
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 31, 2018

Markel Corporation

(Exact name of registrant as specified in its charter)

Virginia (State or other jurisdiction of incorporation)	001-15811 (Commission File Number)	54-1959284 (IRS Employer Identification No.)
4521 Highwoods Parkway Glen Allen, Virginia (Address of principal executive offices)		23060-6148 (Zip Code)

Registrant's telephone number, including area code: (804) 747-0136

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

On August 31, 2018, Markel Corporation (“Markel”) and Nephila Holdings Ltd. (“Nephila”) issued a joint press release announcing that Markel has entered into a definitive agreement to acquire all of the common shares of Nephila.

Nephila is a leading investment manager specializing in reinsurance risk. Nephila offers a broad range of investment products focusing on instruments such as insurance-linked securities, catastrophe bonds, insurance swaps, and weather derivatives. Nephila, whose revenue is driven primarily through management and incentive fees, has assets under management of approximately \$12.3 billion as of July 31, 2018 for over 300 geographically diverse investors and has been managing institutional assets in this space since it was founded in 1998. The firm has over 180 employees.

Upon completion of the transaction, Nephila will continue to operate as a separate business unit. The management team, led by Greg Hagood and Frank Majors, will remain in place and will continue to be based in Bermuda, San Francisco, CA, Nashville, TN and London.

The transaction, which is subject to approvals by relevant insurance regulators and other customary closing conditions, is expected to close in the fourth quarter of 2018. The transaction is not subject to any financing condition, and Markel plans to finance the transaction using cash balances on hand.

A copy of the joint press release is furnished as Exhibit 99.1 to this report.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 [Joint Press Release dated August 31, 2018](#)

Information Concerning Forward Looking Statements

Some of the statements in this Current Report on Form 8-K 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 Nephila’s beliefs, plans or expectations, are forward-looking statements. These statements are based on Markel’s and Nephila’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. The proposed transaction is subject to risks and uncertainties, including: (A) that Nephila and Markel may be unable to complete the proposed transaction because, among other reasons, conditions to the closing of the proposed transaction may not be satisfied or waived; (B) uncertainty as to the timing of completion of the proposed transaction; (C) the failure to satisfy conditions to completion of the proposed transaction, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the transaction; (D) the occurrence of any event, change or other circumstances that could give rise to the termination of the stock purchase agreement; (E) risks related to disruption of management’s attention from Nephila’s ongoing business operations due to the proposed transaction; (F) the effect of the announcement of the proposed transaction on Nephila’s relationships with its clients, operating results and business generally; (G) the outcome of any legal proceedings to the extent initiated against Nephila, Markel or others following the announcement of the proposed transaction; (H) risks related to Markel’s post-closing integration of Nephila’s business and operations; (I) risks related to a downgrading of Nephila’s or Markel’s A.M. Best ratings or other similar financial strength or debt ratings as a result of the announcement or completion of the proposed transaction; and (J) the loss or impairment of Nephila’s material client or other relationships as a result of the announcement or completion of the proposed transaction, as well as Nephila’s and Markel’s management’s response to any of the aforementioned factors. Markel does not assume any obligation to update this Current Report on Form 8-K (including any forward-looking statements herein) as a result of new information, developments, or otherwise. This Current Report on Form 8-K speaks only as of the date issued.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

August 31, 2018

MARKEL CORPORATION

By: /s/ Richard R. Grinnan
Name: Richard R. Grinnan
Title: General Counsel and Secretary



**For more information contact:
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FOR IMMEDIATE RELEASE

Markel to acquire Nephila Holdings Limited

RICHMOND, VA and NASHVILLE, TN, August 31, 2018 – Markel Corporation (“Markel”) (NYSE: MKL) and Nephila Holdings Limited (“Nephila”) announced today that they have entered into a definitive agreement for Markel to acquire all of the outstanding shares of Nephila.

Nephila is the pre-eminent insurance-linked securities manager in the world. Nephila brings deep and long-term investor relationships, tremendous energy, creativity and innovation in matching investor risk appetites with client needs. Nephila, whose revenue is driven primarily through management and incentive fees, manages over \$12 billion of assets under management for over 300 geographically diverse investors. Adding the unique and proven talents of Nephila to the specialty insurance and reinsurance platforms of Markel will produce a powerful combination that will drive long-term growth and value to the benefit of the companies’ investors.

Richie Whitt, Markel’s Co-Chief Executive Officer, commented, “We are excited to welcome Nephila to the Markel team. Frank Majors and Greg Hagood have built the industry’s pre-eminent and longest-tenured insurance-linked securities manager. With a proven 20 year track record of success, they bring with them an incredibly experienced and talented management team and a culture of creativity, innovation and excellence that exemplifies the Markel Style. The addition of Nephila to Markel’s insurance, reinsurance, insurtech, fronting, and existing insurance-linked securities capabilities will enhance and strengthen the breadth and depth of Markel’s offerings to policyholders, producers and investors.”

Frank Majors, Nephila’s Co-Chief Executive Officer, remarked, “We are delighted to be joining Markel, a company with a similar culture, strategic outlook and long-term focus. They have built a great company with a sterling reputation for both outstanding performance and a collaborative business approach, and have a proven track record of successful acquisitions. Markel shares our strategic vision for the future of the insurance markets; this transaction will allow us to accelerate our delivery of that strategy, creating additional value for our investors and our trading partners. We are looking forward to working with the Markel team, and are excited by the possibilities from our combined strengths.”

Greg Hagood, Nephila’s Co-Chief Executive Officer, added, “As the industry continues to evolve, we believe the resources and expertise from both platforms will provide meaningful benefits to our investor base, as it combines the investment independence of a 20 year, stand-alone insurance-linked securities manager with the additional resources of a well-respected and strongly rated insurer. We are excited about leveraging these joint resources on behalf of our investors in the years ahead.”

Upon completion of the transaction, Nephila will continue to operate as a separate business unit. The management team, led by Greg Hagood and Frank Majors, will remain in place and will continue to be based in Bermuda, San Francisco, CA, Nashville, TN and London.

The transaction, which is subject to approvals by relevant insurance regulators and other customary closing conditions, is expected to close in the fourth quarter of 2018. The transaction is not subject to any financing condition, and Markel plans to finance the transaction using cash balances on hand.

Whitt added, "The combined assets under management (AUM) between Nephila and Markel CATCo will stand at approximately \$19 billion, representing approximately 20% of the insurance-linked securities sector. With this transaction, Markel is set to become the largest manager of funds in this sector."

Advisors

Skadden, Arps, Slate, Meagher & Flom LLP is serving as legal counsel to Markel. Evercore is serving as exclusive financial advisor to Nephila and Willkie Farr & Gallagher LLP is serving as Nephila's legal counsel.

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.

About Nephila

Nephila is a leading investment manager specializing in reinsurance risk. Nephila offers a broad range of investment products focusing on instruments such as insurance-linked securities, catastrophe bonds, insurance swaps, and weather derivatives. Nephila has assets under management of approximately \$12.3 billion as of July 31, 2018 and has been managing institutional assets in this space since it was founded in 1998. The firm has over 180 employees based in their Bermuda headquarters, San Francisco, CA, Nashville, TN and London. Visit Nephila on the web at www.nephila.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 Nephila's beliefs, plans or expectations, are forward-looking statements. These statements are based on Markel's and Nephila'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 Nephila 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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