances, premiums, claims histories and all aspects of workers' compensation, superannuation and employee benefits.

### Benefits

- Identify and quantify the risks inherent to the acquisition and/or project so that an informed decision can be made on the optimum risk transfer solutions going forward.
- Advise around transactional valuation and structuring post-completion thereby assisting and strengthening ensuring that the purchase price fairly reflects the liabilities assumed and future costs.

### Services

- Conduct insurable risk, project risk and contractual reviews and analyse the effectiveness of existing solutions.
- Benchmark against best market practice with recommendation for the optimum risk transfer solutions going forward, including estimated budgetary insurance costs.

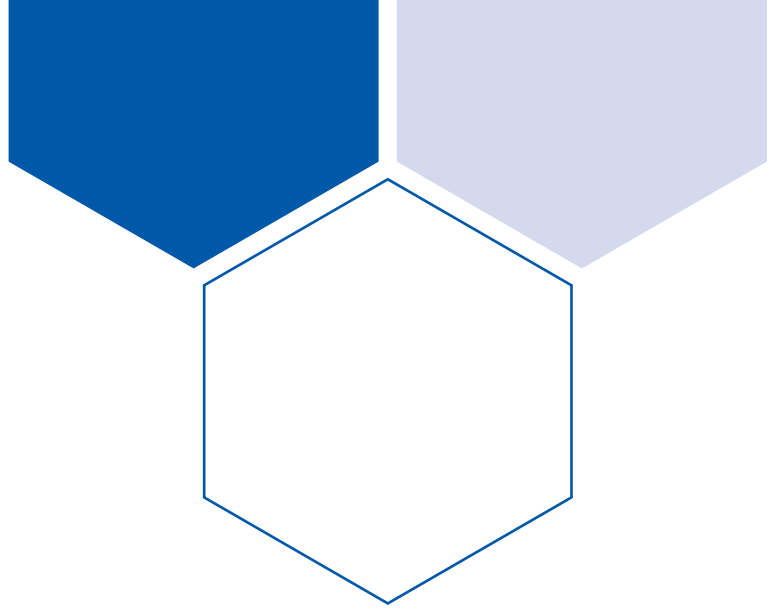
- Review sale and purchase and other financier agreements and advise on related insurance and liability issues, as well as indemnification provisions.
- Assist in preparing information memoranda, vendor due diligence and syndication reports and make any required presentations.

## Environmental Liability Solutions

Aon M&A Solutions offers specialist insurance products and advisory services designed to help buyers and sellers manage environmental risks in M&A transactions.

### Benefits

- Eliminate a common source of deal uncertainty by transferring environmental risk to the insurance markets.
- Unlock transactions where buyers and sellers cannot agree on the cost or allocation of environmental matters.
- Ensure a clean exit and early distribution of proceeds to investors.
- Provide access to specialist environmental claims expertise.



### Services

- Evaluate environmental risks and liabilities.
- Provide advice on the insurability of environmental risks.
- Design and arrange insurance solutions to cap the cost of known environmental liabilities and transfer the risk of discovering unknown liabilities.

### Alternative Risk Financing Solutions

Where risks or liabilities are uninsurable by conventional means, Aon M&A Solutions offers Alternative Risk Financing (ARF) solutions. Typically combining insurance structures with capital market techniques, ARF is most often employed in M&A transactions to “buy out” existing liabilities.

### Benefits

- Remove specific impediments to a deal including existing litigation and balance sheet provisions.
- Avoid having to carve out problematic areas of a business from a transaction.

### Services

- Provide advice on the feasibility of alternative risk financing to address a risk or liability.
- Design, source and arrange alternative risk financing solutions.

### HR M&A Solutions

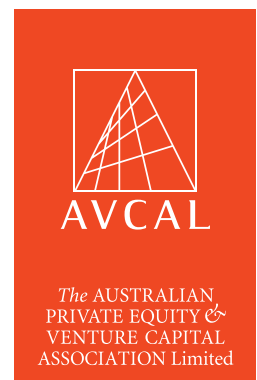
Everyone is different and no two workforces are the same. Wages typically represent 20-50% of revenue depending on industry, so productivity during and after an acquisition is a key indicator of the overall deal success. Aon M&A Solutions acts as your deal partner to identify and manage people risks so that the deal completes on time and meets your cost and revenue improvement targets.

### Benefits

- Visibility into employment-related liabilities, ongoing costs and compliance with labour laws, allowing you to negotiate price adjustments, obtain warranties or indemnities, or adjust your ROI expectations.
- Insight into alignment of HR policies and programs with design and delivery best practices, allowing you to streamline, simplify or consolidate programs and vendors.
- Improved retention of key management and staff post transaction.
- Understand workforce motivational drivers, so that actions focus on those having maximum productivity impact.
- Identify people-related challenges at an early stage, so as to be able to put out fires before they spread.
- Gain comfort from having access to additional resources and expertise to get deal over the line.

### Services

- Due diligence on people-related liabilities and costs, with quantitative and qualitative analysis.
- Assessment of people-related integration obstacle and opportunities, with timeline and resource planning.
- Culture assessment, key talent assessment and employee engagement diagnostic services.
- Compensation benchmarking and program design.
- Analysis and recommendations on employee HR policies and programs, including retirement promises, superannuation, workers compensation and occupational health & safety, group risk benefits, long service leave and change-in-control obligations.
- Transaction management support, including project plans and hands-on HR expertise.



# Contacts

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