FMG ACQUISITION CORP
Form S-4
April 18, 2008

As filed with the Securities and Exchange Commission on April 18, 2008
Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

FMG ACQUISITION CORP.
(Exact name of registrant as specified in its charter)

Delaware	**6770**	**75-3241964**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

Four Forest Park, Second Floor
Farmington, Connecticut 06032
(860) 677-2701

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Gordon G. Pratt
Chairman, President and
Chief Executive Officer
Four Forest Park, Second Floor
Farmington, Connecticut 06032
(860) 677-2701

(Name, address including zip code, and telephone number, including area code, of agent for service)

Copies to:

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(212) 370-7889—Fax **(813) 221-4210—Fax**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective and all other conditions to the merger contemplated by the merger agreement described in the enclosed proxy statement/prospectus have been satisfied or waived.

If any of the securities being registered on this form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o____:

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.o____.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer o Accelerated filer o

Non-accelerated filer o Smaller reporting company x

CALCULATION OF REGISTRATION FEE

Title of Each Class of Security to Be Registered	Amount Being Registered	Proposed Maximum Offering Price Per Security(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
Shares of Common Stock(2)	8,750,000	$ 8.00	$ 70,000,000	$ 2,751
Total	8,750,000		$ 70,000,000	$ 2,751

(1) Based on the market price of the common stock for the purpose of calculating the registration fee pursuant to Rule 457(f)(1).

(2) Represents 8,750,000 shares of common stock to be issued to members of United Insurance Holdings, L.C. in exchange for their membership units.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the Securities and Exchange Commission declares our registration statement effective. This proxy statement/prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION DATED APRIL 18, 2008

PROXY STATEMENT FOR SPECIAL MEETING OF STOCKHOLDERS
AND PROSPECTUS FOR UP TO 8,750,000 SHARES OF COMMON STOCK OF
FMG ACQUISITION CORP.

Proxy Statement/Prospectus dated [ ], 2008
and first mailed to stockholders on or about [ ], 2008

We are pleased to announce the boards of directors of FMG Acquisition Corp. ("FMG" or the "Company"), United Insurance Holdings, L.C., ("United") and United Subsidiary Corp., a newly-incorporated Florida corporation and a wholly-owned subsidiary of FMG ("United Subsidiary"), have agreed to the purchase of all of the membership units of United by FMG, and to effect a merger whereby United Subsidiary will merge with and into United, with United surviving as a wholly-owned subsidiary of FMG. We are sending you this document to ask for your vote for the approval and adoption of this transaction, as well as for the approval and adoption of several related proposals.

On April 2, 2008, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which United Subsidiary agreed to merge with and into United, and United has agreed, subject to receipt of the merger consideration from FMG, to become a wholly-owned subsidiary of FMG (the "Merger"). If the stockholders of the Company approve the transactions contemplated by the Merger Agreement, FMG, through United Subsidiary, which was newly incorporated in order to facilitate the Merger contemplated thereby, will purchase all of the membership units of United in a series of steps as outlined below.

FMG and United will merge pursuant to a merger transaction summarized as follows:

(i) FMG has formed a transitory merger subsidiary, United Subsidiary Corp., and will merge such subsidiary with and into United, with United surviving; and

(ii) United will, as a result, become wholly-owned by FMG.

United's members will receive consideration of up to $100,000,000 consisting of:

(i) $25,000,000 in cash;

(ii) 8,750,000 shares of FMG common stock, par value $.0001 per share (assuming an $8.00 per share value); and

(iii) up to $5,000,000 of additional consideration will be paid to the members of United in the event certain net income targets are met by United, as set forth more particularly herein.

The Company's Board of Directors has determined United has a fair market value equal to at least 80% of the Company's net assets held in trust. The Company, United and United Subsidiary plan to consummate the Merger as promptly as practicable after the Special Meeting, provided that:

• the Company's stockholders have approved and adopted the Merger Agreement and the transactions contemplated thereby;

• holders of not more than 29.99% of the shares of the common stock issued in the Company's IPO vote against the Merger and demand conversion of their stock into cash;

• the Securities and Exchange Commission has declared effective the registration statement and prospectus which form a part of this proxy statement; and

• the other conditions specified in the Merger Agreement have been satisfied or waived.

See the description of the Merger Agreement in the section entitled "The Merger Agreement" beginning on page 51. The Merger Agreement is included as Annex A to this proxy statement/prospectus. We encourage you to read the Merger Agreement in its entirety.

Under the terms of the Company's amended and restated certificate of incorporation, the Company may proceed with the Merger provided that not more than 29.99% of the Company's public stockholders elect to convert their shares of common stock to cash and not participate in the Merger.

Our units, common stock and warrants are traded on the OTC Bulletin Board under the symbols FMGQU, FMGQ and FMGQW, respectively. On April 15, 2008, our units, common stock and warrants had a closing price of $7.62, $7.28 and $0.50, respectively.

The registration statement of which this proxy statement/prospectus is a part relates to the offering by FMG of up to 8,750,000 shares of FMG common stock.

IF YOU RETURN YOUR PROXY CARD WITHOUT AN INDICATION OF HOW YOU DESIRE TO VOTE, YOU WILL NOT BE ELIGIBLE TO HAVE YOUR STOCK CONVERTED INTO A PRO RATA PORTION OF THE TRUST ACCOUNT IN WHICH A SUBSTANTIAL PORTION OF OUR IPO NET PROCEEDS ARE HELD. YOU MUST AFFIRMATIVELY VOTE AGAINST THE MERGER PROPOSAL AND DEMAND WE CONVERT YOUR STOCK INTO CASH NO LATER THAN THE VOTE ON THE MERGER PROPOSAL TO EXERCISE YOUR CONVERSION RIGHTS. IN ORDER TO CONVERT YOUR SHARES OF COMMON STOCK, YOU MUST ALSO PRESENT OUR STOCK TRANSFER AGENT WITH YOUR PHYSICAL STOCK CERTIFICATE AT OR PRIOR TO THE SPECIAL MEETING. SEE "SPECIAL MEETING OF STOCKHOLDERS—CONVERSION RIGHTS" FOR MORE SPECIFIC INSTRUCTIONS.

SEE ALSO "RISK FACTORS", BEGINNING ON PAGE 20 FOR A DISCUSSION OF VARIOUS FACTORS YOU SHOULD CONSIDER IN CONNECTION WITH THE MERGER.

The Company has scheduled a special stockholder meeting in connection with the proposed Merger and certain related matters (the "Special Meeting"). Enclosed is our Notice of Special Meeting and proxy statement and proxy card. Your vote is very important. Whether or not you plan to attend the Special Meeting, please take the time to vote by marking your vote on your proxy card, signing and dating the proxy card, and returning it to us in the enclosed envelope. The Special Meeting will be held at on at . **The Company's Board of Directors unanimously recommends Company stockholders vote FOR approval and adoption of the Merger Agreement, as well as all other proposals contained herein.**

Very truly yours,

Gordon G. Pratt
Chairman, President and Chief Executive Officer
FMG Acquisition Corp.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if the attached proxy statement/ prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The proxy card is dated , 2008, and is being first mailed to Company stockholders on or about , 2008.

UNTIL , 2008, ALL DEALERS THAT EFFECT TRANSACTIONS IN THESE SECURITIES, WHETHER OR NOT PARTICIPATING IN THIS OFFERING, MAY BE REQUIRED TO DELIVER A PROSPECTUS. THIS IS IN ADDITION TO THE DEALERS' OBLIGATION TO DELIVER A PROSPECTUS WHEN ACTING AS UNDERWRITERS AND WITH RESPECT TO THEIR UNSOLD ALLOTMENTS OR SUBSCRIPTIONS

FMG ACQUISITION CORP.
Four Forest Park
Farmington, Connecticut 06032

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON , 2008

TO THE STOCKHOLDERS OF FMG ACQUISITION CORP.:

NOTICE IS HEREBY GIVEN that a Special Meeting of stockholders of FMG Acquisition Corp., a Delaware corporation ("FMG" or the "Company"), relating to the proposed acquisition of all of the issued and outstanding membership units of United Insurance Holdings, L.C., which Special Meeting will be held at 10:00 a.m. Eastern Time, on , 2008, at the offices of , telephone number of .

At the Special Meeting, you will be asked to consider and vote upon the following:

(i) the Merger Proposal—the proposed acquisition of all of the issued membership units of United Insurance Holdings, L.C., a Florida limited liability company, pursuant to the Agreement and Plan of Merger, dated as of April 2, 2008, by and among the Company, United and United Subsidiary, and the transactions contemplated thereby ("Proposal 1" or the "Merger Proposal");

(ii) the First Amendment Proposal—the amendment to the Company's amended and restated certificate of incorporation (the "First Certificate of Incorporation Amendment"), to remove certain provisions containing procedural and approval requirements applicable to the Company prior to the consummation of the business combination that will no longer be operative following consummation of the Merger ("Proposal 2" or the "First Amendment Proposal");

(iii) the Second Amendment Proposal—the amendment to the Company's amended and restated certificate of incorporation (the "Second Certificate of Incorporation Amendment"), to increase the amount of authorized shares of common stock from 20,000,000 to 50,000,000 ("Proposal 3" or the "Second Amendment Proposal");

(iv) the Third Amendment Proposal—the amendment to the Company's amended and restated certificate of incorporation (the "Third Certificate of Incorporation Amendment"), to change the name of the Company to United Insurance Holdings Corp. ("Proposal 4" or the "Third Amendment Proposal");

(v) Director Proposal—to elect three (3) directors to the Company's Board of Directors to hold office until their successors are elected and qualified ("Proposal 5" or the "Director Proposal");

(vi) the Adjournment Proposal—to consider and vote upon a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies in the event that, based upon the tabulated vote at the time of the Special Meeting, the Company would not have been authorized to consummate the Merger—which we refer to as the adjournment proposal ("Proposal 6" or the "Adjournment Proposal"); and

(vii) such other business as may properly come before the meeting or any adjournment or postponement thereof.

These proposals are described in the attached proxy statement/prospectus which the Company urges you to read in its entirety before voting.

The Board of Directors of the Company has fixed the close of business on , 2008, as the record date (the "Record Date") for the determination of stockholders entitled to notice of and to vote at the Special Meeting and at any adjournment thereof. A list of the stockholders entitled to vote as of the Record Date at the Special Meeting

will be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of ten calendar days before the Special Meeting at the offices of FMG Acquisition Corp., Four Forest Park, Second Floor, Farmington, Connecticut 06032, telephone number of (860) 677-2701; Secretary Larry G. Swets, Jr., and at the time and place of the meeting during the duration of the meeting.

The First, Second and Third Amendment Proposals, as well as the Director Proposal, are conditioned upon the approval of Merger Proposal and, in the event the Merger Proposal does not receive the necessary vote to approve it, then the Company will not complete any of the transactions identified in the First, Second or Third Amendment Proposals, or the Director Proposal.

The Company will not transact any other business at the Special Meeting, except for business properly brought before the Special Meeting, or any adjournment or postponement thereof, by the Company's Board of Directors.

It is anticipated the current holders of FMG common stock will own approximately 40% of FMG upon completion of the Merger. In addition to the 5,917,031 shares of FMG common stock currently outstanding, FMG will issue 8,750,000 additional shares of common stock to the members of United as partial compensation for the Merger. Upon completion of the Merger, the former members of United will beneficially own, directly or indirectly, approximately 60% of FMG.

Your vote is important. Please sign, date and return your proxy card as soon as possible to make sure your shares are represented at the Special Meeting. If you are a stockholder of record of the Company's common stock, you may also cast your vote in person at the Special Meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank on how to vote your shares.

For purposes of Proposal 1, under our amended and restated certificate of incorporation, approval of the Merger Proposal will require: (i) the affirmative vote of a majority of the shares of the Company's common stock issued in our IPO completed in October 2007 ("IPO") that vote on this proposal at the Special Meeting, and (ii) not more than 29.99% of the shares of the Company's common stock issued in the Company's IPO vote against the Merger Proposal and elect a cash conversion of their common stock. Since the Merger Proposal requires only a majority of the Company shares issued in the IPO that cast a vote at the Special Meeting, abstentions or broker non-votes will not count towards such number. This has the effect of making it easier for the Company to obtain a vote in favor of the Merger Proposal as opposed to some of the Company's other proposals or as opposed to the vote generally required under the Delaware General Corporation Law, namely a majority of the shares issued and outstanding. Furthermore, in connection with the vote required for the Merger Proposal, the founding stockholders of the Company have agreed to vote their shares of common stock owned or acquired by them prior to the IPO in accordance with the majority of the Company's shares issued in the IPO that are voted in the Merger Proposal. For the purposes of Proposal 2, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the First Amendment Proposal. Proposal 2 is contingent upon our stockholders' approval of the Merger. For the purposes of Proposal 3, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the Second Amendment Proposal. Proposal 3 is contingent upon our stockholders' approval of the Merger. For the purposes of Proposal 4, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the Third Amendment Proposal. Proposal 4 is contingent upon our stockholders' approval of the Merger. For purposes of Proposal 5, the affirmative vote of the holders of a plurality of the shares of common stock cast in the election of directors is required. Proposal 5 is contingent upon our stockholders' approval of the Merger. For purposes of Proposal 6, the affirmative vote of a majority of the shares of the Company's common stock that are present in person or by proxy and entitled to vote is required to approve the adjournment.

Each Company stockholder who holds shares of common stock issued in the Company's IPO or purchased following the IPO in the open market has the right to vote against the Merger Proposal and, at the same time, demand the Company convert such stockholder's shares into cash equal to a pro rata portion of the proceeds in the trust account, including interest, which as of March 31, 2008 is equal to $7.91 per share (after a provision for payment of working capital costs and taxes). If the holders of 1,419,615 or more shares of the Company's common stock, an amount equal to more than 29.99% of the total number of shares issued in the IPO, vote against the Merger and demand conversion of their shares into a pro rata portion of the trust account, then the Company will not be able to consummate the Merger. The Company's initial stockholders, including all of its directors and officers and their affiliates, who purchased or received shares of common stock prior to the Company's IPO, presently own an aggregate of approximately 20% of the outstanding shares of Company common stock, and all of these stockholders have agreed: (i) to vote the shares acquired prior to the IPO in accordance with the vote of the majority of all shares purchased in the IPO which vote on the Merger Proposal and (ii) to vote the shares acquired in or following the IPO in favor of the Merger Proposal.

YOUR VOTE IS IMPORTANT. WHETHER YOU PLAN TO ATTEND THE SPECIAL MEETING OR NOT, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD AS SOON AS POSSIBLE IN THE ENVELOPE PROVIDED. IF YOU RETURN YOUR PROXY CARD WITHOUT AN INDICATION OF HOW YOU DESIRE TO VOTE, IT: (I) WILL HAVE THE SAME EFFECT AS A VOTE IN FAVOR OF THE MERGER PROPOSAL AND WILL NOT HAVE THE EFFECT OF CONVERTING YOUR SHARES INTO A PRO RATA PORTION OF THE TRUST ACCOUNT IN WHICH A SUBSTANTIAL PORTION OF THE NET PROCEEDS OF THE COMPANY'S IPO ARE HELD; IN ORDER FOR A STOCKHOLDER TO CONVERT HIS OR HER SHARES, HE OR SHE MUST CAST AN AFFIRMATIVE VOTE AGAINST THE MERGER PROPOSAL AND MAKE AN AFFIRMATIVE ELECTION ON THE PROXY CARD TO CONVERT SUCH SHARES OF COMMON STOCK; (II) WILL HAVE THE SAME EFFECT AS A VOTE IN FAVOR OF THE FIRST AMENDMENT PROPOSAL; (III) WILL HAVE THE SAME EFFECT AS A VOTE IN FAVOR OF THE SECOND AMENDMENT PROPOSAL; (IV) WILL HAVE THE SAME EFFECT

AS A VOTE IN FAVOR OF THE THIRD AMENDMENT PROPOSAL (V) WILL HAVE NO EFFECT ON THE DIRECTOR PROPOSAL; AND (VI) WILL HAVE THE SAME EFFECT AS A VOTE IN FAVOR OF THE ADJOURNMENT PROPOSAL.

SEE THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 20 FOR A DISCUSSION OF VARIOUS FACTORS YOU SHOULD CONSIDER IN CONNECTION WITH THE MERGER OF UNITED.

The attached proxy statement/prospectus incorporates important business and financial information about the Company and United that is not included in or delivered with this document. This information is available without charge to security holders upon written or oral request. The request should be sent to: FMG Acquisition Corp., Four Forest Park, Second Floor, Farmington, Connecticut 06032, telephone number of (860) 677-2701; Secretary, Larry G. Swets, Jr.

To obtain timely delivery of requested materials, security holders must request the information no later than five days before the date they submit their proxies or attend the Special Meeting. The latest date to request the information to be received timely is , 2008.

We are soliciting the proxy on behalf of the Board of Directors, and we will pay all costs of preparing, assembling and mailing the proxy materials. In addition to mailing out proxy materials, the Company's officers may solicit proxies by telephone or fax, without receiving any additional compensation for their services. The Company may engage the services of a professional proxy solicitor. We have requested brokers, banks and other fiduciaries to forward proxy materials to the beneficial owners of our stock.

The Board of Directors of FMG Acquisition Corp. unanimously recommends you vote "FOR" Proposal 1, the Merger Proposal;

"FOR" Proposal 2, the First Amendment Proposal; "FOR" Proposal 3, the Second Amendment Proposal; "FOR" Proposal 4, the Third Amendment Proposal; "FOR" Proposal 5, the Director Proposal; and "FOR" Proposal 6, the Adjournment Proposal.

By Order of the Board of Directors,

Gordon G. Pratt
Chairman of the Board, President and Chief Executive Officer
, 2008

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QUESTIONS AND ANSWERS ABOUT THE PROPOSALS

Who is FMG Acquisition Corp.?

FMG Acquisition Corp. (“FMG” or the “Company”) is a blank check company organized under the laws of the State of Delaware on May 22, 2007. FMG was formed to acquire, through a merger, capital stock exchange, asset or stock acquisition, exchangeable share transaction, joint venture or other similar business combination, one or more businesses in the insurance industry.

Who is United Insurance Holdings, L.C.?

United Insurance Holdings, L.C. (hereinafter “United”) is a Florida limited liability company, the principal activity of which is to provide property and casualty insurance. It performs various aspects of insurance underwriting, distribution and claims. It markets and distributes its products and services in Florida through a network of more than 2,000 active independent agents.

Who is United Subsidiary Corp.?

United Subsidiary Corp. is a Florida corporation recently incorporated solely for the purpose of effectuating the Merger. United Subsidiary is a wholly-owned subsidiary of FMG. As part of the Merger, United Subsidiary will be merged with and into United, with United remaining as the surviving entity and a wholly-owned subsidiary of FMG.

Why am I receiving this proxy statement?

Because you are a stockholder of FMG. FMG, United and United Subsidiary have agreed to a business transaction under the terms of an Agreement and Plan of Merger dated April 2, 2008, pursuant to which FMG will purchase all of the membership units of United. A copy of the Merger Agreement is attached to this proxy statement/prospectus as Annex A, which we encourage you to review in its entirety. The Merger is structured such that United will become wholly-owned by FMG in a series of steps as outlined below. FMG and United will merge pursuant to a merger transaction summarized as follows:

(i) FMG will create a transitory merger subsidiary, United Subsidiary Corp., and will merge such subsidiary with and into United, with United surviving; and

(ii) United will, as a result, become wholly-owned by FMG.

United’s members will receive consideration of up to $100,000,000 consisting of:

(i) $25,000,000 in cash;

(ii) 8,750,000 shares of FMG common stock, par value $.0001 per share (assuming an $8.00 per share value); and

(iii) up to $5,000,000 of additional consideration will be paid to the members of United in the event certain net income targets are met by United, as set forth more particularly herein.

In order to consummate the Merger, a majority of the shares issued in the IPO voting at the meeting (whether in person or by proxy) must vote to approve and adopt the Merger Agreement and the transactions contemplated thereby. Further, the Merger may not be consummated if more than 29.99% of such shares vote against the Merger and elect to convert their shares to cash from the trust account established with the proceeds of our IPO.

The Company will hold a Special Meeting of its stockholders to obtain these approvals. In connection with the Merger, this proxy statement/prospectus contains important information about the proposed Merger, the proposed First Certificate of Incorporation Amendment, the proposed Second Certificate of Incorporation Amendment, the proposed Third Certificate of Incorporation Amendment and the Director Proposal.

This proxy statement/prospectus also contains important information about the proposed Director election and proposed Adjournment. You should read it carefully; in particular the section entitled “Risk Factors.”

Your vote is important. We encourage you to vote as soon as possible after carefully reviewing this proxy statement.

What is being voted on?

There are six proposals on which you are being asked to vote. The first proposal is to approve the Merger among FMG, United and United Subsidiary and the transactions contemplated thereby.

The second proposal is to approve the First Amendment to our Certificate of Incorporation to remove certain provisions that are specific to blank check companies. This proposal is conditioned upon approval of the Merger Proposal.

The third proposal is to approve the Second Amendment to our Certificate of Incorporation to increase the amount of authorized shares of common stock from 20,000,000 to 50,000,000. This proposal is conditioned upon approval of the Merger Proposal.

The fourth proposal is to approve the Third Amendment to our Certificate of Incorporation to change the name of the Company to United Insurance Holdings Corp. This proposal is conditioned upon approval of the Merger Proposal.

The fifth proposal is to elect additional members to the Company's Board of Directors. We have nominated the Class B directors (consisting of Messrs. Gregory C. Branch, Alec L. Poitevint, II and Kent G. Whittemore) for election. Under the Merger Agreement, United has the right to nominate, and the Company has agreed to cause the appointment and election of, the foregoing three additional members to the Board of Directors of FMG. If the Merger is approved, then the directors of FMG will be Gregory C. Branch, Alec L. Poitevint, II, Gordon G. Pratt, Larry G. Swets, Jr., Kent G. Whittemore and James R. Zuhlke. In the event the fifth proposal is approved by the stockholders, two of the Company's current directors, Thomas D. Sargent and David E. Sturgess, will immediately resign from the Board of Directors upon consummation of the Merger. This proposal is conditioned upon approval of the Merger Proposal.

The sixth proposal is to approve the adjournment of the Special Meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies in the event that, based upon the tabulated vote at the time of the Special Meeting, the Company would not have been authorized to consummate the Merger.

It is important for you to note that in the event the Merger Proposal does not receive the necessary vote to approve such proposal, then the Company will not consummate the Merger or be permitted to implement the First, Second or Third Amendment or director proposals.

What is a quorum?

A quorum is the number of shares that must be represented, in person or by proxy, in order for business to be transacted at the Special Meeting.

More than one-half of the total number of shares of our common stock outstanding as of the record date (a quorum) must be represented, either in person or by proxy, in order to transact business at the Special Meeting. Abstentions and broker non-votes are counted for purposes of determining the presence of a quorum. If there is no quorum, a majority of the shares present at the Special Meeting may adjourn the Special Meeting to another date.

Why is the Company proposing the Merger?

The Company is a blank check company formed specifically as a vehicle to effect a merger, acquisition or similar business combination with one or more operating businesses in the insurance industry. In the course of the Company's search for a business combination partner, the Company investigated the potential acquisition of numerous candidates in the insurance industry, along with United, and considered United to be an attractive merger candidate because of, among other things, the market in which United operates; growth prospects; and the ability to leverage the expertise and contacts of the Company's and United's management. The value attributed to United derives from both the extensive analysis the Company's Board of Directors undertook in connection with its own evaluation of United, based not only upon the independent third party fairness opinion it obtained from Piper Jaffray & Co. ("Piper Jaffray"), but the prior acquisition experience of each of the Company's board members. As a result, the Company believes the Merger will provide Company stockholders with an opportunity to participate in a business and industry with growth potential. Our Board of Directors has obtained a fairness opinion from Piper Jaffray, which states that the consideration to be paid by FMG for all the issued membership units of United is fair, from a financial point of view, to holders of FMG common stock.

What vote is required in order to approve the Merger Proposal?

The approval of the Merger Proposal will require the affirmative vote of a majority of the shares of common stock purchased in the IPO which vote at the Special Meeting. In addition, approval of the Merger Proposal requires that no more than 1,419,614 shares of common stock purchased in the IPO vote against the Merger and elect to convert their common stock into their pro rata portion of the cash from the trust account. Since the Merger Proposal requires only a majority of the Company shares issued in the IPO that cast a vote at the Special Meeting, abstentions or broker non-votes will not count towards such number. This has the effect of making it easier for the Company to obtain a vote in favor of the Merger Proposal, as opposed to some of the Company's other proposals or as opposed to the vote generally required under the Delaware General Corporation Law, namely a majority of the shares issued and outstanding. Furthermore, in connection with the vote required for the Merger Proposal, the founding stockholders of the Company have agreed to vote their shares of common stock owned or acquired by them prior to the IPO in accordance with the majority of the Company's shares issued in the IPO which vote on the Merger Proposal. Any common stock acquired by our founding stockholders in or following the IPO will be voted in favor of the Merger Proposal.

What happens if I vote against the Merger?

Each Company stockholder who holds shares of common stock issued in the Company's IPO or purchased following such offering in the open market has the right to vote against the Merger Proposal and, at the same time, demand the Company convert such stockholder's shares into cash equal to a pro rata portion of the trust account. These shares will be converted into cash only if a stockholder votes against a business combination, affirmatively elects to have its shares of common stock converted and such business combination is consummated. Based upon the amount of cash held in the trust account as of March 31, 2008, without taking into account any interest or income taxes accrued after such date, stockholders who vote against the Merger Proposal and elect to convert such stockholder's shares as described above will be entitled to convert each share of common stock it holds into approximately $7.91 per share (after a provision for payment of working capital costs and taxes). However, if the holders of 1,419,615 or more shares of common stock issued in the Company's IPO (an amount equal to 29.99% of the total number of shares issued in the IPO) vote against the Merger and demand conversion of their shares into a pro rata portion of the trust account, then the Company will not be able to consummate the Merger and, assuming the Company is not able to consummate another business combination by October 4, 2009, stockholders will only receive cash upon the liquidation of the Company. Furthermore, if more than 29.99% of the total number of shares issued in the IPO vote against the Merger Proposal, the Merger will not occur.

How is management of the Company voting?

The Company's initial stockholders, including all of its directors, officers and a special advisor, who purchased or received shares of common stock prior to the Company's IPO, presently, together with their affiliates, own an aggregate of approximately 20% of the outstanding shares of the Company common stock (an aggregate of 1,183,406 shares). All of these persons have agreed to vote all of the shares acquired prior to the IPO in accordance with the vote of the majority of all other voting Company stockholders on the Merger Proposal. Moreover, all of these persons have agreed to vote all of their shares which were acquired in or following the IPO in favor of the Merger Proposal. Management will also vote "FOR" Proposal 2, the First Amendment Proposal; "FOR" Proposal 3, the Second Amendment Proposal; "FOR" Proposal 4, the Third Amendment Proposal; "FOR" Proposal 5, the Director Proposal; and "FOR" Proposal 6, the Adjournment Proposal.

Why is the Company proposing the First Amendment to its Certificate of Incorporation?

Currently, the Company's certificate of incorporation contains provisions specific to blank check companies. Specifically, the Third, Fifth and Sixth Articles of the Company's amended and restated certificate of incorporation contain provisions that will not apply to the Company following consummation of the Merger. Article Third limits the powers and privileges conferred upon the Company to dissolving and liquidating in the event a business combination is not consummated prior to October 4, 2009. Article Fifth provides that the Company's corporate existence will terminate on October 4, 2009 and mandates that an amendment to this Article allowing continued corporate existence be submitted to stockholders along with the Merger Proposal. Article Sixth provides the procedural steps required for the approval of a business combination and the exercise of conversion rights. Assuming the Merger is consummated, the provisions of Articles Third and Sixth will no longer apply to the Company, and the Company will be obligated to amend Article Fifth in order to extend the corporate life of the Company beyond October 4, 2009.

Why is the Company proposing the Second Amendment to its Certificate of Incorporation?

Currently, the Company is authorized to issue up to 20,000,000 shares of common stock. There are 5,917,031 shares of common stock currently outstanding and 6,883,625 shares of common stock issuable upon the exercise of our outstanding warrants and the underwriters purchase option. In order to have sufficient authorized shares of common stock to cover the common stock issuable pursuant to the Merger Agreement and for general corporate purposes, the Company will need to increase its authorized common stock if the Merger is approved.

Why is the Company proposing the Third Amendment to its Certificate of Incorporation?

In the judgment of our Board of Directors, the change of our corporate name to United Insurance Holdings Corp. is desirable to maintain the branding of the insurance operations and to reflect our merger with United.

What vote is required in order to approve the Amendments to Certificate of Incorporation Proposal?

The Delaware General Corporation Law requires that the amendment to our amended and restated certificate of incorporation removing the provisions specific to blank check companies must be approved by the holders of a majority of our issued and outstanding shares of common stock. Adoption of the First, Second and Third Amendment Proposals are conditioned upon approval of the Merger Proposal.

What vote is required in order to approve the Director Proposal?

Adoption of the Director Proposal requires the affirmative vote of the holders of a plurality of the shares of common stock cast in the election of directors. Adoption of the Director Proposal is conditioned upon stockholder approval and completion of the Merger.

If I am not going to attend the Special Meeting in person, should I return my proxy card instead?

Yes. Whether or not you plan to attend the Special Meeting, after carefully reading and considering the information contained in this proxy statement, please complete and sign your proxy card. Then return the enclosed proxy card in the return envelope provided herewith as soon as possible, so your shares may be represented at the Special Meeting.

What will happen if I abstain from voting or fail to vote at the Special Meeting?

The Company will count a properly executed proxy marked ABSTAIN with respect to a particular proposal as present for purposes of determining whether a quorum is present. For purposes of approval, an abstention or failure to vote on the Merger will have no effect on the proposal, provided a quorum is present, and will not have the effect of converting your shares into a pro rata portion of the trust account in which a substantial portion of the net proceeds of the Company's IPO are held. In order for a stockholder to convert his or her shares, he or she must cast a vote against the Merger Proposal and make an affirmative election on the proxy card to convert such shares of common stock. An abstention from voting on any of the First Amendment Proposal, Second Amendment Proposal or Third Amendment Proposal, or the Adjournment Proposal, will have the same effect as a vote against these proposals. An abstention from the Director Proposal will not have the effect of voting against such proposals.

What will happen if I sign and return my proxy card without indicating how I wish to vote?

Stockholders will not be entitled to exercise their conversion rights if such stockholders return proxy cards to the Company without an indication of how they desire to vote with respect to the Merger Proposal or, for stockholders holding their shares in street name, if such stockholders fail to provide voting instructions to their brokers. Proxies received by the Company without an indication of how the stockholders intend to vote on a proposal will be voted in favor of such proposal.

If my shares are held in "street name" by my broker, will my broker vote my shares for me?

If you hold your shares in "street name," your bank or broker cannot vote your shares with respect to the Merger Proposal, the First Amendment Proposal, the Second Amendment Proposal, the Third Amendment Proposal or the Adjournment Proposal without specific instructions from you, which are sometimes referred to in this proxy statement as the broker "non-vote" rules. If you do not provide instructions with your proxy, your bank or broker may deliver a proxy card expressly indicating that it is NOT voting your shares; this indication that a bank or broker is not voting your shares is referred to as a "broker non-vote." Broker non-votes will be counted for the purpose of determining the existence of a quorum, but will not count for purposes of determining the number of votes cast at the Special Meeting. Your broker can vote your shares only if you provide instructions on how to vote. You should instruct your broker to vote your shares in accordance with directions you provide to your broker.

What do I do if I want to change my vote?

If you desire to change your vote, please send a later-dated, signed proxy card to our corporate Secretary, Larry G. Swets, Jr. at FMG Acquisition Corp. prior to the date of the Special Meeting or attend the Special Meeting and vote in person. You also may revoke your proxy by sending a notice of revocation to Larry G. Swets, Jr. at the address of the Company's corporate headquarters, provided such revocation is received prior to the Special Meeting.

Will I receive anything in the Merger?

If the Merger is consummated and you vote your shares against the Merger Proposal but do not affirmatively elect conversion or you abstain, you will not receive a cash conversion of your shares upon the completion of the Merger. If the Merger is consummated but you have voted your shares against the Merger Proposal and have elected a cash conversion, your shares of Company common stock will be cancelled and you will be entitled to receive cash equal to a pro rata portion of the trust account, which, as of March 31, 2008, was equal to approximately $7.91 per share (after a provision for payment of working capital costs and taxes); provided, however, you must deliver your physical certificates to the Company's stock transfer agent prior to the date of the Special Meeting.

How is the Company paying for the Merger?

The $95,000,000 cost of the Merger will be funded with $25,000,000 of cash drawn from the cash currently in the Company's trust account and by the Company issuing 8,750,000 shares of common stock, valued at $70,000,000, based on a price of $8.00 per share.

Will I experience dilution as a result of the Merger?

Prior to the Merger, those stockholders who hold shares issued in the Company's IPO owned approximately 80.0% of our issued and outstanding common stock. After giving effect to the Merger and to the shares of common stock to be issued to United in connection with the Merger, and assuming no exercise of the warrants then outstanding, the Company's current public stockholders will own approximately 32.3% of the Company post-Merger.

Are United's members required to approve the Merger?

Yes. 66% of all membership units of United are required to approve the Merger Agreement and the transactions contemplated thereby. The vote of United's members is expected to take place following the mailing of this proxy but prior to the date of the Special Meeting.

Is the consummation of the Merger subject to any conditions?

Yes. The obligations of each of the Company, United, and United Subsidiary to consummate the Merger are subject to several conditions, as more fully described in the section entitled "The Merger Agreement" beginning on page 51 of this proxy.

What will happen in the Merger?

Upon consummation of the transactions contemplated by the Merger Agreement, the Company, through its wholly-owned transitory merger subsidiary, United Subsidiary, will cause United Subsidiary to merge with and into United, with United surviving as the post-merger entity. The Company will receive all the issued membership units of United in exchange for consideration of $95,000,000, consisting of $25,000,000 in cash, 8,750,000 shares of our common stock (assuming an $8.00 per share value), plus up to $5,000,000 of additional consideration in the event certain income targets are met by United, as set forth more particularly herein. United will be the wholly-owned subsidiary of the Company. Further, as a consequence of the Merger, the Board of Directors of the Company will be reconstituted. For a detailed description of the Merger, see the section entitled "The Merger Agreement" on page 51.

Has the Company received a valuation or fairness opinion with respect to the Merger Proposal?

Yes. Our Board of Directors has obtained a fairness opinion from Piper Jaffray, which states that the consideration to be paid by FMG for all the issued membership units of United is fair from a financial point of view to the holders of Company common stock.

What will United receive in the Merger?

The members of United will receive consideration consisting of the following:

(i) $25,000,000 in cash;

(ii) 8,750,000 shares of FMG common stock; and

(iii) up to $5,000,000 of additional consideration in the event certain net income targets are met by United, as set forth more particularly herein.

Will the ownership structure of FMG change significantly after the Merger?

Yes. Upon completion of the Merger, the members of United will own approximately 60% of the common stock of the Company, assuming no exercise of the outstanding warrants. Therefore, the members of United will be able to exercise significant influence over the Company.

Do I have conversion rights in connection with the Merger?

If you hold shares of common stock issued in the Company's IPO, then you have the right to vote against the Merger Proposal and demand the Company convert your shares of Company common stock into a pro rata portion of the cash in the trust account. The right to vote against the Merger and demand conversion of your shares into a pro rata portion of the trust account is sometimes referred to herein as conversion rights.

If I have conversion rights, how do I exercise them?

If you desire to exercise your conversion rights, you must vote against the Merger Proposal and, at the same time, demand the Company convert your shares into cash by marking the appropriate space on the proxy card. If, notwithstanding your vote, the Merger is consummated, then you will be entitled to receive a pro rata share of the trust account in which a substantial portion of the net proceeds of the Company's IPO are held, including any pro rated interest earned thereon through the date of the Special Meeting. Based on the amount of cash held in the trust account as of April 15, 2008, without taking into account any interest or income taxes accrued after such date, you would be entitled to convert each share of Company common stock that you hold into approximately $7.91 per share (after a

provision for payment of working capital costs and taxes). If you exercise your conversion rights, then you will be exchanging your shares of Company common stock for cash and will no longer own these shares of common stock. You will only be entitled to receive cash for these shares if you tender your stock certificates to the Company's stock transfer agent at any time at or prior to the vote at the Special Meeting. If you convert your shares of common stock but you remain in possession of the warrants and have not sold or transferred them, you will still have the right to exercise the warrants received as part of the units purchased in the IPO in accordance with the terms thereof. If the Merger is not consummated: (i) then your shares will not be converted into cash at this time, even if you so elected, and (ii) assuming we are unable to consummate another business combination by October 4, 2009, we will commence the liquidation process and you will be entitled to distribution upon liquidation. See "Conversion Rights" at page 33.

You will be required, whether you are a record holder or hold your shares in "street name", either to tender your certificates to our transfer agent or to deliver your shares to the Company's transfer agent electronically using the Depository Trust Company's DWAC (Deposit/Withdrawal At Custodian) System, at your option, at any time at or prior to the vote at the Special Meeting. There is typically a $35 cost associated with this tendering process and the act of certificating the shares or delivering them through the DWAC system. The transfer agent will typically charge the tendering broker this $35, and the broker may or may not pass this cost on to you.

As the delivery process can be accomplished by you, whether or not you are a record holder or your shares are held in "street name", within a business day, by simply contacting the transfer agent or your broker and requesting delivery of your shares through the DWAC System, we believe you will have sufficient time from the time we send out this proxy statement through the date of the Special Meeting to deliver your shares if you wish to exercise your conversion rights.

Any request for conversion, once made, may be withdrawn at any time up to immediately prior to the vote on the Merger Proposal at the Special Meeting (or any adjournment or postponement thereof). Furthermore, if you delivered a certificate for conversion and subsequently decided prior to the meeting not to elect conversion, you may simply request that the transfer agent return the certificate (physically or electronically) to you. The transfer agent will typically charge an additional $35 for the return of the shares through the DWAC system.

Please note, however, that once the vote on the Merger Proposal is held at the Special Meeting, you may not withdraw your request for conversion and request the return of your stock certificate (either physically or electronically). If the Merger is not completed, your stock certificate will be automatically returned to you.

What happens to the funds deposited in the trust account after completion of the Merger?

Upon consummation of the Merger, a portion of the funds remaining in the trust account after payment of amounts, if any, to stockholders demanding and exercising their conversion rights, will be used to pay expenses associated with the Merger and to fund working capital of the combined company. In addition, up to $1,514,760 will be used to pay deferred underwriter's compensation from the Company's IPO.

Who will manage the Company in the event the Merger is consummated?

Following the Merger, Donald J. Cronin will serve as President and Chief Executive Officer of the Company and United, Nicholas W. Griffin will serve as Chief Financial Officer of the Company and United and Melvin A. Russell, Jr. will be Chief Underwriting Officer of United. The Board of Directors for the Company and United will initially consist of the following six individuals: Gregory C. Branch, Alec L. Poitevint, II, Gordon G. Pratt, Larry G. Swets, Jr., Kent G. Whittemore and James R. Zuhlke.

What happens if the Merger is not consummated?

If the Merger is not consummated, the Company may seek another suitable business combination. Depending upon the timing and success of such efforts, the Company may be forced to liquidate if it cannot consummate another business combination by October 4, 2009. If a liquidation were to occur by approximately October 4, 2009 (the last day on which the Company would be permitted to consummate an acquisition under its amended and restated certificate of incorporation), the Company estimates approximately $850,000 in interest, less applicable federal, state and Delaware franchise taxes, would accrue on the amounts that are held in trust through such date, which would yield a trust balance of approximately $38.1 million or $8.05 per share (before taking into account disbursements for working capital purposes). This estimate includes the $2,764,760 proceeds from the sale of the Company's sponsor warrants and deferred underwriter fees owed to the underwriters from IPO. This amount, less any liabilities not indemnified by certain officers and members of the Company's Board and not waived by the Company's creditors, would be distributed to the holders of the 4,733,625 shares of common stock purchased in the Company's IPO.

Separately, the Company estimates the liquidation process would cost approximately $50,000. FMG Investors LLC, our sponsor, has acknowledged and agreed that such costs are covered by its existing indemnification agreement. We do not believe there would be any claims or liabilities in excess of the funds out of the trust against which would be required to indemnify the trust account in the event of such liquidation. In the event our sponsor is unable to satisfy its indemnification obligation or in the event there are subsequent claims such as subsequent non-vendor claims for which our sponsor has no indemnification obligation, the amount ultimately distributed to stockholders may be reduced even further. However, the Company currently has no basis to believe there will be any such liabilities or to provide an estimate of any such liabilities since to date the Company has only entered into a limited number of agreements and has obtained waivers whenever possible. The only cost of dissolution the Company is aware of that would not be indemnified against by such officers and directors of the Company is the cost of any associated litigation for which officers and directors obtained a valid and enforceable waiver. Should the Merger

Agreement be terminated due to a breach of such agreement by any of the Company, United Subsidiary, or United or due to the Company's failure to obtain the Company stockholder approval, then each party would be responsible for its own expenses; provided, however, if the Merger Agreement is not consummated as a result of the failure to obtain the consent of United's members, United shall be obligated to pay the Company for all costs, expenses and fees incurred in connection with the Merger, up to a maximum of $500,000.

When do you expect the Merger to be completed?

Assuming the approval of the Merger Proposal, it is currently anticipated the Merger and other proposals will be completed as promptly as practicable following the Special Meeting of to be held on , 2008.

What do I need to do now?

The Company urges you to read carefully and consider the information contained in this proxy statement/prospectus, including the annexes, and to consider how the Merger will affect you as a stockholder of the Company. You should then vote as soon as possible in accordance with the instructions provided in this proxy statement/prospectus and on the enclosed proxy card.

Do I need to send in my stock certificates?

The Company stockholders who vote against adoption of the Merger Proposal and elect to have their shares converted into a pro rata share of the funds in the trust account must send their physical stock certificates to our stock transfer agent prior to the Special Meeting. The Company stockholders who vote in favor of the adoption of the Merger Proposal, or who otherwise do not elect to have their shares converted, should retain their stock certificates.

What should I do if I receive more than one set of voting materials?

You may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction cards, if your shares are registered in more than one name or are registered in different accounts. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. Please complete, sign, date and return each proxy card and voting instruction card that you receive in order to cast a vote with respect to all of your Company shares.

How can I communicate with FMG's Board of Directors?

Stockholders may communicate with our Board of Directors by sending a letter addressed to the Board of Directors, all independent directors or specified individual directors to: FMG Acquisition Corp., Four Forest Park, Second Floor, Farmington, Connecticut 06032; Attention: Larry G. Swets, Jr., Secretary. All communications will be compiled by the Corporate Secretary and submitted to the Board or the specified directors on a periodic basis.

SUMMARY

This summary highlights certain information from this proxy statement/prospectus including information with respect to each of the proposals, although the Merger is the primary reason for the calling of the Special Meeting. This summary does not contain all of the information that is important to you. All of the proposals are described in detail elsewhere in this proxy statement and this summary discusses the material items of each of the proposals. You should carefully read this entire proxy statement and the other documents to which this proxy statement refers you. See, "Where You Can Find Additional Information." on page 135.

THE MERGER PROPOSAL

The Parties

FMG Acquisition Corp.

FMG Acquisition Corp. is a blank check company formed specifically as a vehicle to effect a merger, acquisition or similar business combination with one or more operating businesses without limitation to a particular industry or to any geographic location, although our efforts have been focused on seeking a business combination within the insurance industry and selected small business insurance. The principal executive offices of FMG are located at Four Forest Park, Second Floor, Farmington, Connecticut 06032, and its telephone number is (860) 677-2701, Larry G. Swets, Jr., Secretary.

United Insurance Holdings, L.C. ("United")

United is a Florida limited liability company and is the parent company of United Property & Casualty Insurance Company ("United Insurance"), a licensed insurer which provides homeowners insurance and selected small business insurance in the State of Florida. Since 2000, United Insurance has received a Financial Stability Rating of "A" for Exceptional Financial Stability by Demotech, Inc. This rating is recognized by federal mortgage backed loan programs such as HUD, Fannie Mae and FHA. If the Merger is consummated, United Subsidiary will merge with and into United, whereupon United will be the surviving entity and a wholly-owned subsidiary of FMG. United's principal executive offices are located at 700 Central Avenue, Suite 302, Saint Petersburg, Florida 33701, and its phone number is (727) 895-7737.

United Subsidiary Corp.

United Subsidiary Corp. is a Florida corporation recently incorporated solely for the purpose of effectuating the Merger. United Subsidiary is a wholly-owned subsidiary of FMG. As part of the Merger, United Subsidiary will be merged with and into United, with United remaining as the surviving entity and a wholly-owned subsidiary of FMG.

Following the effective date of the Merger, United and its members are expected to own approximately 60% of the issued and outstanding shares of common stock of FMG, depending upon the shares of the Company's common stock redeemed for cash. See "Description of FMG Acquisition Corp. Securities—Common Stock."

The Merger Proposal (Page 38)

On April 2, 2008, the Company entered into the Merger Agreement pursuant to which United Subsidiary has agreed to merge with and into United, and United has agreed, subject to receipt of the Merger consideration from FMG, to become a wholly-owned subsidiary of FMG. If the stockholders of the Company and the members of United approve the transactions contemplated by the Merger Agreement, FMG, through United Subsidiary, will purchase all

of the membership units of United in a series of steps as outlined below.

FMG and United will merge pursuant to a merger transaction summarized as follows:

(i) FMG will create a transitory merger subsidiary, United Subsidiary Corp., and will merge such subsidiary with and into United, with United surviving; and

(ii) United will, as a result, become wholly-owned by FMG.

United's members will receive consideration of up to $100,000,000 consisting of:

(i) $25,000,000 in cash;

(ii) 8,750,000 shares of FMG common stock, par value $.0001 per share (assuming an $8.00 per share value); and

(iii) up to $5,000,000 of additional consideration will be paid to the members of United in the event certain net income targets are met by United, as set forth more particularly herein.

The aggregate consideration will be paid pursuant to the Merger Agreement for the purchase of the membership units of United. The Company's Board of Directors has determined United has a fair market value that is equal to at least 80% of the Company's net assets held in trust.

The Company, United and United Subsidiary plan to consummate the Merger as promptly as practicable after the Special Meeting, provided that:

• the Company's stockholders have approved the Merger Agreement and the transactions contemplated thereby;

• not less than 66% of all membership units of United approve the Merger Agreement and the transactions contemplated thereby;

• holders of not more than 29.99% of the shares of common stock issued in the Company's IPO vote against the Merger and demand conversion of their stock into cash;

• the Securities and Exchange Commission has declared effective the registration statement and prospectus which form a part of this proxy statement; and

• the other conditions specified in the Merger Agreement have been satisfied or waived.

See the description of the Merger Agreement in the section entitled "The Merger Agreement" beginning on page 51. The Merger Agreement is included as Annex A to this proxy statement/prospectus. We encourage you to read the Merger Agreement in its entirety.

Under the terms of the Company's amended and restated certificate of incorporation, the Company may proceed with the Merger provided that not more than 29.99% of the Company's public stockholders elect to convert their shares of common stock to cash. The shares converted, if any, will reduce the shares of our common stock outstanding after the Merger and will reduce the amount available to us from the trust account.

Our "Insider" Stockholders

On the Record Date, our directors, officers, and special advisor own an aggregate of 1,183,406 shares of our common stock, or approximately 20% of our outstanding shares, which they acquired prior to our IPO. They have agreed to vote these shares with respect to the Merger Proposal in accordance with the holders of a majority of our IPO shares that are voted at the Special Meeting. Our officers and directors own no shares that were issued in or following the IPO.

Company Shares Entitled to Vote

The Company's initial stockholders, including all of its directors, officers and a special advisor, who purchased or received shares of common stock prior to the Company's IPO, presently, together with their affiliates, own an aggregate of approximately 20% of the outstanding shares of the Company common stock (an aggregate of 1,183,406 shares), all of which are entitled to vote on the matters set forth in this proxy statement. All of these persons have agreed to vote all of the shares acquired prior to the IPO in accordance with the vote of the majority of all other voting Company stockholders on the Merger Proposal. Approval of the Merger Proposal will require the affirmative vote of a majority of the shares of common stock purchased in the IPO which vote at the Special Meeting. In addition, approval of the Merger Proposal requires that no more than 1,419,614 shares of common stock purchased in the IPO vote against the Merger and elect to convert their common stock into their pro rata portion of the cash from the trust account.

United Membership Units Entitled to Vote

As of March 31, 2008, there were 100,000 United membership units issued and outstanding. The holders of these membership units are entitled to one vote per unit on all matters to be voted upon by the members. In accordance with Florida law, the affirmative vote of a majority of the units represented and voting at a duly held meeting at which a quorum is present (which units voting affirmatively also constitute at least a majority of the required quorum) shall be the act of the members, except that approval of certain business transactions, including the Merger, requires the affirmative vote of 66% of the units issued and outstanding.

The managers and officers of United, presently, together with their affiliates, own an aggregate of approximately 59% of United's outstanding membership units, all of which are entitled to vote on the Merger. Approval of the Merger Proposal will require the affirmative vote of not less than 66% of all membership units outstanding, which means United needs only an additional 7% of the aggregate outstanding membership units in order to approve the Merger, provided that the current managers and officers of United approve the Merger Proposal.

United is not soliciting proxies for approval of the Merger at this time, however, in accordance with Florida law, United does intend to solicit written consents from its members in favor of the Merger and the Merger Agreement. When United solicits written consents from its members, it will also send notice pursuant to Florida Statute 608.4354 to its members who are entitled to appraisal rights.

Tax Considerations (Page 55)

There will be no tax consequences to our stockholders resulting from the Merger, except to the extent they exercise their conversion rights. A stockholder who exercises conversion rights will generally be required to recognize capital gain or loss upon the conversion, if such shares were held as a capital asset on the date of the conversion. This gain or loss will be measured by the difference between the amount of cash received and the stockholder's tax basis in the converted shares. If you purchased shares in our IPO, the gain or loss will be short-term gain or loss if the Merger closes as scheduled. If you purchased shares in the aftermarket and have held such shares for less than a year, the gain or loss will be short term gain or loss.

Conditions to the Consummation of the Merger (Page 52)

The obligations of the Company, United and United Subsidiary to consummate the Merger are subject to the satisfaction or waiver of the following specified conditions set forth in the Merger Agreement before completion of the Merger:

(i) the accuracy in all material respects on the date of the Merger Agreement and the Closing Date of all of United's representations and warranties;

(ii) United's performance in all material respects of all covenants and obligations required to be performed by the Closing Date (as more fully described below in "Covenants of the Parties");

(iii) a majority of the Company's stockholders must vote in favor of approving the Merger;

(iv) not more than 29.99% of the shares of the common stock issued in the Company's IPO vote against the Merger and demand conversion of their stock into cash;

(v) the Securities and Exchange Commission has declared effective the registration statement and prospectus which form a part of this proxy statement;

(vi) no governmental authority has enacted, issued, promulgated, enforced or entered any law or order that is in effect and has the effect of making the Merger illegal or otherwise preventing or prohibiting consummation of the Merger;

(vii) the officers are, and the Board of Directors of FMG following the Merger is constituted, as set forth as the Board of Directors recommends, as fully described herein; and

(viii) the consent of not less than 66% of the membership units of United to the Merger and no more than ten percent (10%) of the outstanding membership units of United shall constitute dissenting membership units under Florida law.

United's obligation to close on the Merger is contingent upon:

(i) the accuracy in all material respects on the date of the Merger Agreement and the Closing Date of all of FMG's representations and warranties;

(ii) FMG's performance in all material respects of all covenants and obligations required to be performed by the Closing Date (as more fully described below in "Covenants of the Parties");

(iii) a majority of the Company's stockholders who vote must vote in favor of approving the Merger;

(iv) not more than 29.99% of the shares of the common stock issued in the Company's IPO vote against the Merger and demand conversion of their stock into cash;

(v) the Securities and Exchange Commission has declared effective the registration statement and prospectus which form a part of this proxy statement;

(vi) no governmental authority has enacted, issued, promulgated, enforced or entered any law or order that is in effect and has the effect of making the Merger illegal or otherwise preventing or prohibiting consummation of the Merger; and

(vii) the officers and the Board of Directors of FMG following the Merger shall be constituted as set forth as the Board of Directors recommends, as fully described herein.

Director Nominees (Page 68)

Under the Merger Agreement, United or its designated affiliate has the right to nominate, and the Company has agreed to cause the appointment and election of, three additional members of the Board of Directors of the Company.

Accounting Treatment (Page 60)

The Merger will be accounted for as a reverse merger and recapitalization since United and its members will control FMG immediately following the completion of the Merger. United will be deemed to be the accounting acquirer in the Merger and, consequently, the Merger is treated as a recapitalization of United. Accordingly, the assets and liabilities and the historical operations that are reflected in the financial statements will be those of United and will be recorded at the historical cost basis of United. FMG's assets, liabilities and results of operations will be consolidated with the assets, liabilities and results of operations of United after consummation of the Merger.

Risk Factors (Page 20)

Before you grant your proxy or vote or instruct the vote with respect to the Merger, you should be aware that the occurrence of the events described in the "Risk Factors" section and elsewhere in this proxy statement could have a material adverse effect on the Company, United and United Subsidiary .

Conversion Rights (Page 33)

Pursuant to the Company's existing amended and restated certificate of incorporation, a holder of shares of the Company's common stock issued in its IPO may, if the stockholder votes against the Merger Proposal, demand the Company convert such shares into a pro rata portion of the trust account. This demand must be made on the proxy card at the same time the stockholder votes against the Merger Proposal. We issued a total of 4,733,625 shares in our

IPO and, other than the 1,183,406 shares issued to our management, we have no other shares of common stock issued and outstanding. If properly demanded in connection with a vote against the Merger Proposal, the Company will convert each share of common stock as to which such demand has been made into a pro rata portion of the trust account in which a substantial portion of the net proceeds of the Company's IPO are held, plus all pro rata interest earned thereon. If you exercise your conversion rights, then you will be exchanging your shares of the Company common stock for cash and will no longer own these shares. Based on the amount of cash held in the trust account as of March 31, 2008, without taking into account any interest or income taxes accrued after such date, you would be entitled to convert each share of common stock that you hold into approximately $7.91 (after a provision for payment of working capital costs and taxes) per share. You will only be entitled to receive cash for these shares if you tender your stock certificate to the Company's stock transfer agent at or prior to the vote at the Special Meeting on the Merger Proposal. If the Merger is not consummated, then these shares will not be converted into cash immediately. If you convert your shares of common stock, you will still have the right to exercise the warrants received as part of the units purchased in our IPO in accordance with the terms thereof. If the Merger is not consummated, then your shares will not be converted to cash after the Special Meeting, even if you so elected, and your shares will be converted into cash upon liquidation of the trust in the event we do not propose a subsequent business combination.

The Merger will not be consummated if the holders of 1,419,615 or more shares of common stock issued in the Company's IPO, an amount equal to more than 29.99% of such shares, vote against the Merger Proposal and exercise their conversion rights.

Appraisal or Dissenters' Rights (Page 34)

No dissenter's or appraisal rights are available under the Delaware General Corporation Law for the stockholders of the Company in connection with the proposals. Under Florida law, the members of United will be entitled to dissent from the Merger and obtain cash payment for the fair value of their membership units instead of the consideration provided for in the Merger Proposal. For a more complete description of the rights of United's members, see "United Member Approval."

Stock Ownership (Page 35)

The following table sets forth information as of April 15, 2008, based on information obtained from the persons named below, with respect to the beneficial ownership of shares of the Company's common stock by: (i) each person known by us to be the owner of more than 5% of our outstanding shares of the Company's common stock, (ii) each officer and director, and (iii) all officers and directors as a group.

Except as indicated in the footnotes to the table, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

	Common Stock	
Name and Address of Beneficial Owners(1)	**Number of Shares (2)**	**Percentage of Common Stock**
FMG Investors LLC(3)	1,099,266	18.57%
Gordon G. Pratt, Chairman, Chief Executive Officer and President	1,099,266(3)	18.57%
Larry G. Swets, Jr., Chief Financial Officer, Secretary, Treasurer, Executive Vice President	1,099,266(3)	18.57%
Thomas D. Sargent, Director	21,035	0.36%
David E. Sturgess, Director(4)	21,035	0.36%
James R. Zuhlke, Director	21,035	0.36%
HBK Investments L.P.(5)	547,250	9.2%
Brian Taylor (6)	437,500	7.4%
Bulldog Investors(7)	1,282,167	21.67%
Millenco LLC(8)	189,375	3.2%
D.B. Zwirn Special Opportunities Fund, L.P.(9)	178,500	3.02%
D.B. Zwirn Special Opportunities Fund, Ltd. (9)	246,500	4.17%
D.B. Zwirn & Co., L.P. (9)	425,000	7.18%
DBZ GP, LLC(9)	425,000	7.18%
Zwirn Holdings, LLC(9)	350,000	5.92%
Daniel B. Zwirn(9)	350,000	5.92%
Weiss Asset Management, LLC(10)	255,002	4.3%
Weiss Capital, LLC(10)	130,435	2.2%
Andrew M. Weiss, Ph.D.(10)	385,437	6.5%
All Directors and Officers as a Group (5 persons)	1,162,371	19.64%

(1) Unless otherwise indicated, the business address of each of the stockholders is Four Forest Park, Second Floor, Farmington, Connecticut 06032.

(2) Unless otherwise indicated, all ownership is direct beneficial ownership.

(3) Each of Messrs. Pratt and Swets are the managing members of our sponsor, FMG Investors LLC, and may be deemed to each beneficially own the 1,099,266 shares owned by FMG Investors LLC.

(4) The business address of David E. Sturgess is c/o Updike, Kelly & Spellacy, P.C., One State Street, Hartford, Connecticut 06103.

(5) Based on information contained in a Statement on Schedule 13G filed by HBK Investments L.P., HBK Services LLC, HBK Partners II L.P., HBK Management LLC and HBK Master Fund L.P. on February 12, 2008. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is 300 Crescent Court, Suite 700, Dallas, Texas 75201.

(6) Based on information contained in a Statement on Schedule 13D filed by Brian Taylor, Pine River Capital Management L.P. and Nisswa Master Fund Ltd. on October 12, 2007. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is 800 Nicollet Mall, Suite 2850, Minneapolis, MN 55402.

(7) Based on information contained in a Statement on Schedule 13D filed by Bulldog Investors, Phillip Goldstein and Andrew Dakos on February 13, 2008. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is Park 80 West, Plaza Two, Saddle Brook, NJ 07663.

(8) Based on information contained in a Statement on Schedule 13G filed by Millenco LLC, Millenium Management LLC and Israel A. Englander on December 11, 2007. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is 666 Fifth Avenue, New York, NY 10103.

(9) Based on information contained in a Statement on Schedule 13G/A filed by D.B. Zwirn & Co., L.P., DBZ GP, LLC, D.B. Zwirn Special Opportunities Fund, L.P. and D.B. Zwirn Special Opportunities Fund, Ltd. on January 25, 2008. D.B. Zwirn & Co., L.P., DBZ GP, LLC, Zwirn Holdings, LLC, and Daniel B. Zwirn may each be deemed the beneficial owner of (i) 178,500 shares of common stock owned by D.B. Zwirn Opportunities Fund, L.P. and (ii) 246,500 shares of common stock owned by D.B. Zwirn Special Opportunities Fund, Ltd. (each entity referred to in (i) through (ii) is herein referred to as a "Fund" and, collectively, as the "Funds"). D.B. Zwirn & Co., L.P. is the manager of the Funds, and consequently has voting control and investment discretion over the shares of common stock held by the Fund. Daniel B. Zwirn is the managing member of and thereby controls Zwirn Holdings, LLC, which in turn is the managing member of and thereby controls DBZ GP, LLC, which in turn is the general partner of and thereby controls D.B. Zwirn & Co., L.P. The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of shares of common stock owned by another Reporting Person. In addition, each of D.B. Zwirn & Co., L.P., DBZ GP, LLC, Zwirn Holdings, LLC and Daniel B. Zwirn disclaims beneficial ownership of the shares of common stock held by the Funds.

(10) Based on information contained in a Statement on Schedule 13G filed by Weiss Asset Management, LLC, Weiss Capital, LLC and Andrew M. Weiss, Ph.D. on March 24, 2008. Shares reported for Weiss Asset Management, LLC include shares beneficially owned by a private investment partnership of which Weiss Asset Management, LLC is the sole general partner. Shares reported for Weiss Capital, LLC include shares beneficially owned by a private investment corporation of which Weiss Capital is the sole investment manager. Shares reported for Andrew Weiss include shares beneficially owned by a private investment partnership of which Weiss Asset Management is the sole general partner and which may be deemed to be controlled by Mr. Weiss, who is the Managing Member of Weiss Asset Management, and also includes shares held by a private investment corporation which may be deemed to be controlled by Dr. Weiss, who is the managing member of Weiss Capital, the Investment Manager of such private investment corporation. Dr. Weiss disclaims beneficial ownership of the shares reported herein as beneficially owned by him except to the extent of his pecuniary interest therein. Weiss Asset Management, Weiss Capital, and Dr. Weiss have a business address of 29 Commonwealth Avenue, 10th Floor, Boston, Massachusetts 02116.

Reasons for the Merger (Page 45)

In reaching its decision with respect to the Merger and the transactions contemplated thereby, the Company's Board of Directors reviewed various materials. Also, in reaching its decision to approve the Merger, the Board of Directors considered a number of factors and believes such factors support its determination and recommendation to approve the Merger.

In addition, an independent third party fairness opinion was obtained from Piper Jaffray, which supports our Board's determination.

The Company's Board of Directors' Recommendations (Pages 60, 64, 66, 67, 77, and 78)

After careful consideration of the terms and conditions of the Merger Agreement, the Company's Board of Directors has determined unanimously that the Merger Agreement and the transactions contemplated thereby including the Merger, is in the best interests of the Company and its stockholders. Accordingly, the Company's Board has unanimously approved and declared advisable the Merger and unanimously recommends that you vote or instruct your vote to be cast "FOR" the Merger Proposal.

The Company's Board of Directors has also determined unanimously that the First Amendment Proposal is in the best interest of the Company and its stockholders. Accordingly, the Company's Board of Directors has unanimously approved and declared advisable the First Amendment Proposal and unanimously recommends you vote or instruct your vote to be cast "FOR" the approval of the First Amendment Proposal.

The Company's Board of Directors has also determined unanimously that the Second Amendment Proposal is in the best interest of the Company and its stockholders. Accordingly, the Company's Board of Directors has unanimously approved and declared advisable the Second Amendment Proposal and unanimously recommends you vote or instruct your vote to be cast "FOR" the approval of the Second Amendment Proposal.

The Company's Board of Directors has also determined unanimously that the Third Amendment Proposal is in the best interest of the Company and its stockholders. Accordingly, the Company's Board of Directors has unanimously approved and declared advisable the Third Amendment Proposal and unanimously recommends you vote or instruct your vote to be cast "FOR" the approval of the Third Amendment Proposal.

The Company's Board of Directors has also determined unanimously that the Director Proposal is in the best interest of the Company and its stockholders. Accordingly, the Company's Board of Directors has unanimously approved and declared advisable the Director Proposal and unanimously recommends that you vote or instruct your vote to be cast "FOR" the approval of the Director Proposal.

The Company's Board of Directors has also determined unanimously that the Adjournment Proposal is in the best interest of the Company and its stockholders. Accordingly, the Company's Board of Directors has unanimously approved and declared advisable the Adjournment Proposal and unanimously recommends that you vote or instruct your vote to be cast "FOR" the approval of the Adjournment Proposal.

Interests of the Company Directors and Officers in the Merger (Page 44)

When you consider the recommendation of the Company's Board of Directors that you vote in favor of the Merger Proposal, you should keep in mind that certain of the Company's Directors and officers have interests in the Merger that are different from, or in addition to, your interests as a stockholder. If the Merger is not approved, the Company may be required to liquidate, and the warrants owned by certain of the Company's officers and directors and the shares of common stock issued at an effective price per share of $0.021 prior to the Company's IPO and held by the Company's executives and directors may be worthless because the Company's executives and directors are not entitled to receive any of the net proceeds of the Company's IPO that are held in trust and will be distributed upon liquidation of the Company. Additionally, the Company's officers and directors who acquired shares of Company common stock prior to the Company's IPO at a price per share of $0.021, after giving effect to the forward stock split and the forfeiture of shares of common stock following the IPO, will benefit if the Merger is approved because they will continue to hold their shares.

The table below sets forth the value of the shares and warrants owned by the officers and directors of the Company upon consummation of the Merger and the unrealized profit from such securities based on the market price of the common stock and the warrants of the Company, as of April 10, 2008, of $7.30 and $0.50, respectively.

	Common Stock(a)				Warrants(b)			
	Owned	Amount Paid ($)	Current Market Value ($)	Unrealized Profit ($)	Owned	Amount Paid ($)	Current Market Value ($)	Unrealized Profit ($)
Gordon G. Pratt, Chairman, Chief Executive Officer and President	1,099,266	$ 0.021	$ 8,024,642	$ 8,001,557	1,250,000	$ 1,250,000	$ 625,000	$ (625,000)
Larry G. Swets, Jr., Chief	1,099,266	$ 0.021	$ 8,024,642	$ 8,001,557	1,250,000	$ 1,250,000	$ 625,000	$ (625,000)

Financial Officer, Secretary, Treasurer, Executive Vice President					
Thomas D. Sargent, Director	21,035	$ 0.021	$ 153,556	$ 153,114	0
David E. Sturgess, Director	21,035	$ 0.021	$ 153,556	$ 153,114	0
James R. Zuhlke, Director	21,035	$ 0.021	$ 153,556	$ 153,114	0

(a) The weighted average purchase price per share for this common stock was $0.021 per share. Pursuant to escrow agreements signed by these stockholders, these shares may not be sold or pledged until one year after the consummation of a business combination. Additionally, these shares are currently not registered, although after the release from escrow, these stockholders may demand the Company use its best efforts to register the resale of such shares.

(b) These warrants were purchased in a private placement that closed concurrently with the Company IPO. The exercise price of the warrants is $6.00. These warrants may not be sold or transferred until 90 days after the consummation of a business combination

All of the shares of the Company common stock and the warrants acquired by our officers, directors and special advisor prior to the Company's IPO were placed in escrow with Continental Stock Transfer & Trust Company, as escrow agent. During the escrow period, the holders of these shares are not able to sell or transfer their securities except to their spouses and children or trusts established for their benefit, but will retain all other rights as our stockholders, including, without limitation, the right to vote their shares of common stock and the right to receive cash dividends, if declared. If dividends are declared and payable in shares of common stock, such dividends will also be placed in escrow. If we are unable to effect a business combination and liquidate, none of these stockholders will receive any portion of the liquidation proceeds with respect to common stock owned by them prior to the Company's IPO.

Interests of United in the Merger

Upon completion of the Merger, the members of United will beneficially own, in the aggregate, approximately 60% of the issued shares of FMG.

In addition, certain of United's directors will be directors of the surviving company after the Merger.

Interests of Pali Capital in the Merger; Fees

Pali Capital, Inc. served as the representative of the underwriters in our IPO and agreed to defer $1,514,760 of the underwriting discounts and commissions until after the consummation of a business combination. The deferred amount payable in connection with the IPO will be paid out of the trust account established for the proceeds of the IPO only if we consummate the Merger. Pali Capital, Inc., therefore, has an interest in our consummating the Merger that will result in the payment of its deferred compensation. Further, Pali Capital, Inc. owns an option to purchase 450,000 units (comprised of one share of common stock and one warrant) at an exercise price of $10.00 per unit, received as consideration as the representative of the underwriters in our IPO. Additionally, upon consummation of the Merger Pali Capital, Inc. shall be entitled to a $200,000 investment banking fee.

Fairness Opinion (Page 46)

Pursuant to an engagement letter dated March 4, 2008, we engaged Piper Jaffray to render an opinion that the consideration to be paid for the Merger on the terms and conditions set forth in the Merger Agreement is fair, from a financial point of view, to the holders of the common stock of the Company. Our Board of Directors decided to use the services of Piper Jaffray because it is an investment banking firm that regularly evaluates businesses and their securities in connection with acquisitions, corporate restructurings, private placements and for other purposes.

Piper Jaffray delivered its oral opinion to our Board of Directors on March 20, 2008, which stated that, as of March 20, 2008 and based upon and subject to the assumptions made, matters considered and limitations on its review as set forth in the opinion that the consideration to be paid for United is fair, from a financial point of view, to the holders of Company common stock. The amount of such consideration was determined pursuant to negotiations between us and United and its members and not pursuant to recommendations of Piper Jaffray. The Piper Jaffray opinion is not a recommendation as to how any stockholder should vote or act with respect to any matters relating to the Merger (including, without limitation, with respect to the exercise of rights to convert the Company common stock into cash). Further, the Piper Jaffray opinion does not in any manner address the underlying business decision of the Company to engage in the Merger or the relative merits of the Merger as compared to any alternative business

transaction or strategy (including, without limitation, liquidation of the Company after not completing a business combination transaction within the allotted time). The decision as to whether to approve the Merger or any related transaction may depend on an assessment of factors unrelated to the financial analysis on which the Piper Jaffray opinion is based. The full text of the Piper Jaffray written opinion, attached hereto as Annex C, is incorporated by reference into this proxy statement/prospectus. You are encouraged to read the Piper Jaffray opinion carefully and in its entirety for a description of the assumptions made, matters considered, procedures followed and limitations on the review undertaken by Piper Jaffray in rendering its opinion. The summary of the Piper Jaffray opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of the opinion.

Regulatory Matters (Page 58)

The Company does not expect that the Merger will be subject to any state or federal regulatory requirements other than approval of the Florida Office of Insurance Regulation, filings under applicable securities laws and the effectiveness of the registration statement of the Company of which this proxy statement/prospectus is part. The Company intends to comply with all such requirements. We do not believe that, in connection with the completion of the Merger, any further consent, approval, authorization or permit of, or filing with, any acquisition control authority will be required in any jurisdiction.

Overview of the Merger (Page 51)

As part of the Merger, and pursuant to the Merger Agreement, United and United Subsidiary will engage in a reverse merger as outlined below pursuant to which United Subsidiary will merge with and into United, and United will become a wholly-owned subsidiary of the Company and the current members of United will become stockholders of FMG. As part of the Merger, FMG will be renamed United Insurance Holdings Corp. (“UIH”).

After giving effect to the Merger, the members of United will own approximately 60% of the outstanding shares of UIH, and the current stockholders of FMG will own the remaining 40% without regard to exercise of any outstanding warrants.

Directors and Management (Page 121)

Upon completion of the Merger, the Board of Directors of the Company and its wholly-owned subsidiary will consist of six members. Assuming the consummation of the Merger, three of the Company's current directors: Messrs. Gordon G. Pratt, Larry G. Swets, Jr. and James R. Zuhlke will serve as directors of the Company and United. Additionally, assuming the consummation of the Merger, Messrs. Gregory C. Branch, Alec L. Poitevint, II and Kent G. Whittemore will also serve as directors of the Company and United. Upon completion of the Merger, Donald J. Cronin will serve as President and Chief Executive Officer and Nicholas W. Griffin will serve as Chief Financial Officer of the Company. Melvin A. Russell, Jr. will serve as Chief Underwriting Officer of United.

FIRST AMENDMENT TO CERTIFICATE OF INCORPORATION PROPOSAL (PAGE 61)

We are seeking your approval to authorize the Board of Directors to amend and restate our Certificate of Incorporation to delete provisions in the certificate of incorporation that are specific to blank check companies. This proposal to approve the amendment to our Certificate of Incorporation is conditioned upon and subject to the approval of the Merger Proposal. See the section entitled "*The First Amendment Proposal* ."

SECOND AMENDMENT TO CERTIFICATE OF INCORPORATION PROPOSAL (PAGE 65)

We are seeking your approval to authorize the Board of Directors to amend and restate our Certificate of Incorporation to increase the amount of authorized shares of common stock from 20,000,000 to 50,000,000. This proposal to approve the amendment to our Certificate of Incorporation is conditioned upon and subject to the approval of the Merger Proposal. See the section entitled "*The Second Amendment Proposal*."

THIRD AMENDMENT TO CERTIFICATE OF INCORPORATION PROPOSAL (PAGE 67)

We are seeking your approval to authorize the Board of Directors to amend and restate our Certificate of Incorporation to change the name of the Company to United Insurance Holdings Corp. This proposal to approve the amendment to our Certificate of Incorporation is conditioned upon and subject to the approval of the Merger Proposal. See the section entitled "*The Third Amendment Proposal*."

DIRECTOR PROPOSAL (PAGE 68)

Director Proposal—to elect three (3) directors to the Company's Board of Directors to hold office until the next annual meeting of stockholders and until their successors are elected and qualified. This proposal to elect three directors to our Board of Directors is conditioned upon and subject to the approval of the Merger Proposal. See the section entitled "*The Director Proposal*."

ADJOURNMENT PROPOSAL (PAGE 78)

If, based on the tabulated vote, there are not sufficient votes at the time of the Special Meeting authorizing the Company to consummate the Merger, the Company's Board of Directors may submit a proposal to adjourn the Special Meeting to a later date or dates, if necessary, to permit further solicitation of proxies. See the section entitled "*The Adjournment Proposal*."

Prior to the record date for this Special Meeting, the officers, directors or affiliates of the Company may purchase outstanding securities of the Company in open market transactions and the shares so acquired would be voted in favor of the Merger. In the event an adjournment proposal is presented at the Special Meeting and approved by the stockholders, the officers, directors or affiliates of the Company may, during such adjournment period, make investor presentations telephonically and/or in person to investors who have indicated their intent to vote against the Merger Proposal. Such investor presentations would be informational only, and would be filed publicly on Current Report on Form 8-K prior to or concurrently with presentation to any third party. The Company will not conduct any such activities in violation of applicable federal securities laws, rules or regulations.

THE SPECIAL MEETING

Date, Time and Place of Special Meeting of Our Stockholders (Page 31)

The Special Meeting of our stockholders will be held at 10:00 a.m. Eastern Time, on , 2008, at the offices of .

Record Date; Who is entitled to Vote (Page 32)

You will be entitled to vote or direct votes to be cast at the Special Meeting if you owned shares of our common stock at the close of business on , 2008, which is the record date for the Special Meeting. You will have one vote for each share of our common stock you owned at the close of business on the record date. On the record date, there were 5,917,031 shares of our common stock outstanding, of which 4,733,625 shares were IPO shares. The remaining 1,183,406 shares were issued to our founders prior to our IPO.

Voting Your Shares (Page 32)

You can vote by signing and returning the enclosed proxy card. If you vote by proxy card, your "proxy," whose name is listed on the proxy card, will vote your shares as you instruct on the proxy card. If you sign and return the proxy card, but do not give instructions on how to vote your shares, your shares will be voted, as recommended by the FMG Board of Directors, "FOR" Proposal 1, the Merger Proposal, "FOR" Proposal 2, the First Amendment Proposal; "FOR" Proposal 3, the Second Amendment Proposal; "FOR" Proposal 4, the Third Amendment Proposal; "FOR" Proposal 5, the Director Proposal; and "FOR" Proposal 6, the Adjournment Proposal.

Proxies may be solicited by mail, telephone or in person.

If you grant a proxy, you may still vote your shares in person if you revoke your proxy at or before the Special Meeting. If you hold your shares in street name you can obtain physical delivery of your shares into your name, and then vote the shares yourself. In order to obtain shares directly into your name, you must contact your brokerage firm representative. Brokerage firms may assess a fee for your conversion; the amount of such fee varies.

Quorum and Vote Required (Page 33)

A quorum of our stockholders is necessary to hold a valid stockholders meeting. A quorum will be present at the Special Meeting if a majority of the shares of our common stock outstanding as of the record date are presented in person or by proxy. Abstentions and broker non-votes will count as present for the purposes of establishing a quorum.

For purposes of Proposal 1, under our amended and restated certificate of incorporation, approval of the Merger Proposal will require: (i) the affirmative vote of a majority of the shares of the Company's common stock issued in the IPO who vote on this proposal at the Special Meeting, and (ii) not more than 29.99% of the shares of the Company's common stock issued in the IPO vote against the Merger Proposal and elect a cash conversion of their shares. For the purposes of Proposal 2, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the First Amendment Proposal. For the purposes of Proposal 3, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the Second Amendment Proposal. For the purposes of Proposal 4, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the Third Amendment Proposal. For purposes of Proposal 5, the affirmative vote of the holders of a plurality of the shares of common stock cast in the election of directors is required. Proposals 2, 3, 4 and 5 are contingent upon our stockholders' approval of the Merger. For purposes of Proposal 6 the affirmative vote of a majority of the shares of the Company's common stock that are present in person or by proxy and entitled to vote is required to approve the adjournment.

As long as a quorum is established at the Special Meeting, if you return your proxy card without an indication of how you desire to vote, it: (i) will have the same effect as a vote in favor of the Merger Proposal and will not have the effect of converting your shares into a pro rata portion of the trust account (in order for a stockholder to convert his or her shares, he or she must cast an affirmative vote against the Merger Proposal and make an affirmative election on the proxy card to convert such shares of common stock); (ii) will have the same effect as a vote in favor of the First Amendment Proposal; (iii) will have the same effect as a vote in favor of the Second Amendment Proposal; (iv) will have the same effect as a vote in favor of the Third Amendment Proposal; (v) will have no effect on the Director Proposal; and (vi) will have the same effect as a vote in favor of the Adjournment Proposal.

FMG ACQUISITION CORP. SELECTED FINANCIAL DATA

The Company is providing the following selected financial information to assist you in your analysis of the financial aspects of the Merger. The following selected financial and other operating data should be read in conjunction with FMG Acquisition Corp.'s Management's Discussion and Analysis of Financial Condition and Results of Operations" and its financial statements and the related notes to those statements included elsewhere in this proxy statement. The statements of operations data from the period from May 22, 2007 (inception) through December 31, 2007, and the balance sheet data as of December 31, 2007 have been derived from the Company's audited financial statements included elsewhere in this proxy statement/prospectus. Interim results are not necessarily indicative of results for the full fiscal year and historical results are not necessarily indicative of results to be expected in any future period.

STATEMENTS OF OPERATIONS

For the period May 22, 2007 (date of inception) to December 31, 2007

Revenue	$	-
Formation and operating costs		114,266
Loss from operations		(114,266)
Interest income		268,228
Income before provision for income taxes		153,962
Provision for income taxes		71,505
Net income applicable to common stockholders	$	82,457
Maximum number of shares subject to possible redemption:		
Weighted average number of common shares, basic and diluted		519,680
Net income per common share, for shares subject to possible redemption	$	-
Approximate weighted average number of common shares outstanding (not subject to possible redemption)		
Basic		2,879,226
Diluted		3,258,383
Net income per common share not subject to possible redemption,		
Basic	$	0.030
Diluted	$	0.027

BALANCE SHEET

FMG ACQUISITION CORP.
(a corporation in the development stage)

		December 31, 2007
ASSETS		
Current assets		
Cash	$	71,274
Prepaid expenses		54,075
		125,349
Other assets		
Cash held in Trust Account		37,720,479
Deferred tax asset		32,210
		37,752,689
TOTAL ASSETS	$	37,878,038
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities, accounts payable and accrued expenses	$	174,344
Long-term liabilities, deferred underwriters' fee		1,514,760
Common stock, subject to possible redemption, 1,419,614 shares, at redemption value		11,232,133
Stockholders' equity		
Preferred stock, $.0001 par value; 1,000,000 shares authorized; none issued		-
Common stock, $.0001 par value, authorized 20,000,000 shares; 5,917,031 shares issued and outstanding, (including 1,419,614 shares subject to possible redemption)		602
Additional paid-in capital		24,873,742
Earnings accumulated during the development stage		82,457
Total stockholders' equity		24,956,801
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	37,878,038

MARKET PRICE INFORMATION AND DIVIDEND DATA FOR COMPANY SECURITIES

The Company consummated its IPO on October 4, 2007. In the IPO, the Company sold 4,733,625 units, each consisting of one share of the Company's common stock and one warrant to purchase common stock. The units were quoted on the OTC Bulletin Board from the consummation of the IPO under the symbol FMGQU. On November 7, 2007, the common stock and warrants included in the units began trading separately and the trading in the units continued. The shares of the Company's common stock and warrants are currently quoted on the OTC Bulletin Board under the symbols "FMGQ" and "FMGQW", respectively. The closing prices per unit, per share of common stock and per warrant of the Company on April 1, 2008, the last trading day before the announcement of the execution of the Merger Agreement, were $7.62, $7.24 and $0.36, respectively. Each warrant entitles the holder to purchase from the Company one share of common stock at an exercise price of $6.00 commencing on the later of the consummation of a business combination (if consummated) or October 4, 2008. The Company warrants will expire at 5:00 p.m., New York City time, on October 4, 2011, or earlier upon redemption. Prior to October 4, 2007, there was no established public trading market for the Company's securities.

The following table sets forth, for the calendar quarter indicated, the quarterly high and low sales prices of the Company's common stock, warrants and units as reported on the OTC Bulletin Board. The over-the-counter market quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

Quarter Ended	Common Stock		Warrants		Units	
	High	Low	High	Low	High	Low
March 31, 2008	$ 7.25	$ 7.12	$ 0.70	$ 0.35	$ 7.93	$ 7.62
December 31, 2007	$ 7.30	$ 7.15	$ 0.70	$ 0.70	$ 8.00	$ 7.90

On April 11, 2008 the closing prices of our units, common stock and warrants were $7.62, $7.30 and $0.50, respectively.

Holders

As of , 2008, the Record Date of the Special Meeting, there were [ ] holders of record of units, [ ] holders of record of the common stock and [ ] holders of record of the warrants. We estimate there are [ ] beneficial owners of our units, [ ] beneficial owners of our common stock and [ ] beneficial owners of our warrants. Upon consummation of the Merger, FMG will be obligated to issue 8,750,000 shares of common stock to the members of United as partial consideration for the membership units of United. For more information on the shares to be issued to United, see the section entitled "The Merger Proposal—Consideration". For more information on the effect of the issuance of the 8,750,000 shares of common stock on the amount and percentage of present holdings of the Company's common equity owned beneficially by (i) each person known by us to be the owner of more than 5% of our outstanding shares of the Company's common stock, (ii) each officer and director and (iii) all officers and directors as a group see the section entitled "Beneficial Ownership following the Merger" on page 127.

Dividends

The Company has not paid any cash dividends on its common stock and does not intend to pay dividends prior to consummation of the Merger.

RISK FACTORS

You should consider carefully all of the material risks described below, together with the other information contained elsewhere in this proxy statement, before you decide whether to vote or instruct your vote to be cast to adopt the Merger. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties that we are unaware of, or that we currently deem immaterial, also may become important factors that affect us. If any of the following risks occur, our business, financial conditions or results of operating may be materially and adversely affected.

RISKS PARTICULAR TO THE MERGER

FMG's and United Subsidiary's businesses are difficult to evaluate due to a lack of operational history.

FMG was formed on May 22, 2007 for the purpose of effecting a merger, capital stock exchange, asset or stock acquisition, exchangeable share transaction, joint venture or other similar business combination with one or more domestic or international operating businesses. On October 4, 2007, the Company consummated its IPO. Accordingly, we have limited operational history which consists of the founding of the Company and the evaluation of potential acquisitions. United Subsidiary was formed solely for the purpose of the Merger and has no operating history. FMG's, and United Subsidiary's operating history, to date, is not indicative of future operating or financial performance.

FMG will be subject to the risks inherent with the homeowners insurance industry, especially risks inherent to providers of homeowners insurance in the southeast United States.

Assuming the proposed acquisition is consummated, FMG's sole operations will consist primarily of providing homeowners insurance in the State of Florida though its wholly-owned subsidiary. As such, FMG will be exposed to risks inherent to providers of homeowners insurance, especially those in the southeast United States. These risks are described in greater detail in the section entitled - "Risks Related to Our Business."

Our stockholders will experience immediate dilution as a consequence of the issuance of common stock as consideration in the Merger. Having a minority share position may reduce the influence our current stockholders have on the management of the combined company.

Following the consummation of the Merger, the influence of our public stockholders, in their capacity as stockholders of FMG following the Merger, will be significantly reduced. Our current stockholders will hold, in the aggregate, approximately 40% of the issued and outstanding common stock of FMG (excluding as outstanding for purposes of the calculation securities issuable upon the exercise of our outstanding warrants and upon the exercise of the purchase option issued to underwriters in our IPO).

Concentration of ownership of our common stock after the Merger could delay or prevent change of control.

Our directors, executive officers and principal stockholders will beneficially own a significant percentage of our common stock after the Merger. They also have, through the exercise of warrants, the right to acquire additional shares of common stock. As a result, these stockholders, if acting together, have the ability to significantly influence the outcome of corporate actions requiring stockholder approval. Additionally, under the terms of the Merger Agreement, United and its members shall have the right to appoint up to three designees to serve on the Company's Board of Directors after the Merger is consummated. The concentration of ownership among management may have the effect of delaying or preventing a change in control of the post-acquisition company even if such a change in control would be in your interest. As of April 15, 2008, our directors, officers and principal stockholders beneficially owned approximately 20% of FMG's common stock. Following the Merger, our reconstituted Board of Directors, management and principal stockholders will beneficially own approximately 23% of the common stock of FMG.

Failure to complete the Merger could negatively impact the market price of our securities and result in the disbursement of the trust proceeds, which may cause investors to experience a loss on their investment.

If the Merger is not completed for any reason, FMG may be subject to a number of material risks, including:

- the market price of its common stock may decline to the extent the current market price of its common stock reflects the market assumption this Merger will be consummated;

- certain costs related to the Merger, such as legal and accounting fees and the costs of the fairness opinion, must be paid even if the Merger is not completed; and

- charges against earnings will be made for transaction related expenses, which could be higher than expected.

Such decreased market price and added costs and charges of a failed Merger may result, ultimately, in the disbursement of the trust proceeds, causing investors to experience a loss on their investment. In addition, if we fail to complete a business combination prior to October 4, 2009, our warrants will expire worthless.

We may waive one or more conditions to the Merger without resoliciting stockholder approval for the Merger.

One or more conditions to our obligation to complete the Merger may be waived in whole or in part to the extent legally allowable either unilaterally or by agreement of FMG, United and United Subsidiary. Depending upon the condition, our Board of Directors will evaluate the materiality of any such waiver to determine whether amendment to this proxy statement and re-solicitation of proxies is necessary. FMG will act in compliance with relevant state laws and U.S. securities laws with respect to determining whether an amendment to the proxy statement and re-solicitation of the proxies is necessary. In the event our Board of Directors determines any such waivers are not significant enough to require re-solicitation of stockholders, we would have the discretion to complete the Merger without seeking further stockholder approval.

There may be a conflict of interest between our management and our stockholders, which may have influenced management's decision to enter into the Merger Agreement and recommending our stockholders to vote in favor of the Merger.

Our officers and directors will not receive reimbursement for any out-of-pocket expenses incurred by them to the extent such expenses exceed the amount of proceeds available to the Company for working capital, unless a business combination is completed. In addition, if we do not complete the Merger or another business combination and are forced to liquidate, the trust account proceeds may be subject to claims that could take priority over the claims of our public stockholders. Certain of our officers and directors have entered into separate indemnity agreements under which they will be personally liable under certain circumstances to ensure that the proceeds of the trust account are not reduced by the claims of various vendors that are owed money by us for services rendered or contracted for, or claims of other parties with which we have contracted. Further, all of our directors own common stock and warrants purchased in private placements consummated prior to our IPO, but have waived their right to proceeds from the liquidation of the trust account if we are unable to complete a business combination. The shares of common stock and warrants owned by our officers and directors and their affiliates will be worthless if we do not consummate a business combination. These financial interests of our officers and directors may have influenced their motivation in causing us to enter into the Merger Agreement and recommending our stockholders to vote in favor of the Merger.

Completion of the Merger is subject to a number of conditions.

The obligations of FMG, United and United Subsidiary to consummate the Merger are subject to the satisfaction or waiver of specified conditions set forth in the Merger Agreement. Such conditions include, but are not limited to, satisfaction of covenants contained in the Merger Agreement, non-existence of legal action against FMG, United and United Subsidiary, effectiveness of the registration statement of which this proxy statement/prospectus is part, obtaining material consents, approval of the required number of our stockholders and United's members and

conversion of not more than 29.99% of our shares issued in the Company's IPO, and execution of ancillary agreements. It is possible some or all of these conditions will not be satisfied or waived by any of FMG, United or United Subsidiary, and therefore, the Merger may not be consummated. See “Conditions to the Consumation of the Merger.”

The sale or even the possibility of sale of the common stock to be issued to United and its members could have an adverse effect on the price of FMG's securities and make it more difficult to obtain public financing in the future.

In connection with the Merger, we agreed to grant to United and their members, 8,750,000 shares of common stock as part of the consideration. The sale or even the possibility of sale of these shares could have an adverse effect on the price of our securities on the equity market and on our ability to obtain financing in the future.

RISKS RELATED TO UNITED'S BUSINESS

Catastrophes could materially and adversely affect United's results of operations, financial position and/or liquidity, and could adversely impact its ratings, its ability to raise capital and the availability and cost of reinsurance.

United's property and casualty insurance operations expose it to claims arising out of catastrophes. Catastrophes can be caused by various natural events, including hurricanes, windstorms, earthquakes, hail, severe winter weather and fires. Catastrophes can also be man-made, such as a terrorist attack (including those involving nuclear, biological, chemical or radiological events) or a consequence of war or political instability. The geographic distribution of United's business subjects it to increased exposures to certain catastrophe such as hurricanes and floods. The incidence and severity of catastrophes are inherently unpredictable. In recent years, changing climate conditions have added to the unpredictability and frequency of natural disasters (including, but not limited to, hurricanes, tornadoes, and fires) in certain parts of the United States and created additional uncertainty as to future trends and exposures. It is possible both the frequency and severity of natural and man-made catastrophic events will increase. Although the trend of increased severity and frequency of storms was not evident in the United States in 2007 and 2006, it is possible the overall trend of increased severity and frequency of storms experienced in the United States in 2005 and 2004, and experienced in the Caribbean during 2007, may continue in the foreseeable future.

The extent of losses from a catastrophe is a function of both the total amount of insured exposure in the area affected by the event and the severity of the event. States have from time to time passed legislation, and regulators have taken action, that has the effect of limiting the ability of insurers to manage catastrophe risk, such as legislation prohibiting insurers from reducing exposures or withdrawing from catastrophe-prone areas or mandating that insurers participate in residual markets. In addition, following catastrophes, there are sometimes legislative initiatives and court decisions which seek to expand insurance coverage for catastrophe claims beyond the original intent of the policies. Further, United's ability to increase pricing to the extent necessary to offset rising costs of catastrophes requires approval of regulatory authorities. United's ability or willingness to manage its catastrophe exposure by raising prices, modifying underwriting terms or reducing exposure to certain geographies may be limited due to considerations of public policy, the evolving political environment and/or United's ability to penetrate other geographic markets.

There are also risks that impact the estimation of ultimate costs for catastrophes. For example, the estimation of reserves related to hurricanes can be affected by the inability to access portions of the impacted areas, the complexity of factors contributing to the losses, the legal and regulatory uncertainties and the nature of the information available to establish the reserves. Complex factors include, but are not limited to: determining whether damage was caused by flooding versus wind; evaluating general liability and pollution exposures; estimating additional living expenses; the impact of demand surge; infrastructure disruption; fraud; the effect of mold damage; business interruption costs; and reinsurance collectibility. The timing of a catastrophe's occurrence, such as at or near the end of a reporting period, can also affect the information available to us in estimating reserves for that reporting period. The estimates related to catastrophes are adjusted as actual claims emerge and additional information becomes available.

Catastrophes could materially and adversely affect United's results of operations for any year and may materially harm its financial position, which in turn could adversely affect its financial strength and could impair its ability to raise

capital on acceptable terms or at all. In addition, catastrophic events could cause United to exhaust its available reinsurance limits and could adversely impact the cost and availability of reinsurance. Such events can also impact the credit of its reinsurers. Catastrophic events could also adversely impact the credit of the issuers of securities, such as states or municipalities, in whom United has invested, which could materially and adversely affect United's results of operations.

In addition to catastrophes, the accumulation of losses from smaller weather-related events in a fiscal quarter or year could materially and adversely impact United's results of operations in those periods.

If actual claims exceed United's loss reserves, or if changes in the estimated level of loss reserves are necessary, its financial results could be materially and adversely affected. Claims and claim adjustment expense reserves (loss reserves) represent management's estimate of ultimate unpaid costs of losses and loss adjustment expenses for claims that have been reported and claims that have been incurred but not yet reported. Loss reserves do not represent an exact calculation of liability, but instead represent management estimates, generally utilizing actuarial expertise and projection techniques, at a given accounting date. These loss reserve estimates are expectations of what the ultimate settlement and administration of claims will cost upon final resolution in the future, based on United's assessment of facts and circumstances then known, reviews of historical settlement patterns, estimates of trends in claims severity and frequency, expected interpretations of legal theories of liability and other factors. In establishing reserves, United has also taken into account estimated recoveries from reinsurance, salvage and subrogation.

The process of estimating loss reserves involves a high degree of judgment and is subject to a number of variables. These variables can be affected by both internal and external events, such as changes in claims handling procedures, economic inflation, legal trends and legislative changes, and varying judgments and viewpoints of the individuals involved in the estimation process, among others. The impact of many of these items on ultimate costs for claims and claim adjustment expenses is difficult to estimate. Loss reserve estimation difficulties also differ significantly by product line due to differences in claim complexity, the volume of claims, the potential severity of individual claims, the determination of occurrence date for a claim and reporting lags (the time between the occurrence of the policyholder event and when it is actually reported to the insurer).

United continually refines its loss reserve estimates in a regular, ongoing process as historical loss experience develops and additional claims are reported and settled. Informed judgment is applied throughout the process, including the application of various individual experiences and expertise to multiple sets of data and analyses. Different experts may choose different assumptions when faced with material uncertainty, based on their individual backgrounds, professional experiences and areas of focus. Hence, such experts may at times produce estimates materially different from each other. Experts providing input to the various estimates and underlying assumptions include actuaries, underwriters, claim personnel and lawyers. Therefore, management may have to consider varying individual viewpoints as part of its estimation of loss reserves.

United attempts to consider all significant facts and circumstances known at the time loss reserves are established. Due to the inherent uncertainty underlying loss reserve estimates, the final resolution of the estimated liability for claims and claim adjustment expenses will likely be higher or lower than the related loss reserves at the reporting date. Therefore, actual paid losses in the future may yield a materially different amount than is currently reserved.

Because of the uncertainties set forth above, additional liabilities resulting from one insured event, or an accumulation of insured events, may exceed the current related reserves. In addition, our estimate of claims and claim adjustment expenses may change. These additional liabilities or increases in estimates, or a range of either, cannot now be reasonably estimated and could materially and adversely affect United's results of operations.

The effects of emerging claim and coverage issues on the insurance business are uncertain.

As industry practices and legal, judicial, social and other environmental conditions change, unexpected and unintended issues related to claim and coverage may emerge. These issues may adversely affect United's business following the Merger by either extending coverage beyond its underwriting intent or by increasing the number or size of claims. Examples of emerging claims and coverage issues include, but are not limited to:

- adverse changes in loss cost trends, including inflationary pressures in medical costs and home repair costs;
- judicial expansion of policy coverage and the impact of new theories of liability; and

- plaintiffs targeting property and casualty insurers, in purported class action litigation relating to claims-handling and other practices.

In some instances, these emerging issues may not become apparent for some time after issuance of the affected insurance policies. As a result, the full extent of liability under insurance policies we may issue following the Merger may not be known for many years after the policies are issued.

The effects of these and other unforeseen emerging claim and coverage issues are extremely hard to predict and could harm United's business and materially and adversely affect our results of operations and future operations.

United may not be able to collect all amounts due to it from reinsurers, and reinsurance coverage may not be available in the future at commercially reasonable rates or at all.

United uses, and we expect to continue to use following the Merger, reinsurance to help manage our exposure to property and casualty risks. The availability and cost of reinsurance are subject to prevailing market conditions, both in terms of price and available capacity, which can affect business volume and profitability. Although reinsurers are liable to United to the extent of the ceded reinsurance, United remains liable as the direct insurer on all risks reinsured. As a result, ceded reinsurance arrangements do not eliminate United's obligation to pay claims. Accordingly, United is subject to credit risk with respect to its ability to recover amounts due from reinsurers. In the past, certain reinsurers have ceased writing business and entered into runoff. Some of United's reinsurance claims may be disputed by the reinsurers, and United may ultimately receive partial or no payment. In addition, in a number of jurisdictions, particularly the European Union and the United Kingdom, a reinsurer is permitted to transfer a reinsurance arrangement to another reinsurer, which may be less creditworthy, without a counterparty's consent, provided that the transfer has been approved by the applicable regulatory and/or court authority. The ability of reinsurers to transfer their risks to other, less creditworthy reinsurers impacts United's risk of collecting amounts due to it.

Accordingly, United may not be able to collect all amounts due to it from reinsurers, and reinsurance coverage may not be available to it in the future at commercially reasonable rates or at all, and thus United's results of operations and future operations could be materially and adversely affected.

Competition could harm our ability to maintain or increase United's profitability and premium volume following the Merger.

The property and casualty insurance industry is highly competitive, and we believe it will remain highly competitive for the foreseeable future. We compete with both regional and national insurers, some of which have greater financial resources than we do. In addition, our competitors may offer products for alternative forms of risk protection. If competition limits our ability to retain existing business or write new business at adequate rates, our results of operations could be materially and adversely affected.

We will be exposed to credit risk in certain of our business operations and in our investment portfolio.

We will be exposed to credit risk in several areas of our business operations, including credit risk relating to reinsurance, as discussed above, and credit risk associated with commissions paid to independent agents. The value of our investment portfolio will also be subject to the risk that certain investments may become impaired due to a deterioration in the financial position of one or more issuers of the securities held in our portfolio, or due to a downgrade of the credit ratings of an insurer that guarantees an issuer's payments of such investments in our portfolio. In addition, defaults by the issuer and, where applicable, its guarantor, of certain investments that result in the failure of such parties to fulfill their obligations with regard to any of these investments could reduce our net investment income and net realized investment gains or result in investment losses.

While we will attempt to manage these risks through underwriting and investment guidelines, collateral requirements and other oversight mechanisms, our efforts may not be successful. To a large degree, the credit risk we face is a function of the economy; accordingly, we face a greater risk in an economic downturn or recession. As a result, our exposure to any of the above credit risks could materially and adversely affect our results of operations.

The insurance industry is the subject of a number of investigations by state and federal authorities in the United States. We cannot predict the outcome of these investigations or the impact on our business practices or financial results.

As part of ongoing, industry-wide investigations, we may from time to time receive subpoenas and written requests for information from government agencies and authorities, including from the Attorney General of the State of Florida, Florida insurance and business regulators and the Securities and Exchange Commission. If we are subpoenaed for information by government agencies and authorities, potential outcomes could include enforcement proceedings or settlements resulting in fines, penalties and/or changes in business practices that could materially and adversely affect our results of operations and future growth prospectus. In addition, these investigations may result in changes in laws and regulations affecting the industry in general which could, in turn, also materially and adversely affect our results of operations.

The insurance business is heavily regulated and changes in regulation may reduce our profitability and limit our growth following the Merger.

Following the Merger, we will be extensively regulated and supervised in the jurisdictions in which we conduct business, including licensing and supervision by government regulatory agencies in such jurisdictions. This regulatory system is generally designed to protect the interests of policyholders, and not necessarily the interests of insurers, their stockholders and other investors. This regulatory system also addresses authorization for lines of business, capital and surplus requirements, limitations on the types and amounts of certain investments, underwriting limitations, transactions with affiliates, dividend limitations, changes in control, premium rates and a variety of other financial and non-financial components of an insurer's business.

In recent years, the state insurance regulatory framework has come under increased federal scrutiny, and some state legislatures have considered or enacted laws that may alter or increase state authority to regulate insurance companies and insurance holding companies. Further, the National Association of Insurance Commissioners (“NAIC”) and state insurance regulators continually reexamine existing laws and regulations, specifically focusing on modifications to holding company regulations, interpretations of existing laws and the development of new laws and regulations. In addition, Congress and some federal agencies from time to time investigate the current condition of insurance regulation in the United States to determine whether to impose federal or national regulation or to allow an optional federal charter, similar to the option available to most banks. We cannot predict the effect any proposed or future legislation or NAIC initiatives may have on the conduct of our business following the Merger.

Although the United States federal government does not directly regulate the insurance business, changes in federal legislation, regulation and/or administrative policies in several areas, including changes in financial services regulation (e.g., the repeal of the McCarran-Ferguson Act) and federal taxation, can significantly harm the insurance industry.

Insurance laws or regulations that are adopted or amended may be more restrictive than current laws or regulations and may result in lower revenues and/or higher costs and thus could materially and adversely affect our results of operations and future growth prospectus.

A downgrade in United’s financial strength rating could adversely impact our business volume, adversely impact our ability to access the capital markets and increase our borrowing costs, following the Merger.

Financial strength ratings have become increasingly important to an insurer's competitive position. Rating agencies review their ratings periodically, and our current ratings may not be maintained in the future. A downgrade in our rating following the Merger could negatively impact our business volumes, as it is possible demand for certain of our products in certain markets may be reduced or our ratings could fall below minimum levels required to maintain existing business. Additionally, we may find it more difficult to access the capital markets and we may incur higher borrowing costs. If significant losses, such as those resulting from one or more major catastrophes, or significant reserve additions were to cause our capital position to deteriorate significantly, or if one or more rating agencies substantially increase their capital requirements, we may need to raise equity capital in the future in order to maintain our ratings or limit the extent of a downgrade. For example, a continued trend of more frequent and severe weather-related catastrophes may lead rating agencies to substantially increase their capital requirements.

Our investment portfolio may suffer reduced returns or losses.

Investment returns are expected to be an important part of our overall profitability following the Merger. Accordingly, fluctuations in interest rates or in the fixed income, real estate, equity or alternative investment markets could materially and adversely affect our results of operations.

Changes in the general interest rate environment will affect our returns on, and the market value of, our fixed income and short-term investments following the Merger. A decline in interest rates reduces the returns available on new investments, thereby negatively impacting our net investment income. Conversely, rising interest rates reduces the market value of existing fixed income investments. In addition, defaults under, or impairments of, any of these investments as a result of financial problems with the issuer and, where applicable, its guarantor of the investment could reduce our net investment income and net realized investment gains or result in investment losses.

We may decide to invest a portion of our assets following the Merger in equity securities or other investments, which are subject to greater volatility than fixed income investments. General economic conditions, stock market conditions and many other factors beyond our control can adversely affect the value of our non-fixed income investments and the realization of net investment income. As a result of these factors, we may not realize an adequate return on our investments, we may incur losses on sales of our investments and we may be required to write down the value of our investments, which could reduce our net investment income and net realized investment gains or result in investment losses.

The value of our investment portfolio can be subject to valuation uncertainties when the investment markets are dislocated. The valuation of investments is more subjective when the markets are illiquid and may increase the risk that the estimated fair value (i.e., the carrying amount) of the investment portfolio is not reflective of prices at which actual transactions would occur.

Our investment portfolio may be invested, in significant part, in tax-exempt obligations. Our portfolio may also benefit from certain other tax laws, including, but not limited to, those governing dividends-received deductions and tax credits. Federal and/or state tax legislation could be enacted that would lessen or eliminate some or all of these tax advantages and could adversely affect the value of our investment portfolio. This result could occur in the context of deficit reduction or various types of fundamental tax reform.

Disruptions to United's relationships with its independent agents and brokers could adversely affect its business following the Merger.

United markets its insurance products primarily through independent agents and brokers. Loss of all or a substantial portion of the business provided through such agents and brokers could materially and adversely affect United's future business volume and results of operations.

United relies on Internet applications for the marketing and sale of certain products, and may increasingly rely on Internet applications and toll-free numbers for distribution following the Merger. Should Internet disruptions occur, or frustration with its business platforms or distribution initiatives develop among its independent agents and brokers, the resulting loss of business could materially and adversely affect United's future business volume and results of operations.

We could be adversely affected if United's controls to ensure compliance with guidelines, policies and legal and regulatory standards are not effective.

United's business is highly dependent on its ability to engage on a daily basis in a large number of insurance underwriting, claim processing and investment activities, many of which are highly complex. These activities often are subject to internal guidelines and policies, as well as legal and regulatory standards. A control system, no matter how well designed and operated, can provide only reasonable assurance that the control system's objectives will be met. If controls are not effective, it could lead to financial loss, unanticipated risk exposure (including underwriting, credit and investment risk) or damage to our reputation.

If we experience difficulties with technology, data security and/or outsourcing relationships following the Merger our ability to conduct our business could be negatively impacted.

While technology can streamline many business processes and ultimately reduce the cost of operations, technology initiatives present certain risks. United's business is highly dependent upon its contractors and third-party administrators ability to perform, in an efficient and uninterrupted fashion, necessary business functions, such as the processing of new and renewal business, and the processing and payment of claims. Because our information technology and telecommunications systems interface with and depend on these third-party systems, we could experience service denials if demand for such service exceeds capacity or a third-party system fails or experiences an interruption. If sustained or repeated, such a business interruption, system failure or service denial could result in a deterioration of our ability to write and process new and renewal business, provide customer service, pay claims in a timely manner or perform other necessary business functions. Computer viruses, hackers and other external hazards could expose our data systems to security breaches. These increased risks, and expanding regulatory requirements regarding data security, could expose us to data loss, monetary and reputational damages and significant increases in compliance costs. As a result, our ability to conduct our business might be adversely affected.

Attempts to grow our business could have an adverse effect on the Company.

Although rapid growth may not occur, to the extent that it does occur, it could place a significant strain on our financial, technical, operational and administrative resources. Our planned growth may result in increased responsibility for both existing and new management personnel. Effective growth management will depend upon our ability to integrate new personnel, to improve our operational, management and financial systems and controls, to train, motivate and manage our employees, and to increase our services and capabilities. Our ability to effectively manage our future growth may have a material and adverse effect on our results of operations, financial condition, and viability as a business. In addition, growth may not occur or growth may not produce profits for the Company.

From time to time we may enter into secured credit facilities to finance any or all capital requirements of the Company. Any secured credit facility may have a material and adverse effect on the Company.

From time to time following the Merger, we may enter into secured credit facilities to finance any or all of our capital requirements. As part of the secured loan, we will probably be required to make periodic payments of the principal plus interest to the lender. We can provide no guarantee that we will have cash flow in an amount sufficient to repay our debt obligations under any or all of the secured credit facilities. Furthermore, these secured loan contracts will have numerous default provisions and may or may not provide us with the possibility to cure default before accelerating the due date. If this were to happen, we may not be able to repay any or all secured debts in full and may declare bankruptcy. If a secured lender, the lender will have a priority right to receive repayment from a bankruptcy estate or may foreclose on the secured assets if we are not in bankruptcy and in default of its secured contract. In addition, a default under any secured credit facility may force us to seek bankruptcy protection. As such, the fact that we may, from time to time, enter into secured credit facilities with any person, business, or organization, whether related or unrelated, may have a material and adverse effect on the financial position, results of operations, and viability of the Company.

RISKS RELATED TO THE COMPANY'S CURRENT STATUS AS A BLANK CHECK COMPANY

We may choose to redeem our outstanding warrants at a time that is disadvantageous to our warrant holders.

Subject to there being a current prospectus under the Securities Act of 1933, as amended, with respect to the common stock issuable upon exercise of the warrants, we may redeem the warrants issued as a part of our units at any time after the warrants become exercisable in whole and not in part, at a price of $0.01 per warrant, upon a minimum of 30 days prior written notice of redemption, if and only if, the last sales price of our common stock equals or exceeds $11.50 per share for any 20 trading days within a 30 trading day period ending three business days before we send the notice of redemption. In addition, we may not redeem the warrants unless the warrants comprising the units sold in our IPO and the shares of common stock underlying those warrants are covered by an effective registration statement from the beginning of the measurement period through the date fixed for the redemption. Redemption of the warrants could force the warrant holders (i) to exercise the warrants and pay the exercise price at a time when it may be disadvantageous for the holders to do so, (ii) to sell the warrants at the then current market price when they might otherwise wish to hold the warrants, or (iii) to accept the nominal redemption price which, at the time the warrants are called for redemption, is likely to be substantially less than the market value of the warrants. We expect most purchasers of our warrants will hold their securities through one or more intermediaries and consequently you are unlikely to receive notice directly from us that the warrants are being redeemed. If our warrantholders fail to receive notice of redemption from a third party and their warrants are redeemed for nominal value, our warrantholders will not have recourse against the Company.

If our common stock becomes subject to the SEC's penny stock rules, broker-dealers may experience difficulty in completing customer transactions and trading activity in our securities may be adversely affected.

If at any time we have net tangible assets of $5,000,000 or less and our common stock has a market price per share of less than $5.00, transactions in our common stock may be subject to the "penny stock" rules promulgated under the Securities Exchange Act of 1934, as amended. Under these rules, broker-dealers who recommend such securities to persons other than institutional accredited investors must:

• make a special written suitability determination for the purchaser;

• receive the purchaser's written agreement to a transaction prior to sale;

• provide the purchaser with risk disclosure documents that identify certain risks associated with investing in "penny stocks" and that describe the market for these "penny stocks" as well as a purchaser's legal remedies; and

• obtain a signed and dated acknowledgment from the purchaser demonstrating that the purchaser has actually received the required risk disclosure document before a transaction in a "penny stock" can be completed.

If our common stock becomes subject to these rules, broker-dealers may find it difficult to effectuate customer transactions and trading activity in our securities may be adversely affected. As a result, the market price of our securities may be depressed, and you may find it more difficult to sell our securities.

Our sponsor warrants are non-redeemable provided they are held by the initial purchasers or their permitted transferees, which could provide such purchasers the ability to realize a larger gain than our public warrants holders.

As set forth above, the warrants held by our public warrant holders may be called for redemption at any time after the warrants become exercisable upon satisfaction of certain conditions. However, the 1,250,000 warrants purchased by our founders are not subject to redemption. As a result, holders of the insider warrants, or their permitted

transferees, could realize a larger gain than our public warrant holders.

Persons who were stockholders prior to our IPO, including our officers and directors, control a substantial interest in us and thus may influence certain actions requiring stockholder vote.

Persons who were stockholders prior to our IPO (including all of our officers and directors) collectively own 20% of our issued and outstanding shares of common stock. Our officers and directors, or their designees, also purchased 1,250,000 warrants directly from us concurrently with the closing of the IPO at a price per warrant of $1.00. The purchase of the sponsor warrants, together with any other acquisitions of our shares (or warrants which are subsequently exercised), could allow the persons who were stockholders prior to our IPO to influence the outcome of matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions after completion of the Merger.

Our directors may not be considered "independent" under the policies of the North American Securities Administrators Association, Inc. and we thus may not have the benefit of independent directors examining our financial statements and the propriety of expenses incurred on our behalf subject to reimbursement.

All of our officers and directors own shares of our common stock, and no salary or other compensation has been or will be paid to our officers or directors for services rendered by them on our behalf prior to or in connection with the Merger. Although we believe three of the members of our Board of Directors are “independent” as that term is commonly used, under the policies of the North American Securities Administrators Association, Inc., because our directors may receive reimbursement for out-of-pocket expenses incurred by them in connection with activities on our behalf such as identifying potential merger partners and performing due diligence on suitable business combinations, it is likely state securities administrators would take the position we do not have the benefit of independent directors examining the propriety of expenses incurred on our behalf and subject to reimbursement. Additionally, there is no limit on the amount of out-of-pocket expenses that could be incurred and there is no review of the reasonableness of the expenses by anyone other than our Board of Directors, which would include persons who may seek reimbursement, or a court of competent jurisdiction if such reimbursement is challenged. Although we believe all actions taken by our directors on our behalf have been and will be in our best interests, whether or not any directors are deemed to be "independent," we cannot assure you this will actually be the case. If actions are taken or expenses are incurred that are actually not in our best interests, it could have a material adverse effect on our business and operations and the price of our stock held by the public stockholders.

Our outstanding warrants may have an adverse effect on the market price of common stock and make it more difficult to obtain public financing in the future.

In connection with the IPO, we issued warrants to purchase 4,733,625 shares of common stock. Furthermore certain of our directors own an aggregate of 1,099,266 shares of common stock and 1,250,000 warrants. The sale or even the possibility of sale, of the shares underlying these warrants, could have an adverse effect on the price for our securities on the equity market and on our ability to obtain public financing in the future. If and to the extent these warrants are exercised, you may experience dilution to your holdings which may correspond with a decline in value of the market price for our stock.

If our initial stockholders exercise their registration rights, it may have an adverse effect on the market price of our common stock.

Our initial stockholders are entitled to require us to register the resale of their shares of common stock at any time after the date on which their shares are released from escrow, which, except in limited circumstances, will not be before the one year anniversary of the consummation of a business combination. If our initial stockholders exercise their registration rights with respect to all of their 1,183,406 shares of common stock and the shares of common stock underlying the 1,250,000 warrants, then there will be an additional 2,433,406 shares of common stock eligible for trading in the public market, assuming the Merger is approved. The presence of this additional number of shares of common stock eligible for trading in the public market may have an adverse effect on the market price of our common stock.

Provisions in our charter documents and Delaware law may inhibit a takeover of us, which could limit the price potential investors might be willing to pay in the future for our common stock and could entrench management.

Our charter and bylaws contain provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. Our Board of Directors is divided into two classes, each of which will generally serve for a term of two years with only one class of directors being elected in each year. As a result, at any annual meeting not all of the Board of Directors will be considered for election. Since our "staggered board" could prevent our stockholders from replacing a majority of our Board of Directors at any annual meeting, it may entrench management and discourage unsolicited stockholder proposals that may be in the best interests of stockholders.

Moreover, our Board of Directors has the ability to designate the terms of and issue new series of preferred stock which could be issued to create different or greater voting rights which may affect an acquiror's ability to gain control of the Company.

We are also subject to anti-takeover provisions under Delaware law, which could delay or prevent a change of control. Together these provisions may make more difficult the removal of management and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities.

Bankruptcy Considerations

If we are forced to file a bankruptcy case or an involuntary bankruptcy case is filed against us under Chapters 7 or 11 of the United States Bankruptcy Code, and that claim is not dismissed, the funds held in our trust account will be subject to applicable bankruptcy law and may be included in our bankruptcy estate. Furthermore, the estate may be subject to administrative expenses, including but not limited to post-petition legal fees including court costs, the securitization of cash collateral to maintain the business as a going concern, obtaining additional financing, taxes owed, and claims of both secured and unsecured third parties with priority over those claims of our public stockholders. To the extent bankruptcy claims deplete the trust account; we cannot assure you we will be able to

return to our public stockholders the liquidation amounts due to them. Accordingly, the actual per share amount distributed from the trust account to our public stockholders could be significantly less than approximately $7.91 per share due to the claims of creditors. This amount has been calculated without taking into account interest earned on the trust account. Claims by creditors could cause additional delays in the distribution of trust accounts to the public stockholders beyond the time periods required to comply with the Delaware General Corporation Law procedures and federal securities laws and regulations.

FORWARD-LOOKING STATEMENTS

We believe some of the information in this proxy statement/prospectus constitutes forward-looking statements. You can identify these statements by forward-looking words such as “may,” “expect,” “anticipate,” “contemplate,” “believe,” “estimate,” “intends,” and “continue” or similar words. You should read statements that contain these words carefully because they:

• discuss future expectations;

• contain projections of future results of operations or financial condition; and

• state other “forward-looking” information.

There may be events in the future the Company is not able to accurately predict or over which the Company has no control. The risk factors and cautionary language discussed in this proxy statement/prospectus provide examples of risks, uncertainties and events which may cause actual results to differ materially from the expectations described by the Company in its forward-looking statements, including among other things:

• changing interpretations of generally accepted accounting principles;

• the general volatility of the market price of our securities;

• the availability of qualified personnel;

• changes in interest rates or the debt securities markets

• outcomes of government reviews, inquiries, investigations and related litigation;

• continued compliance with government regulations;

• legislation or regulatory environments, requirements or changes adversely affecting the businesses in which United is engaged;

• statements about industry trends;

• general economic conditions; and

• geopolitical events.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement/prospectus.

All forward-looking statements included herein attributable to the Company, United or any person acting on either party’s behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We caution you that these statements are based on a combination of facts currently known by FMG and United and our projections of the future, about which we cannot be certain. Except to the extent required by applicable laws and regulations, the Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events.

Before you grant your proxy or instruct how your vote should be cast or vote on the approval of the Merger you should be aware that the occurrence of the events described in the "Risk Factors" section and elsewhere in this proxy statement/prospectus could have a material adverse effect on the Company, or United, upon completion of the Merger.

THE COMPANY SPECIAL MEETING OF STOCKHOLDERS

The Company Special Meeting

The Company is furnishing this proxy statement to you as part of the solicitation of proxies by the Company Board of Directors for use at the Special Meeting in connection with the proposed Acquisition, the proposed First Amendment, the proposed Second Amendment, the proposed Third Amendment, the proposed Director elections and the proposed Adjournment. This proxy statement provides you with the information you need to be able to vote or instruct your vote to be cast at the Special Meeting.

Date, Time and Place

The Special Meeting will be held at , Eastern Time, on , 2008, at the offices of , to vote on each of the Merger Proposal, the First Amendment Proposal, the Second Amendment Proposal, the Third Amendment Proposal, the Director Proposal and the Adjournment Proposal.

Purpose of the Special Meeting

At the Special Meeting, you will be asked to consider and vote upon the following:

(i) the Merger Proposal—the proposed acquisition of all of the membership units of United Insurance Holdings, L.C., a limited liability company formed under the laws of the State of Florida, pursuant to the Merger Agreement, dated as of April 2, 2008, by and among the Company, United and United Subsidiary and the transactions contemplated thereby ("Proposal 1" or the "Merger Proposal");

(ii) the First Amendment Proposal—the amendment to the Company's amended and restated certificate of incorporation (the "First Amendment"), to remove certain provisions containing procedural and approval requirements applicable to the Company prior to the consummation of the business combination that will no longer be operative after the consummation of the Merger ("Proposal 2" or the "First Amendment Proposal");

(iii) the Second Amendment Proposal—the amendment to the Company's amended and restated certificate of incorporation (the "Second Amendment"), to increase the amount of authorized shares of common stock from 20,000,000 to 50,000,000 ("Proposal 3" or the "Second Amendment Proposal");

(iv) the Third Amendment Proposal—the amendment to the Company's amended and restated certificate of incorporation (the "Third Certificate of Incorporation Amendment"), to change the name of the Company to United Insurance Holdings Corp. ("Proposal 4" or the "Third Amendment Proposal");

(v) Director Proposal—to elect three (3) directors to the Company's Board of Directors to hold office until the next annual meeting of stockholders and until their successors are elected and qualified ("Proposal 4" or the "Director Proposal");

(vi) the Adjournment Proposal—to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies in the event that, based upon the tabulated vote at the time of the Special Meeting, the Company would not have been authorized to consummate the Merger—we refer to this proposal as the adjournment proposal. ("Proposal 5" or the "Adjournment Proposal"); and

(vii) such other business as may properly come before the meeting or any adjournment or postponement thereof.

The Company's Board of Directors:

• has unanimously determined the Merger Proposal, the First Amendment Proposal, the Second Amendment Proposal, the Third Amendment Proposal, the Director Proposal, and the Adjournment Proposal are fair to, and in the best interests of, the Company and its stockholders;

• has determined the consideration to be paid in connection with the Merger is fair to our current stockholders from a financial point of view and the fair market value of United is equal to or greater than 80% of the value of the net assets of the Company;

• has unanimously approved and declared it advisable to approve the Merger Proposal, the First Amendment Proposal, the Second Amendment Proposal, the Third Amendment Proposal, the Director Proposal and the Adjournment Proposal; and

• unanimously recommends the holders of the Company common stock vote "FOR" Proposal 1, the Merger Proposal, "FOR" Proposal 2, the First Amendment Proposal; "FOR" Proposal 3, the Second Amendment Proposal; "FOR" Proposal 4, the Third Amendment Proposal; "FOR" Proposal 5, the Director Proposal; and "FOR" Proposal 6, the Adjournment Proposal.

Record Date; Who is Entitled to Vote

The Record Date for the Special Meeting is , 2008. Record holders of the Company common stock at the close of business on the Record Date are entitled to vote or have their votes cast at the Special Meeting. On the Record Date, there were outstanding shares of the Company common stock.

Each share of the Company common stock is entitled to one vote at the Special Meeting.

Any shares of the Company common stock held by our officers and directors prior to the Company's IPO will be voted in accordance with the majority of the votes cast at the Special Meeting with respect to the Merger Proposal. Any shares of the Company common stock acquired by our officers and directors in the Company's IPO or afterwards will be voted in favor of the Merger. We have a total of 5,917,031 shares outstanding, of which 1,183,406 were issued prior to the IPO and are held by our officers, directors and special advisor.

The Company's issued and outstanding warrants do not have voting rights and record holders of the Company warrants will not be entitled to vote at the Special Meeting.

Voting Your Shares

Each share of the Company common stock that you own in your name entitles you to one vote. Your proxy card shows the number of shares of the Company common stock that you own.

There are two ways to vote your shares of Company common stock:

• You can vote by signing and returning the enclosed proxy card. If you vote by proxy card, your "proxy," whose name is listed on the proxy card, will vote your shares as you instruct on the proxy card. If you sign and return the proxy card, but do not give instructions on how to vote your shares, your shares will be voted, as recommended by the Company Board, "FOR" Proposal 1, the Merger Proposal, "FOR" Proposal 2, the First Amendment Proposal; "FOR" Proposal 3, the Second Amendment Proposal; "FOR" Proposal 4, the Third Amendment Proposal; "FOR" Proposal 5, the Director Proposal; and "FOR" Proposal 6, the Adjournment Proposal.

• You can attend the Special Meeting and vote in person. The Company will give you a ballot when you arrive. However, if your shares are held in the name of your broker, bank or another nominee, you must get a proxy from the broker, bank or other nominee. That is the only way the Company can be sure that the broker, bank or nominee has not already voted your shares.

Who Can Answer Your Questions About Voting Your Shares

If you have any questions about how to vote or direct a vote in respect of your Company common stock, you may call our Secretary, Larry G. Swets, Jr. at (860) 677-2701.

No Additional Matters May Be Presented at the Special Meeting

The Special Meeting has been called only to consider the approval of the Merger Proposal, the First Amendment Proposal, the Second Amendment Proposal, the Third Amendment Proposal, the Director Proposal and the

Adjournment Proposal. Under the Company's bylaws, other than procedural matters incident to the conduct of the meeting, no other matters may be considered at the Special Meeting if they are not included in the notice of the meeting.

Revoking Your Proxy

If you give a proxy, you may revoke it at any time before it is exercised by doing any one of the following:

• You may send another proxy card with a later date;

• You may notify Corporate Secretary, addressed to the Company, in writing before the Special Meeting that you have revoked your proxy; and

• You may attend the Special Meeting, revoke your proxy, and vote in person.

Quorum; Vote Required

The approval and adoption of the Merger Agreement and the transactions contemplated thereby will require the affirmative vote of a majority of the shares of the Company's common stock issued in the Company's IPO cast at the Special Meeting. A total of 4,733,625 shares were issued in our IPO. In addition, notwithstanding the approval of a majority, if the holders of 1,419,615 or more shares of common stock issued in the Company's IPO vote against the Merger and demand conversion of their shares into a pro rata portion of the trust account, then the Company will not be able to consummate the Merger. Each Company stockholder that holds shares of common stock issued in the Company's IPO or purchased following such offering in the open market has the right, assuming such stockholder votes against the Merger Proposal and, at the same time, demands the Company convert such stockholder's shares into cash equal to a pro rata portion of the trust account in which a substantial portion of the net proceeds of the Company's IPO is deposited. These shares will be converted into cash only if the Merger is consummated and the stockholder requesting conversion holds such shares until the date the Merger is consummated and tenders such shares to our stock transfer agent at or prior to the vote at the Special Meeting on the Merger Proposal.

For the purposes of Proposal 2, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the First Amendment Proposal. For the purposes of Proposal 3, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the Second Amendment Proposal. For the purposes of Proposal 4, the affirmative vote of the majority of the Company's issued and outstanding common stock as of the Record Date is required to approve the Third Amendment Proposal. For purposes of Proposal 5, the affirmative vote of the holders of a plurality of the shares of common stock cast in the election of directors is required. For purposes of Proposal 6 the affirmative vote of a majority of the shares of the Company's common stock that are present in person or by proxy and entitled to vote is required to approve the Adjournment Proposal.

It is important for you to note that in the event the Merger Proposal does not receive the necessary vote to approve such proposal, the Company will not consummate that Acquisition or any other proposal, unless the Adjournment Proposal is approved.

Abstentions and Broker Non-Votes

If your broker holds your shares in its name and you do not give the broker voting instructions, under the rules of FINRA, your broker may not vote your shares on the proposals to approve the Merger pursuant to the Merger Agreement. If you do not give your broker voting instructions and the broker does not vote your shares, this is referred to as a "broker non-vote." Abstentions and broker non-votes are counted for purposes of determining the presence of a quorum.

As long as a quorum is established at the Special Meeting, if you return your proxy card without an indication of how you desire to vote, it: (i) will have the same effect as a vote in favor of the Merger Proposal and will not have the effect of converting your shares into a pro rata portion of the trust account in which a substantial portion of the net proceeds of the Company's IPO are held, unless an affirmative vote against the Merger Proposal is made and an affirmative election to convert such shares of common stock is made on the proxy card; (ii) will have the same effect as a vote in favor of the First Amendment Proposal; (iii) will have the same effect as a vote in favor of the Second Amendment Proposal; (iv) will have the same effect as a vote in favor of the Third Amendment Proposal; (v) will have no effect on the Director Proposal; and (vi) will have the same effect as a vote in favor of the Adjournment Proposal.

Since the Merger Proposal requires only the affirmative vote of a majority of the Company shares issued in the IPO that cast a vote at the Special Meeting, abstentions or broker non-votes will not count towards such number. This has the effect of making it easier for the Company to obtain a vote in favor of the Merger Proposal as opposed to some

of the Company's other proposals or as opposed to the vote generally required under the Delaware General Corporation Law, namely a majority of the shares issued and outstanding. Furthermore, in connection with the vote required for the Merger Proposal, the founding stockholders of the Company have agreed to vote their shares of common stock owned or acquired by them at or prior to the IPO in accordance with the majority of the Company's shares issued in the IPO.

Conversion Rights

Any stockholder of the Company holding shares of common stock issued in the Company's IPO who votes against the Merger Proposal may, at the same time, demand the Company convert his shares into a pro rata portion of the trust account. You must mark the appropriate box on the proxy card in order to demand the conversion of your shares. If so demanded, the Company will convert these shares into a pro rata portion of the net proceeds from the IPO that were deposited into the trust account, plus your pro rated interest earned thereon after such date (net of taxes and amounts disbursed for working capital purposes and excluding the amount held in the trust account representing a portion of the underwriters' discount), if the Merger is consummated. If the holders of 1,419,615 or more shares of common stock issued in the Company's IPO vote against the Merger Proposal and demand conversion of their shares into a pro rata portion of the trust account, the Company will not be able to consummate the Merger. Based on the amount of cash held in the trust account as of March 31, 2008, without taking into account any interest or income taxes accrued after such date, you will be entitled to convert each share of common stock that you hold into approximately $7.91 per share (after a provision for payment of working capital costs and taxes). In addition, the Company will be liquidated if a business combination is not consummated by October 4, 2009. In any liquidation, the net proceeds of the Company's IPO held in the trust account, plus any interest earned thereon (net of taxes and amounts disbursed for working capital purposes and excluding the amount held in the trust account representing a portion of the underwriters' discount), will be distributed on a pro rata basis to the holders of the Company's common stock other than the officers, directors, special advisors and sponsor of FMG, none of whom will share in any such liquidation proceeds.

If you exercise your conversion rights, then you will be exchanging your shares of Company common stock for cash and will no longer own these shares. You will only be entitled to receive cash for these shares if you tender your stock certificate to the Company at or prior to the Special Meeting. The closing price of the Company's common stock on April 15, 2008, the most recent trading day practicable before the printing of this proxy statement/prospectus, was $7.28. The amount of cash held in the trust account was approximately $37.7 million as of March 31, 2008 (before taking into account disbursements for working capital and taxes). If a Company stockholder would have elected to exercise his conversion rights on such date, then he would have been entitled to receive $7.91 per share, plus interest accrued thereon subsequent to such date (net of taxes and amounts disbursed for working capital purposes and excluding the amount held in the trust account representing a portion of the underwriters' discount). Prior to exercising conversion rights, the Company stockholders should verify the market price of the Company's common stock as they may receive higher proceeds from the sale of their common stock in the public market than from exercising their conversion rights.

You will be required, whether you are a record holder or hold your shares in "street name", either to tender your certificates to our transfer agent or to deliver your shares to the Company's transfer agent electronically using the Depository Trust Company's DWAC (Deposit/Withdrawal At Custodian) System, at your option, at any time at or prior to the vote at the Special Meeting on the Merger Proposal. There is typically a $35 cost associated with this tendering process and the act of certificating the shares or delivering them through the DWAC system. The transfer agent will typically charge the tendering broker this $35, and the broker may or may not pass this cost on to you.

You will have sufficient time from the time we send out this proxy statement/prospectus through the time of the vote on the Merger Proposal to deliver your shares if you wish to exercise your conversion rights. However, as the delivery process can be accomplished by you, whether or not you are a record holder or your shares are held in "street name", within a business day, by simply contacting the transfer agent or your broker and requesting delivery of your shares through the DWAC System, we believe this time period is sufficient for an average investor.

Any request for conversion, once made, may be withdrawn at any time up to immediately prior to the vote on the Merger Proposal at the Special Meeting (or any adjournment or postponement thereof). Furthermore, if you delivered a certificate for conversion and subsequently decided prior to the meeting not to elect conversion, you may simply request that the transfer agent return the certificate (physically or electronically) to you. The transfer agent will typically charge an additional $35 for the return of the shares through the DWAC System.

Please note, however, that once the vote on the Merger Proposal is held at the Special Meeting, you may not withdraw your request for conversion and request the return of your stock certificate (either physically or electronically). If the Merger is not completed, your stock certificate will be automatically returned to you.

Stockholders will not be entitled to exercise their conversion rights if such stockholders return proxy cards to the Company without an indication of how they desire to vote with respect to the Merger Proposal or, for stockholders holding their shares in street name, if such stockholders fail to provide voting instructions to their brokers. Proxies received by the Company without an indication of how the stockholders intend to vote on a proposal will be voted in favor of such proposal.

Appraisal or Dissenters Rights

No appraisal rights are available under the Delaware General Corporation Law to the stockholders of the Company in connection with the Merger Proposal. The only rights for those stockholders voting against the Merger who wish to receive cash for their shares is to simultaneously demand payment for their shares from the trust account.

Under Florida Statute 608.4352 of the Florida Limited Liability Company Act (the "FLLCA"), the members of United will be entitled to dissent from the Merger and obtain cash payment for the fair value of their membership units instead of the consideration provided for in the Merger Proposal. For a more complete description of these rights, see "United Member Approval."

Solicitation Costs

The Company is soliciting proxies on behalf of the Company Board of Directors. This solicitation is being made by mail but also may be made by telephone or in person. The Company and its respective directors and officers may also solicit proxies in person, by telephone or by other electronic means, and in the event of such solicitations, the information provided will be consistent with this proxy statement and enclosed proxy card. These persons will not be paid for doing this. The Company may engage the services of a professional proxy solicitation firm. The Company will ask banks, brokers and other institutions, nominees and fiduciaries to forward its proxy statement materials to their principals and to obtain their authority to execute proxies and voting instructions. The Company will reimburse them for their reasonable expenses.

Stock Ownership

Of the 5,917,031 outstanding shares of the Company common stock, the Company's initial stockholders, including all of its officers, directors and its special advisor and their affiliates, who purchased shares of common stock prior to the Company's IPO and who own an aggregate of approximately 20% of the outstanding shares of the Company common stock (1,183,406 shares), have agreed to vote such shares acquired prior to the IPO in accordance with the vote of the majority in interest of all other Company stockholders on the Merger Proposal. Moreover, all of these persons have agreed to vote all of their shares which were acquired in or following the IPO, if any, in favor of the Merger Proposal.

The following table sets forth information regarding the beneficial ownership of our common stock as of April 15, 2008 and as adjusted to reflect the sale of founder securities and the sale of our common stock included in the units offered by this prospectus (assuming none of the individuals listed purchase units in this offering), by:

• each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock;

• each of our officers and directors; and

• all our officers and directors as a group.

Unless otherwise indicated, we believe all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

	Common Stock	
	Number of Shares (2)	Percentage of Common Stock
Name and Address of Beneficial Owners(1)		
FMG Investors LLC(3)	1,099,266	18.57%
Gordon G. Pratt, Chairman, Chief Executive Officer and President	1,099,266(3)	18.57%
Larry G. Swets, Jr., Chief Financial Officer, Secretary, Treasurer, Executive Vice President	1,099,266(3)	18.57%
Thomas D. Sargent, Director	21,035	0.36%
David E. Sturgess, Director(4)	21,035	0.36%
James R. Zuhlke, Director	21,035	0.36%
HBK Investments L.P.(5)	547,250	9.2%
Brian Taylor (6)	437,500	7.4%
Bulldog Investors(7)	1,282,167	21.67%
Millenco LLC(8)	189,375	3.2%
D.B. Zwirn Special Opportunities Fund, L.P.(9)	178,500	3.02%
D.B. Zwirn Special Opportunities Fund, Ltd. (9)	246,500	4.17%
D.B. Zwirn & Co., L.P. (9)	425,000	7.18%
DBZ GP, LLC(9)	425,000	7.18%
Zwirn Holdings, LLC(9)	350,000	5.92%
Daniel B. Zwirn(9)	350,000	5.92%
Weiss Asset Management, LLC(10)	255,002	4.3%
Weiss Capital, LLC(10)	130,435	2.2%
Andrew M. Weiss, Ph.D.(10)	385,437	6.5%
All Directors and Officers as a Group (5 persons)	1,162,371	19.64%

(1) Unless otherwise indicated, the business address of each of the stockholders is Four Forest Park, Second Floor, Farmington, Connecticut 06032.

(2) Unless otherwise indicated, all ownership is direct beneficial ownership.

(3) Each of Messrs. Pratt and Swets are the managing members of our sponsor, FMG Investors LLC, and may be deemed to each beneficially own the 1,099,266 shares owned by FMG Investors LLC.

(4) The business address of David E. Sturgess is c/o Updike, Kelly & Spellacy, P.C., One State Street, Hartford, Connecticut 06103.

(5) Based on information contained in a Statement on Schedule 13G filed by HBK Investments L.P., HBK Services LLC, HBK Partners II L.P., HBK Management LLC and HBK Master Fund L.P. on February 12, 2008. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is 300 Crescent Court, Suite 700, Dallas, Texas 75201.

(6) Based on information contained in a Statement on Schedule 13D filed by Brian Taylor, Pine River Capital Management L.P. and Nisswa Master Fund Ltd. on October 12, 2007. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is 800 Nicollet Mall, Suite 2850, Minneapolis, MN 55402.

(7)

Based on information contained in a Statement on Schedule 13D filed by Bulldog Investors, Phillip Goldstein and Andrew Dakos on February 13, 2008. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is Park 80 West, Plaza Two, Saddle Brook, NJ 07663.

(8) Based on information contained in a Statement on Schedule 13G filed by Millenco LLC, Millenium Management LLC and Israel A. Englander on December 11, 2007. All reporting parties have shared voting and dispositive power over such securities. The address of all such reporting parties is 666 Fifth Avenue, New York, NY 10103.

(9) Based on information contained in a Statement on Schedule 13G/A filed by D.B. Zwirn & Co., L.P., DBZ GP, LLC, D.B. Zwirn Special Opportunities Fund, L.P. and D.B. Zwirn Special Opportunities Fund, Ltd. on January 25, 2008. D.B. Zwirn & Co., L.P., DBZ GP, LLC, Zwirn Holdings, LLC, and Daniel B. Zwirn may each be deemed the beneficial owner of (i) 178,500 shares of common stock owned by D.B. Zwirn Opportunities Fund, L.P. and (ii) 246,500 shares of common stock owned by D.B. Zwirn Special Opportunities Fund, Ltd. (each entity referred to in (i) through (ii) is herein referred to as a "Fund" and, collectively, as the "Funds"). D.B. Zwirn & Co., L.P. is the manager of the Funds, and consequently has voting control and investment discretion over the shares of common stock held by the Fund. Daniel B. Zwirn is the managing member of and thereby controls Zwirn Holdings, LLC, which in turn is the managing member of and thereby controls DBZ GP, LLC, which in turn is the general partner of and thereby controls D.B. Zwirn & Co., L.P. The foregoing should not be construed in and of itself as an admission by any Reporting Person as to beneficial ownership of shares of common stock owned by another Reporting Person. In addition, each of D.B. Zwirn & Co., L.P., DBZ GP, LLC, Zwirn Holdings, LLC and Daniel B. Zwirn disclaims beneficial ownership of the shares of common stock held by the Funds.

(10) Based on information contained in a Statement on Schedule 13G filed by Weiss Asset Management, LLC, Weiss Capital, LLC and Andrew M. Weiss, Ph.D. on March 24, 2008. Shares reported for Weiss Asset Management, LLC include shares beneficially owned by a private investment partnership of which Weiss Asset Management, LLC is the sole general partner. Shares reported for Weiss Capital, LLC include shares beneficially owned by a private investment corporation of which Weiss Capital is the sole investment manager. Shares reported for Andrew Weiss include shares beneficially owned by a private investment partnership of which Weiss Asset Management is the sole general partner and which may be deemed to be controlled by Mr. Weiss, who is the Managing Member of Weiss Asset Management, and also includes shares held by a private investment corporation which may be deemed to be controlled by Dr. Weiss, who is the managing member of Weiss Capital, the Investment Manager of such private investment corporation. Dr. Weiss disclaims beneficial ownership of the shares reported herein as beneficially owned by him except to the extent of his pecuniary interest therein. Weiss Asset Management, Weiss Capital, and Dr. Weiss have a business address of 29 Commonwealth Avenue, 10th Floor, Boston, Massachusetts 02116.

PROPOSAL 1

THE MERGER PROPOSAL

The discussion in this proxy statement/prospectus of the Merger Proposal and the principal terms of the Merger Agreement, dated April 2, 2008, by and among the Company, United and United Subsidiary Corp., and the associated agreements are subject to, and are qualified in their entirety by reference to, the Merger Agreement, which is attached as Annex A, to this proxy statement/prospectus and is incorporated in this proxy statement/prospectus by reference.

General Description of the Merger

On April 2, 2008, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which United Subsidiary has agreed to merge with and into United, and United has agreed, subject to receipt of the Merger consideration from FMG, to become a wholly-owned subsidiary of FMG (the "Merger"). If the stockholders of the Company approve the transactions contemplated by the Merger Agreement, FMG, through United Subsidiary, which was newly incorporated in order to facilitate the Merger contemplated thereby, will purchase all of the membership units of United in a series of steps as outlined below.

FMG and United will merge pursuant to a merger transaction summarized as follows:

(i) FMG will create a transitory merger subsidiary, United Subsidiary Corp., and will merge such subsidiary with and into United, with United surviving; and

(ii) United will, as a result, become wholly-owned by FMG.

United's members will receive consideration of up to $100,000,000 consisting of:

(i) $25,000,000 in cash;

(ii) 8,750,000 shares of FMG common stock, par value $.0001 per share (assuming an $8.00 per share value); and

(iii) up to $5,000,000 of additional consideration will be paid to the members of United in the event certain net income targets are met by United, as set forth more particularly herein.

The aggregate consideration will paid pursuant to the Merger Agreement for the purchase of the membership units of United. The Company's Board of Directors has determined United has a fair market value equal to at least 80% of the Company's net assets held in trust.

The Company, United and United Subsidiary Corp. plan to consummate the Merger as promptly as practicable after the Special Meeting, provided that:

• the Company's stockholders have approved and adopted the Merger Proposal and the transactions contemplated thereby;

• holders of not more than 29.99% of the shares of the common stock issued in the Company's IPO vote against the Merger Proposal and demand conversion of their shares into cash;

• holders of not less than 66% of the membership units of United vote in favor of the Merger;

• the Securities and Exchange Commission has declared effective the registration statement and prospectus which form a part of this proxy statement/prospectus; and

• the other conditions specified in the Merger Agreement have been satisfied or waived.

See the description of the Merger Agreement in the section entitled “The Merger Agreement” beginning on page 51. The Merger Agreement is included as Exhibit 1.1 to this proxy statement/prospectus. We encourage you to read the Merger Agreement in its entirety.

Under the terms of the Company’s amended and restated certificate of incorporation, the Company may proceed with the Merger provided that not more than 29.99% of the Company's public stockholders electing to convert their shares of common stock to cash and not participate in the Merger.

Background of the Merger

During the period immediately subsequent to our initial public offering on October 11, 2007 through March 2008, we were involved in identifying and evaluating prospective businesses regarding potential business combinations. On October 12, 2007, the day after the consummation of our initial public offering, management convened a discussion with our Board of Directors to institute centralized corporate governance procedures and to discuss and begin implementing our overall plan for identifying, evaluating and, where appropriate, pursuing a potential business combination. We discussed the most effective means for us to solicit and track opportunities, and we determined that we should plan regular telephonic conferences with our board to discuss our progress. Given our commitment to source, review and negotiate a transaction, we agreed immediately to identify and begin the process of making contact with: (i) private companies we know to be active in the insurance industry and (ii) various prospective sources of deal flow, including investment banks, actuaries, consultants, private equity firms and business acquaintances we have established over a professional lifetime within the insurance industry to encourage them to contact us with new and old ideas or specific business combination opportunities they might wish for us to consider and explore. Messrs. Pratt and Swets discussed with the board various areas within the insurance industry where they expected there to be a higher probability of identifying attractive companies for a business combination, with particular focus on specialty property-casualty insurance companies, wholesale insurance brokerages and program management businesses. Messrs. Pratt and Swets discussed with the board some of the opportunities and risks of a business combination with an insurance company when compared to an insurance wholesale broker or program, pointing out that each type of business holds attractive elements and other elements to consider.

We were able to source opportunities both by approaching private companies and by responding to inquiries or references from the various sources of deal flow noted above. We did not limit ourselves to any single transaction structure (i.e. cash vs. stock issued to potential seller, straight merger, corporate spin-out or management buy-out). Although the search stayed within the insurance industry, the definition of insurance remained broad. Active sourcing involved FMG management, among other things:

- Initiating conversations, via phone, e-mail or other means (whether directly or via a private company's major stockholders, members, or directors as well as professionals and industry contacts we have known during our professional careers) with private companies which management believed could make attractive business combination partners;
- Contacting professional service providers (accountants, attorneys, actuaries and consultants);
- Using their network of business associates and friends for leads;
- Working with third-party intermediaries, including investment bankers; and
- Inquiring directly of business owners, including private equity firms, of their interest in having one of their businesses enter into a business combination.

Management also fielded inquiries and responded to solicitations by: (i) companies looking for capital or investment alternatives and (ii) investment bankers or other similar professionals who represent companies engaged in a sale or fund-raising process. We considered numerous companies in various sectors of the insurance industry, including underwriting property-casualty insurance companies, retail insurance brokerage, wholesale insurance brokerage, insurance program management, United Kingdom-based employee benefits management, critical care insurance and management, wholesale life insurance brokerage and professional employer organization workers' compensation insurance. Several non-disclosure agreements were signed.

In considering potential targets, the Company's management considered the following factors concerning potential business combination partner, as being material to their decision:

- Specialty focus, for example by line of business, geography, product, distribution or client base;
- Record of growth and profitability;
- Ability to operate in difficult, dislocated or fragmented markets;
- Business model and approach to building recurring revenue;

- Ability to achieve incremental revenue or decrease costs from current core business;
- Potential for greater economies of scale or higher profitability through consolidation;
- Opportunity to deploy capital at appropriate rates of return in the current business plan;
- Experience and skill of management and availability of additional personnel;
- Capital requirements;
- Competitive position;
- Financial condition;
- Barriers to entry;
- Stage of development of the products, processes or services;
- Breadth of services offered;
- Degree of current or potential market acceptance of the services;
- Regulatory environment of the industry;
- Costs associated with effecting the business combination; and
- Probability of successfully negotiating and consummating a business combination with the potential partner.

The evaluation relating to the merits of a particular business combination were based primarily, to the extent relevant, on the above factors. In evaluating a prospective business combination partner, we conducted such diligence as we deemed necessary to understand a particular potential business combination partner's business that included, among other things, meetings with the potential business partner's management, where applicable, as well as review of financial and other information made available to us.

As a result of these efforts, the Company initiated contact, either directly or through a third party intermediary, with approximately twelve (12) potential business combination companies. In addition, we received business plans, reviewed financial summaries or received presentation books of at least ten (10) potential target business combination companies. We signed non-disclosure agreements relating to several potential business combination opportunities. We also had discussions with a number of potential business combination companies with whom a non-disclosure agreement was not signed. With respect to some of the opportunities, discussions among the Company's management and the potential business combination partners included financial disclosures, reviews of potential transaction structures, discussions of preliminary estimates of transaction values and discussions of management objectives, business plans, and projections. Discussions, including introductory meetings attended by some combination of Messrs. Pratt and Swets, occurred with potential business combination partners on a regular basis during the period from October 2007 through March 2008.

On November 15, 2007, our Board of Directors met to discuss certain ongoing, routine corporate matters, including review and approval of our filings with the SEC, and to review our progress to date in identifying and discussing candidates for a potential business combination. Our management: (i) reported concerning its efforts since the last board meeting to reach out to potential business combination candidates and their owners and advisors and (ii)

reviewed the results of these efforts, namely more than twelve (12) potential business combination companies. Among other matters, management reported that, based on its research and experience in evaluating insurance markets that offer specialized risk and reward prospects, the Florida homeowners insurance market held particular promise.

In the first half of 2006, prior to the formation of our company, James R. Zuhlke, one of our directors, and a private equity firm with whom he was working had discussions with representatives of United to consider a possible transaction with United. This firm ultimately did not make any proposal for a transaction with United. In the second half of 2006 and early 2007, Mr. Zuhlke and Gordon Pratt, the Managing Director of Fund Management Group, had discussions with representatives of United regarding a possible transaction with United. Fund Management Group specializes in managing investments in, and providing advice to, privately held insurance related businesses. In late 2006 and early 2007, Fund Management Group indicated to United's management an interest in acquiring United. In February 2007, United notified Fund Management Group that United was not interested in pursuing a transaction. There was no further contact between Messrs. Pratt and Zuhlke and United regarding such a transaction after February 26, 2007.

Mr. Pratt reported he had attended a meeting at United's offices with Messrs. Cronin, Griffin, and Russell on November 14, 2007, and later that evening attended a dinner with several United directors and advisors, including Messrs. Branch, Whittemore, Savage, and DeLacey. At the November 15, 2007 Board meeting, Mr. Pratt reported that: (i) in addition to United, several other companies in the Florida homeowners market may be suitable candidates for a business combination and (ii) United may be receptive to a proposal for a business combination. Management also gave reports concerning other promising companies and markets the Company should consider, and the board encouraged management to continue the process of meeting with and discussing a possible business combination with several candidates, including United.

On November 20, 2007, the Company and United signed mutual non-disclosure agreements in order to exchange information and continue discussions on a confidential basis. The Company began to receive confidential reports concerning United on November 25 and 26, 2007. United and the Company agreed to meet on December 6, 2007 in United's offices. There are no direct or indirect business relationships between any of the officers, directors, or principal stockholders of the Company and any of the officers, directors, or principal members of United.

On December 6, 2007, Messrs. Pratt and Swets met with Messrs. Cronin, Griffin, Russell and Hearn in United's offices. Also in attendance was Mr. Brian Nestor of Raymond James & Associates in their capacity as financial advisor to United. During the meeting and throughout the day, the parties discussed United's book of business, underwriting, modeling, changes to the policies offered to its policyholders, rates, new business initiatives, claims operations and reinsurance. Messrs. Cronin, Griffin, Pratt, and Swets continued, over dinner, to discuss items including management of the combined companies should a business combination proceed. The following day, Mr. Patrick DeLacey of Raymond James & Associates (and also a director of United) spoke with Mr. Pratt concerning a potential business combination and informed the Company that any business combination: (i) must meet an appropriate value for United's members and (ii) must be negotiated in a timely manner, since United was considering a number of potential options, including a possible sale or merger to other parties or a decision to remain a private company held by the current members. Mr. DeLacey provided additional documents concerning United on December 13 and 14, 2007.

On December 16, 2007, after analysis of the information provided by United to date, the Company delivered a non-binding letter of interest ("Interest Letter") to Messrs. Branch and DeLacey expressing interest in a business combination with United in the form of a merger with the Company, with the resulting merged company to be renamed United Insurance Holdings Corp. ("UIH"). A summary of the material terms of the Interest Letter appears below:

Consideration:

- $25,000,000 in cash consideration at the closing
- 8,125,000 shares of the Company
- $5,000,000 in cash as additional consideration
- 625,000 shares of the Company as additional consideration

- The additional consideration would be based on UIH's performance in the first full four quarters post-merger. Additional consideration begins accruing when GAAP net income for UIH exceeds $25 million and is fully earned if GAAP net income reaches or exceeds $29 million

- The UIH board would include Mr. Branch and other current United directors while FMG would name an equal number of directors to the UIH board.

- The parties would mutually discuss an appropriate capital and business plan for UIH

The Interest Letter requested that the parties enter into more detailed discussions concerning negotiation of a non-binding letter of intent ("LOI") and the diligence, timetable and documentation requirements for a merger.

On December 21, 2007, the Company's Board convened a discussion by teleconference. During the discussion, Messrs. Pratt and Swets described meetings held with United and meetings and discussions with several other candidates concerning a potential business combination. Management also described the Interest Letter and that the Company is awaiting United's response. The Board acknowledged management's progress and management informed the board that, prior to any LOI with any candidate for a potential merger combination, the Board would meet to consider the circumstances, review any LOI, and hold a discussion before voting on whether or not to issue an LOI.

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Later that day, Messrs. Pratt and DeLacey spoke concerning a proposed merger. Mr. DeLacey reported that United's board had met on December 18, 2007 to consider the Interest Letter and wished to continue discussions through Mr. Branch and Mr. DeLacey. Key points of the discussion focused on issues concerning proposed management of UIH and the constitution of UIH's board of directors, the amount of consideration at the closing of a merger, and the amount, timing, and form of payment for additional consideration. On December 24, 2007, Messrs. Pratt and DeLacey discussed these issues again and agreed to speak early in January.

From January 4, 2008 through January 9, 2008, Messrs. Pratt and DeLacey held a series of discussions focused on resolving outstanding issues and discussed additional issues concerning the appropriate representations, warranties, and indemnification between the parties, the registration rights United's members would have concerning Company stock received by United's members as merger consideration, "lock-ups" or other restrictions on such stock, the conditions to a closing, confidentiality and exclusivity, the conduct of each party in the period prior to any closing, and a waiver by United concerning the Company's trust fund. Mr. DeLacey sent a summary of the discussions for Messrs. Pratt and Branch to use for negotiation. On January 10, 2008, Messrs. Pratt and Branch continued their discussions and Mr. Pratt agreed to provide a draft LOI for consideration by United and its advisors. Mr. Pratt provided a draft LOI to United and to the Company's Board on January 14, 2008.

On January 15, 2008, our Board of Directors met to discuss a possible merger with United and the draft LOI. Management presented a summary of information learned to date concerning United, and a discussion ensued concerning: (i) United's management and its experience; (ii) the proposed valuation of United in a merger and its relative attractiveness from the point of view of the Company's stockholders; (iii) United's capital structure and ownership; (iv) United's market share in Florida and that of the Florida state-owned insurance company, Citizens Property Insurance Company; and (v) the opportunities and risks in a merger with United. The Board also discussed the draft LOI and the remaining issues under discussion with United. Due to time constraints, the Board decided to recess the meeting and reconvene on January 17, 2008.

On January 17, 2008, the Board continued its discussions concerning: (i) United's valuation in the proposed merger; (ii) details concerning fundamental financial results of United and comparisons to publicly-traded insurance companies; (iii) United's expected balance sheet at the time of the proposed merger; (iv) the expected returns and risks in United's business, including giving proper account to its exposure to catastrophe risk; and (v) the opportunities and risks in expanding United's business to other states. Mr. Pratt also gave his opinion as to how the final issues in the LOI would be resolved in final negotiation. Following this discussion, the Board unanimously approved a resolution authorizing management, on behalf of the Company, to enter into an LOI with United on substantially the same terms as were presented in the draft LOI (and as negotiated to final resolution by management).

On January 20, 2008, we sent to United an LOI which that United executed on the following day. The LOI contemplates a merger of United with FMG (or a wholly-owned subsidiary) with FMG to be renamed UIH. A summary of the material terms of the non-binding LOI appears below:

- $25,000,000 in cash consideration at the closing
- 8,750,000 registered shares of FMG
- $5,000,000 in cash as possible additional consideration

- The additional consideration would be based on UIH's performance in the twelve month period covering either (i) July 1, 2008 to June 30, 2009 or (ii) calendar 2009. Additional consideration begins accruing when GAAP net income for UIH exceeds $25 million and is fully earned if GAAP net income reaches or exceeds $27.5 million

- The UIH management will include Mr. Cronin (President and Chief Executive Officer) and Mr. Griffin (Chief Financial Officer). Mr. Russell will be Chief Underwriting Officer of United.

· The UIH board would be set initially at six members with each of the Company and United naming three (3) members. Mr. Branch will serve as Chairman and Mr. Pratt as Vice Chairman of UIH.

- As soon as is practical following the execution of the definitive merger agreement, FMG will file with the SEC a Form S-4 registration statement concerning the shares of the Company United's owners will receive in the merger.

- Our officers and directors will continue to be bound by existing share escrow arrangements, and certain parties related to United will execute "lock-up" agreements.

- Customary closing conditions will apply, including the negotiation of a definitive merger agreement with mutually acceptable representations, warranties, and indemnification; also, conditions to close will include regulatory approvals (such as that of the Florida OIR).

- An exclusivity period of thirty (30) days during which we could conduct diligence concerning United and prepare appropriate documentation.

- Provisions concerning: (i) United's waiver of a claim on our trust account and (ii) mutual promises of confidentiality.

On January 24, 2008, at the Raymond James headquarters in St. Petersburg, Florida, Messrs. Pratt and Swets met with Messrs. Cronin, Griffin, Russell and Michael Farrell, United's senior financial analyst and Keith Irvine (Raymond James), all representing United, in order to discuss the process for diligence and documentation.

Beginning with the January 24, 2008 meeting and continuing through the signing of the Agreement and Plan of Merger, we conducted diligence concerning United's business, operations and financial results. Messrs. Pratt and Swets actively participated in numerous telephone conversations and email communications with officers and other representatives of United. We retained outside advisors and consultants who supplemented our work with reports concerning the following areas or functions: accounting, investments, policy administration, claims, reinsurance, actuarial computations (including computations of premiums, reserves for losses, reserves for lost adjustment expenses, unearned premiums and reinsurance recoverables) corporate structure, ownership and any material restrictions contained in United's contracts and governing documents.

On February 22, 2008, the Company's Board convened a discussion by teleconference. Our management described:

- The scope of the diligence being conducted by us, including portions performed directly by Messrs. Pratt and Swets;

- The personnel, backgrounds and references for the firms retained to perform diligence for us, which including an accounting firm, a law firm, an operations and internal audit consultant, a reinsurance broker and consultant and an actuarial consultant; and

- Our findings to date from both management and from our outside retained firms and consultants.

The directors discussed the diligence findings and encouraged management to continue discussions with United, including preparation of a draft definitive merger agreement (which was delivered to United on March 7, 2008). The directors also encouraged management to continue discussions with other candidates concerning a potential business combination.

On March 14, 2008 the Company's Board convened a discussion by teleconference. Management described its continuing analysis of United, its management, our diligence and the state of discussions concerning a definitive merger agreement. In particular, our management described:

- A valuation and investment thesis for the merger with United;

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Management's assessment of United and its management, particularly with respect to United's underwriting focus and risk management;

- An assessment of United's profit opportunities and risk to those profits under various scenarios; and

- An analysis of the potential combined profits and earnings per share after a merger, both in absolute terms and relative to certain publicly-traded insurance companies.

The directors discussed these matters and encouraged management to continue discussions with United. We scheduled a meeting on March 20, 2008 to review (i) all of the steps taken by us in our discussions with United, (ii) diligence memoranda concerning United prepared by management and by our counsel (which were provided to the directors prior to the March 20 meeting) (iii) a draft definitive merger agreement in a form substantially similar to its final form (which was provided to directors prior to the March 20 meeting); (iv) a fairness opinion (prepared by Piper Jaffray) and (v) information concerning the status of discussions with other candidates concerning a potential business combination.

On March 20, 2008, FMG's Board of Directors met to evaluate the materials set forth above in order to consider approval of a merger with United. Management presented the diligence findings and a summary of the status of discussions with other candidates concerning a potential business combination. Representatives of Piper Jaffray joined the meeting to discuss their opinion concerning the transaction.

During the meeting our directors considered many aspects of a merger with United, including, but not limited to:

- The overall state of the Florida homeowners insurance business and the relative attractiveness of this market;
- United's historical record of success in the Florida market;
- The expected return on equity for United's business in comparison to others operating in the Florida market;
- The expected profitability of United's business after giving proper account to United's exposure to, and management of, catastrophe risk;
- Diligence reports concerning United's balance sheet, including a review of its investment assets, loss reserves, unearned premium reserves and reinsurance arrangements;
- Confirmations of United's loss reserve estimates and claims practices by an independent actuary and an independent accounting firm retained by the Company;
- United's reinsurance program, underlying contract arrangements, and quality of reinsurance providers, including review of the findings of an independent reinsurance consultant retained by the Company;
- The status of discussions with other candidates concerning a potential business combination, including management's assessment of those candidates' potential value, the probability of negotiating an acceptable business combination and the timeframe for so doing; and
- The amount and form of the consideration to be paid by FMG to effect the merger, including the Piper Jaffray opinion that the transaction is fair, from a financial point of view, to the Company's stockholders. From this, and their own assessment of the transaction, the directors concluded that United's value also exceeds $30,176,383, or 80% of the Company's assets held in its trust account.

Following this discussion, FMG's Board unanimously approved a resolution in favor of the merger with United and a resolution authorizing Messrs. Pratt and Swets to take all actions they deem necessary to finalize the merger agreement.

Interests of United Directors and Officers in the Merger

Gregory C. Branch, Alec C. Poitevint, and Kent G. Whittemore, directors of United, will be directors of the combined company following the Merger.

Interests of FMG Directors and Officers in the Merger

In considering the recommendation of the Board of Directors of the Company to vote for the proposals to approve and adopt the Merger Agreement and the Merger, you should be aware that certain members of the Company's Board have agreements or arrangements that provide them with interests in the Merger that differ from, or are in addition to, those of the Company stockholders generally. In particular:

• If the Merger is not approved, the Company may be required to liquidate, and the shares of common stock and warrants held by the Company's executive officers and directors will be worthless because the Company's executive officers and directors are not entitled to receive any of the net proceeds of the Company's IPO that may be distributed upon liquidation of the Company. The Company's executive officers, directors and special advisor own a total 1,183,406 shares of the Company's common stock that have a market value of approximately $8,615,196 based on the Company's share price of $7.28 as of April 15, 2008. The Company's executive officers and directors also own a total of 1,250,000 warrants to purchase shares of the Company's common stock that have a market value of $625,000 based on the Company's warrant price of $0.50 as of April 15, 2008. The Company's executive officers, directors and special advisors are contractually prohibited from selling their shares of common stock prior to one year after the consummation of a business combination, during which time the value of the shares may increase or decrease.

• It is currently anticipated that Messrs. Gordon G. Pratt, Larry G. Swets, Jr. and James R. Zuhlke, all of whom are current directors of the Company, will continue as directors of the Company after the Merger.

The Company's Reasons for the Merger and Recommendation of the Company's Board

In the prospectus relating to our IPO, we stated our intention to focus our pursuit of a business combination on merger partners in the insurance industry. We believe the Merger meets these investment objectives.

Our Board of Directors also considered a wide variety of other factors in connection with its evaluation of the Merger. In light of the complexity of those factors, our Board of Directors, as a whole, did not consider it practicable to, nor did it attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its decision. Individual members of our Board of Directors may have given different weight to different factors.

Based upon our evaluation as set forth above, our Board of Directors has unanimously approved the Merger and determined it is in the best interests of the Company and our stockholders.

Terms of the Merger Agreement

The terms of the Merger Agreement, including the closing conditions, are customary and reasonable. It was important to the Company's Board of Directors that the Merger Agreement include customary terms and conditions as it believed such terms and conditions would allow for a more efficient closing process and lower transaction expenses.

The Company's Board of Directors believes the above factors strongly supported its determination and recommendation to approve the Merger. The Company's Board of Directors did, however, consider the following potentially negative factors, among others, including the Risk Factors, in its deliberations concerning the Merger:

The risk its public stockholders would vote against the Merger and exercise their conversion rights

The Company's Board of Directors considered the risk the current public stockholders of the Company would vote against the Merger and demand to redeem their shares for cash upon consummation of the Merger, thereby depleting the amount of cash available to the combined company following the Merger. For reasons stated above, the Company's Board of Directors deemed this risk to be less with regard to United than it would be for other merger partners and believes the Company will still be able to implement its business plan, even if the maximum number of public stockholders exercised their conversion rights.

Certain officers and directors of the Company may have different interests in the Merger than the Company stockholders

The Company's Board of Directors considered the fact certain officers and directors of the Company may have interests in the Merger different from, or in addition to, the interests of the Company stockholders generally, including the matters described under "Interests of the Company and Officers in the Merger" above.

Limitations on indemnification set forth in the Merger Agreement

The Company's Board of Directors considered the limitations on indemnification set forth in the Merger Agreement. See

"The Merger Agreement." The Board of Directors of the Company determined that such limitations are consistent with what could be expected.

The risk United and its affiliates would control a significant percentage of our issued shares stock after the transaction.

Upon the consummation of the Merger, the members of United will beneficially own approximately 60% of the common stock of FMG, assuming no conversion of stock by public stockholders, and approximately 68% if the maximum number of shares is converted. Therefore, the members of United will be able to exercise significant control over the operations of FMG and may vote its common stock in ways that are adverse or otherwise not in the best interest of our stockholders as a group.

The risk the Company's current stockholders will experience substantial dilution upon consummation of the Merger.

If we consummate the Merger, we will issue, in the aggregate, 8,750,000 shares of our common stock. Our IPO stockholders currently own approximately 80% of the Company's outstanding capital stock. Following the Merger, all current FMG stockholders will own approximately 40% of our common stock. Our net income per share, assuming no shares are converted, will increase from $0.03 to $2.71 on a pro-forma basis ($2.62 per share on a diluted, pro-forma basis assuming 29.99% of our public shares convert). We believe, despite the dilution in ownership our IPO stockholders will experience as a result of the Merger, this transaction is still beneficial for them.

The lack of approval of the Merger from United's members prior to the execution of the Merger Agreement.

While it would have been preferable to have the required approval of the members of United upon the execution of the Merger Agreement, such approval is, necessarily, a closing condition. We expect the vote to be taken by United's members following the effectiveness of this proxy but prior to the date of the Special Meeting. Additionally, in the event the members of United do not approve the Merger, we are entitled to terminate the Merger Agreement and receive reimbursement from United for all costs, expenses and fees incurred in connection with the transactions contemplated hereby, up to a maximum of $500,000, within three (3) business days of the date of written notice of termination of the Merger Agreement. Despite the lack of approval of United's members prior to the date hereof, we believe the Merger is beneficial to our stockholders.

United's Reasons for the Merger with the Company

The United board of managers believes that the proposed merger between the Company and United is in the best interests of United and its members based on the following:

- As of December 31, 2007, the Company had approximately $37.7 million in its trust account, including accrued interest (but not taking into account taxes payable). If the Merger is completed, the funds in the Company's trust account will be available for the operations of the Company following the Merger, less expenses of the Merger and amounts paid to holders of up to 29.99% of the shares of the Company's common stock issued in the Company's initial public offering who vote against the Merger Proposal and properly elect to convert their shares of common stock into a pro rata share of the amount held in the trust account (including the amount held in the trust account representing the deferred portion of the underwriters' fee), inclusive of any interest earned on their pro rata share (net of taxes payable). United believes that because following the Merger the Company will have substantially greater capitalization than United alone, the combined company will be in a better position to expand its insurance business.

- The Merger would allow United to increase the statutory capital and surplus of its insurance company subsidiaries providing it the ability to expand the number of property and casualty insurance policies that it writes in the State of Florida.

- The abilities and experience of the directors of the Company who are expected to remain as directors of the Company after the Merger will be highly valuable in executing its business strategy. See "*Directors and Management of the Company Following the Merger.*"

-

The Company common stock issued in the Merger will be publicly traded, which could provide liquidity to United's members and provide the business with access to the public capital markets, the ability to attract, retain and incentivize highly qualified employees with grants of options for, or other equity awards in the form of, publicly traded stock.

- The resulting publicly traded stock will present United with greater ability to use stock as acquisition or partnership currency.

In addition to the primary reasons set forth above, United's board also considered certain potentially negative factors in its deliberations, including the risk that the Merger may not be completed, risks associated with a potentially illiquid trading market for the Company common stock and costs associated with being a public company, among others.

FAIRNESS OPINION OF PIPER JAFFRAY

The Company retained Piper Jaffray to provide a Fairness Opinion to the Company's Board of Directors in connection with the Merger.

On March 20, 2008, our Board of Directors held a meeting to evaluate the proposed Merger with United. At this meeting, Piper Jaffray reviewed the financial aspects of the proposed Merger and rendered an oral opinion to our Board of Directors, which was subsequently confirmed by delivery of a written opinion, dated March 20, 2008, that as of the date of the opinion, and subject to the factors and assumptions set forth in the written opinion, the consideration to be paid pursuant to the Merger Agreement was fair, from a financial point of view, to the holders of our common stock.

The full text of the written opinion by Piper Jaffray is attached as Annex C to this proxy statement. Stockholders are urged to read the opinion carefully and in its entirety for a description of the assumptions made, matters considered, procedures followed and limitations on the review undertaken by Piper Jaffray in rendering its opinion. The summary of the Piper Jaffray opinion set forth in this proxy statement is qualified in its entirety by reference to the full text of the opinion. The Piper Jaffray opinion is addressed to the Company's Board of Directors and addresses only the fairness to the Company, from a financial point of view, of the consideration to be paid by FMG in the Merger. The Piper Jaffray opinion does not constitute a recommendation to any Company stockholder as to how that stockholder should vote or act on any matter relating to the Merger (including, without limitation, with respect to the exercise of rights to convert Company shares into cash). Further, the Piper Jaffray opinion does not in any manner address the underlying business decision of the Company to engage in the Merger or the relative merits of the Merger as compared to any alternative business decision or strategy (including, without limitation, a liquidation of the Company after not completing a business combination transaction within the allotted time). The decision as to whether to approve the Merger or any related transaction may depend on an assessment of factors unrelated to the financial analysis on which the Piper Jaffray opinion is based.

Piper Jaffray's opinion was intended solely for the use and benefit of our Board of Directors in connection with its consideration of the Merger, does not address the merits of the underlying decision by us to enter into the Merger Agreement or any of the transactions contemplated thereby, including the Merger, and does not constitute a recommendation to any of our stockholders as to how that stockholder should vote on, or take any action with respect to, the Merger or any related matter. Piper Jaffray was not asked to address nor does its opinion address, the fairness to, or any other consideration of, the holders of any other class of securities, creditors or other constituencies of FMG.

In connection with its opinion, Piper Jaffray reviewed and analyzed the Merger and the financial and operating condition of United and us, including, among other things, the following:

- a draft of the Merger Agreement, dated March 20, 2008;
- other relevant draft documents related to the Merger;

- United's annual reports for the fiscal years ended December 31, 2004 through December 31, 2007;

- forecasts and projections prepared by United's management with respect to United for the fiscal years ended December 31, 2008 through December 31, 2012, which information included (a) limited forecast information relating to United's business, having been advised that more detailed financial forecasts for the business were not available and (b) certain adjustments to United's historical financial statements that were prepared by the management of United and also agreed to by the Company's management;

- certain financial data of United and compared it to publicly available financial data for certain other companies that Piper Jaffray deemed comparable to United, and publicly available prices in other business combinations that Piper Jaffray considered relevant in its analysis;

- publicly available financial information concerning the Company that Piper Jaffray believed to be relevant to its analysis, including the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and the Registration Statement on Form S-1 filed with the SEC on October 4, 2007;

- certain other communications from the Company to its stockholders;

- certain internal financial analyses and forecasts for the Company and United prepared by Company management;

- unit, common stock and warrant reported price and trading activity for the Company; and

- conducted such other studies, analyses and inquiries as it deemed appropriate.

Piper Jaffray also:

- held several discussions with certain members of United's senior management to discuss operations, financial condition, future prospects and projected operations and performance of United; and

- met with certain members of the Company's senior management to discuss the existing operations and financial condition of the Company, as well as operations, financial condition and business strategy post-Merger.

Piper Jaffray also took into account its assessment of general economic, market and financial conditions and its experience in other transactions, as well as its experience in securities valuation and knowledge of the insurance industry generally. Piper Jaffray's opinion is necessarily based upon conditions as they existed and could be evaluated on the date of its opinion and the information made available to it through the date thereof. In conducting its review and arriving at its opinion, Piper Jaffray, with our consent, assumed and relied upon, without independent verification, the accuracy and completeness of all of the financial and other information provided to it or publicly available and did not assume any responsibility for independently verifying the accuracy or completeness of any such information. Piper Jaffray, with our consent, relied upon United's management as to the reasonableness and achievability of the financial and operating forecasts and projections (and the related assumptions and bases) provided to it, and assumed that such forecasts and projections were reasonably prepared by United's management on bases reflecting the best currently available estimates and judgments of United's management and that such forecasts and projections would be realized in the amounts and in the time periods currently estimated by United's management. Piper Jaffray expresses no view as to such forecasts or projections or the assumptions upon which they were based. Piper Jaffrey is not an expert in the independent verification of the adequacy of reserves for loss and loss adjustment expenses and assumed, with our consent, that United's aggregate reserves for loss and loss adjustment expenses are adequate to cover such losses. In that regard, Piper Jaffray made no analysis of, and expressed no opinion as to, the adequacy of reserves for loss and loss adjustment expenses. In rendering its opinion, Piper Jaffray did not make or obtain any evaluations or appraisals of the property of United or us, nor did it examine any of United's individual underwriting files. In addition,

Piper Jaffray has not assumed any obligation to conduct any physical inspection of United's properties or facilities.

Piper Jaffray assumed, with our consent, that the Merger would be consummated in accordance with the terms of the Merger Agreement, without waiver, modification or amendment of any material term, condition or agreement, and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the Merger, no delay, limitation, restriction or condition will be imposed that would have a material adverse effect on United or us. Piper Jaffray further assumed that the final terms of the Merger Agreement would not vary materially from those set forth in the draft reviewed by Piper Jaffray.

The following is a summary of the material analyses presented by Piper Jaffray to our Board of Directors on March 20, 2008 in connection with its review of the financial considerations of the Merger. The summary is not a complete description of the analyses underlying the Piper Jaffray opinion or the presentation made by Piper Jaffray to our Board of Directors, but summarizes the analyses performed and presented in connection with such opinion. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Piper Jaffray did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Piper Jaffray did not form an opinion as to whether any individual analysis or factor (positive or negative) considered in isolation supported or failed to support its opinion; rather, Piper Jaffray made its determination that the Merger consideration to be received by holders of United membership units was fair, from a financial point of view, to the holders of our common stock on the basis of its experience and professional judgment, after considering the results of all of its analyses taken as a whole. The financial analyses summarized below include information presented in tabular format, which do not constitute a complete description of Piper Jaffray's financial analyses and must be read in conjunction with the accompanying text. Accordingly, Piper Jaffray believes its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying Piper Jaffray's analyses and opinion.

Summary of Proposal. Piper Jaffray reviewed the financial terms of the proposed transaction. Pursuant to the Merger Agreement, United will receive Twenty Five Million Dollars ($25,000,000) in cash; plus, Eight Million Seven Hundred Fifty Thousand (8,750,000) shares of FMG common stock; plus up to Five Million Dollars ($5,000,000) in cash, based on certain operating performance targets. Assuming that certain performance targets are achieved post-Merger, aggregate transaction value to the holders of United membership units could equal as much as $100 million based on the number of shares and options outstanding on March 20, 2008.

Comparable Companies Analysis. Using publicly available information, Piper Jaffray compared United's financial performance and financial condition to those of a group of selected publicly-traded personal lines property-casualty insurance companies and "offshore" reinsurance companies. These companies were selected based on Piper Jaffray's professional judgment considering characteristics such as the type of insurance written and market capitalization. None of the selected companies are directly comparable to United and, therefore, the results of the selected companies analysis are primarily financial calculations rather than detailed analyses of the differences in operating characteristics and business mixes of the various companies. Appropriate use of the data includes qualitative judgments concerning, among other things, differences among the companies. United and comparable company results were adjusted to omit the tax-affected value of any "take-out" bonuses earned.

Selected personal lines property-casualty insurance companies included:

- Infinity Property & Casualty (IPCC)
- Hilltop Holdings (HTH)
- Safety Insurance Group (SAFT)
- Donegal Group (DGICA)
- First Acceptance (FAC)
- Universal Insurance Holdings (UVE)
- GAINSCO (GAN)
- 21st Century Holding Company (TCHC)

Selected "offshore" reinsurance companies included:

- Validus Holdings, Ltd. (VR)
- IPC Holdings, Ltd. (IPCR)
- Montpelier Re Holdings, Ltd. (MRH)
- Flagstone Reinsurance Holdings, Ltd. (FSR)

The following is a summary of Piper Jaffray's analysis of certain key performance metrics and ratios:

2007 GAAP Statistic	United [1]	U.S. Personal Lines Median	Bermuda Reinsurer Median
Loss & LAE Ratio	30.1%	63.2%	24.3%
Expense Ratio	54.5	29.2	30.7
Combined Ratio	84.6	93.6	63.1
ROAE	64.9	11.4	19.4
Net Income Margin	26.6	12.1	42.4

(1) Assuming a 37.6% corporate tax rate

For each selected company, Piper Jaffray calculated the ratio of its earnings per share for 2007 and estimated earnings per share for 2008, based on Reuters consensus estimates, to its stock price as of March 19, 2008. For 2007, and excluding first and fourth quartile multiples, Piper Jaffray calculated earnings multiples of the selected companies as ranging from a low of 2.6x to a high of 5.9x. For 2008, using the same methodology, Piper Jaffray calculated earnings multiples of the selected companies as ranging from a low of 5.9x to a high of 7.2x. By applying the derived range of multiples for 2007 of 2.6x to 5.9x to United's net income of $21.5 million, Piper Jaffray derived a range of implied equity values for United of between approximately $55.3 million and $126.6 million. By applying the derived range of multiples for 2008 of 5.9x to 7.2x to United's 2008 estimated net income of $19.3 million, based on United management's estimates, Piper Jaffray derived a range of implied equity values for United of between approximately $114.1 million and $139.5 million.

Piper Jaffray also calculated the ratio of closing stock price as of March 19, 2008 to reported GAAP book value per share at December 31, 2007 of the selected companies. Piper Jaffray calculated price to book value multiples ranging from a low of 0.9x to a high of 1.1x, excluding first and fourth quartile multiples. By applying the derived range of multiples to United's reported December 31, 2007 book value of $46.1 million, Piper Jaffray derived a range of implied equity values for United of between $40.4 million and $51.7 million.

Calculations in this analysis do not include a "change of control premium" despite the fact that one is customarily paid in the event of a merger or acquisition. Based on the analyses described above, Piper Jaffray calculated the following implied ranges of approximate trading values for United:

Implied Trading Values Based on Management Estimates			
2007 Net Income	$55.3	–	$126.6
2008E Net Income	114.1	–	139.5
2007 Book Value, as of December 31, 2007	40.4	–	51.7

Comparable Transactions Analysis

Using publicly available information, Piper Jaffray reviewed the range of implied multiples paid or payable in selected change of control transactions announced since January 1, 2000 with announced deal values greater than $15 million involving certain target companies participating in the United States personal lines segment of the property-casualty insurance market. An analysis of the resulting multiples of the selected precedent transactions necessarily involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that may have affected the selected transactions and/or the Merger. Accordingly, while Piper Jaffray assessed selected precedent transactions in the personal lines sector of the property-casualty insurance marketplace, it determined that many of such transactions offered limited comparability to the Merger due to, among other things, the limited information publicly available for many of the precedent transactions, potential differences in operating characteristics and performance of the target companies in the precedent transactions and changes in the insurance industry market conditions since some of the precedent transactions were announced. No selected

comparable company or transaction was identical to United or the Merger.

Selected transactions included:

Announcement Date	Target	Acquirer
March 1, 2007	Bristol West Holdings Inc.	Zurich Financial Services AG
December 4, 2006	Direct General Corp.	Elara Holdings Inc.
June 14, 2005	Affirmative Insurance Holdings	New Affirmative LLC
December 15, 2003	USAuto Holdings Inc.	Liberté Investors
April 18, 2001	FL Select Ins Holdings Inc.	Vesta Insurance Group Inc.
October 31, 2000	Farm Family Holdings Inc.	American National Insurance

For each precedent transaction, Piper Jaffray derived and compared, among other things, the implied equity value paid for the acquired company to the (a) GAAP net income of the acquired company for the latest twelve months, or LTM, of results prior to the time the transaction was announced and (b) reported GAAP book value of the acquired company at the most recent quarter ended prior to announcement.

Based on the analyses described above, Piper Jaffray calculated the (a) multiples of transaction equity value to the LTM GAAP net income for the target companies, excluding first and fourth quartile multiples, as ranging from a low of 8.3x to a high of 15.2x and (b) multiples of transaction equity value to GAAP book value for the target companies prior to announcement as ranging from a low of 0.9x to a high of 2.0x. Based upon the minimum and maximum transaction equity values to LTM GAAP net income multiples derived from this analysis, Piper Jaffray calculated a range of implied equity values for United of between $178.5 million and $326.4 million based on United's LTM GAAP net income of $21.5 million for the period ending December 31, 2007. Based upon the minimum and maximum transaction equity values to GAAP book value multiples derived from this analysis, Piper Jaffray calculated a range of implied equity values for United of between $42.5 million and $94.3 million based on United's reported December 31, 2007 GAAP book value of $46.1 million.

Based on the analyses described above, Piper Jaffray calculated the following implied ranges of trading values for United:

Comparable Transaction Analysis			
2007 Net Income	$178.5	–	$326.4
2007 Book Value, as of December 31, 2007	42.5	–	94.3

Discounted Cash Flow Analysis

Piper Jaffray performed a discounted cash flow analysis to generate a range for the implied present value of United assuming it continued to operate as a stand-alone company.

This range was determined by adding the (a) present value of United's estimated future free cash flows for the years 2008 through 2012 and (b) present value of the terminal value of United. Terminal values for United were calculated based on a range of terminal multiples applied to the 2012 book value.

In connection with this analysis, Piper Jaffray utilized, with our consent, the five-year projections provided by United's management reflecting United's best currently available estimates and judgments of the future financial performance of United. As part of its analysis and with our consent, Piper Jaffray assumed, among other things, that (a) all operating cash flow would be retained to support the growth of the business and maintain financial strength ratings at the insurance company level and (b) United would be sold at December 31, 2012, based on a trailing multiple with the proceeds being discounted back to present value.

Piper Jaffray estimated the range for the implied present value of United by varying the following assumptions:

- a terminal multiple applied to year 2012 estimated GAAP book value of 1.0x; and

- discount rates representing a weighted average cost of capital ranging from 20% to 30%, which range Piper Jaffray, in its professional judgment, deemed reasonable for a small market capitalization company with the risk characteristics of United's insurance operations.

This analysis resulted in a range for the implied present value of United of $124.6 million to $173.0 million.

Piper Jaffray stated that, while discounted cash flow analysis is a widely accepted and practiced valuation methodology, it is highly sensitive to the assumptions for projected growth in net income and shareholders' equity, terminal exit multiples and discount rates. The valuation derived from the discounted cash flow analysis is not necessarily indicative of United's actual or expected future value or results.

Miscellaneous. Our Board of Directors retained Piper Jaffray as an independent contractor to render an opinion to us regarding the Merger. As part of its investment banking business, Piper Jaffray is continually engaged in the valuation of insurance company and insurance holding company securities in connection with acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for various other purposes. As specialists in the securities of financial institutions, including insurance companies, Piper Jaffray has experience in, and knowledge of, the valuation of insurance enterprises. In the ordinary course of its business as a broker-dealer, Piper Jaffray may from time to time purchase securities from, and sell securities to, us, and as a market maker in securities, Piper Jaffray may from time to time have a long or short position in, and buy or sell, our debt or equity securities for its own account and for the accounts of its customers.

Piper Jaffray made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of the analyses. Piper Jaffray reviewed the foregoing analyses for purposes of providing its opinion to our Board of Directors as to the fairness from a financial point of view, of the Merger consideration to be provided by holders of our common stock. Piper Jaffray did not, recommend any specific consideration amount to us or to our Board of Directors.

As described above, Piper Jaffray's opinion to the Board of Directors was one of many factors taken into consideration by our Board of Directors in making its determination to approve the Merger Agreement. The foregoing summary does not purport to be a complete description of the analyses performed and reviewed by Piper Jaffray.

In selecting the financial advisory firm to provide an opinion concerning the Merger, FMG considered several firms known to its management and considered many factors, including (i) the firm's familiarity with analyzing the insurance industry and with insurance company values; (ii) the knowledge and skill of the personnel performing the analysis to provide the basis for the opinion; and (iii) the overall reputation of the financial advisory firm. After discussing the assignment with Piper Jaffray, we entered into a negotiation to determine the fee for this assignment and, after a discussion among our management, retained Piper Jaffray to render the fairness opinion.

THE MERGER AGREEMENT

The following summary of the material provisions of the Merger Agreement is qualified by reference to the complete text of the Merger Agreement, a copy of which is attached as Annex A to this proxy statement/prospectus and is incorporated herein by reference. All stockholders are encouraged to read the Merger Agreement in its entirety for a more complete description of the terms and conditions of the Merger.

Overview of the Merger

Under the terms of the Merger Agreement the Company will acquire all of the issued membership units of United, a Florida limited liability company, through a reverse merger acquisition involving United and United Subsidiary Corp.

The Merger is structured such that United will become a wholly-owned subsidiary of the Company. If the stockholders of the Company approve the transaction contemplated by the Merger Agreement, FMG and United will merge pursuant to a merger transaction summarized as follows:

(i) FMG will create a transitory merger subsidiary, United Subsidiary Corp., and will merge such subsidiary with and into United, with United surviving; and

(ii) United will, as a result, become wholly-owned by FMG.

Merger Consideration

United's members will receive consideration of up to $100,000,000 consisting of:

(i) $25,000,000 in cash;

(ii) 8,750,000 shares of FMG common stock, par value $.0001 per share (assuming an $8.00 per share value); and

(iii) up to $5,000,000 of additional consideration will be paid to the members of United in the event certain net income targets are met by United, as set forth more particularly herein. Under the terms of the Company's amended and restated certificate of incorporation, the Company may proceed with the Merger and consequent merger notwithstanding holders of up to 1,419,614 shares of Company common stock initially purchased in the IPO electing to convert their shares of common stock to cash and not participate in the Merger.

Closing of Merger Agreement

Subject to the provisions of the Merger Agreement, the closing of the Merger will take place no later than the date that is the earlier of (A) six months from filing of this registration statement or (B) November 2, 2008, after all of the conditions described in the section below entitled "Conditions to Closing the Merger" have been satisfied, unless the Company and United agree to another time.

As stated in our final prospectus for our IPO as filed with the SEC on October 4, 2007, we will liquidate promptly after cessation of our corporate existence on October 4, 2009 if we have not consummated an acquisition or other business combination by such date. Pursuant to the terms of the Merger Agreement, we will have sufficient time to close on the Merger.

Conditions to Closing the Merger

The obligation of FMG to close on the Merger is contingent upon:

(i) the accuracy in all material respects on the date of the Merger Agreement and the Closing Date of all of FMG's representations and warranties, when considered both collectively and individually;

(ii) FMG's performance in all material respects of all covenants and obligations required to be performed by the Closing Date (as more fully described below in "Covenants of the Parties");

(iii) a majority of the Company's stockholders must vote in favor of approving the Merger;

(iv) not more than 29.99% of the shares of the common stock issued in the Company's IPO vote against the Merger and demand conversion of their stock into cash;

(v) the Securities and Exchange Commission has declared effective the registration statement and prospectus which form a part of this proxy statement;

(vi) no governmental authority has enacted, issued, promulgated, enforced or entered any law or order that is in effect and has the effect of making the Merger illegal or otherwise preventing or prohibiting consummation of the Merger;

(vii) the officers are, and the Board of Directors of FMG following the Merger is constituted, as set forth as the Board of Directors recommends, as fully described herein; and

(viii) the consent of not less than 66% of the membership units of United to the Merger and no more than ten percent (10%) of the outstanding membership units of United shall constitute dissenting membership units under Florida law.

United's obligation to close on the Merger is contingent upon:

(i) the accuracy in all material respects on the date of the Merger Agreement and the Closing Date of all of FMG's representations and warranties;

(ii) FMG's performance in all material respects of all covenants and obligations required to be performed by the Closing Date (as more fully described below in "Covenants of the Parties");

(iii) a majority of the Company's stockholders must vote in favor of approving the Merger;

(iv) not more than 29.99% of the shares of the common stock issued in the Company's IPO vote against the Merger and demand conversion of their stock into cash;

(v) the Securities and Exchange Commission has declared effective the registration statement and prospectus which form a part of this proxy statement;

(vi) no governmental authority has enacted, issued, promulgated, enforced or entered any law or order that is in effect and has the effect of making the Merger illegal or otherwise preventing or prohibiting consummation of the Merger; and

(vii) the officers and the Board of Directors of FMG following the Merger is constituted as set forth as the Board of Directors recommends, as fully described herein.

Representations and Warranties

The Merger Agreement contains a number of representations that each of the Company, United Subsidiary and United have made to each other. These representations and warranties include but are not limited to the following: (i) Organization and qualification; (ii) Clear title to the Membership units of United; (iii) Organizational documents; (iv) Ownership in stock of other entities; (v) Authorization, execution, delivery and enforceability of the Merger Agreement and other instruments contemplated thereby; (vi) Absence of conflicts or violations under organizational documents, applicable laws and certain agreements; (vii) Receipt of all consents and approvals; (viii) Capitalization; (ix) Books and records; (x) Title to properties and encumbrances; (xi) Liabilities and guarantees; (xii) Regulatory matters; (xiii) Absence of certain changes or events; (xiv) Legal proceedings; (xv) Material contracts; (xvi) Employees and labor relations; (xvii) Intellectual property; (xviii) Absence of liability for brokerage, finders' fees or agents' commission as a result of the Merger Agreement.

Materiality and Material Adverse Effect

Certain of the representations and warranties are qualified by materiality or Material Adverse Effect. For the purposes of the Merger Agreement, Material Adverse Effect means any occurrence, state of facts, change, event, effect or circumstance that, individually or in the aggregate, has, or would reasonably be expected to have, a material adverse effect on the assets, liabilities, business, results of operations or financial condition of the Company or United, other than any occurrence, state of facts, change, event, effect or circumstance to the extent resulting from (i) political instability, acts of terrorism or war, changes in national, international or world affairs, or other calamity or crisis, including without limitation as a result of changes in the international or domestic markets but only to the extent such events are deemed to have a direct impact on the existing operations of the Company or United and its future operating prospects, (ii) any change affecting the United States economy generally or the economy of any region in which the Company or United conducts business that is material to the business of such entity but only to the extent such events are deemed to have a direct impact on the existing operations of the Company or United and its future operating prospects, (iii) the announcement of the execution of this Agreement, or the pendency of the consummation of the Merger, (iv) any change in GAAP or interpretation thereof after the date hereof, or (v) the execution and performance of or compliance with this Agreement.

Covenants of the Parties

Each of the Company, United Subsidiary and United have agreed to use their commercially reasonable best efforts to promptly take all necessary actions to effect the Merger. United has agreed to afford the Company full and free access to United's books, records and contracts.

United and the Company also covenanted to consult with one another on any material operational matter relating to either entity's, and to consult with and obtain the permission of the other party before causing United or the Company to assume any additional obligations or liabilities outside the normal course of its business.

In the event United enters into any reinsurance agreement or a new lease for its office space, FMG may object to the terms in any of such agreements and if, after negotiations by the parties, they are are unable to resolve FMG's objections, FMG may terminate the Merger Agreement.

United acknowledged and agreed it will not have at any time prior to the closing of the Merger Agreement any claim against the funds held in the Company's trust account and has waived any claims United may have against the trust account at any time prior to the closing.

Director Nominees

Under the Merger Agreement, United has the right to nominate, and the Company has agreed to cause the appointment and election of, three members of the Board of Directors of FMG. In addition, two of our current board members will resign.

Indemnification Provisions

From the date of the Merger Agreement through the date of consummation of the Merger, each of FMG and United agree to indemnify and hold harmless the other (including subsidiaries, affiliates, successors, assigns, and their respective officers, directors, employees and agents) from and against any liabilities, claims (including claims by third parties), demands, judgments, losses, costs, damages or expenses whatsoever (including reasonable attorneys', consultants' and other professional fees and disbursements of every kind, nature and description) that the indemnified party may sustain, suffer or incur and that result from, arise out of or relate to (i) any breach by the other of any of its representations, warranties, covenants or agreements contained in the Merger Agreement, and/ or (ii) any fraud

committed by or the willful breach of the Merger Agreement by the other party.

The parties' rights to indemnification are subject to the following limitations:

(i) The maximum aggregate amount of damages that may be recovered shall not exceed $1,000,000.

(ii) Any claim for indemnification hereunder may not be pursued and is hereby irrevocably waived upon and after the date of consummation of the Merger.

(iii) United and its members may only seek indemnification against FMG and FMG and United Subsidiary may only seek indemnification against United. The parties irrevocably waive in perpetuity any and all claims for indemnification against the officers, directors and affiliated entities of the other party, as well as any and all claims for indemnification against the trust fund and all other entities controlled by FMG or its officers and directors, on the one hand, or by United or its officers and directors, on the other hand.

Structure and Effective Time of Merger

As part of the Merger, and pursuant to the Merger Agreement, FMG and United will engage in a series of procedural steps as outlined below pursuant to which United will become a wholly-owned subsidiary of FMG and the current members of United will become stockholders of FMG. Although the following steps are explained in sequence, they are anticipated to be accomplished prior to or concurrently with the consummation of the Merger.

• FMG will form a transitory merger company that will be incorporated in the United States as a domestic corporation;

• United, United Subsidiary and the Company will enter into a merger agreement whereby United Subsidiary will merge with and into United, with United being the surviving entity;

• As part of the Merger consideration to be paid pursuant to the Merger Agreement, FMG will issue 8,750,000 shares of registered common stock in exchange for United's outstanding membership units, which are held by the United members;

• Upon the consummation of the Merger, the former members of United will exchange their securities of United for securities of FMG and FMG will receive the membership units of United so exchanged, thereby making United a wholly-owned subsidiary of FMG and making the former members of United stockholders of FMG; and

The effective time of the Merger will occur concurrently with the consummation of the Merger by filing a certificate of merger or similar document with the Secretary of State of the State of Florida.

Merger Consideration

Pursuant to the Merger Agreement, the outstanding membership units of United will be exchanged for the right to receive cash and shares of common stock of FMG.

Certificate of Incorporation; By-laws

The Certificate of Incorporation and By-laws of the Company in effect immediately prior to the Merger will be the Certificate of Incorporation and By-laws of the Company after the Merger after giving effect to the First, Second and Third Amendment Proposals. The Articles of Organization of United prior to the Merger will be the Articles of Organization of United after the Merger, although certain provisions contained therein may be amended to account for United's new status as a wholly-owned subsidiary of United Insurance Holdings Corp. The operating agreement of United following the Merger is attached as an exhibit to the Merger Agreement.

Procedure for Receiving Merger Consideration

Exchange Agent. As of the effective time of the Merger, FMG will deposit with Continental Stock Transfer & Trust Company, or the Exchange Agent, for the benefit of the United members, the shares of common stock issuable in exchange for United's membership units. At the time of such deposit, United will irrevocably instruct the Exchange Agent to transfer United's membership units to the Company.

Exchange Procedures. Upon surrender of United's membership units for exchange to the Exchange Agent, together with such letter of transmittal, duly completed and validly executed, and such other documents as may reasonably be required by the Exchange Agent, such member will be entitled to receive in exchange therefor his, her or its pro rata potion of Company common stock together with his, her or its pro rata portion of the $25,000,000 cash portion of the consideration payable to United's members.

Distributions with Respect to Unexchanged Membership Units. No dividends or other distributions declared or made with respect to shares of FMG common stock with a record date after the effective time of the Merger will be paid to the holder of any non surrendered membership units, if any. Subject to the effect of applicable escheat or similar laws, following surrender of any membership units there will be paid to the holder of United membership units, shares of FMG common stock issued in exchange therefor, without interest, (i) at the time of such surrender, the amount of dividends or other distributions with a record date after the effective time of the Merger theretofore paid with respect to such whole shares of FMG common stock or warrants and (ii) at the appropriate payment date, the amount of dividends or other distributions with a record date after the effective time of the Merger.

Fractional Shares. No fractional shares of FMG common stock will be issued in the Merger. Each Member who exchanges membership units pursuant to the Merger who would otherwise have been entitled to receive a fraction of a share of FMG common stock shall receive, in lieu thereof, cash (without interest) in an amount equal to the product of (i) such fractional part of a share of FMG common stock multiplied by (ii) the closing price for a share of FMG common stock on the over the counter bulletin board on the date of the effective time of the Merger.

No Liability. None of the Exchange Agent, the surviving entity or any party to the Merger Agreement will be liable to a holder of United's membership units for any amount properly paid to a public official pursuant to any applicable abandoned property, escheat or similar law.

Lost, Stolen or Destroyed Company Securities. In the event any of United's membership units have been lost, stolen or destroyed, the Exchange Agent will issue in exchange for such lost, stolen or destroyed membership units, upon the making of an affidavit and indemnity of that fact by the holder thereof in a form reasonably acceptable to the Exchange Agent, the required number of shares of FMG common stock; provided, however, that FMG may, in its reasonably commercial discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed membership units to deliver a bond in such sum as it may reasonably direct against any claim that may be made against FMG or the Exchange Agent with respect to such membership units alleged to have been lost, stolen or destroyed.

TAX CONSIDERATIONS

Material United States Federal Income Tax Consequences of the Merger

The following describes the material United States federal income tax considerations of the Merger that are generally applicable to the holders of United membership units and the holders of shares of FMG common stock. This discussion is based on the Internal Revenue Code of 1986, as amended (referred to as the Code), existing, temporary, and proposed Treasury regulations thereunder, current administrative rulings and judicial decisions, all as currently in effect and all of which are subject to change (possibly with retroactive effect) and to differing interpretations. This discussion applies only to holders of United membership units and shares of FMG common stock who hold such membership units and shares as capital assets within the meaning of Section 1221 of the Code. Further, this discussion does not address all aspects of United States federal taxation that may be relevant to a particular holder of United membership units or FMG common stock in light of such holder's personal circumstances or to holders subject to special treatment under the United States federal income tax laws, including:

- banks or other financial institutions;
- entities treated as pass-through entities for United States federal income tax purposes and investors in such entities;
- insurance companies;
- tax-exempt organizations;
- dealers in securities or currencies;
- traders in securities that elect to use a mark to market method of accounting;
- persons that hold United membership units or FMG common stock as part of a straddle, hedge, constructive sale or conversion transaction;

- persons who are subject to alternative minimum tax;
- persons who are not citizens or residents of the United States;
- United States persons that have a functional currency other than the United States dollar; or
- holders who acquired their shares of FMG common stock or their United membership units through the exercise of an employee stock or unit option or otherwise as compensation.

This discussion is also limited to holders of United membership units or shares of FMG common stock who are United States persons. For purposes of this discussion, the term "United States person" means:

- an individual citizen or resident of the United States;
- a corporation (or an entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to United States federal income tax regardless of its source; or
- a trust that (x) is subject to the supervision of a court within the United States and the control of one or more United States persons or (y) has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

In addition, this discussion does not address any state, local or foreign tax consequences of the Merger.

EACH HOLDER OF UNITED MEMBERSHIP UNITS AND OF SHARES OF FMG COMMON STOCK IS URGED TO CONSULT ITS OWN TAX ADVISOR AS TO THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER, AS WELL AS THE EFFECTS OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS, IN LIGHT OF THE PARTICULAR CIRCUMSTANCES OF SUCH HOLDER.

Tax Consequences of the Merger to Holders of United Membership Units.

As a consequence of the Merger, holders of United membership units who receive cash and shares of FMG common stock pursuant to the Merger generally will recognize capital gain or loss as a result of the Merger, measured by the difference, if any, between the value of the merger consideration received per membership unit and the holder's adjusted tax basis in that membership unit. Any holder of United membership units who exercises dissenter's and appraisal rights pursuant to the Merger and receives cash in exchange for such holder's membership units in United generally will recognize gain or loss measured by the difference between the amount of cash received and the adjusted tax basis of such holder's United membership units exchanged therefor. If a United Member who receives cash in exchange for the Member's membership units actually or constructively owns FMG common stock after the Merger (as the result of prior actual or constructive ownership of FMG common stock or otherwise), all or a portion of the cash received by the holder of United membership units may be taxed as a dividend pursuant to Section 302 of the Internal Revenue Code, in which case the holder may have dividend income up to the amount of the cash received. In such cases, holders should consult their tax advisors to determine the amount and character of the income recognized in connection with the Merger.

The capital gain or loss recognized by holders of United membership units as described above will constitute long-term capital gain or loss if the holder held such membership units for more than one year as of the effective time of the Merger. Long-term capital gains of noncorporate taxpayers generally are taxable at a maximum federal income tax rate of 15%. Capital gains of corporate holders generally are taxable at the regular tax rates applicable to corporations. The deductibility of capital losses may be subject to limitations.

A holder of United membership units who receives shares of FMG common stock pursuant to the Merger will have an aggregate tax basis in the FMG common stock received in the Merger equal to its fair market value at the time of the closing of the Merger, and the holding period for the shares of FMG common stock would begin the day after the closing of the Merger.

Tax Consequences of the Merger to FMG Stockholders.

No gain or loss will be recognized by the stockholders of FMG pursuant to the Merger who do not exchange their shares of FMG common stock pursuant to the Merger, continue to own such shares of FMG and do not exercise their conversion rights. Stockholders of FMG who exercise their conversion rights and effect a termination of their interest in FMG will generally be required to recognize gain or loss upon the exchange of that stockholder's shares of FMG common stock for cash. Such gain or loss will be measured by the difference between the amount of cash received and the tax basis of that stockholder's shares of FMG common stock. This gain or loss will generally be capital gain or capital loss and that capital gain or loss and will be a long-term capital gain or loss if the holding period for the shares of FMG common stock is more than one year. There are limitations on the extent to which stockholders may deduct capital losses from ordinary income. If an FMG stockholder who receives cash in exchange for all of the stockholder's shares of FMG stock constructively or otherwise owns FMG common stock after the conversion, all or a portion of the cash received by the stockholder may be taxed as a dividend pursuant to Section 302 of the Internal Revenue Code, and those stockholders should consult their tax advisors to determine the amount and character of the income recognized in connection with the Merger.

Tax Consequences of the Merger Generally to FMG and United.

No gain or loss will be recognized by FMG or United as a result of the Merger.

Backup Withholding and Information Reporting.

Payments of cash to a holder of United membership units as a result of an exercise of dissenter's rights and payments of cash to a holder of FMG common stock as a result of an exercise of conversion rights may, under certain circumstances, be subject to information reporting and backup withholding at a rate of 28% of the cash payable to the holder, unless the holder provides proof of an applicable exemption satisfactory to FMG and the exchange agent or furnishes its taxpayer identification number, and otherwise complies with all applicable requirements of the backup withholding rules. Any such holder that does not provide its correct taxpayer identification number may also be subject to penalties imposed by the Internal Revenue Service. Any amounts withheld from payments to a holder under the backup withholding rules are not additional tax and will be allowed as a refund or credit against the holder's United States federal income tax liability, provided the required information is furnished to the Internal Revenue Service.

IRS Circular 230 Notice: To ensure compliance with requirements imposed by the Internal Revenue Service in Circular 230, you are hereby informed that (i) any discussion of federal income tax issues in this proxy statement/prospectus is not intended or written to be relied upon, and cannot be relied upon, by any taxpayer for the purpose of avoiding penalties that may be imposed on such taxpayer under the Code; (ii) any such discussion is included herein in connection with the promotion or marketing (within the meaning of Circular 230) of the transactions or matters addressed herein; and (iii) you should seek advice based on your particular circumstances from an independent tax advisor.

THE PRECEDING DISCUSSION IS A SUMMARY OF THE MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX CONSEQUENCES RELEVANT THERETO. EACH HOLDER OF UNITED MEMBERSHIP UNITS AND SHARES OF FMG COMMON STOCK IS URGED TO CONSULT A TAX ADVISOR WITH RESPECT TO THE SPECIFIC TAX CONSEQUENCES OF THE TRANSACTIONS CONTEMPLATED BY THE MERGER AGREEMENT TO HIM, HER OR IT,

INCLUDING TAX RETURN REPORTING REQUIREMENTS, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS, AS WELL AS ANY PROPOSED TAX LAW CHANGES.

OTHER MATTERS

Satisfaction of 80% requirement

We represented in the prospectus relating to our IPO that the business acquired by us in our initial business combination would have a fair market value equal to at least 80% of our net assets at the time of the transaction, including the funds held in the trust account. Based on a financial analysis by our Board of Directors in evaluating and approving the Merger, our Board of Directors has determined the Merger meets this requirement.

The terms of the Merger were determined based upon arms-length negotiations between the Company and United, with whom we had no prior dealings. Under the circumstances, our Board of Directors believes that the total consideration for the Merger appropriately reflects the fair market value of United. In light of the financial background and experience of members of our management and Board of Directors, our Board also believes it is qualified to determine whether the Merger meets this requirement.

Regulatory Matters

The Company does not expect the Merger will be subject to any state or federal regulatory requirements other than approval of the Florida OIR, filings under applicable securities laws, the laws of the State of Florida relating to mergers and acquisitions and the effectiveness of the registration statement of which this proxy statement/prospectus is part. The Company intends to comply with all such requirements. We do not believe, in connection with the completion of the Merger, any consent, approval, authorization or permit of, or filing with or notification to, any acquisition control authority will be required in any jurisdiction.

Consequences if Merger Proposal is Not Approved

If the Merger Proposal is not approved by the stockholders, the Company will not purchase the membership units of United. In such event, management of the Company may not have the time, resources or capital available to find a suitable business combination partner before: (i) the proceeds in the trust account are liquidated to holders of shares purchased in the Company's IPO and (ii) the Company's corporate existence ceases by operation of law, in accordance with the Company's amended and restated certificate of incorporation and pursuant to stockholder approval. Management believes, however, it will consummate a business combination with another suitable merger partner by October 4, 2009 in the event the Merger Proposal is not approved by our stockholders.

If a liquidation were to occur by October 4, 2009, the Company estimates approximately $850,000 in interest, less applicable federal and state income and franchise taxes, would accrue on the amounts that are held in trust through such date. This amount, along with the Company's IPO proceeds held in trust, less any liabilities not indemnified by certain members of the Company's Board and not waived by the Company's creditors, would be distributed to the holders of the 4,733,625 shares of common stock purchased in the Company's IPO. The Company currently estimates there would be approximately $385,000 in Delaware franchise tax, federal and state income tax claims which are not indemnified and not waived by such taxing authorities. Thus, the Company estimates that the total amount available for distribution upon liquidation would be approximately $38,100,000 or $8.05 per share (before taking into account disbursements for working capital).

Separately, the Company estimates the liquidation process would cost approximately $50,000 and that the Company would be indemnified for such costs by the Company's sponsor or certain of the Company's executive officers. We do not believe there would be any claims or liabilities against which the Company's sponsor or certain of the Company's executive officers have agreed to indemnify the trust account in the event of such liquidation. In the event such persons indemnifying the Company are unable to satisfy their indemnification obligation or in the event there are subsequent claims such as subsequent non-vendor claims for which such persons have no indemnification obligation, the amount ultimately distributed to stockholders may be reduced even further. However, the Company currently has no basis to believe there will be any such liabilities or to provide an estimate of any such liabilities. The only cost of liquidation the Company is aware of that would not be indemnified against by the Company's sponsor or such officers and directors is the cost of any associated litigation.

Required Vote

The approval of the Merger Proposal will require the affirmative vote of a majority of the shares of the common stock issued in the Company's IPO that vote on this proposal at the Special Meeting. A total of 4,733,625 shares were issued in our IPO. In addition, notwithstanding the approval of a majority, if the holders of 1,419,615 or more shares of common stock issued in the Company's IPO, an amount equal to 29.99% of the total number of shares issued in the IPO, vote against the Merger Agreement and demand conversion of their shares into a pro rata portion of the trust account, then the Company will not be able to consummate the Merger. Each of the Company's stockholders that holds shares of common stock issued in the Company's IPO or purchased following such offering in the open market has the right, assuming such stockholder votes against the Merger Proposal, to simultaneously demand the Company convert such stockholder's shares into cash equal to a pro rata portion of the trust account in which a substantial portion of the net proceeds of the Company's IPO is deposited. These shares will be converted into cash only if the Merger is consummated and the stockholder requesting conversion holds such shares until the date the Merger is consummated.

Abstentions and Broker Non-Votes

If your broker holds your shares in its name and you do not give the broker voting instructions, under the rules of FINRA, your broker may not vote your shares on the proposal to approve the Merger. If you do not give your broker voting instructions and the broker does not vote your shares, this is referred to as a "broker non-vote." Abstentions and broker non-votes are counted for purposes of determining the presence of a quorum.

As long as a quorum is established at the Special Meeting, if you return your proxy card without an indication of how you desire to vote, it: (i) will have the same effect as a vote in favor of the Merger Proposal and will not have the effect of converting your shares into a pro rata portion of the trust account (in order for a stockholder to convert his or her shares, he or she must cast an affirmative vote against the Merger Proposal and make an affirmative election on the proxy card to convert such shares of common stock and the Merger must be consummated); (ii) will have the same effect as a vote in favor of the First Amendment Proposal; (iii) will have the same effect as a vote in favor of the Second Amendment Proposal; (iv) will have the same effect as a vote in favor of the Third Amendment Proposal; (v) will have no effect on the Director Proposal; and (vi) will have the same effect as a vote in favor of the

Adjournment Proposal.

Since the Merger Proposal requires only a majority of the Company shares issued in the IPO that cast a vote at the Special Meeting, abstentions or broker non-votes will not count towards such number. This has the effect of making it easier for the Company to obtain a vote in favor of the Merger Proposal as opposed to some of the Company's other proposals or as opposed to the vote generally required under the Delaware General Corporation Law, namely a majority of the shares issued and outstanding. Furthermore, in connection with the vote required for the Merger Proposal, the founding stockholders of the Company have agreed to vote the shares of common stock owned or acquired by them prior to the IPO in accordance with the majority of the Company's shares issued in the IPO. Any shares acquired in or following the IPO will be voted in favor of the Merger Proposal.

If you hold your shares in street name you can obtain physical delivery of your shares into your name, and then vote the shares yourself. In order to obtain shares directly into your name, you must contact your brokerage firm representative. Brokerage firms may assess a fee for your conversion; the amount of such fee varies from firm to firm.

Dissenters' Rights

Under Delaware law, our stockholders are not entitled to dissenters' rights for their shares in connection with the Merger.

Accounting Treatment

The Merger will be accounted for as a "reverse merger" and recapitalization since the members of United will own a majority of the Company's common stock and effectively control the Company immediately following the completion of the Merger. United will be deemed to be the accounting acquirer in the transaction and, consequently, the transaction is treated as a recapitalization of United. Accordingly, the assets and liabilities and the historical operations that are reflected in the financial statements will be those of United and will be recorded at the historical cost basis of United. Our assets, liabilities and results of operations will be consolidated with the assets, liabilities and results of operations of United after consummation of the Merger.

Recommendation

The foregoing discussion of the information and factors considered by the Company Board of Directors is not meant to be exhaustive, but includes the material information and factors considered by the Company Board of Directors. After careful consideration, the Company's Board of Directors has determined unanimously that the Merger Proposal is fair to, and in the best interests of, the Company and its stockholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THE STOCKHOLDERS VOTE "FOR" THE MERGER PROPOSAL

PROPOSAL 2

THE FIRST AMENDMENT PROPOSAL

General

Pursuant to the Merger Agreement, we will (i) amend Article Third to remove the limitations on the Company's powers in the event a business combination is not consummated by the Company prior to October 4, 2009, (ii) amend Article Fifth to remove the reference to October 4, 2009 as the date the Company's existence terminates and make the Company's existence perpetual, and (iii) amend Article Sixth to remove the preamble and sections A, B, C, D and E of Article Sixth of the Company's amended and restated certificate of incorporation and to redesignate section F of Article Sixth as Article Sixth upon consummation of the Merger. If the Merger Proposal is not approved, the amendments to Article Third, Fifth and Sixth will not be presented at the Special Meeting.

In the judgment of our Board of Directors, the amendments to Articles Third, Fifth and Sixth are desirable, as Articles Third, Fifth and sections A, B, C, D and E of Article Sixth relate to the operation of the Company as a blank check company prior to the consummation of a business combination. Such provisions will not be applicable upon consummation of the Merger.

The approval of the amendment to Article Third, amendment to Article Fifth and the amendment to Article Sixth will require the affirmative vote of the holders of a majority of the outstanding shares of Company common stock on the record date.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS OUR STOCKHOLDERS VOTE ``FOR" THE APPROVAL OF THE ARTICLE THIRD AMENDMENT, ARTICLE FIFTH AMENDMENT AND ARTICLE SIXTH AMENDMENT.

The Company proposes to amend its amended and restated certificate of incorporation to remove those provisions of the Company's amended and restated certificate of incorporation that will no longer be operative upon consummation of the Merger (which constitutes a business combination for purposes of the Company's amended and restated certificate of incorporation), but which were applicable at the time of the Company's formation as a blank check company. Specifically, the Company proposes to (i) amend Article Third to remove the limitations on the Company's powers in the event a business combination is not consummated by the Company prior to October 4, 2009, (ii) amend Article Fifth to remove the reference to October 4, 2009 as the date the Company's existence terminates and make the Company's existence perpetual and (iii) amend Article Sixth to remove the preamble and sections A, B, C, D and E of Article Sixth of the Company's amended and restated certificate of incorporation and to redesignate section F of Article Sixth as Article Sixth upon consummation of the Merger.

Article Third of the Company's amended and restated certificate of incorporation currently reads as follows:

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law, as amended from time to time (the "DGCL"). In addition to the powers and privileges conferred upon the Corporation by law and those incidental thereto, the Corporation shall possess and may exercise all the powers and privileges which are necessary or convenient to the conduct, promotion or attainment of the business or purposes of the Corporation; provided, however, that in the event a Business Combination (as defined below) is not consummated prior to the Termination Date (as defined below), then the purposes of the Corporation shall automatically, with no action required by the Board of Directors or the stockholders, on the Termination Date be limited to effecting and implementing the dissolution and liquidation of the Corporation and the taking of any other actions expressly required to be taken herein on or after the Termination Date and the Corporation's powers shall thereupon be limited to those set forth in Section 278 of the DGCL and as otherwise may

be necessary to implement the limited purposes of the Corporation as provided herein. This Article Third may not be amended without the affirmative vote of at least 95% of the IPO Shares (as defined below).

If this proposal is approved by the stockholders, Article Third will read in its entirety as follows:

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law, as amended from time to time (the "DGCL").

Article Fifth of the Company's amended and restated certificate of incorporation currently reads as follows:

FIFTH: The Corporation's existence shall terminate on October 4, 2009 (the "Termination Date"). This provision may only be amended in connection with, and such amendment shall become effective upon, the consummation of a Business Combination. A proposal to so amend this section shall be submitted to stockholders in connection with any proposed Business Combination pursuant to Article Sixth below. This Article Fifth may not be amended without the affirmative vote of at least 95% of the IPO Shares unless such amendment is in connection with, and becomes effective upon, the consummation of a Business Combination.

If this proposal is approved by the stockholders, Article Fifth will read in its entirety as follows:

FIFTH: The Corporation shall have perpetual existence.

Article Sixth of the Company's amended and restated certificate of incorporation currently reads as follows:

SIXTH: The following provisions (A) through (F) shall apply during the period commencing upon the filing of this Amended and Restated Certificate of Incorporation and terminating upon the earlier to occur of: (i) the consummation of Business Combination or (ii) the Termination Date and may not be amended prior thereto without the affirmative vote of at least 95% of the IPO Shares unless such amendment is in connection with, and becomes effective upon, the consummation of a Business Combination. A "Business Combination" shall mean the merger, capital stock exchange, asset acquisition or other similar business combination between the Corporation and one or more operating businesses in the education industry having, collectively, a fair market value (as calculated in accordance with the requirements set forth below) of at least 80% of the amount in the Trust Account (less the deferred underwriting discount and commissions and taxes payable) at the time of such transaction.

For purposes of this Article Sixth, the fair market value of an acquisition proposed for a Business Combination shall be determined by the Board of Directors based upon financial standards generally accepted by the financial community, such as actual and potential sales, earnings and cash flow and book value. If the Board of Directors of the Corporation is not able to independently determine the fair market value of the merger partner, the Corporation shall obtain an opinion with regard to such fair market value from an unaffiliated, independent investment banking firm that is a member of the National Association of Securities Dealers, Inc. Notwithstanding the foregoing, if the Corporation pursues a Business Combination with any company that is a portfolio company of, or otherwise affiliated with, or has received financial investment from, any of the private equity firms with which the Corporation's existing stockholders, executive officers or directors are affiliated, the Corporation shall obtain an opinion from an independent investment banking firm that such a Business Combination is fair to the Corporation's stockholders from a financial point of view.

A. Immediately after the Corporation's initial public offering (the "IPO"), the amount of the net offering proceeds received by the Corporation in the IPO (including the proceeds of any exercise of the underwriter's over-allotment option) specified in the Corporation's registration statement on Form S-1 filed with the Securities and Exchange Commission (the "Registration Statement") shall be deposited and thereafter held in a trust account established by the Corporation (the "Trust Account"). Neither the Corporation nor any officer, director or employee of the Corporation shall disburse any of the proceeds held in the Trust Account until the earlier of (i) a Business Combination or (ii) the Termination Date, in each case in accordance with the terms of the investment management trust agreement governing the Trust Account; provided, however, that (x) a portion of the interest earned on the Trust Account as described in the Registration Statement may be released to the Corporation to cover operating expenses, and (y) the Corporation

shall be entitled to withdraw such amounts from the Trust Account as would be required to pay taxes on the interest earned on the Trust Account or franchise or other tax obligations of the Corporation.