

Accredited Surety and Casualty Announces Underwriting Agreement with East Coast Surety Agency, LLC and Boston Indemnity Company, Inc.

July 14, 2016

Accredited Surety and Casualty Company, Inc. ("ASC"), a subsidiary of Randall & Quilter ("R&Q"), is pleased to announce it has entered into an underwriting agreement with East Coast Surety Agency, LLC ("ECS") a subsidiary of CB Holdings Group, Inc. and affiliate of Boston Indemnity Company, Inc. ("BIC") and Bondex Insurance Company. ECS, BIC and Bondex specialize in providing surety bonds to small and mid-size companies that are underserved in the traditional surety market.

Under the terms of the agreement, ASC will retain a small percentage of the underwriting, supported by a very strong reinsurer panel.

Accredited Surety and Casualty Company, Inc. is a Florida domiciled property and casualty insurance company. It is rated "A- Excellent" by A. M. Best. ASC was purchased in November, 2014 by Randall & Quilter as part of its strategy to underwrite admitted business in the United States.

Ken Randall Chairman and Chief Executive Officer of R&Q, commented: "We have successfully launched the first phase of our plan to broaden the business model for Accredited, which was acquired by the Group at the end of 2014. Accredited is authorised to underwrite a wide range of domestic insurance business across the USA and has recently received approval to accept loss portfolio transfers of certain classes of domestic US legacy business.

With the support of a number of highly rated Lloyd's and International reinsurers, our aim is to generate sustainable service fee income for the group whilst retaining limited net underwriting exposures. I believe that Accredited has the potential to become a meaningful source of income for Lloyd's and other international reinsurers who are not authorised to underwrite such domestic USA business. We see significant growth potential for Accredited in both live and legacy areas and we expect to be making further announcements in due course, as and when specific transactions have been concluded."

Matthew J. Semeraro, President and Chief Operating Officer of ECS, BIC and Bondex, commented: "We are excited to partner with Accredited and R&Q to further enhance our capabilities and provide financially solid, "A" rated surety solutions to our agents and brokers."

ENDS

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Notes to Editors:

About R&Q

Randall & Quilter pursues a buy and build strategy and has created a comprehensive range of investment activities and services in the global non-life insurance market.

R&Q is focused on the following three core areas:

- Insurance Investments
- Insurance Services
- Underwriting Management

The Group:

- provides a range of services to both the live and legacy (re)insurance markets to support growing businesses and address complex and challenging run-off issues;
- employs close to 400 insurance professionals based in the UK, US, Bermuda, and Europe with wide service capability in both the 'live' and 'run-off' markets;
- owns and manages a portfolio of insurance companies, both active and in run-off, in the UK, US and Europe with net assets of £123.7m as at 31 December 2015;
- owns an admitted P&C Insurer, A- rated by AM Best, with licenses throughout the US; owns a Bermuda Class 3A insurance company which currently supports the Group's syndicate participations;
- launched Syndicate 1991, which commenced underwriting from January 1, 2013 and has an agreed capacity of £130m for 2016, manages one RITC ('run-off') syndicate, 3330, and owns-and operates an MGA platform;
- acquires and manages a portfolio of insurance receivables, with a carrying cost of £6.0m as at 31 December 2015, of which R&Q holds a 50% interest

The Group was founded by Ken Randall and Alan Quilter in 1991.

Website: www.rqih.com