

MANAGEMENT TEAM TAKE CONTROL AT RL360°

Royal London Group has agreed with Vitruvian Partners to support a management-led buy out of RL360°



What is happening?

Royal London Group (RLG) has been approached on several occasions both in the past and more recently regarding the potential purchase of RL360°.

This is because RL360° is an attractive stand alone company and a strong prospect for anyone wanting to gain a foothold in the international insurance market. None of the previous approaches were able to be fulfilled and the RL360° Management Team were allowed the opportunity to construct their own offer.

RLG has now agreed with independent private equity firm Vitruvian Partners to support a management-led buy out of RL360° and its subsidiaries. The deal is now complete following regulatory approval.

Financial and structural stability

One of the main benefits of the transaction provides RL360° with the financial and strategic stability to enable the company to pursue its business plan over the next 5 years and beyond. The Company will be further strengthened through support from the global insurance group MunichRe, as well as an element of long term financing from Royal London Group, and in addition to capital from Vitruvian Partners. The capital strength and the commitment of the RL360° management team were key to ensuring that our regulators are comfortable with the transaction.

The transaction is based on RL360° continuing to deliver its current growth strategy, which includes opening in new markets.

Continued policyholder protection

Our customers will continue to be protected by the Isle of Man Compensation of Policyholders protection scheme, which covers 90% (subject to the provisions of the scheme) of our liability where RL360° is unable to meet its financial obligations. We will be pleased to give you full details of the scheme on request.

Will the company name change?

Yes. During the next 3-6 months Royal London 360° will formally be rebranded RL360°. We have already built a very strong RL360° brand identity over the past few years and we do not wish to change our positioning in the market.

The new company logo has been specifically designed to be as similar to the existing logo as possible in order to reassure our customers and partners that nothing has changed.

A committed management team

The entire RL360° senior management team has committed personally to the future of RL360°, and in ensuring structural stability throughout the process from a personnel and operational perspective. No roles are altered as a consequence of the announcement. RLG has also decided to retain a financial interest in RL360° due to the attractiveness of the transaction.

The RL360° Executive Team comprises David Kneeshaw (CEO), Mike Crellin (Finance & Commercial Director), Simon Pack (Sales Director), Alistair Brogden (Appointed Actuary), Colin Shopland (Director of Legal & Compliance), Denzil Williams (Director of Infrastructure) and Natalie Hall (Director of Marketing).

Who are Vitruvian?

Vitruvian Partners LLP ("Vitruvian") is an independent FCA authorised private equity firm which specialises in middle market buyouts, growth buyouts and growth capital investments in the United Kingdom and Northern Europe.

Vitruvian focuses on investing in 'dynamic situations' in industries characterised by growth and change such as financial services, business services, information technology, media, telecoms, healthcare and leisure. Vitruvian is currently investing its inaugural fund of €925 million and has offices in London, Germany and Sweden.

You can view their website at www.vitruvianpartners.com

Nothing changes

Other than adopting a new name, nothing operationally or strategically is changing as a consequence of the ownership transfer. The same people are managing RL360°, all of whom are fully committed to delivering the existing business plan and strategy. We are financially secure and, importantly, we are scalable. We will continue to offer our entire range of products in the existing markets we operate and will also look to expand in to new regions.

If you have any questions regarding the change of ownership please do not hesitate to contact your usual representative, or any member of the RL360° management team.