

# Velocity & Oaktree Signed Definitive Agreements To Sell MGU And Carrier

## IAP Acted As Financial Advisor To Velocity And Oaktree On The Transactions



Announced the acquisition of

**Velocity Risk** 

For a \$525m upfront cash consideration

*The undersigned acted as financial advisor to Velocity Holdco, LLC and Oaktree Capital Management, L.P.*



Insurance, Insurance Services and Insurtech Experts

January 7, 2025

### Velocity Risk Underwriters, LLC (“VRU”) Transaction Overview

- **On January 7, 2025, Ryan Specialty (“Ryan”) announced the acquisition of VRU**
  - To be acquired for an upfront cash consideration of \$525m
  - VRU will become a part of the Ryan Specialty Underwriting Managers division of Ryan
- **Overview of VRU**
  - Leading managing general underwriter founded in 2015 and based in Nashville, TN
  - Provides first-party insurance coverage for catastrophe exposed properties
    - Focuses on named storm, earthquake, and tornado & hail in FL, TX and the Southeast
- **Overview of Ryan**
  - A service provider of specialty products and solutions with a market cap. of ~\$16.2bn<sup>(1)</sup>
  - Acts as a wholesale broker and a managing U/W with delegated authority from carriers

### Velocity Specialty Insurance Company (“VSIC”) Transaction Overview

- **On January 7, 2025, FM announced the acquisition of VSIC**
- **Overview of VSIC**
  - Acts as Velocity’s wholly owned E&S carrier and is licensed in all 50 states
    - Financial strength rating of “A-” (Excellent) by A.M. Best
- **Overview of FM**
  - Leading commercial property mutual insurance company with ~\$24.2bn of surplus<sup>(1)</sup>
  - Represents many of the world’s largest organizations, including 1/4<sup>th</sup> of the Fortune 500



Announced the acquisition of

**Velocity Specialty** 

For an undisclosed amount

*The undersigned acted as financial advisor to Velocity Holdco, LLC and Oaktree Capital Management, L.P.*



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### Insurance Advisory Partners’ Role

- **IAP was retained as financial advisor to Velocity and Oaktree**
- **Initiated discussions between the parties, ultimately leading to a transaction**
- **Assisted in negotiating transaction terms and offered analytical insights**
- **Managed a detailed due diligence process for both the MGU and the carrier**
- **Provided objective advice throughout the process**



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1. Ryan’s implied market capitalization is as of 1/6/2025 and FM’s surplus is as of 9/30/2024.