



Fireman's Fund Rescinds its Announced Withdrawal From Massachusetts Personal Auto

NOVATO, Calif., Oct. 27, 2004 -- Fireman's Fund Insurance Company, on behalf of its various subsidiary companies, has rescinded its decision to withdraw from the Massachusetts personal automobile insurance market.

"Over the past month, we conducted an examination of the Commonwealth Automobile Insurance reform proposals -- including meetings with the Massachusetts regulatory leadership -- and found a genuine reform commitment worthy of our support," said Robert Courtemanche, president of Fireman's Fund Personal Insurance. "As a result, we reassessed our position and decided to remain in the state for personal auto."

Courtemanche became the new head of Fireman's Fund Personal Insurance in September. "Immediately after being named to this job, I determined that the Massachusetts automobile market must become a top priority for action," said Courtemanche. "As a result, our Fireman's Fund senior management team met with the Division of Insurance about projected efforts to reform an auto insurance situation in disarray. We came away impressed with the state's commitment to the reform process. The state is taking a positive first step toward a more open and competitive marketplace benefiting consumers, carriers and agents."

"Massachusetts and Fireman's Fund enjoy a productive relationship that brings much more than personal automobile insurance coverage to the state," said Courtemanche. "We provide our agents and policyholders with a wide-range of products and services, including the capacity to insure higher-valued coastal properties. We're now encouraged by the likelihood of reform of the Commonwealth Automobile Reinsurers Rules of Operation and the resulting potential for our agents, employees and consumers. We are hopeful that reform will become reality. However, if reform does not occur, we reserve the right to reconsider our decision."

Fireman's Fund currently offers personal automobile insurance coverage to approximately 22,000 customers in Massachusetts, representing less than one percent of the state's auto market. The withdrawal from personal automobile insurance would not have affected any other lines of commercial or personal lines coverage offered by Fireman's Fund in Massachusetts.

Fireman's Fund Insurance Companies is a premier property and casualty insurance company providing personal, commercial, marine, excess and surplus lines and agribusiness insurance products nationwide. Fireman's Fund is a member of the Allianz Group, one of the world's largest providers of property and casualty insurance and other financial services.

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