



NEWS RELEASE

The Norfolk & Dedham Group & The Rockingham Group Form “Mutual Alliance”

Dedham, MA - September 28, 2009

The Norfolk & Dedham Group® and the Rockingham Group®, which comprise mutual insurance companies rated A (excellent) by A.M. Best Co., are forming an alliance to strengthen their collective competitiveness through improved scale, efficiency, and diversification. Unlike a traditional merger, this new Alliance is an innovative model of how mutual insurance companies can benefit from shared resources while maintaining company autonomy and identity.

Headquartered in Dedham, Massachusetts, The Norfolk & Dedham Group consists of Norfolk & Dedham Mutual Fire Insurance Company, Dorchester Mutual Insurance Company, and Fitchburg Mutual Insurance Company.

Headquartered in Harrisonburg, Virginia, the Rockingham Group consists of Rockingham Mutual Insurance Company, Rockingham Casualty Company, and Rockingham Mutual Service Agency, Inc.

The geographic diversity of the Alliance’s customer base enables the organization to spread their risk to mitigate the impact of large losses like those associated with weather-related catastrophes. Another primary goal of the Alliance is to create a stronger and more diverse organization utilizing efficient and streamlined business processes. Due to the efficiency of both existing organizations, no staff reductions are planned.

Policyholders will benefit from a stronger, more vital organization that is better positioned to withstand losses and maintain its financial integrity. New products and services will be introduced, and the Alliance will continue to retain and attract the most talented individuals to service its over 170,000 policyholders.

“Our Alliance demonstrates how two mutual insurance organizations with long-standing traditions can demonstrate farsighted thinking in preparing themselves to prosper in a more competitive and changing business environment,” said Timothy Hegarty, President and CEO of The Norfolk & Dedham Group.

Neal Menefee, President and Chief Executive Officer of Rockingham Group, echoed his colleague’s sentiments in saying, “For far too long many mutual insurance companies have not recognized and adapted as quickly and effectively as they should have to changing market conditions. Those companies that not only understand, but also take action to deal with the dramatic changes occurring in the business, will be in a better position to take care of their customers’ future needs.”

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In addition to serving as the chief executive officers of their respective companies, Hegarty and Menefee have served in leadership positions within various insurance industry groups including the board of directors of the National Association of Mutual Insurance Companies (NAMIC).

While the Alliance will provide an opportunity for both organizations to work together on a wide variety of issues in order to better serve their policyholders, they will maintain independent boards of directors and the insurance companies will continue to be regulated by their respective states of Massachusetts and Virginia.

About The Norfolk & Dedham Group

The Norfolk & Dedham Group® was founded in Dedham, MA in 1825. With offices in Dedham, MA and Bridgewater, NJ, the company provides a broad range of personal and commercial insurance to over 120,000 policyholders through more than 300 independent agents in Massachusetts, Maine, New Hampshire, New Jersey, New York, and Rhode Island.

About the Rockingham Group

Rockingham Group has been providing for the insurance needs of generations of policyholders since 1869. Headquartered in Harrisonburg, Virginia, the company provides an array of personal and small business insurance products to more than 50,000 policyholders through over 100 insurance agencies in Virginia and Pennsylvania.

For more information, contact Timothy Hegarty at (781) 326-4010 x1111 or via email at fthegarty@NDGroup.com.

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