

FOR IMMEDIATE RELEASE

October 2, 2009

Contact: Rick Cook
Partner
Cook & Schmid
619.814.2370
rcook@cookandschmid.com

Tony Sciolla
Vice President of Enterprise Marketing
ICW Group Insurance Companies
858.350.2658
tsciolla@icwgroup.com

ICW Group Insurance Companies Reduces Workforce

Company realignment designed to maintain financial strength and core project focus

SAN DIEGO, Calif. — ICW Group Insurance Companies has streamlined several non-core projects resulting in a modest reduction of 46 people from its total workforce of 702. Most of the cuts were in support staff, with 31 occurring in the Information Technology department, leaving the department with 155 employees. Core underwriting and claim departments remained virtually intact.

“Despite this modest reduction of less than 7% our workforce, our financial position continues to be very strong,” said Kevin Prior, president and CEO of ICW Group. “It allows us to align our budget with our revenues that have come under pressure during these challenging economic times. It does not in any way impact our ability to continue delivering quality products and services to our Agent and Broker partners. We remain focused on our core initiatives such as the enterprise-wide SAP® implementation and our Workers’ Compensation underwriting management system (SnapSM), that allow us to sustain our industry leading performance. We will exceed last year’s revenues in 2009, and 2010 is forecasted to grow an additional 12%.”

Earlier this year, ICW Group was recognized as one of Ward’s Top 50 P&C carriers in 2009, as well as one of *Insurance Journal Magazine’s* 149 “Super Regional Property Casualty Insurers.” Recently, the carrier earned an A- Excellent financial rating from industry rating watchdog A.M. Best for the 7th consecutive year. An A-rating is assigned to companies that in A.M. Best’s opinion have, “an excellent ability to meet their ongoing insurance obligations.”

[Explorer Insurance](#), one of ICW Group’s member companies, has seen its employee base grow throughout the year, and currently stands at 163. Explorer continues to perform well in the auto insurance market, with 2009 forecast to be the strongest in the company’s history.

“Eliminating positions is never a pleasant exercise, but we focused on treating affected employees as professionally and sensitively as possible,” added Prior. “Continuing to follow our strong, financially disciplined

underwriting approach along with our company mission to elevate agents in the eyes of their clients, is essential to maintaining the positive momentum for which ICW Group has become known in the industry.”

Note: This news release is, in part, a response to a fraudulent release recently posted to various Web sites and attributed to ICW Group. That release contains a number of serious inaccuracies, which this news release corrects.

About ICW Group Insurance Companies

Privately held ICW Group Insurance Companies is a Super Regional carrier representing a group of multi-line property and casualty insurance companies providing workers' compensation, surety, earthquake and personal and business auto insurance. Its member companies consist of Insurance Company of the West, Explorer Insurance Company and Independence Casualty and Surety. Based in San Diego, ICW Group continues to transform itself into an insurance industry leader dedicated to meeting the needs of its Agents and Brokers and the people and companies they insure. More information is available at www.icwgroup.com.

#