

PRESS RELEASE

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Coverys Announces Agreement to Acquire Global Insurance Management Company, Inc.

Coverys expands its territory through the acquisition

Boston, MA and Ft. Lauderdale, FL (September 06, 2017) – Coverys, one of the nation's largest insurers of medical professional liability, and Global Insurance Management Company, Inc. (“GIMC”), a leading provider of medical professional liability insurance for physicians and other healthcare providers, announced today that they have entered into a definitive merger agreement pursuant to which Coverys’ ProMutual Group, Inc. will acquire GIMC.

GIMC and the predecessors to its insurance subsidiary, Healthcare Underwriters Group, Inc., were founded by physicians and insurance professionals in 2003 to bring long-term availability, predictability and stability to the marketplace in Florida, Ohio and Kentucky. Since that time, GIMC has expanded to Texas, Indiana and Nevada. Coverys, a leading provider of healthcare professional liability insurance and market-leading risk services, continues to expand its delivery of products and services to meet the demands of the changing healthcare market. The combination of the two companies will strengthen GIMC’s ability to offer superior products and services to a core group of hospital and physician policyholders.

“GIMC brings knowledge and experience in the marketplace, providing Coverys the opportunity to further expand our footprint into Florida and Kentucky as well as increase our market share in Ohio. Coverys policyholders benefit from the group’s A rating with A.M. Best and, through this acquisition, we will seek to offer Healthcare Underwriters Group policyholders the same strength and protection,” said Gregg L. Hanson, CEO and president of Coverys.

“GIMC policyholders will benefit from this acquisition by being a part of a larger healthcare professional liability group with a greater level of financial stability and greater access to enhanced products and services, and the ability to issue policies in all 50 states. GIMC shareholders will receive significant value for the business we have built since 2003,” said Joshua Salman, CEO and president of GIMC.

“Since our founding in 2003, we have built our company on the principles of serving physicians, defending good medicine and providing the best possible resources to existing and new policyholders. We have found a great partner in Coverys, who shares our values and our commitment to those principles. I am confident that together, we will continue to provide strong insurance and high-quality service to our policyholders,” said Steven Shapiro, M.D., chair of the board for GIMC.

“We are pleased to announce this partnership between our two physician-founded companies. We look forward to welcoming GIMC’s policyholders to Coverys. Together, we will have increased financial strength and will continue our joint commitment to advance, protect, and reward the practice of good medicine,” said Brenda E. Richardson, M.D., chair of the board for Coverys.

The Board of Directors of GIMC has unanimously approved the transaction and has resolved to recommend that its shareholders approve the merger agreement. The transaction is expected to close in the fourth quarter of 2017 and is subject to customary closing conditions, including the receipt of regulatory approvals and approval by the holders of a majority of the outstanding shares of GIMC common stock.

Sherman & Company LLC served as financial advisor and Skadden, Arps, Slate, Meagher & Flom LLP served as legal advisor to Coverys. Sandler O'Neill + Partners, L.P. acted as exclusive financial advisor and Thompson Hine LLP served as legal advisor to GIMC.

About Coverys

Coverys is one of the nation's largest providers of medical professional liability insurance for medical practitioners and health systems. Coverys emphasizes proactive risk mitigation and patient safety programs that help clients anticipate, identify, and manage risk to reduce errors and improve outcomes. Coverys' parent company, Medical Professional Mutual Insurance Company, and its active underwriting insurance subsidiaries are rated A (Excellent) with AM Best.

About Global Insurance Management Company, Inc. (GIMC)

GIMC is a Florida-based management company that provides organizing, licensing and complete management services for Healthcare Underwriters Group, including underwriting, financial, investment, claims management, HR/operations, payroll & benefits, sales, risk management and marketing services. GIMC is managed by insurance professionals with substantial industry experience—almost exclusively in the healthcare professional liability arena.