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**FOR IMMEDIATE RELEASE**

**Markel to acquire SureTec Financial Corp**

**RICHMOND, Virginia, HOUSTON, Texas: February 1, 2017** – Markel Corporation (“Markel”) (NYSE: MKL) and SureTec Financial Corp. (“SureTec”) announced today that they have entered into a definitive agreement for Markel to acquire SureTec for approximately \$250 million, inclusive of a three-year earn out. The transaction is subject to customary closing conditions, including insurance regulatory approvals, and is expected to close in the first half of 2017.

Following the acquisition, SureTec will operate as a separate business unit, with John T. Knox, Jr., SureTec’s current Chairman and Chief Executive Officer, leading his seasoned team in his current capacity. The operating unit will become part of Markel’s Specialty division and US Insurance segment.

Richard R. Whitt, Co-Chief Executive Officer of Markel, commented, “We are very excited to have John and the SureTec team join Markel. Since its start in 2002, SureTec has grown its surety business prudently and profitably with a diversified product and geographic mix. It has become a top 20 player in the surety market nationwide through its offerings of contract, commercial, and court bonds. As with all our acquisitions, we look forward to exploring opportunities to profitably grow the business.”

John T. Knox, Jr., Chairman and Chief Executive Officer of SureTec, remarked, “We could not be happier to be joining Markel. I look forward to leading what will become Markel Surety and building upon SureTec’s success while benefiting from Markel’s financial strength and (re)insurance capabilities, which will position us to better serve our customers and grow our business.”

TigerRisk Capital Markets & Advisory served as financial advisor and Sidley Austin LLP served as legal advisor to Markel. Locke Lord LLP served as legal advisor to SureTec.

**About Markel Corporation**

Markel Corporation is a diverse financial holding company serving a variety of niche markets. The Company’s principal business markets and underwrites specialty insurance products. In each of the Company’s businesses, it seeks to provide quality products and excellent customer service so that it can be a market leader. The financial goals of the Company are to earn consistent underwriting and operating profits and superior investment returns to build shareholder value. Visit Markel Corporation on the web at [markelcorp.com](http://markelcorp.com).

## **About SureTec Financial Corp.**

SureTec is one of the largest privately owned surety companies in the US. SureTec's largest subsidiary, SureTec Insurance Company, is rated A (Excellent) by A.M. Best. In partnership with professional surety producers and independent agents, the company has offices in Atlanta, Austin, Dallas, Houston, San Antonio, San Diego, and Orange County, California. SureTec operates in 50 states and has one international affiliate. Visit SureTec on the web at [suretec.com](http://suretec.com).

## **Disclaimer**

Some of the statements in this release may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including statements about Markel's and SureTec's beliefs, plans or expectations, are forward-looking statements. These statements are based on Markel's and SureTec's current plans, estimates, and expectations. There are risks and uncertainties that could cause actual results to differ materially from those expressed in or suggested by such statements. Neither Markel nor SureTec assumes any obligation to update this release (including any forward-looking statements herein) as a result of new information, developments, or otherwise. This release speaks only as of the date issued.

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