

Alera Group Continues National Growth With Propel Insurance Agency Merger And Concurrent Recapitalization

Alera Group's new partnership with Propel and recapitalization will strengthen the company and greatly expand its national reach, positioning the combined business for continued future growth

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Alera Group, Inc. →

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DEERFIELD, Ill., Sept. 8, 2021 /PRNewswire/ -- Alera Group, Inc., a top 20 largest independent, national insurance and financial services firm, announced it has signed a definitive agreement to merge with Propel Insurance Agency (Propel), one of the nation's top 50 largest privately held insurance brokers. Headquartered in Tacoma, Washington, Propel's leading property and casualty capabilities will bolster Alera Group's presence in the Northwest and Southeast regions, complementing the company's current insurance and financial services offerings.

To further position the combined company for future growth and in support of the merger, Alera Group will also undergo a recapitalization. Alera Group has secured new capital from its existing private equity partner, Genstar Capital, which helped form the company in 2017, as well as from Propel's current capital partner, Flexpoint Ford, a Chicago-based private equity firm specializing in the financial services and healthcare industries.

"Fueled by our culture of collaboration, we've built a formidable national organization providing an enhanced client experience through products and services delivered at the local level," said Alan Levitz, CEO of Alera Group. "The merger with Propel marks the next step in our explosive

growth journey. We believe that we are truly better together and that we have the opportunity to positively impact the experience of our clients and our colleagues as we become one company."

Founded in 1923, Propel is a recognized leader in providing innovative insurance solutions. The agency brings considerable expertise in the senior living and construction verticals and will augment Alera Group's already robust P&C practice with industry-leading competencies in commercial insurance, workers' compensation and personal lines, in addition to surety solutions and employee benefits. The Propel merger adds 485 employees and eight new locations, bringing Alera Group's workforce to nearly 3,000 colleagues.

"This merger will join two key players in the insurance industry and will not only enhance both companies, but also build a solid foundation for future growth and success," said Kurt Carlson, President and CEO at Propel Insurance. "With Propel and Alera Group joining forces, we expect to continue to expand nationally, building an inclusive and diverse team while we enhance the client experience."

"Alera Group's growth and scale have exceeded the expectations we set in 2017 when we helped form the company. This success, along with a talented management team, collaborative culture, and positive reputation in the marketplace, are why we are excited to recommit as Alera Group's financial partner. We look forward to working with the Alera Group and Propel employee shareholders and Flexpoint Ford as Alera Group continues on its transformative journey," said Ryan Clark, President and Managing Director at Genstar Capital.

"For the past three years, we have partnered with the Propel team and watched how the unmatched level of service they provide to clients has led to impressive organic growth and a national reach," said Chris Ackerman, Managing Director at Flexpoint Ford. "We are looking forward to this next chapter and we're confident that Propel and Alera Group together are more equipped than ever to serve clients with innovative insurance solutions," added Dominic Hood, Managing Director at Flexpoint Ford.

The transaction is expected to close in 2021 and is subject to customary closing conditions and regulatory approvals. Evercore is serving as financial advisor to Alera Group and Barclays is serving as financial advisor to Flexpoint Ford and Propel. In addition, Ropes & Gray is serving as

legal counsel to Genstar, Kirkland & Ellis and Levenfeld Pearlstein are representing Flexpoint Ford and Propel, and Harrington & McCarthy and K&L Gates are representing Alera. Following consummation of the transaction, the Propel team will continue serving its existing clients in its existing roles. Financial terms of the transaction were not disclosed.

About Alera Group

Alera Group is one of the nation's top independent insurance and wealth management firms offering comprehensive employee benefits, property and casualty, retirement services and wealth management solutions to clients nationwide. By working collaboratively across specialties and geographies, Alera Group's team of more than 2,500 professionals in more than 100 offices provides creative, competitive services that help ensure a client's business and personal success. For more information, visit www.aleragroup.com or follow us on LinkedIn.

About Propel Insurance

For almost 100 years, Propel Insurance (www.propelinsurance.com) has earned a reputation for helping companies reach their potential, providing innovative insurance solutions, risk consulting, workers' comp cost containment, and employee benefits to thousands of businesses and individuals. Propel Insurance is one of the nation's largest private insurance agencies.

About Genstar Capital

Genstar Capital (www.gencap.com) is a leading private equity firm that has been actively investing in high quality companies for over 30 years. Based in San Francisco, Genstar works in partnership with its management teams and its network of strategic advisors to transform its portfolio companies into industry-leading businesses. Genstar currently has approximately \$33 billion of assets under management and targets investments focused on targeted segments of the financial services, industrials, healthcare, and software industries.

About Flexpoint Ford

Flexpoint Ford is a private equity investment firm that has approximately \$5.4 billion of assets under management and specializes in privately negotiated investments in the financial services and healthcare industries. Since the firm's formation in 2005, Flexpoint Ford has completed investments in more than 40 companies across a broad range of investment sizes,

structures and asset classes. Flexpoint Ford is headquartered in Chicago, Illinois, with additional offices in New York, New York. For more information about Flexpoint Ford, please visit www.flexpointford.com.

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