

# HERBERT SMITH FREEHILLS ADVISES CBA ON REVISED PATH FOR THE A\$2.4 BILLION DIVESTMENT OF AUSTRALIAN LIFE INSURANCE BUSINESS

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Deals and cases

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Herbert Smith Freehills is pleased to have advised Commonwealth Bank of Australia (**CBA**) on its entry into further agreements with AIA Group Limited (**AIA**) in relation to the planned divestment of its Australian life insurance business (**CommInsure Life**).

Under the further agreements, the parties have agreed to a revised transaction path, including the proposed entry into a joint co-operation agreement supporting joint activity and management across the AIA Australia and CommInsure Life businesses, reinsurance arrangements, partnership milestone payments and a statutory asset transfer as an alternative approach to completing the divestment of CommInsure Life. The revised transaction path is subject to conditions including a number of Australian regulatory and life insurance entity board approvals.

The expected proceeds for CBA are A\$2,375 million (subject to completion adjustments).

The Herbert Smith Freehills team was led by partner [Tony Damian](#). The team included senior associates Amelia Morgan, Nick Conway, William Chew and Li-Lian Yeo and solicitor Tim Coorey. Partner [Michael Vrisakis](#), special counsel [Philip Hopley](#) and senior associate Tamanna Islam provided assistance from the firm's financial services practice.

Tony Damian, who is also co-chair of the firm's Global Banks Sector Group said: "This is an important and innovative deal. It involves leading financial institutions and a significant Australian business. We are pleased for our team to have been involved in it."

The firm worked closely with CBA's internal M&A Legal function, led by Mark Alexander, with Cecilia Cobb and Louise Baldwin also involved in the deal. "The CBA M&A Legal team again excelled at driving this important deal forward," Mr Damian said. The firm and the CBA M&A Legal team had also worked together on the original A\$3.8 billion deal to divest the Australian and New Zealand life insurance businesses of CBA, which included the now completed sale of the Sovereign business in New Zealand.

"M&A activity in the financial services sector is running at very high levels. We've seen a number of large deals in the market over the past couple of years. Many of the deals, including this one, have a cross-border element," Mr Damian further noted.

Herbert Smith Freehills, with a team led by Tony Damian, also advised CBA on the [A\\$4.2 billion sale of its global asset management arm](#), Colonial First State Global Asset Management, which completed earlier this month and is advising CBA on the sale of financial advice business Count Financial.

## MEDIA CONTACT

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