



## Transactional Solutions

For decades, AIG has helped companies manage risk inherent in mergers and acquisitions (M&A) transactions, so all parties can move forward with confidence. With one of the largest global network and experts in insurance, legal, tax, and regulatory issues around the globe, AIG brings a unique perspective and expertise to both domestic and cross-border transactions.

Our solutions can address everything from inaccurate representations to cybersecurity; from re-thought tax treatments to distracting pension issues or lingering product liabilities. And every solution is highly customized for the specific transaction.

The success of mergers, acquisitions, and other transactions hinges on certainty. Without it, otherwise promising opportunities quickly unravel.

### Representations and Warranties Insurance

Our representations and warranties insurance can be structured to protect buyers and sellers in claims arising from inaccuracies in representations and warranties made by the seller in a merger or acquisition transaction. Such inaccuracies can create costly liabilities, leaving buyers with little or no recourse and/or forcing sellers to hand back a portion of the purchase price. Coverage enables buyers to distinguish a bid, sellers to reduce indemnity obligations, and both parties to close deals with ease and confidence.

### Tax Liability

The spectre of contingent tax exposure—the possibility of future challenge by the CRA, provincial or federal authorities to the tax treatment of a transaction, investment, or other tax position—can stall a merger and acquisition or derail the transaction altogether. Tax liability insurance enables parties to address specific tax liability issues in M&A transactions when a buyer or seller is concerned about an historic tax position taken by the target company. Coverage addresses exposures arising from federal, provincial, local, or foreign tax treatments, paying gross-up of taxes payable in the event of a loss and interest and non-criminal fines or penalties related to the determined tax liability. It can also pay the expenses for legal and financial advisors to assist in resolving disputes with the CRA and/or other taxing authorities.

For more information, contact Michael Turnbull, Head of M&A for the U.S. and Canada, at [michael.turnbull@aig.com](mailto:michael.turnbull@aig.com).

American International Group, Inc. (AIG) is a leading global insurance organization. Founded in 1919, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, and other financial services to customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG's core businesses include Commercial Insurance and Consumer Insurance, as well as Other Operations. Commercial Insurance comprises two modules – Liability and Financial Lines, and Property and Special Risks. Consumer Insurance comprises four modules – Individual Retirement, Group Retirement, Life Insurance and Personal Insurance. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

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