

## **CopperPoint Mutual Insurance Company Announces Acquisition of Pacific Compensation Insurance Company**

*\$150 million deal establishes regional insurer's expansion and growth*

PHOENIX, Sept. 13, 2017 – [CopperPoint Mutual Insurance Company](#), Arizona's leading provider of workers' compensation insurance since 1925, today announced a definitive agreement to acquire [Pacific Compensation Insurance Company](#) (PacificComp), a California-based workers' compensation carrier from Alleghany Insurance Holdings LLC, a wholly-owned subsidiary of Alleghany Corporation (NYSE: Y) for \$150 million in cash. The combined book of underwriting business for the two companies will represent approximately \$400 million in premium and a combined asset base of nearly \$4.1 billion, with \$1.5 billion in policyholder surplus.

The acquisition of PacificComp represents a significant milestone in CopperPoint's geographic expansion and diversification initiatives. PacificComp brings a proven track record, strong underwriting discipline and focused approach to serving businesses in the California market. The two companies share complementary strengths, including expertise in workers' compensation and a commitment to providing the highest quality customer experience through select independent agents.

"We are creating a family of insurance companies built on strong business relationships and best-in-class service," said Marc Schmittlein, CEO of CopperPoint. "PacificComp brings experienced professionals with deep California market expertise and a solid book of business that will undoubtedly provide us with a sound platform for growth."

"In joining CopperPoint we have found an ideal strategic and cultural fit for our employees, broker partners and policy holders that will allow us to continue our service to the market without interruption and provide us with the ability to expand the products and services we offer," said Jan Frank, CEO of PacificComp. "Our companies share a strategic vision for the continued expansion of the business and an approach to the marketplace that makes me and the PacificComp management team excited to become part of the CopperPoint family of companies."

Schmittlein added, "A key tenet of our value proposition comes from our proximity to customers, their business, their markets and their communities. Acquiring PacificComp builds on that core strength and is a natural fit for our policyholders growing West, particularly into California."

Beyond this synergy, CopperPoint's launch of commercial lines to its workers' compensation customers in Arizona opens opportunities to bring new products and services to the California market. Upon closing, PacificComp will continue to operate under its current name as part of the broader CopperPoint family of companies. Terms of the agreement include the purchase of adverse development reinsurance cover on PacificComp's pre-acquisition claims. The transaction is expected to close at the end of the year subject to customary closing conditions and regulatory review and approvals.

CopperPoint was privatized and converted to a mutual insurance company in 2013 with a vision of geographic expansion and product diversification. In 2016, Marc Schmittlein, a 30-year veteran of The Travelers, was brought on by the board of directors as CopperPoint CEO to help the company take the next step in its journey to become a regional mutual commercial lines company.

## **About CopperPoint Insurance Companies**

*Since 1925, CopperPoint has been a leading advocate of workplace safety and provider of comprehensive insurance coverage. We pride ourselves on getting closer to the needs of each individual business owner and agency partner in order to deliver best-in-class coverage that fits their needs. Today we provide workers' compensation insurance to more than 12,000 businesses, as well as offer other business insurance products, including property and casualty coverage. Headquartered in Phoenix, our award-winning company holds \$1.35 billion in surplus and more than \$3.4 billion in assets with no debt. The family of CopperPoint Insurance Companies includes CopperPoint Mutual Insurance Company and its subsidiaries.*

For more information, visit [www.copperpoint.com](http://www.copperpoint.com).

## **About Pacific Compensation Insurance Company**

*Pacific Compensation Insurance Company (PacificComp) provides workers' compensation insurance coverage exclusively through independent insurance brokers for California companies. The PacificComp team has extensive knowledge of the rules and regulations, the legislation, the challenges and opportunities of the California workers' compensation marketplace. PacificComp takes a proactive approach to every aspect of workers' compensation, from innovative underwriting solutions to rigorous loss prevention and claims management.*

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