



Crum & Forster acquires The Redwoods Group

April 1, 2015 Morrisville, NC – The Redwoods Group, a provider of insurance to YMCAs, Jewish Community Centers and residential and day camps, announced today, April 1st, 2015, that it has entered into a merger agreement pursuant to which it will join the Crum & Forster family of companies, part of Fairfax Financial Holdings Limited (TSX:FFH)(TSX:FFH.U).

“We chose to partner with Fairfax and Crum & Forster, instead of any of the other potential partners we considered, because there is a strong match in operating principles and values between us and because the transaction accomplishes all of the goals we set out at the beginning of this process,” said Kevin Trapani, president and CEO of Redwoods.

Trapani emphasized that this move will allow Redwoods more leeway to craft insurance and risk consulting products that are specifically designed for the unique needs of child-serving organizations – “This puts us in a position to be more competitive than ever before. It will enable us to scale our work and it will help us to help our customers even more to deliver on their non-profit missions.”

The Redwoods Group will continue to operate out of its current location as an independent brand of Crum & Forster, and Redwoods’ senior leadership team will remain intact. Additionally, all Redwoods staff have been offered a job with their same responsibilities, compensation and benefits.

Together, Crum & Forster and Redwoods will pursue efficiencies in technology, processes, knowledge sharing, and relationship- and business-growth opportunities.

Marc Adee, Crum & Forster’s chairman and CEO, commented, “We view this transaction as an opportunity to expand our direct underwriting operations to include the underwriting, claims handling and risk consulting expertise, and the geographical territory, broker relationships and customer relationships that The Redwoods Group has worked so hard to build.”

Adee continued, “But it’s also an opportunity for us to invest in, and learn from, a leader in the world of social entrepreneurship and using business as a force for good.”

During the past 18 years, Redwoods has made a name for itself through its focus on prevention and has invested heavily in efforts such as the prevention of child sexual abuse and drowning. Redwoods has also been widely recognized for its employee and stakeholder welfare programs, and was named by B Lab on its “Best for Workers” list in 2013 and 2014. The company’s mission and social entrepreneurship model will remain intact through this transition, and Redwoods will continue to be a Certified B Corp and Green Plus Certified operation.

B Lab co-founder Jay Coen Gilbert welcomed the news as evidence of the B Corp model’s efficacy – “Mission doesn’t mean very much if it is abandoned as soon as a company’s ownership changes. From the beginning, we envisioned the B Corp movement as a way to ensure that a company’s social mission can persist. Crum & Forster’s acquisition of The Redwoods Group is further proof that major corporations can and will invest in mission-driven enterprises while retaining and even enhancing what makes them special in the first place.”

This acquisition will see The Redwoods Group increase its sphere of influence in promoting business as a tool for positive social change. The company will be working actively with Crum & Forster to assess its new owners’ own social and environmental practices, and to explore the possibility of recruiting them as a certified B Corporation.

For Redwoods’ customers, “This acquisition gives us the operating autonomy, the strategic partnership, the capital and the resources we need to fully support our customers in pursuit of their missions, and it increases our price competitiveness, too,” said Trapani.

Terms of the deal were not disclosed.

About Crum & Forster

Crum & Forster provides specialty and standard commercial lines insurance products through its admitted and surplus lines insurance companies. C&F distributes products through approximately 1,500 authorized retail and wholesale brokers across the United States. Crum & Forster is rated “A” (Excellent) with a stable outlook by A.M. Best Company and shares a Financial Size Category of Class XIII. Crum & Forster is owned by Toronto-based Fairfax Financial Holdings Ltd (TSX:FFH)(TSX:FFH.U). Fairfax, whose name is derived from their philosophy of “fair and friendly acquisitions,” was founded by Prem Watsa.

About The Redwoods Group

The Redwoods Group is a social enterprise that offers insurance and risk consulting services to youth-serving organizations such as YMCAs, Jewish Community Centers, and day and resident camps. Through its insurance relationships, Redwoods works alongside its customers to pursue its social mission of keeping children safe. Through the use of data and its 18 years of serving youth-serving organizations, Redwoods is now a leader in fighting aquatic injuries and child sexual abuse. As a [Certified B Corporation](#),

Redwoods seeks to demonstrate that business can and should be used to create social good and benefit for all stakeholders, not just shareholders. At the heart of Redwoods' business model is its mission: Serve Others. Learn more at RedwoodsGroup.com.

Mystic Capital Advisors Group, LLC provided transaction advisory services to Redwoods. For more information on Mystic Capital, please contact Kevin P. Donoghue at 212-251-0972 or visit www.mysticcapital.com .

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