

FOR IMMEDIATE RELEASE

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Accident Insurance Company, Inc.**Earns Financial Stability Rating® of A, *Exceptional*****Columbus, Ohio, August 1, 2007:**

Accident Insurance Company, Inc. has earned a Financial Stability Rating® of A, *Exceptional*, from Demotech, Inc. This level of FSR is assigned to insurers who possess exceptional financial stability related to maintaining positive surplus as regards policyholders, liquidity of invested assets, an acceptable level of financial leverage, reasonable loss and loss adjustment expense reserves and realistic pricing.

FSRs summarize Demotech's opinion as to the financial stability of insurer regardless of general economic conditions or the phase of the underwriting cycle. FSRs utilize statutory financial data that is based on insurance accounting principles prescribed or permitted by the National Association of Insurance Commissioners (NAIC). Since 1989, FSRs of A or better have been accepted by the major participants in the secondary mortgage marketplace, including Fannie Mae, Freddie Mac and HUD.

About Accident Insurance Company, Inc.

Accident Insurance Company, Inc. (AIC) is a South Carolina domiciled insurance company that was formed in 2002 to write workers compensation, general liability and private passenger auto insurance. AIC recently received their Certificate of Authority in the states of Georgia and Mississippi and has additional filings awaiting approval throughout the Southeast. The company currently insures approximately 1,500 businesses with written premium totaling approximately \$12, 000,000 annually. For the past 5 years, AIC has been a strong, stable workers' compensation source for many South Carolina employers. The company has grown steadily while maintaining a conservative approach to management and reinsurance placement. Those same practices have allowed AIC to implement very favorable reinsurance agreements with large and respected reinsurers. AIC's workers' compensation reinsurers include Appalachian Re, CastlePoint Reinsurance Company and Midwest Employers Casualty Company. Combined, AIC reinsurance agreements provide protection from \$350,000 to \$10,000,000.

Please visit www.accinsco.com, and feel free to contact Michael Hunter, Chief Financial Officer, at (866) 234-6484, or Hunter Moss, Chief Operating Officer, at (678)921-4314 for any further information.

About Demotech, Inc.

Since 1985, Demotech, Inc., a Columbus, Ohio based financial analysis and actuarial services firm, has provided responsive services to address actuarial and financial analysis issues, whether the issues have been for a particular insurer or prevalent throughout the insurance industry. As the first company to have its rating process formally reviewed and accepted by Fannie Mae, Freddie Mac and HUD, Demotech has been leveling the playing field by offering [Financial Stability Ratings®](#) to insurers of all sizes. Demotech applies its broad actuarial and industry experience to its [consulting services](#), which include pricing analysis and loss and loss adjustment expense reserve reviews. Visit <http://www.demotech.com> for more information.

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