



FOR IMMEDIATE RELEASE

BrickStreet Mutual Insurance announces purchase of HM Insurance Group's workers' compensation business

Charleston, W.Va. – Representatives from BrickStreet Mutual Insurance today announced they have finalized an agreement to acquire the workers' compensation block of business from Pittsburgh-based HM Insurance Group (HM), a Highmark Company.

This purchase involves workers' compensation policies and accounts for approximately \$120 million in premium. HM's current workers' compensation employees will become BrickStreet employees and remain in Pennsylvania, effective August 1.

BrickStreet is a monoline workers' compensation provider headquartered in Charleston, West Virginia, with offices in Charlotte, North Carolina, and Naperville, Illinois. The company currently writes business in 12 states, including Pennsylvania, as well as the District of Columbia. The purchase will allow BrickStreet to further expand the company's presence in Pennsylvania and continue to grow as a leading provider of workers' compensation insurance in the region.

According to BrickStreet's Chief Executive Officer Greg Burton, the company is committed to providing the same local, personalized service in Pennsylvania. "We are opening a regional office in downtown Pittsburgh and are excited to welcome the workers' compensation employees from HM. We are dedicated to maintaining the current local service delivery model that agents and policyholders have come to expect. We will continue to use HM's established agent distribution in Pennsylvania to deliver on the BrickStreet promise of superior solutions and service."

Burton added that with this purchase, HM's established agents will be able to take advantage of BrickStreet's very broad appetite as well as the opportunity to write accounts with regional and national exposures.

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"We have a full range of specialized services available to help eliminate workplace injuries and reduce the cost of doing business. BrickStreet is a stable, profitable, competitive company fully equipped to expand in Pennsylvania while maintaining business activities across our footprint. Workers' compensation is all we do, so we are experts in this line of insurance," said Burton.

"Our results-based strategy for workers' compensation aligns the goals of our organization with outcomes that meet our agents' and policyholders' business needs. This matches well with the current HM workers' compensation service model," added Burton.

"The sale of HM Insurance Group's workers' compensation business to BrickStreet is the classic win-win scenario," said Matt Rhenish, president and chief operating officer at HM Insurance Group. "Our customers will benefit from BrickStreet's singular focus on workers' compensation. Our workers' compensation employees will move over to BrickStreet, bringing with them deep knowledge of the market, ensuring both continuity and a smooth transition. Greg Burton and I are particularly proud that we structured the deal so that these jobs will remain in Pennsylvania. Additionally, this allows us to focus on our national medical stop loss and managed care reinsurance lines."

About BrickStreet

BrickStreet Insurance, a mutual company owned by its policyholders, began its historic role as West Virginia's first private workers' compensation carrier on Jan. 1, 2006. Since then, BrickStreet has begun expanding operations into other states to become a regional carrier. BrickStreet currently writes business in Alabama, Illinois, Indiana, Kentucky, Maryland, Missouri, North Carolina, Pennsylvania, South Carolina, Tennessee, Virginia and West Virginia as well as the District of Columbia. Also, BrickStreet has two regional offices located in Charlotte, N.C., and Naperville, Ill., along with the headquarters located in Charleston, W.Va. With an A.M. Best rating of A- (Excellent) with a stable outlook, BrickStreet is one of the largest writers of workers' compensation coverage in the region.

About HM Insurance Group

Headquartered in Pittsburgh, HM Insurance Group is a recognized leader in risk management and among the top national carriers of employer stop loss. HM's product portfolio also includes managed care reinsurance that is marketed under the brand RBS Re and workers' compensation that is sold exclusively in Pennsylvania. HM Life Insurance Company, HM Life Insurance Company of New York, HM Casualty Insurance Company and Highmark Casualty Insurance Company have "A-" (Excellent) ratings from A.M. Best Company. Through its insurance companies, HM Insurance Group holds insurance licenses in 50 states and the District of Columbia and maintains 23 regional sales offices across the country. For more information about HM Insurance Group, visit hmig.com.

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