

**Gryphon Investors has completed the sale of Orchid Underwriters to TowerBrook****Deal Value: Not Disclosed**

**Sandler O'Neill served as financial advisor to Gryphon Investors and Orchid Underwriters in connection with this transaction.**

**Since January 1, 2012, Sandler O'Neill has advised on 50 insurance transactions, more than any other full-service investment bank during that time period.<sup>1</sup>**

**San Francisco – December 20, 2018** — Gryphon Investors (“Gryphon”), a San Francisco-based middle-market private equity firm, announced today that it has completed the sale of its portfolio company Orchid Underwriters Agency, LLC (“Orchid” or “the Company”) to TowerBrook Capital Partners L.P. (“TowerBrook”). Gryphon initially invested in the Company in November 2014, and will maintain a significant equity position in the Company post-closing. Financial terms of the transaction were not disclosed.

Based in Vero Beach, Florida, Orchid is a leading managing general underwriter (“MGU”) providing specialty P&C insurance products to homeowners, high net worth individuals and small businesses throughout the U.S. and the Caribbean. Orchid provides proprietary insurance solutions for “hard-to-place” risks to a growing, national network of retail agents and other strategic distribution partners. The Company maintains several long-standing partnerships with high-quality insurance and reinsurance carriers that provide consistent and, in many cases, exclusive risk capacity to Orchid.

Gryphon’s investment in the Company was a result of its continuing focus on the insurance services sector. During its ownership, Gryphon supported Orchid management by increasing the Company’s investments in IT infrastructure, business development and sales force expansion, and new product lines, while completing two add-on acquisitions.

Alex Earls, Partner at Gryphon and Head of the firm’s Business Services Group, said, “Gryphon is delighted to announce the sale of Orchid to TowerBrook, which we believe will be a terrific partner for the Company. We are also pleased to maintain a significant minority equity stake in Orchid. The Orchid investment exemplifies Gryphon’s strategy of partnering with talented management teams and industry executives to build market leaders, and we have enjoyed working closely with Orchid’s talented management team.”

Brad Emmons, President and CEO of Orchid, added, “We have been very pleased with our four years under Gryphon’s ownership, as their team brought many useful business insights, in addition to M&A and capital. Gryphon’s hands-on engagement and advisors enabled us to enter into new markets, complete two acquisitions, launch several new product lines, and more than double premiums written and earnings. And now, Orchid is thrilled to enter a new phase of growth with support and expertise from TowerBrook.”

(1) Includes transactions for U.S. based deals and financial advisors with average disclosed transaction size of \$50 million or greater.

Sources: S&P Global Market Intelligence; Company press release.

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