



# Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

## Press release

New York, US; 9 August 2022

### Partners Group to acquire Foundation Risk Partners, a specialist insurance broker in the US, from Warburg Pincus

- FRP has a footprint of 139 offices across 18 states
- Insurance distribution is a large, fragmented market that has proved highly resilient
- FRP has seen strong growth under Warburg Pincus' ownership; Partners Group's future value creation plan will focus on expanding into new geographies

Partners Group, a leading global private markets firm, has, on behalf of its clients, agreed to acquire a controlling stake in Foundation Risk Partners ("FRP" or "the Company"), a specialist insurance broker in the US, from Warburg Pincus. FRP's management will maintain a substantial stake in the business while Warburg Pincus will retain a meaningful minority position.

Headquartered in Daytona Beach, Florida, FRP assists businesses and private individuals in navigating the complex US insurance landscape. The Company's areas of expertise include commercial insurance, employee benefits, personal insurance, and risk management services. FRP helps clients, which include small to mid-sized businesses and high net worth individuals, evaluate risks, secure appropriate coverage, ensure competitive pricing, and manage claims. It has a footprint of 139 offices across 18 states, with a primary focus in Florida, New Jersey, New York, and California. The Company generates revenues from fees on the initial placement and the recurring annual renewal of insurance policies, leading to highly predictable cash flows. Insurance brokerage is a large market that has proven highly resilient through economic cycles as insurance coverage is a non-discretionary expense. The market further benefits from several transformative trends including the emergence of new risks, such as cyber and social media exposure; the increase in the cost and frequency of litigation; and an evolving regulatory environment that emphasizes the need for insurance advice and coverage.

Partners Group will work with management to drive further growth at FRP and expand its presence across the US. Key value creation initiatives will include refining the acquisition strategy and expanding M&A, introducing the product suite in new geographies, investing in technology, and further leveraging the operating model.

Joel Schwartz, Partner, Co-Head Private Equity Services, Partners Group, says: "FRP provides us with access to the growing insurance brokerage market in the US, which benefits from stable non-

discretionary demand and favorable tailwinds. We have been tracking this market for several years and were attracted to FRP's diversified service offering and client base, as well as the transformational platform-building opportunity it represents. We look forward to working with FRP's very experienced management team on implementing the value creation plan."

Charlie Lydecker, Chief Executive Officer, Foundation Risk Partners, comments: "At FRP, we pride ourselves on our industry experience, client commitment, and market leading innovation. Since 2017, we have grown significantly, deepened our expertise across all product lines, and enhanced our client offering. As we look to grow and break into new markets, we believe Partners Group's track record of building leading platforms, as well as its deep resources, will be highly valuable to the next phase of our growth."

Jeff Stein, Managing Director, Warburg Pincus, adds: "Since its launch over five years ago, we have seen FRP experience a transformative period of organic and acquisitive growth, while building out robust capabilities in technology integration. We are proud of our partnership with Charlie and the Foundation Risk Partners team to-date and believe the Company is well-positioned for continued success as a leading insurance agency. We are excited to work with Partners Group moving forward as the Company enters this next phase of growth."

Partners Group was advised by Morgan Stanley & Co. LLC as its financial advisor and Ropes & Gray LLP as legal counsel. Warburg Pincus and Foundation Risk Partners were advised by Barclays, MarshBerry, Kirkland & Ellis LLP, Jamieson Corporate Finance, and Peter W. Klein, Attorney at Law.

### **About Partners Group**

Partners Group is a leading global private markets firm. Since 1996, the firm has invested USD 185 billion in private equity, private real estate, private debt, and private infrastructure on behalf of its clients globally. Partners Group seeks to generate strong returns through capitalizing on thematic growth trends and transforming attractive businesses and assets into market leaders. The firm is a committed, responsible investor and aims to create sustainable returns with lasting, positive impact for all its stakeholders. With USD 131 billion in assets under management as of 30 June 2022, Partners Group provides an innovative range of bespoke client solutions to institutional investors, sovereign wealth funds, family offices and private individuals globally. The firm employs more than 1,600 diverse professionals across 20 offices worldwide and has regional headquarters in Baar-Zug, Switzerland; Denver, USA; and Singapore. It has been listed on the SIX Swiss Exchange since 2006 (symbol: PGHN). For more information, please visit [www.partnersgroup.com](http://www.partnersgroup.com) or follow us on [LinkedIn](#) or [Twitter](#).

### **About Warburg Pincus**

Warburg Pincus LLC is a leading global growth investor. The firm has more than \$85 billion in assets under management. The firm's active portfolio of more than 250 companies is highly diversified by stage, sector, and geography. Warburg Pincus is an active investor across the full

spectrum of the financial services landscape, including insurance, banking, asset management, specialty finance, payments, and transaction processing. Notable investments in insurance include, Aeolus Re, Arch Capital, Fortegra, McGill & Partners, Fetch by the Dodo, RenaissanceRe, SCM Insurance, and Somers Re. Founded in 1966, Warburg Pincus has raised 21 private equity and 2 real estate funds, which have invested more than \$106 billion in over 1,000 companies in more than 40 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Berlin, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information, please visit [www.warburgpincus.com](http://www.warburgpincus.com). Follow us on [LinkedIn](#).

**Partners Group US media relations contact**

Prosek Partners

Email: [Pro-PartnersGroup@prosek.com](mailto:Pro-PartnersGroup@prosek.com)

**Warburg Pincus media relations contact**

Kerrie Cohen

Email: [Kerrie.Cohen@warburgpincus.com](mailto:Kerrie.Cohen@warburgpincus.com)