

PRESS RELEASE

Core Specialty Completes Acquisition of American Surety Company; Forms Surety Division

- ***Represents Core Specialty's 17th specialty business unit and a component of the Bond, Credit & Guarantee subsegment***
- ***American Surety Company to operate as a separately managed division of Core Specialty, retaining the American Surety brand and management team***
- ***Tim Martin announced as President of newly formed Surety Division***
- ***Brings \$93mm in 2023 GAAP gross premiums written***

Cincinnati, OH: June 3, 2024/Globe Newswire/ – Core Specialty Insurance Holdings, Inc. and its subsidiaries (“Core Specialty” or the “Company”) announced today that it has completed the acquisition of American Surety Company (“ASC”) and Underwriters Surety, Inc. (“USI” and, together with ASC, “American Surety”), which was previously announced on November 1, 2023. The completed acquisition establishes Core Specialty’s 17th specialty business unit, adding to the Bond, Credit & Guarantee subsegment, and includes a Treasury-listing providing access to additional bonding opportunities. The newly formed Surety Division contains two initial product lines: bail bonds and commercial surety bonds. American Surety, which has a history of over 30 years, will retain its brand, management team and operating locations in Indianapolis, Indiana and Peoria, Illinois.

Tim Martin has been announced as President of the Surety Division. Tim brings with him over 40 years of industry experience, spending the last 10 years as Vice President, Bond Division of Great American Insurance Company before retiring. There he provided management, claims handling, and underwriting assistance services. Prior to that experience, he spent 24 years in the practice of law concentrating in the areas of surety and fidelity claims investigation and litigation. He started his career by serving six years as a Senior Bond Underwriter with Reliance Insurance Company.

The business was acquired for stock and cash with American Surety shareholders given an opportunity to earn additional shares of Core Specialty. The number of shares received by American Surety shareholders will depend upon the financial performance of the bail bonds and commercial surety bonds product lines during the five years following closing.

Jeff Consolino, Core Specialty’s Founder, President, and Chief Executive Officer, said, “Completing the acquisition of American Surety advances our goal of becoming the leading specialty insurer by adding our 17th specialty business unit. The surety market included approximately \$10 billion in direct premiums written in 2023. 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. We welcome the American Surety team and under Tim’s leadership we look forward to adding contract surety capabilities to further build our surety business.”

About Core Specialty



Core Specialty offers a diversified range of specialty insurance products for small to mid-sized businesses. From its underwriting offices spanning the U.S., the company focuses on niche markets, local distribution, and superior underwriting knowledge; offering traditional as well as innovative insurance solutions to meet the needs of its customers and brokers. Core Specialty is an insurance holding company operating through StarStone Specialty Insurance Company, a U.S. excess & surplus lines insurer, StarStone National Insurance Company, Lancer Insurance Company, Lancer Insurance Company of New Jersey and American Surety Company, each of which is a U.S. admitted markets insurer, and Standard Life and Accident Insurance Company, a life, accident and health insurer. For further information about Core Specialty, please visit www.corespecialty.com.

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