



November 1, 2016

## **National General Announces Closing of Acquisition of Direct General Insurance**

NEW YORK, Nov. 01, 2016 (GLOBE NEWSWIRE) -- National General Holdings Corp. (NASDAQ:NGHC) today announced the closing of the previously disclosed acquisition of Elara Holdings, Inc., the parent company of Direct General Insurance, a Tennessee based property and casualty underwriter that predominantly writes non-standard auto business in the Southeastern United States. The purchase price for the transaction was \$162 million, subject to customary post-closing adjustments.

Barry Karfunkel, National General CEO, stated: "We are excited to announce the closing of Direct General, which adds a direct distribution channel and non-standard auto leader in the Southeastern U.S. to our growing personal lines portfolio. We welcome the Direct General team to National General and look forward to continuing the profitable growth of our combined organization."

### **About Direct General Insurance**

Based in Nashville, Tennessee, Direct General Insurance was originally founded in 1991 and has approximately 1,800 employees. Direct General wrote \$483 million of net written premium in 2015, with \$464 million in non-standard auto business and \$19 million from term-life products. The company writes in 13 core Southeastern markets, with the highest proportion of premiums coming from Florida, Tennessee, Texas, and South Carolina, which combined for nearly 80% of 2015 auto NWP. The company employs a direct to consumer omni-channel distribution strategy that includes 417 company store fronts, a mobile web platform, phone sales centers, kiosks, and affinity partners. At December 31, 2015, Direct General had total equity of \$130 million.

### **About National General Holdings Corp.**

National General Holdings Corp., headquartered in New York City, is a specialty personal lines insurance holding company. National General traces its roots to 1939, has a financial strength rating of A- (excellent) from A.M. Best, and provides personal and commercial automobile, homeowners, umbrella, recreational vehicle, motorcycle, supplemental health, and other niche insurance products.

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