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## FOR IMMEDIATE RELEASE

**CONTACTS: William Keen-Tomlinson, ACA**  
**Senior Financial Analyst**  
**+44 20 7397 4395**  
[will.keen-tomlinson@ambest.com](mailto:will.keen-tomlinson@ambest.com)

**Christopher Sharkey**  
**Manager, Public Relations**  
**+1 908 439 2200, ext. 5159**  
[christopher.sharkey@ambest.com](mailto:christopher.sharkey@ambest.com)

**Catherine Thomas, CFA**  
**Senior Director**  
**+44 20 7397 0281**  
[catherine.thomas@ambest.com](mailto:catherine.thomas@ambest.com)

**Jim Peavy**  
**Director, Public Relations**  
**+1 908 439 2200, ext. 5644**  
[james.peavy@ambest.com](mailto:james.peavy@ambest.com)

### **AM Best Assigns Credit Ratings to Accelerant Insurance Limited**

**LONDON, 26 March 2020**—AM Best has assigned a Financial Strength Rating of A- (Excellent) and a Long-Term Issuer Credit Rating of “a-” to Accelerant Insurance Limited (Accelerant EU) (Malta). The company is a wholly owned subsidiary of Accelerant Intermediate Holdings (Accelerant) (Cayman Islands), the non-operating holding company of the Accelerant group. The outlook assigned to these Credit Ratings (ratings) is stable.

The ratings reflect the strategic importance of Accelerant EU to the Accelerant group, and Accelerant’s consolidated balance sheet strength, which AM Best categorises as very strong, as well as the group’s adequate operating performance, limited business profile and appropriate enterprise risk management.

Accelerant provides insurance capacity to managing general agents (MGAs) and has been in operation since January 2019. The group also offers underwriting, claims handling and analytical support to MGAs. The group, which is backed by a EUR 100 million capital commitment from private equity firm, Altamont Capital Partners, has established Accelerant EU as a vehicle to retain insurance risk within the group. In addition to providing capacity and management services, the group expects to establish shareholdings in a number of its MGA partners.

Accelerant EU will be the group’s Malta-based insurance carrier, servicing MGAs in the United Kingdom, the European Union and Norway. U.K. business will be written by a third-country branch of the

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Maltese entity. In time, Accelerant plans to establish a Bermuda-based internal reinsurer to assist in centralising capital within the group.

AM Best expects Accelerant to maintain the strongest level of consolidated risk-adjusted capitalisation, as measured by Best's Capital Adequacy Ratio (BCAR), over the five-year period from 2020 to 2024, taking into account AM Best's additional capital requirements for new company formations. An offsetting factor in the balance sheet strength assessment is the high level of reliance on reinsurers, which is a result of the group's strategy to retain approximately 10% to 20% of business written.

The adequate operating performance assessment considers the group's five-year business plan, taking into account heightened execution risk during the start-up phase. Accelerant's forecast performance is reliant on its ability to source MGA partners in order to gain scale, and the underlying performance of its MGA portfolio. The group has a senior management team in place that has extensive experience in MGA management and in the reinsurance industry. In AM Best's view, this increases the likelihood of market acceptance and successful execution of the group's business plan.

**This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper media use of Best's Credit Ratings and AM Best press releases, please view [Guide for Media - Proper Use of Best's Credit Ratings and AM Best Rating Action Press Releases](#).**

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