

Agency Alert

IMPORTANT INFORMATION FOR MASSACHUSETTS AGENTS: PHYSICIAN & SURGEON DIVIDEND DISTRIBUTION & NO RATE CHANGE

Medical Professional Mutual Insurance Company (“ProMutual”) has announced that its Board of Directors has declared a **6% dividend** for most physician and surgeon policyholders in Massachusetts. This year’s dividend announcement follows a six percent dividend in both 2010 and 2009 and a five percent dividend in 2008. The decision coincides with no increase in base rates for medical professional liability insurance policies for physicians, surgeons and certified nurse midwives, effective **July 1, 2011**.

The decision to maintain the same base rates was reached after loss estimates for the rate year developed more favorably than expected based on the prior year's analysis.

The dividend reflects the positive past performance of the company. Because the company’s losses were less than anticipated in prior years, it is able to give back funds originally allocated to pay forecasted claims. Qualified policyholders will receive the dividend on their invoices as their policies renew, or a check will be mailed as their policies expire, beginning on **July 1, 2011**.

The following criteria must be met in order for a policyholder to receive the dividend:

- The expiring policy expiration date must be between July 1, 2011 and June 30, 2012.
- The expiring policy term must be equal to or greater than 12 months.
- The expiring policy must be a physician and surgeon policy. This includes part-time, moonlighting, separate limit employees, corporations and vicarious liability.
- Individual, group and corporate policies are all eligible.
- Policies that have been cancelled for any reason are **not** eligible.
- If, for any reason, an expiring policy is cancelled and rewritten between July 1, 2011 and July 1, 2012, it will **not** be eligible.
- If the physician is otherwise eligible, but chooses not to renew coverage with ProMutual Group, a check for the dividend amount will be mailed directly to the physician.

(continued on next page)

If you have any questions regarding the changes mentioned in this Alert, please contact Jeff Lunn, senior marketing representative, at jlunn@promutualgroup.com or 508-242-5125, or your underwriter.

All the best,

A handwritten signature in black ink, appearing to read "Michael Kubik". The signature is written in a cursive, flowing style.

Michael Kubik
Vice President, Marketing

May 11, 2011