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NORCAL Mutual Completes Acquisition of Medicus Insurance Company

San Francisco, CA (October 5, 2011) – Today, the acquisition of Medicus Insurance Company, Austin, TX, by NORCAL Mutual Insurance Company, San Francisco, CA, was finalized following approvals from the Texas Department of Insurance.

NORCAL Mutual President & CEO, Jim Sunseri, commented, “ We welcome Medicus Insurance Company into the NORCAL Group of companies, which includes NORCAL Mutual and PMSLIC Insurance Company of Mechanicsburg, PA. We look forward to growing our organization on a national level and serving additional policyholders. This new venture allows the NORCAL Group the flexibility to pursue new business opportunities on a much broader platform. ”

Medicus is admitted to write business in 31 states throughout the country. With the acquisition, the NORCAL Group will have direct written premiums in excess of \$275 million, which we anticipate will make the NORCAL Group the ninth largest medical malpractice carrier in the country, according to information published by AM Best.

Eugenie Shea, JD, MBA, previously President & COO of Medicus, will continue in her current leadership position with Medicus as EVP & COO.

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NORCAL Mutual Insurance Company was formed by physicians in 1975 to provide the highest quality medical professional liability insurance products and services to its policyholder-owners. The company insures nearly 20,000 physicians and other healthcare professionals in solo practice, medical groups, hospitals, clinics and allied healthcare facilities in California, Alaska and Rhode Island.

PMSLIC Insurance Company is the carrier of choice for medical professional liability insurance among physicians in Pennsylvania and Delaware. As part of the NORCAL Group, the company is wholly owned by NORCAL Mutual.

Medicus Insurance Company provides MPLI to physicians, surgeons and related medical service providers from coast to coast. Founded in 2006 by its management and investors led by The Cypress Group and CHL Medical Partners, Medicus focuses on traditional medical malpractice insurance for individual physicians and practice groups across all specialties and territories in which it is licensed to do business. The company provides exceptional, personal service and innovative products for its clients' protection and peace of mind in today's complex health care environment.

NORCAL Group includes medical professional liability carriers NORCAL Mutual Insurance Company and PMSLIC Insurance Company. NORCAL Group is rated "A" (Excellent - Stable) by A.M. Best.