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NORCAL Group-Managed Risk Retention Group to Acquire Through Merger Novus Insurance Company Risk Retention Group

San Francisco, CA & Mechanicsburg, PA – On April 1, 2011, NORCAL Mutual Insurance Company of San Francisco, CA entered into an agreement under which a newly formed, NORCAL Group-managed risk retention group will acquire through merger Novus Insurance Company Risk Retention Group, domiciled in South Carolina.

“This partnership is built on a shared commitment to patient safety and risk management,” commented Jim Sunseri, CEO of the NORCAL Group. “This acquisition through merger benefits bariatric and general surgeons by bringing the NORCAL Group’s strong commitment to risk management and best practices to a broader market of physicians.”

Novus is a risk retention group specializing in medical liability insurance for bariatric and general surgeons. It was founded in 2005 by bariatric leaders in response to the medical professional liability insurance crisis. This acquisition through merger, which needs to be approved by Novus shareholders and regulators, involves premiums of \$8 million and 160 policyholders.

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. NORCAL Mutual 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 is the carrier of choice for medical professional liability insurance among individual physicians in Pennsylvania and Delaware. As part of the NORCAL Group, PMSLIC is wholly owned by [NORCAL Mutual Insurance Company](#) of San Francisco, CA.

Novus is risk retention group incorporated under South Carolina law. Novus has been engaged in the issuance of medical malpractice insurance since 2005. Novus underwrites medical malpractice insurance in 33 states. Novus’s common stock is owned by its insureds.