

## **Sompo International U.S. Insurance to Acquire Lexon Surety Group**

PEMBROKE, Bermuda – January 3, 2018 – Sompo International, a Bermuda-based specialty provider of property and casualty insurance and reinsurance, announced today that its U.S. Insurance platform has reached an agreement to purchase the operating subsidiaries of Lexon Surety Group LLC (Lexon). Lexon, the second largest independent surety insurer in the U.S., is comprised of Lexon Insurance Company, Bond Safeguard Insurance Company, and Fortress National Group LLC. The group has been offering a broad array of commercial and contract surety bonds, court and probate bonds, and U.S. Custom bonds through a nationwide network of agents since 2001.

Mr. Christopher Sparro, CEO of U.S. Insurance at Sompo International, who will be appointed Chairman of the Lexon Board, commented, “Lexon has a strong reputation in the surety market, and this acquisition will position us to substantially accelerate the growth of our U.S. primary surety portfolio and our presence in this specialized market. Lexon’s team brings to the table strong distribution relationships with a nationwide network of agents and brokers as well as specialty expertise across their surety and bond offerings, which are highly complementary to Sompo International’s existing product capabilities.”

Mr. Jack Kuhn, CEO of Global Insurance at Sompo International, added, “This acquisition is another step in the ongoing expansion of our U.S. Insurance capabilities into markets that complement our current operations. Lexon’s culture and business mix will be an excellent addition to our existing surety insurance group, allowing us to provide additional product capabilities to our valued customers, and creating value for our combined operations and our business partners. We look forward to welcoming the Lexon team to Sompo International.”

Mr. David Campbell, President of Lexon, stated, “The Lexon Surety Group employees are very pleased to join the Sompo International organization. Lexon’s organic growth to a top ten surety insurer was made possible by Lexon’s highly experienced staff and my cofounders, Brook Smith and PVM Ventures. Combining Lexon’s proven customer-oriented service and Sompo International’s financial strength will provide Lexon and Sompo International with a formidable platform in the surety insurance industry.”

Lexon’s staff and office locations will be retained. Mr. Campbell will continue in his role as President of Lexon and will be appointed Vice Chairman of the Lexon Board. Mr. Brian Beggs of Sompo International will become the Chief Executive Officer of Lexon. The transaction is expected to close in March of 2018, following regulatory approvals.

TigerRisk Capital Markets & Advisory served as financial advisor and Cadwalader, Wickersham & Taft LLP served as legal advisor to Sompo International. Hales Securities, LLC served as exclusive financial advisor and Bingham Greenebaum Doll LLP served as legal advisor to Lexon.

### **About Sompo International**

Sompo International is a global specialty provider of property and casualty insurance and reinsurance, headquartered in Bermuda. Through its operating subsidiaries, Sompo International writes agriculture, professional lines, property, marine and energy, and casualty and other specialty lines of insurance and catastrophe, property, casualty, professional lines, weather risk and specialty lines of reinsurance. Sompo International companies are wholly owned subsidiaries of Sompo Holdings, Inc., whose core business encompasses one of the largest property and casualty insurance groups in the Japanese domestic market. We maintain excellent financial strength as evidenced by the ratings of A+ (Superior) from A.M. Best (XV size category), A (Strong) from Standard and Poor’s and A2 from Moody’s on our principal operating subsidiaries. Sompo International’s headquarters are located at Waterloo House, 100 Pitts Bay Road, Pembroke HM 08, Bermuda and its mailing address is Sompo International, Suite No. 784, No. 48 Par-la-Ville Road, Hamilton HM 11, Bermuda. For more information about Sompo International, please visit [www.sompo-intl.com](http://www.sompo-intl.com).

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