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- ▶ ProAssurance Honored as a Top Performer Four Years Running

We have terrific news! ProAssurance has been named, *for the fourth year running*, to the prestigious Ward's 50 list for top performance out of 3,000 property and casualty insurers. This is a remarkable accomplishment for our organization and our sector.

This is a significant achievement as the competition and economy continue to challenge. Your ability to represent a several-years-running Ward's 50 company is an important selling opportunity. In these price-competitive times, value differentiation is key to our success. Your representation of that value—with a carrier recognized as having long-term operational excellence and financial discipline—is paramount to both of our interests.

Please use the following press release for any immediate uses you may have. ▶

ProAssurance Earns Ward's 50 Recognition for a Fourth Straight Year

BIRMINGHAM, AL — PRNewswire — July 14, 2010 — ProAssurance Corporation (NYSE:PRA) has been named again to the prestigious Ward's 50, which recognizes the top performing property-casualty insurance companies in America. This is the fourth year in a row that ProAssurance has earned this exceptional recognition.

Each year The Ward Group identifies the 50 top performing property-casualty insurance companies in America through a careful, unbiased analysis of the safety profile and financial performance of more than 3,000 insurance companies. This year's list recognizes performance during the years 2005 to 2009.

ProAssurance's Chief Executive Officer, W. Stancil Starnes, said, "Being named to the Ward's 50 for 2010 is a singular recognition of ProAssurance's dedication to solid security for our policyholders and outstanding financial performance for our investors. It's even more remarkable to be recognized for delivering this superior performance for four straight years, especially in the recent financial climate."

ProAssurance stresses the need for a long-term approach to the challenging business of medical and other professional liability insurance and The President of The Ward Group, Jeff Rieder, urged the entire industry to adopt that type of focus. Rieder noted that the scars from the last two years are still affecting business decisions, but said, "It is important for companies to maintain a long-term vision throughout difficult business cycles."

Mr. Starnes said ProAssurance's success demonstrates the value of the long-term view Mr. Rieder advocates. Starnes said, "Our enduring commitment to financial stability and our truly relentless focus on our customers sets ProAssurance apart from our competitors. We rigorously apply the principles of 'Treated Fairly' to enhance the value we deliver to our insureds, our agent partners, our investors and our employees."

There is a striking difference in performance between the companies selected by Ward's and the industry as a whole. Over the five-year measuring period this year's Ward's 50 posted a combined ratio that is slightly more than seven points lower than the property casualty industry. At the same time, this year's Ward's 50 grew net surplus by 31.6% compared to 19.1% for the P&C industry. The bottom line, says Mr. Rieder is that, "The Ward's 50 companies were able to grow the business profitably in difficult market conditions."

About ProAssurance

ProAssurance Corporation is the nation's largest independently traded specialty writer of medical professional liability insurance. ProAssurance is recognized as one of the top performing insurance companies in America by virtue of its inclusion in the Ward's 50 for the past four years. ProAssurance is rated "A" (Strong) by Fitch Ratings; ProAssurance Group is rated "A" (Excellent) by A.M. Best. ▶



Ward Group Announces Top Performing P&C Insurers



Annually, Ward Group analyzes the financial performance of over 3,000 property-casualty insurance companies domiciled in the United States and identifies the top performers. This group is called the Ward's 50 for the year. Each Ward's 50 company has passed all safety and consistency screens and achieved superior performance over the five years analyzed. The Ward's 50 property-casualty group of insurance companies produced a 14.3% return on average equity from 2005 to 2009 compared to 9.2% for the property-casualty industry overall. This is the 20th year Ward Group has conducted the analysis.

"Most companies now understand the current economic situation and its impact on their business. However, the scars from the last two years are still affecting business decisions," explains Jeff Rieder, President of Ward Group. "It is important for companies to maintain a long-term vision throughout difficult business cycles. In selecting the Ward's 50, we identify companies that pass financial stability requirements and measure their ability to grow while maintaining strong capital positions and underwriting results."

Safety and Consistency Tests

Insurance companies are evaluated and must pass minimum thresholds to be considered for the Ward's 50 designation. Each company must pass the following primary safety and consistency tests:

- Surplus and premiums of at least \$50 million for each of the five years analyzed
- Net income in at least four of the last five years
- Risk-based capital ratio of at least 100% for each of the five years analyzed
- Compound annual growth in premiums between -10% and +40%

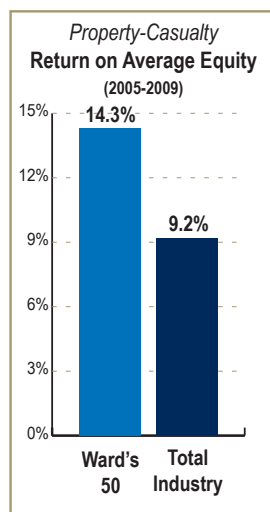
Performance Measurements

Companies that pass the safety and consistency tests are measured and scored on the following elements:

- Five year average Return on Average Equity
- Five year average Return on Average Assets
- Five year average Return on Total Revenue
- Five year growth in Revenue
- Five year improvement in Surplus to Written Premium
- Five year average Combined Ratio

Key Performance Benchmarks

An important objective of the Ward's 50 is to compare their performance as a group with the rest of the industry. In addition to achieving greater levels of income returns, the Ward's 50 benchmarks also outperformed in other key performance benchmarks. The Ward's 50 property-casualty group compared 7.3 points lower for the five year combined ratio (91.4% compared to 98.7%) and grew policyholder surplus by 31.6% compared to 19.1% for the industry since 2005. Net premiums written for the Ward's



50 property-casualty group grew 3.2% compared to the industry's 3.1% decline.

A recurring theme with the Ward's 50 companies is achieving greater levels of efficiency compared to peer companies. "Although we do not directly use expenses as a factor in the Ward's 50 evaluation, a common attribute of the top performing segment is the ability to operate at lower expense ratios," says Mr. Rieder. In 2009, expenses relative to revenue were 8.1% lower for the Ward's 50 property-casualty group of companies. "Our research consistently finds the top companies achieve a proper balance between managing expenses and making prudent investments in systems or processes to meet customer needs and corporate goals."

2010 Ward's 50[®] Property-Casualty Companies (listed alphabetically)

Acuity
 Alleghany Group
 Allstate Insurance Company
 American Modern Insurance Group
 Amerisafe
 Amica Mutual Insurance Group
 Andover Companies
 Assurant Group
 Auto-Owners Insurance Group*
 Balboa Insurance Company
 Bear River Mutual Insurance Company
 Brethren Mutual Insurance Company
 Brotherhood Mutual Insurance Company
 Capital Insurance Group
 Chubb Group
 Cincinnati Insurance Group*
 CSE Insurance Group
 The Commerce Group, Inc.
 The Doctors Company
 Donegal Insurance Group
 Erie Insurance Group
 Federated Mutual Group
 Fireman's Fund Insurance Group
 First Insurance Company of Hawaii, LTD
 FM Global
 Franklin Mutual Insurance Group
 GEICO*
 Goodville Mutual Casualty Company
 Great American Insurance Companies
 HCC Insurance Holdings Group
 Island Insurance Companies Group
 Kentucky Employers' Mutual Insurance
 Louisiana Workers' Compensation Corporation
 Metropolitan Property and Casualty Insur. Co.
 North Star Mutual Insurance Company
 Ohio Mutual Insurance Group
 Old Republic Insurance Group
 Philadelphia Insurance Companies
 ProAssurance
 Progressive Casualty Insurance Company
 ProMutual Group
 RLI Insurance Group*
 Rural Mutual Insurance Company
 Safety Insurance Group
 Travelers Insurance Group
 USAA Group*
 Vermont Mutual Insurance Company
 Virginia Farm Bureau
 W.R. Berkley Corporation Group
 Western National Insurance Group
 *20-year recipient (1991-2010)

An important objective of the Ward's 50 is to compare their performance as a group with the rest of the industry. Comparisons based on benchmarks set by the Ward's 50 group of companies are available for individual companies and the total industry. Visit www.wardinc.com for more information.



Empowering Companies Through Knowledge[®]