

## Who are Pernix?

**Pernix Specialty Limited (Pernix)** is dedicated to enabling and supporting responsible and tangible investment and finance through the provision of **Political Risk** and **Non-Payment** insurance.

**Pernix** is co-founded by Kade Spears (CEO), Caroline Coulson (CUO), and Mark Grimson (Head Analyst), who bring 55 years of combined Political and Non-Payment Risk experience into the MGA.



**Kade Spears**  
CEO

Kade has 17 years' experience in underwriting specialty insurance lines. Most recently, Kade was SCOR's global line head for political and non-payment risks. He founded this team in 2013 and was named head of the syndicate's specialty division in 2014. Kade was previously the head of the political and non-payment risks team at Aspen and started his career at Catlin. He holds an MA in International Relations and BSc in Business Administration.



**Caroline Coulson**  
CUO

Caroline has 20 years' experience in transactional underwriting, risk assessment, and building direct client relationships. Caroline was previously a senior underwriter at SCOR, prior to that she held the same position at Lancashire and was a senior analyst at Aegis, a political risk consultancy. She started in the insurance industry at Sovereign, a political and non-payment risk MGA backed (and subsequently owned) by Chubb, after beginning her career at a Wall Street stockbroker.



**Mark Grimson**  
Head Analyst

Mark has 18 years' experience analysing risks and building models for political and non-payment risks. He worked in commercial banking and private equity before joining SCOR's political and non-payment risks team. Mark is a Chartered Financial Analyst, a Chartered Alternative Investment Analyst, and a Certified Financial Risk Manager.

## Claims: handled by our carrier partners at Fidelis

Matt joined **Fidelis** in November 2021 from AXA XL where he specialised in handling claims from multiple classes of business, with a particular focus on political risk, trade credit and crisis management. Matt brings over 10 years of prior experience in handling claims within the London market, before which he earned a Masters in International Relations from the University of Exeter.



**Matt Malone**  
Senior Claims Adjuster

For claims handling/forwarding, please contact:  
[LondonClaims@fidelisinsurance.com](mailto:LondonClaims@fidelisinsurance.com) (UK & RoW)  
[IrelandClaims@fidelisinsurance.com](mailto:IrelandClaims@fidelisinsurance.com) (EU & EEA)



## Pernix Solutions

Pernix offers two types of (re)insurances: Non-Payment and Political Risks.



**Non-payment** (re)insurance covers the insured against non-payment or non-performance by a named obligor of a legally enforceable payment obligation for any reason whatsoever, but usually arising from default or insolvency.



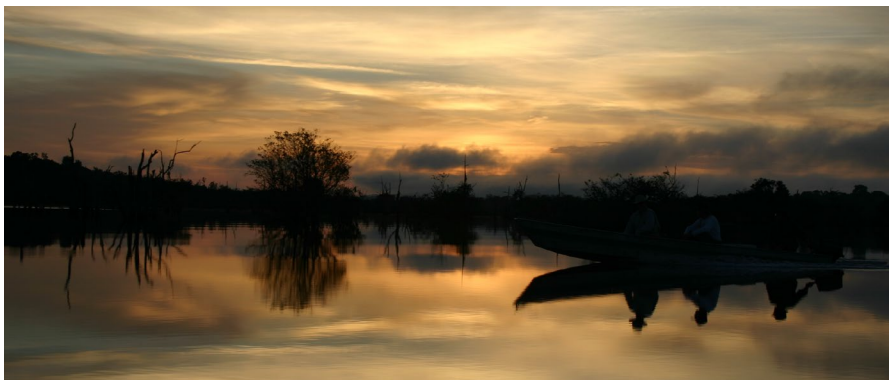
**Political Risks** (re)insurance covers the insured against losses arising or non-payment (lenders form) due to named political risk perils. We also cover various political violence perils on a selective basis and only as part of a wider political risk package.

A core part of **Pernix's** portfolio will be devoted to facilitating and aiding the dual energy and technological transitions taking place in our societies today.

**Pernix's** standard maximum line size is USD 50,000,000 per risk which can be increased to USD 100,000,000 under special circumstances.

**Pernix's** standard maximum tenor is fifteen years with the ability to support project financings with a maximum tenor of up to eighteen years.

**Pernix** is backed by informed capacity on a multi-year basis through our UK carrier Fidelis Underwriting Limited (FUL) and EU/EEA carrier Fidelis Insurance Ireland DAC (FIID).





## What is a Managing General Agent (MGA)?

An MGA is a specialist insurance operation that provides professional underwriting services on behalf of one or more insurers. **Pernix** is a **Pine Walk Group** company, and has been established to provide a best-in-class underwriting service to our clients across non-payment and political risk classes of business.

Classed as Intermediaries for regulatory purposes, MGAs are built on the specialist underwriting skills, knowledge and experience of the team. Underwriting capacity is provided through a Binding Authority Agreement between **Pernix** and **Fidelis Underwriting Limited (FUL)**, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

**Pernix** is an Appointed Representative of **Pine Walk Capital Limited**.

## Pine Walk Europe – Pernix Division

**Pine Walk Europe SRL** was established in Brussels, Belgium in 2020 to provide the appropriate legal and regulatory framework to allow our **Pine Walk Group** MGA underwriting teams to ensure continuity of service to our EU/EEA domiciled clients. **Pine Walk Europe** is a wholly owned subsidiary of **Pine Walk Capital Limited**.

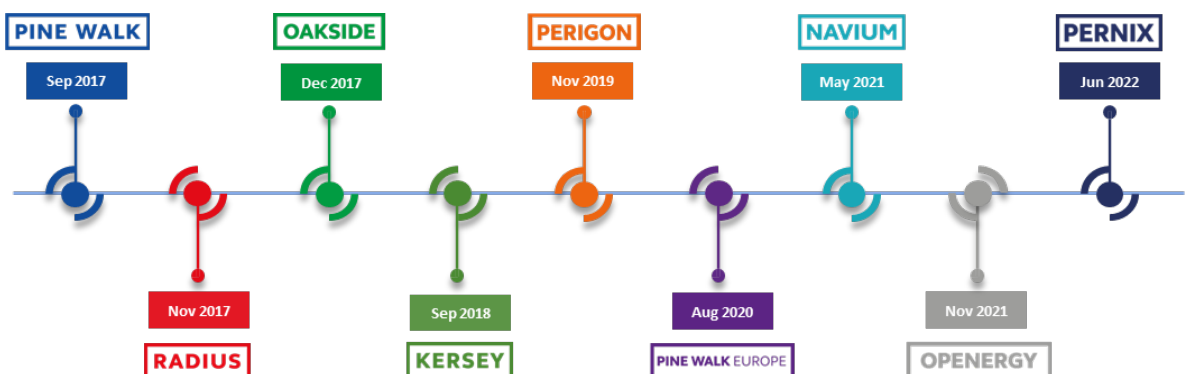
**Pine Walk Europe** and its branch in the UK, **Pine Walk Europe (UK Branch)** are regulated by the Financial Services and Markets Authority (FSMA) of Belgium and the Financial Conduct Authority UK, respectively. Per the 2019 legislation in Belgium, **Pine Walk Europe** is designated as a Mandated Underwriter.

Our experienced specialist underwriters are granted underwriting authority to handle the placement of insurance business on behalf of both **Pernix** and **Pine Walk Europe – Pernix Division**.

## What is a Mandated Underwriter?

Mandated Underwriters, classed as Intermediaries for regulatory purposes, provide professional underwriting services on behalf of insurers. They offer specialist underwriting knowledge on behalf of their insurance partners. This designation is aligned to that of our status in the UK allowing our MGAs and **Pine Walk Europe** Divisions to operate seamlessly across our business platforms.

## The Pine Walk Group



## Who are Pine Walk?

Founded in 2017, **Pine Walk Capital Limited (Pine Walk)** is an MGA Group and Platform that strategically invests in and manages insurance MGAs. **Pine Walk** is part of the **Fidelis Group**.

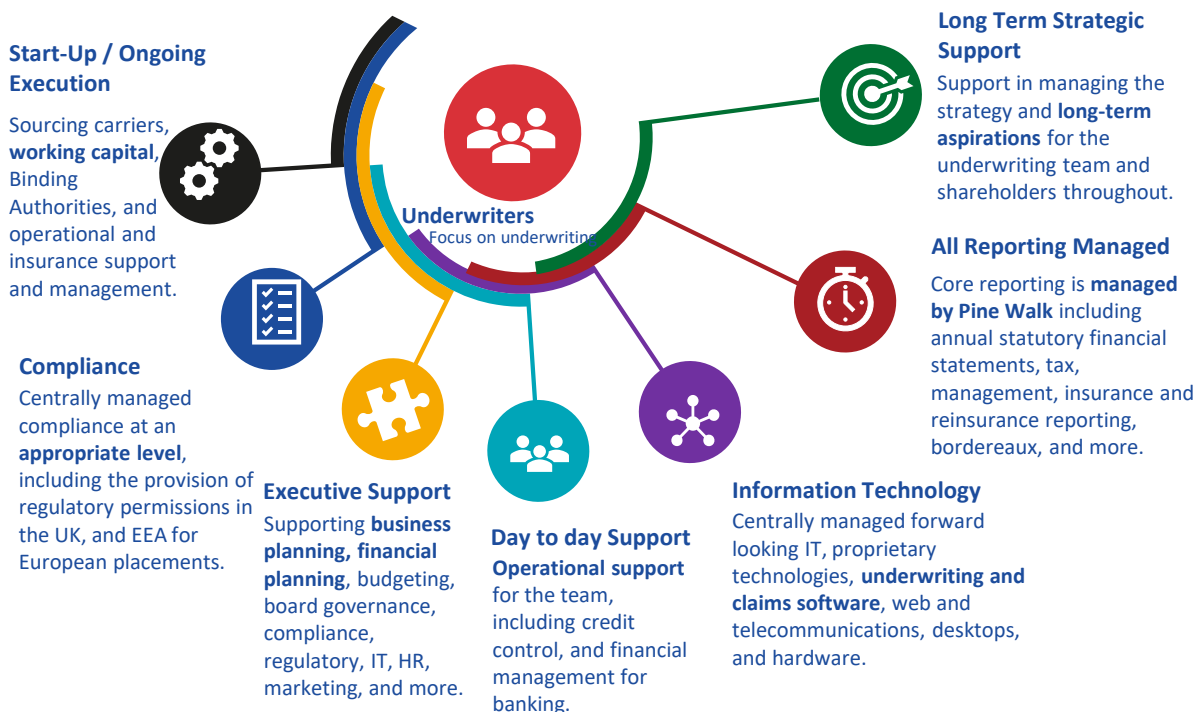
Headquartered in London with our EU-based office in Brussels, **Pine Walk** is well placed to deliver best-in-class service across jurisdictions and territories.

Bringing together capacity, capital and a suite of back-office services, **Pine Walk** is geared towards helping underwriting teams create, build and run successful insurance businesses enabling first class service provision to all our clients across our mix of product lines.

In December 2021, **Pine Walk** was granted regulatory permissions from the FCA as an Insurance Intermediary. Each of the MGAs in the **Pine Walk Group** are Appointed Representatives of **Pine Walk Capital Limited**.

**Fidelis** is our cornerstone carrier. We currently work with a select group of capacity providers and are looking to partner with new carriers across more of our initiatives as we continue to grow.

## What Pine Walk Do – The Wrapper



The logo for Fidelis, featuring the word "FIDELIS" in a bold, black, sans-serif font, enclosed within a thick black rectangular border.The logo for Pernix, featuring the word "PERNIX" in a bold, dark blue, sans-serif font, enclosed within a thick dark blue rectangular border.

## Who are Fidelis?

### Corporate Overview

**Fidelis** is a Bermuda-based specialty insurance and reinsurance provider, founded in 2014 by Richard Brindle, who also founded Lancashire Insurance a decade earlier. Since trading commenced, **Fidelis** has rapidly established its brand and market presence as a strong-performing specialist (re)insurer.

**Fidelis** is owned by a range of specialist investors/funds and Management. For 2020, GWP was split 42% Reinsurance, 21% Bespoke and 37% Specialty pillars. Since Q4 2019, **Fidelis** have raised a further \$1.312bn of capital and debt to support further growth as opportunities in the market present.

**Fidelis** have continued to expand their underwriting platforms in the UK, Dublin, and Bermuda, bringing together years of cumulative experience in the Insurance industry, and providing bespoke, innovative solutions through specialised expertise underwriting and operational excellence, addressing both established and emerging risks for clients.

**Fidelis Insurance Holdings Limited (FIHL)** was established as a speciality insurance holding company in Bermuda, initially with \$1.5bn in backing from three private-equity firms and other investors. Private equity firms Crestview Partners, CVC Capital Partners, and Pine Brook Partners invested a combined \$650m, with Goldman Sachs Group Inc. raising the rest of the capital.

**Fidelis Underwriting Limited (FUL)** is an insurance company incorporated in England and Wales. **FUL** is authorised as an insurance company in the UK by the Prudential Regulation Authority and is regulated in the UK by the Financial Conduct Authority and Prudential Regulation Authority.

**Fidelis Insurance Ireland DAC (FIID)** is an insurance company incorporated in the Republic of Ireland. It was formed in 2018 to provide a post-Brexit solution for **Fidelis** and is authorised and regulated by the Central Bank of Ireland.

**Fidelis Insurance Bermuda Limited (FIBL)** is a Bermuda domiciled insurance and reinsurance operation authorised and regulated by the Bermuda Monetary Authority.



**Fidelis Insurance Holdings Limited (FIHL)** is a Bermuda-domiciled holding company.

**Fidelis Insurance Bermuda Limited (FIBL)** was incorporated in Bermuda in 2015 and is licensed as a Class 4 insurer. **FIBL** is a wholly owned subsidiary of **FIHL**. **FIBL** underwrites property and casualty insurance and reinsurance on a global basis.



**Fidelis Underwriting Limited (FUL)** was incorporated in the UK in 2015 and is a wholly owned subsidiary of **FIHL**. **FUL** underwrites property and casualty insurance and reinsurance on a global basis.



**Fidelis Insurance Ireland DAC (FIID)** is an insurance company formed to provide a post-Brexit underwriting carrier for **Fidelis**. **FIID** provides property and casualty insurance and reinsurance cover for EU/EEA domiciled clients.



**Pine Walk Capital Limited (Pine Walk)** is a member of the Managing General Agents' Association who strategically invest in and manage MGAs. **Pine Walk** provides the back-office services to enable the MGA underwriting team to focus on their business's growth and sustainability. Through **Pine Walk Europe SRL (PWE)**, **Pine Walk** also provides the legal and regulatory structure to enable our underwriting teams to service EU/EEA domiciled clients post Brexit. **PWE** is a wholly owned subsidiary of **Pine Walk**.



**Pernix Specialty Limited** and **Pine Walk Europe – Pernix Division** are authorised to act on behalf of **FUL** and **FIID** by way of Binding Authority Agreements for UK and Rest of World (**FUL**) and EU/EEA domiciled clients (**FIID**). All cover is underwritten by either **FUL** or **FIID** as our capacity providers.

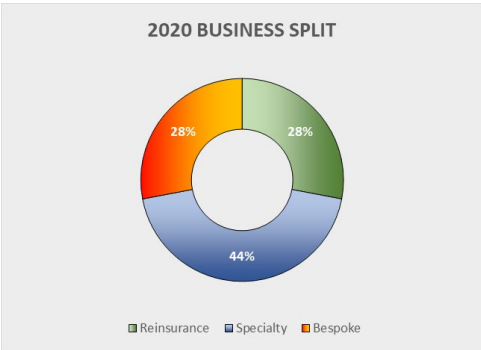
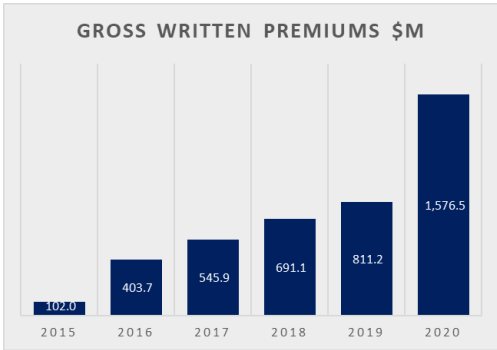


A.M. Best Company (“AM Best”) has assigned an A (Excellent) financial strength rating on **Fidelis Insurance Bermuda Limited (FIBL)**, **Fidelis Underwriting Limited (FUL)**, and **Fidelis Insurance Ireland DAC (FIID)**. The outlook on all entities is stable.

S&P Global Ratings (“S&P”) has assigned an A– financial strength rating on **FIBL**, **FUL**, and **FIID**. S&P has also assigned a **BBB long-term issuer credit rating** on **Fidelis Insurance Holdings Limited (FIHL)**. The outlook on all entities is stable.

**AM Best  
Rating  
2020  
A**

**S&P Rating  
2019  
Grade  
A-**



	2019	2020
Gross Written Premium (\$m)	811.3	1576.5
Net Earned Premium (\$m)	324	728.6
Loss Ratio	40.1%	45.0%
Combined Ratio <sup>1</sup>	83.9%	78.6%
Steady state combined ratio <sup>1,2</sup>	79.2%	77.6%
Total Investment return	4.0%	2.8%

	2019	2020
Fully diluted book value per share	8.02	9.18
Return on Equity <sup>3</sup>	8.3%	12.4%
Steady State Return on Equity <sup>2,3,4</sup>	13.5%	14.2%
Preferred Equity (\$m)	242	58
Common Equity (\$m)	1,118	1,976
Total Shareholders' Equity (\$m)	1,360	2,034

<sup>1</sup> Reported combined ratio is calculated as the sum of net losses, net acquisition costs and administrative expenses divided by net earned premiums. Reported combined ratio excludes the impact of non-recurring items and stock compensation. The reported combined ratio for 2018 includes the impact of a derivative that was included within the investment return in the Income Statement.

<sup>2</sup> Steady state is when the ratio of net earned premium to net written premium is equal to approximately 90% (on a 12-month rolling year basis), which we expect to achieve in 2023.

<sup>3</sup> ROE is calculated as the change in diluted book value per share over the opening diluted book value per share adjusted for common dividends and excludes the impact of all unusual items, including the impact of any extraordinary capital management transactions, including the premium paid associated with preference share repurchases and payments to minority shareholders.

<sup>4</sup> Steady state return on equity assumes that the forecast loss ratio and acquisition cost ratio applies to additional premium earned on a steady state basis.





## Contact Us

For more information about **Pernix**, please contact:

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[www.pernixspecialty.com](http://www.pernixspecialty.com)

37-39 Lime Street | London | EC3M 7AY



**Pernix Specialty Limited** is regulated by the FCA (FRN: [970243](#)) as an Appointed Representative of **Pine Walk Capital Limited** (FRN: [949934](#)).

The Financial Services Register is a public record that shows details of firms, individuals and other bodies that are, or have been, regulated by the [Prudential Regulation Authority \(PRA\)](#) and/or the [Financial Conduct Authority \(FCA\)](#).

The PRA is a division of the Bank of England operating independently to authorise and regulate financial services based in the UK. The FCA is also a financial regulatory body that operates independently of the UK Government.

The entry for **Fidelis Underwriting Limited (FUL)** on the FCA's register can be found [here](#), the entry for **Fidelis Insurance Holdings limited (FIHL)** on the Government of Bermuda Directors Register can be found [here](#), and the registration of the **Fidelis Group** on the Bermuda Monetary Authority (BMA) can be found [here](#). **Fidelis Insurance Ireland DAC (FIID)** is regulated by the Central Bank of Ireland. The entry on the bank's register can be found [here](#).

The PRA, FCA, CBI and BMA are the regulatory bodies overseeing the operations of **Fidelis**. **Pernix Specialty Limited** holds underwriting authority from **FUL** through a Binding Authority Agreement allowing **Pernix Specialty Limited** to intermediate and place insurance business.

**Pine Walk Europe SRL (PWE)** is regulated by the Financial Services and Markets Authority of Belgium (FSMA). **Pine Walk Europe (UK Branch)** is regulated by the FCA (FRN: [939649](#)) via the Temporary Permissions Regime. **Pine Walk Europe – Pernix Division** holds underwriting authority from **FIID** for the placement of EU/EEA domiciled risk.

**FUL** is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (FRN: [709360](#)).

**FIID** is regulated by the Central Bank of Ireland. **FIID** is a private company limited by shares. Registered in Ireland with registration number **617908**. Registered Office: 70 Sir John Rogerson's Quay, Dublin 2, Ireland. Directors: A Ryan, C Mathias, D McDermott, K Mahony, S Crone, and R Kelly.

[pernixspecialty.com](http://pernixspecialty.com) [pinewalkcapital.com](http://pinewalkcapital.com) [fidelisinsurance.com](http://fidelisinsurance.com)