



STRATEGY | INNOVATION | EXPERTISE

Randall & Quilter Investment Holdings Ltd.

RITC of Syndicate 102 and Captive Transaction

Randall and Quilter Investment Holdings Ltd. ("R&Q" or "the Group"), is pleased to announce that it has reinsured-to-close ("RITC") the former 2011 Year of Account of Syndicate 102 into the 2014 Year of Account of Syndicate 3330. Originally the Goshawk syndicate, the business has been managed by R&Q Managing Agency Limited since 2004.

Previously, the Group provided capital support giving it a 20% share of the syndicate result, with the remaining 80% being supported by a third party investor. Following the RITC, the Group now has a 100% interest in the ongoing syndicate result, having assumed full capital support from the third party investor. The estimated net insurance liabilities as at 31 December 2013 were c.£16.5m.

The Group is also pleased to announce that it has successfully reached agreement to receive, by way of novation, all contracts underwritten by one of the cells in SEG Insurance LTD. The contracts have been novated to an existing R&Q owned cell in the Group's rent-a-captive facility in Bermuda, R&Q Quest SAC Limited.

SEG wrote business in the cell from July 1st 2007 to July 1st 2010 as a reinsurer of direct policies issued by a large US carrier. The captive wrote workers compensation, employers' liability, automobile liability, automobile physical damage, general liability and crime. Transferring liabilities were estimated at \$0.7m as at 31 December 2013 and transferring assets included a customary risk and profit margin over this figure.

Commenting on today's announcement, Ken Randall, Chief Executive Officer of R&Q, said:

"We are pleased to have completed the RITC of Syndicate 102 into the 2014 year of account of Syndicate 3330. We now have a 100% economic interest in the result of the business formerly reinsured into Syndicate 102 and have provided additional capital in exchange for a customary risk margin. The transaction further reinforces R&Q's position as an active participant in the RITC market as manager, service provider and capital provider.

We are also pleased to announce the completion of another transaction in the Bermuda captive market, where our model for sharing cost efficiencies and providing liquidity to owners of programmes in run-off continues to gain traction. Whether acquisition, novation or loss portfolio transfers, the Group has a suite of versatile solutions for the captive sector.

These transactions evidence the Group's continued activity in the acquisition of legacy insurance assets and the pipeline continues to grow with a range of transaction types, geographies and sizes."

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Notes to Editors:

About R&Q

Since formation, Randall & Quilter has pursued a buy and build strategy to create a comprehensive range of investment activities and services in the global non-life insurance market and 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 problematic run-off issues
- has a team of over 350 insurance professionals based in the UK, US, Bermuda, and Continental 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 Continental Europe with net assets of c.£96.4m as at 30 June 2013
- owns a Bermuda Class 3A insurance company which currently supports the Group's syndicate participations
- has launched Syndicate 1991 which commenced underwriting from January 1, 2013 with a Capacity of £150m for 2014, manages one RITC ('run-off') syndicate, 3330, and owns and operates 3 MGA business units
- acquires and manages a portfolio of insurance receivables, with a carrying cost of c. £8.9m as at 30 June 2013.

The Group was founded by Ken Randall, Executive Chairman and Chief Executive Officer, and Alan Quilter, Chief Operating Officer and Deputy Group Chief Executive Officer.

Website: www.rqih.com