

Newcleus Announces Acquisition by Waterfall Sentinel Fund

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Waterfall Asset Management, LLC →

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NEWTOWN, Pa., Aug. 3, 2021 /PRNewswire/ -- Newcleus, LLC, ("Newcleus"), a leading provider of employer-owned life insurance and annuity products (with a core focus on Bank and Credit Union institutions), as well as employee benefit design and analysis, compensation consulting, and investment strategies, today announced that it has completed a strategic transaction with the Waterfall Sentinel Fund, a private equity vehicle managed by Waterfall Asset Management ("Waterfall").

Waterfall is making the investment in partnership with the CEO of Newcleus, Dan Barbaree, and senior management, who will continue to lead the company's operations. The transaction will position Newcleus to augment its team of specialized insurance professionals, customer reach, product innovation and technology enablement. With the support of Waterfall, Newcleus will explore opportunities to accelerate its growth by pursuing complimentary and strategic acquisitions.

"For over two decades, Newcleus has structured and implemented unique and competitive strategies for our clients. We are tremendously proud of the growth and customer relationships we have earned through deep product expertise, exceptional customer service and visionary technology solutions," said Dan Barbaree. "We are thrilled to partner with Waterfall, which shares our core values, including providing best-in-class service, and which will support our ongoing investment in people, products and technology to continually enhance our capabilities."

John Nelligan, Managing Director at Waterfall, said, "We believe Newcleus' competitive advantage in industry knowledge and structuring sophistication has positioned this team to capitalize on the tailwinds across the employer-owned life insurance markets and we look forward to supporting the Newcleus team as they continue to scale."

This latest platform investment by the Waterfall Sentinel Fund is consistent with the fund's strategy which seeks to partner with best-in-class management in niche financial services and financial technology sectors across the lower middle market. Newcleus represents the seventh distinct platform investment made by Waterfall's private equity team, in the Waterfall Sentinel Fund or other Waterfall funds, since its formation at the end of 2017.

Fox Rothschild LLP served as legal counsel and FinPro Capital Advisors, Inc. served as financial advisor to Newcleus with respect to the transaction. Kramer Levin Naftalis & Frankel LLP served as legal counsel to Waterfall.

About Newcleus

Newcleus is a design and administration provider of compensation, benefit, investment, and financing strategies. Newcleus primarily provides its niche products and services to the banking and credit union industry and, by leveraging its' proprietary, client-centric administration technology platform (known as MINTS), services and administers over 45,000 policies on behalf of over 750 financial institutions.¹ The company is headquartered in Newtown, PA. For more information, visit: <https://newcleus.com>.

About Waterfall Asset Management

Based in New York, Waterfall Asset Management is an independent SEC-registered asset manager. Waterfall is a leading private investment firm dedicated to investing in asset-based credit and private equity across the entirety of the specialty finance and securitized credit space. Waterfall had approximately \$9.5 billion in assets under management, as of June 1, 2021.

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¹ Information about Newcleus is as of July 2021.

SOURCE Waterfall Asset Management, LLC