



Core Specialty is to acquire American Surety in a stock and cash transaction for an undisclosed amount

November 2, 2023

American Surety has been in the surety market for over 30 years and, upon closing, will become Core Specialty's Surety Division with two initial product lines, bail bonds and commercial surety bonds.

Core Specialty will also form a Bond, Credit and Guarantee sub-segment, alongside three other sub-segments: Property and Short-tail, Specialty Casualty and Fronted Programs.

Founder, President and CEO Jeff Consolino said, "We are delighted that American Surety will become our 15th specialty business unit.

"We believe that the surety market represents a highly attractive market segment for us to enter given its strong underwriting profitability over time and barriers to entry."

According to AM Best market data, the surety market reached \$9bn in direct premiums written in 2022 and produced a 10-year average combined ratio of 71%.

American Surety was advised by Propel Advisory Group as financial advisor and Faegre Drinker Biddle & Reath LLP as transaction counsel.

Core Sepcialty is being advised by Skadden Arps Slate Meagher & Flom as transaction counsel.