

# media release

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## Vero Construction and Engineering announces acquisition of majority stake in Australian Surety Corporation

**Australia, 14 June 2006:** Vero Insurance Limited (Vero), part of the Promina Group, today announced that it has acquired 50.5% of the shares in Australian Surety Corporation Pty Limited (ASC). ASC and its wholly owned subsidiary New Zealand Surety Corporation Limited trade as AP Surety.

AP Surety arrange contract surety bonds and commercial surety bonds for the construction and engineering industry in Australia and New Zealand. It is intended that Vero will become the issuer of the bonds arranged by AP Surety.

AP Surety's Group Managing Director Peter Kohlmann, Director Rodney Russell and NZ Managing Director Jason Sutherland with existing staff will continue to operate the business under the trading name of AP Surety.

Mr Duncan West, Chief Executive Vero said, "In line with our continued focus on the development our specialist business units, we are delighted to be able to expand our Construction and Engineering division. AP Surety offers considerable expert specialist knowledge in surety bonds.

"This business complements Vero's specialisation in construction and engineering underwriting and will allow Vero to continue to offer leadership, innovation and knowledge for the construction, engineering and manufacturing industries in Australia."

Peter Kohlmann, Rodney Russell and Jason Sutherland have been successfully operating in the surety bond business in Australia and New Zealand for over

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ten years, and pride themselves on their profitable, specialist underwriting and long-term reinsurance backing.

The client base for AP Surety and Vero Construction and Engineering has a high level of crossover, providing a great opportunity for both companies, and the product offerings are also complementary.

"This is an exciting time for Vero and we look forward to the continued success of our specialist team in our enhanced Construction and Engineering business," said Mr West.

## ENDS

### Editor's note

**Vero Insurance Limited ("Vero")** is a subsidiary of the Promina Group Limited, which is one of the top 50 companies listed on the Australian Stock Exchange. Vero, formerly Royal & Sun Alliance Insurance Australia Limited, has for many years been offering highly specialised solutions to its large range of customers.

Vero is one of Australia's largest intermediated general insurance companies and has 19 branches across Australia, providing a suite of quality specialised and risk management products and services through brokers, corporate partners and risk managers.

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