

Welcome to IMAS M&A Monthly – October 2011  
*Highlighting key deals and trends in the UK financial services industry*

## General Insurance

The FSA has approved Bermuda investment firm **Haverford's** proposed 25% acquisition in Lloyd's insurer **Omega** which shareholders have favoured over **Barbican's** offer whilst bid rival **Canopus** has withdrawn. The High Court has approved the sale of **Quinn Insurance** to a joint venture of US insurer **Liberty Mutual** and **Anglo Irish Bank** whilst run-off buyout specialist **Randall & Quilter** has bought run-off insurer **Principle** for £4.3m. **CVC** is also understood to have offered £4bn for **RBS's** Insurance business.

Overseas, **JLT** has completed its acquisition of a 50.1% stake of **Alta**, the Chilean broker Orbital's holding company, whilst **American Life Insurance Co** (a subsidiary of MetLife Inc) sold its Isle of Man life insurance operation in run off to **Charles Taylor Consulting**.

Dunedin-backed **Practice Plan** acquired **Isoplan**, the provider of dental service plans and **Jon Ralph** led a management buy-out of **Broker Assistance**, the motor claims management service provider, from the administrators. Other infill acquirors included **Invicta Insurance Services**, **RK Harrison** and **Quindell Portfolio plc**. Finally the **British Insurance Brokers Association** (BIBA) have confirmed a merger with the **Institute of Insurance Brokers** (IIB).

## Investment Related

Blackstone's global credit platform **GSO Capital Partners** has acquired **Harbourmaster Capital**, the European leveraged loan manager advising on c. €8bn of assets whilst **Sanlam** is to acquire wealth management firm **Merchant Securities** for £12.2m and **Duff & Phelps** acquired corporate restructuring firm **MCR**.

IFAs continue to close transactions with **Paradigm Norton** acquiring accountancy and tax planning firm **Anning & Co.** and further infill acquisitions for **Ludlow Insurance Services** and **Hancock Life & Pensions**. Private equity has also been active with **David Seligman** and his management team acquiring **Edmond de Rothschild's** 75% stake in **Private Equity Select**, the €200m AUM investor in small European buyout funds, and **Palatine Private Equity** acquiring a significant stake in **Wealth at Work** from **LDC**.

## Lending

**NBNK**, the start up banking venture, announced plans to submit a bid for **Northern Rock** following the lifting of the Government's ban preventing it making an offer. However, this bid is conditional on success in the **Lloyds auction** where **NBNK** are under pressure to raise their £1.5bn offer.

**Lloyds Banking Group's** £1bn basket of commercial property debt has attracted interest from four parties who remain interested at around 35% of the loans' face value. **Nationwide Building Society** has acquired part of **Bank of Ireland's** UK residential mortgage portfolio in a £1.1bn deal covering the transfer of over 14,000 Bank of Ireland mortgage customers and **Paragon Group** acquired a portfolio of unsecured loans from **RBS** for £43.2m. **Yorkshire Building Society** completed the acquisition of the **Egg** mortgage & savings book and brand. Finally enforcement firm **Philips Collection Services** was acquired by **Serco**.

Private equity remain active with **Duke Street**-backed debt purchaser **Marlin Financial Group** investing c. £45m in a portfolio from a major UK bank including around 40,000 accounts and **Inflexion**-backed **Harrington Brooks** acquired debt management service provider **DebtSure**.

## Support Services (Financial)

**Parseq**, the listed financial services support services provider, announced a £34m take private backed by **Dover Street Capital** and **Nova Capital** whilst **Travelex Global Business Payments** (Western Union) acquired **Pay 24-7**, the online payments technology for universities / higher education institutions globally.

Fund and fiduciary services specialist **Abacus**, acquired Isle of Man-based fund administrators, **Portal Fund Administration** and **KPMG LLP** acquired **Xantus Ltd**, a Cheshire-based provider of management consultancy services. **Standard Life** acquired pension scheme operator **EMAP Flexiplan Trustees** and finally **Vitruvian**-backed **Callcredit** acquiring **TenantID**, the tenants letting history business.

IMAS is a corporate finance partnership that specialises in advising on private M&A deals in the UK financial services industry. For further information visit our website: [www.imas.uk.com](http://www.imas.uk.com).

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