

Euclid Transactional secures Searchlight Capital as new minority investor

25 October 2021

Searchlight Capital has closed a deal to become the new minority investor partner in M&A insurance MGA Euclid Transactional, *The Insurer* can reveal.

Sources said the Piper Sandler-run process to bring in a new investor at Euclid Transactional has completed, with New York-based private equity firm Searchlight Capital closing a deal to buy into the MGA.

The Jay Rittberg-led MGA was previously owned by Euclid Insurance Services and management.

Searchlight Capital's current sector investments in the PE firm's portfolio include expansive UK insurance intermediary Global Risk Partners.

According to its website, Searchlight's private equity funds look to make investments through a range of transaction types across a company's capital structure.

Euclid Transactional has grown significantly since its 2016 launch by managing principal Rittberg (pictured above left), along with principals Phil Casper (center) and Albert Song (right).

The three executives were former leaders of AIG's Americas M&A business. Other key personnel include chief claims officer Chris Ziemba, who was previously at WR Berkley.

The MGA specializes in writing representations and warranties (R&W), tax liability, contingent liability and other transactional insurance coverages.

Euclid Transactional w
and Zurich.

Welcome to TheInsurer.com. This site uses cookies.

[Read our policy.](#)

en Insurance, Scor

It has also expanded g
as it launched a London office.

urance market in 2018

The firm is one of a number of transactional liability MGAs to be either fully up for sale or seeking new investment partners this year.

This publication reported in early October that Vale Insurance Partners was [continuing to engage](#) with potential investors to secure growth capital as well as actively hiring to further build its platform.

In January this year, *The Insurer* revealed that transactional risk insurance specialist BlueChip Underwriting Services was [working with Piper Sandler](#) on a potential sale.

Fast-growing segment

The transactional liability or M&A insurance segment of the market has been fast-growing in recent years – despite a short blip at the onset of the Covid-19 pandemic – amid surging demand for the products it underwrites.

In a post last month Euclid Transactional’s Rittberg highlighted the surging deal activity for M&A insurance underwriters.

He said the MGA had seen record August numbers, with the most submissions in its history, as it also bound the third most R&W/W&I insurance policies since its launch.

The executive added that for the past nine months, average deal sizes each month have been \$400mn or more, well above the \$300mn average seen in April through June 2020, while the average cost of its primary policies in the Americas was over 50 percent higher than in August 2020.

Euclid Insurance Services and Euclid Transactional declined to comment on this article.

The Euclid model

As previously reported, Euclid Insurance Services operates a [partner model](#) in which it works with best-in-class underwriters to form MGAs that are typically set up as separate corporations.

The John Colis-led M individual MGAs hold

Welcome to TheInsurer.com. This site uses cookies.

[Read our policy.](#)

ing managers in the

Euclid provides signi

re capacity from an

insurance carrier as well as helping with the negotiation of the agreement that governs the

relationship.

It also provides administrative services such as accounting, IT and HR, across the platform, freeing the owner underwriting teams up to focus on running the individual MGAs.

It can take a long-term view on its ownership of the MGAs on its structure, but also provides a platform for growth and potential liquidity events, if the owner-managers are looking to sell.

The last MGA to leave the platform was in January 2020 with the sale of Euclid Executive Liability Managers to its carrier partner AmTrust.

Earlier this month the latest program manager launched on the platform in the shape of [Euclid Surety](#), led by industry veterans Paul Giordano and Charles Cygal, supported by AmTrust paper.

Welcome to TheInsurer.com. This site uses cookies.

[Read our policy.](#)