



Innovative protection through ownership and use

**One comprehensive policy that replaces
complexity with simplicity.**



Opportunities, unlocked.

The one solution that's better for everyone

Just as W&I simplified a group of risks at a stroke, now O&U does the same for the risks your clients face across their ownership and use of the property.

O&U is the latest innovation from CLS Risk Solutions. With deep and established legal, data and insurance expertise, our team has created O&U as a financial tool that both comprehensively reduces risk exposure and provides administrative simplicity.

Backed by the same AA- rated capacity for the last 10-years, we're able to offer security and stability no other MGA can match.

Risk is less risky when you're one step ahead of it.

What is Ownership and Use insurance?

O&U is an innovative insurance tool that provides cover for risks arising from issues relating to Title to Shares, Title to Property, Public Law and Environmental. All under one policy. In addition our policy mirrors RSG's Warranty and Indemnity policy so that in the event of a claim it is clear who pays what. Here are the most common questions we're asked:

Is this better than our current capacity for property related risks?

ERGO Versicherung AG is providing the capacity for O&U. Their financial rating is AA- by S&P.

Are we exposed to property risks under the current insurance format?

By separating property related risks from W&I your client is better protected because the O&U trigger is NOT limited to risk as expressed in any warranty. This provides comprehensive protection for property related risks.

Does this provide a better term of insurance for property related risks? Are we exposed to long tail risk unnecessarily?

O&U cover is valid for asset ownership period.

Are we exposed and underinsured by limiting factor of words like "pending litigation" "in writing" "formal compliant" in SPA Warranties?

O&U property cover is forward looking. It is triggered by threat to ownership and use and provides comprehensive cover for property related risks.

If a seller discloses, and the buyer either miss or identifies a risk that invalidates cover under W&I, does this lead to additional exposure?

The O&U and W&I combined offering presented by CLS and RSG is better operationally because our wordings complement each other, leading to better coordination during a claim. Additionally, if a property related identified risk is discovered during the due diligence process O&U can include these risks in scope of cover. As we will have been involved in the underwriting process from day one, we can balance the unknown risks and known risks under one policy, increasing the likelihood of getting cover.

O&U Summary of cover comparison

Property Item	W&I	O&U
Length of policy	6 years for general reps.	Ownership of asset
Limit of indemnity	Typically 10-15% of enterprise value, but shared with all other reps/warranties coverage.	Full asset value
Pre-completion matter with no breach of rep/warranty.	Not covered.	Covered by O&U
Unknown pre-completion conditions	Potentially covered subject to the underlying terms and conditions of the policy.	Covered by O&U
Identified property related risk	Not covered.	Covered by O&U
Post-completion property matter	Not covered.	Covered by O&U
Excess	1% of purchase price (dropping down to 0.5% after 12-18 months.	No retention for unknown risks

*All coverage subject the specific policy terms and conditions

To provide your client with better all-in-one protection that also simplifies ownership and use insurance, contact:

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