

Galway Insurance Holdings Secures Majority Interest from Harvest Partners with New Equity Investments from Oak Hill Capital and The Carlyle Group

SAN FRANCISCO, Calif., Dec. 2, 2020 (SEND2PRESS NEWSWIRE) – Galway Insurance Holdings (“Galway”), the holding company for EPIC Brokers & Consultants (“EPIC”) and JenCap Holdings (“JenCap”), which together represent one of the nation’s largest insurance distribution firms, announced today that it has signed a definitive agreement with vehicles controlled by Harvest Partners, LP and its affiliates (“Harvest”) for a majority interest of Galway.

Galway’s existing private equity investors, Oak Hill Capital (“Oak Hill”) and The Carlyle Group (“Carlyle”), will reinvest alongside the management team and employee shareholders, who will remain significant shareholders. Terms of the transaction were not disclosed.

In total, Galway manages over \$7 billion of insurance premiums, employs over 3,100 associates and operates over 100 offices serving all 50 states. EPIC and JenCap are ranked as the 14th and 8th largest retail and specialty distribution brokers by Business Insurance magazine, respectively.

John Hahn, co-founder and Chairman of Galway, said, “We are thrilled with the outcome and are excited to welcome Harvest on as partners. To have them alongside Oak Hill and Carlyle presents us with a formidable group of investors highly supportive of our vision to continue to build a differentiated business within insurance distribution. This recapitalization provides us with the ability to be opportunistic in today’s market; to grow and expand each of Galway’s related specialty strategies around retail brokerage, risk management, wholesale brokerage, program administration and underwriting management.”

EPIC CEO, Steve Denton said, “The addition of Harvest Partners and the ongoing commitment of both Oak Hill and Carlyle allows our retail platform to continue our exponential growth in all aspects of our business which now includes comprehensive, nationwide solutions across industry focused practices in employee benefits and property & casualty along with dedicated resources in areas like risk management, small commercial and private clients.”

John Jennings, co-founder and CEO of JenCap, said, “This is exactly why we joined the Galway platform; the business dynamics of the holding company are extremely attractive for investors and will allow us to pursue our aggressive growth goals, while building out further specialty expertise and depth across our platform for our twelve thousand retail clients.”

Jay Wilkins, COO and Partner of Harvest, said, “John, Steve and John have built an exceptional business with the support of Oak Hill and Carlyle that we look forward to continue aggressively growing” with Steve Carlson, Partner, adding “It is an optimal time to invest in such a strong team to capitalize on favorable dynamics in the insurance distribution space.”

Steve Puccinelli, Managing Partner of Oak Hill said, “Since our original 2017 investment in EPIC, John Hahn and his top-tier team have more than tripled the business, significantly expanding that company’s unique platform and successfully joining it with JenCap to create Galway in June of this year. We are excited to continue to partner with the Galway management team, as well as Harvest and Carlyle, to build the preeminent growth platform in insurance distribution.”

John Redett, Managing Director and Head of Carlyle’s Global Financial Services group, said, “We’re proud of our long-standing partnership with John Hahn and the rest of the management team. John and the Galway team have done a fantastic job growing the business since we initially invested in 2013 and we believe Galway is positioned to capitalize on a number of strategic initiatives going forward. The addition of Harvest Partners and continued investment from Carlyle, Oak Hill Capital, and management further strengthens our tenured partnership and creates a strong alignment among all stakeholders.”

Equity capital for the investment will come from funds managed by Harvest Partners, L.P., Oak Hill Partners Fund V, and Carlyle Global Financial Services Partners II and III.

The transaction is expected to be completed by the end of 2020, subject to customary closing conditions, including regulatory approvals.

Evercore Group LLC, Goldman Sachs & Co LLC and Morgan Stanley & Co LLC served as financial advisors to Galway. Weil, Gotshal & Manges LLP served as legal counsel to Oak Hill and Galway. Wachtell, Lipton, Rosen & Katz served as legal counsel to Carlyle. Ropes and Gray LLP served as legal counsel to Harvest.

About EPIC Insurance Brokers & Consultants

EPIC Insurance Brokers & Consultants, now has more than 2,600 team members operating from more than 80 offices across the U.S., providing Property and Casualty, Employee Benefits, Specialty Programs, and Private Client solutions to EPIC clients. For more information on EPIC, visit: <https://epicbrokers.com/>.

About JenCap Holdings

JenCap Holdings is a premier national specialty insurance distribution platform that includes managing general agencies, specialty program administrators, and transactional wholesale brokers. JenCap has assembled a management team with the sector insight and experience to drive organic growth and strategic acquisitions leveraging technology and advanced data

analytics. JenCap is headquartered in New York. For more information on JenCap, visit: <https://jencapholdings.com/>.

About Harvest Partners

Founded in 1981, Harvest Partners is an established New York-based private equity investment firm that focuses on investments in middle-market companies in the business services & consumer, healthcare, industrial services, and manufacturing and distribution sectors. This strategy leverages Harvest Partners' nearly 40 years of experience in financing organic and acquisition-oriented growth companies. For more information, please visit <https://www.harvestpartners.com/>.

About Oak Hill Capital

Oak Hill Capital is a private equity firm managing funds with approximately \$15 billion of initial capital commitments and co-investments since inception. Over the past 34 years, Oak Hill Capital and its predecessors have invested in over 90 private equity transactions across broad segments of the U.S. and global economies. Oak Hill Capital applies an industry-focused, theme-based approach to investing in the following sectors: Media & Communications; Services; Industrials; and Consumer, Retail & Distribution. Oak Hill works actively in partnership with management to implement strategic and operational initiatives to create franchise value. For more information, please visit: <https://oakhill.com/>.

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across four business segments: Corporate Private Equity, Real Assets, Global Credit and Investment Solutions. With \$230 billion of assets under management as of September 30, 2020, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies and the communities in which we live and invest. The Carlyle Group employs more than 1,800 people in 31 offices across six continents. For more information, please visit <https://www.carlyle.com/>.