



PARALINE

Beat Capital Partners and Paraline UK to merge

London – 23 August 2018

Beat Capital Partners (“Beat”) and Paraline UK are pleased to announce that they are to merge to enhance and further build Beat’s platform to support independent underwriting businesses. As a result of this merger, Paraline Group, a Bermuda-based insurance holding company, will join Neon Holdings Ltd. (“Neon”) as a strategic investment partner of Beat and Syndicate 4242 will be renamed Beat Syndicate 4242. The merger is subject to regulatory approval.

Bruce Schnitzer and John Struck of Paraline will join the Beat board of directors, which will be chaired by John Cavanagh. Paul Rayner, Active Underwriter of s.4242 and a Director of Paraline Group, will also become Chief Financial Officer of Beat.

The £110 million Paraline Syndicate 4242 at Lloyd’s is managed by Asta, the leading third party managing agency at Lloyd’s. At present Beat has two investments, Tarian, a cyber insurance specialist and Chord Re, a specialty reinsurance underwriter. Neon Syndicate 2468 leads underwriting support for both facilities. ICAT Managers, a managing general agent underwriting property catastrophe insurance to businesses and homeowners across the US, will continue its longstanding strategic underwriting relationship with s.4242.

Commenting on the transaction, Beat co-founder Tom Milligan said “Beat has grown rapidly since its formation in 2017. This deal gives us access to a second Lloyd’s platform alongside Neon 2468 that benefits our existing investee companies and enhances our offering to proven lead underwriters who have the ambition to build their own business. We are delighted to partner with Paraline, who have a track record of successful insurance investment.”

Bruce Schnitzer, Chairman of Paraline Group, said: “This transaction is a great move for our business. It brings together a talented group of established insurance leaders and a powerful shareholder group with a shared, long-term vision.”

Martin Reith, Group CEO of Neon: “As a founder investor in Beat, we are thrilled to be partnering with Paraline Group in the next stage of Beat’s evolution.”

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About Beat Capital Partners

Beat is a long-duration venture capital investor exclusively focused on the insurance industry that backs world-class insurance underwriters who want to start their own businesses.

We offer the right teams start-up funding, infrastructure, risk capital and A+ rated paper, plus experienced guidance and support. Our investments operate independently of one another under their own management and brand.

About Paraline Group

Paraline Group, Ltd, a Bermuda-domiciled insurance and reinsurance holding company, was established in August 2010. Its principal operating businesses are Asta Capital Limited and Paraline Re LTD, a Bermuda based reinsurer. Asta Capital is the leading third party Managing Agent at Lloyd's, managing over £1 billion of underwriting capital including Paraline's Syndicate 4242. Paraline Re provides aligned underwriting capital to Syndicate 4242.

Paraline is owned by private investors that include Wand Partners Inc.(www.wandpartners.com) and funds advised by Elliott Management Corporation (www.elliottmgmt.com). Paraline has the industry knowledge, investor expertise and capital backing to expand thoughtfully by backing quality management teams at times of market need.

About Neon

Neon is a vibrant, global insurer operating in the specialist Lloyd's market, offering innovative risk solutions and proactively creating bespoke coverage for clients. Neon underwrites a diverse range of property, specialty, casualty and marine risks on a direct and reinsurance basis, as well as through delegated authorities. Neon is headquartered in Gracechurch Street, London, UK. The registered company name for the main regulated entity is Neon Underwriting Limited. Neon is a member of Great American Insurance Group. The members of Great American Insurance Group are subsidiaries of American Financial Group, Inc. (NYSE:AFG) an insurance holding company, based in Cincinnati, Ohio with assets of approximately US\$60 billion.

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