



250 Main Street * Buffalo, New York 14202 * 1-800-462-1077 * www.merchantsgroup.com

For Immediate Release

Contact: Tara Potzler, 1-800-462-1077, x. 3004
tpotzler@merchantsgroup.com

Merchants Insurance Group
Introduces New
“Merchants Advantage Plus®-Businessowners Product”

BUFFALO, NY, September 17, 2008 – With the introduction of their brand-new “Merchants Advantage Plus® – Businessowners Product,” Merchants Insurance Group has made available their most expansive business owners’ insurance to date.

The new product was effective for business as of September 1, 2008 in Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island and Vermont.

“This is unquestionably our most significant product introduction in recent history and one that will enable our agents to write and retain more business,” said Dan Bierbrauer, vice president of sales and marketing.

Merchants has designed this business owners’ program so that coverages and pricing are tailored specifically to the individual risk. Among the new features of MAP®-Businessowners are expanded classes of business, including more than 75 new classes, and broadened coverages for many different types of businesses, including floral shops, medical offices, pet daycare centers, gourmet and specialty food stores, coffee shops and many more.

Some automatic coverages include Identity Recovery, Employment Practices Liability (not available in Vermont) and Equipment Breakdown. New optional coverages include Bailees Coverage, Data Compromise and Professional Liability for Pet Groomers, Day Spas and Nail Salons, Food Contamination Coverage and Garagekeepers Legal Liability Coverage.

Pricing flexibility was another consideration in designing the new program. The introduction of “Plus Plans” offers four different pricing tiers, each with its own segment modifier. Available credits include an account credit, association credit and franchise credit.

Flexibility and ease of use were the main thrusts in the design of the product. Soliciting input from agents and policyholders, Merchants designed the program based upon their needs.

“We are pleased with the results of this collaborative effort,” Bierbrauer said.

MAP®-Businessowners emphasizes convenience for agents through a streamlined quote and issue process that will also appeal to policyholders, since agents can tailor coverages to their clients’ specific needs.

In order to help agents get the most from the new MAP®-Businessowners, Merchants is also debuting the Commercial Gateway, an online interactive tool (located in the company’s website, www.merchantsgroup.com) that provides easy access to the company’s online quoting programs, policy inquiry, manuals, policy forms, bulletins and other necessary information. This new system has been significantly simplified so that the rating questions will automatically direct agents to the best product for the risk, and allows for customization of coverages. Only risk-specific questions are required for the

rating, which saves time and makes sure the customer gets exactly the type of policy with the specific coverages they need.

Another new online tool for agents, the Interactive Marketing Guide, clearly spells out the company's underwriting appetite, underwriting guidelines by class, and also provides links to the quoting programs, policy forms, applications and product information that agents will need to make their work fast, easy and accurate. This guide may also be accessed at Merchants' website.

As another step to help the agents make the transition to the new MAP®-Businessowners product as seamless as possible, Merchants will be hosting a number of product training "webinars" and sales meetings during the next few months.

Merchants Insurance Group offers personal and commercial insurance through a network of more than 625 independent insurance agents throughout the Northeast and North Central United States. With corporate headquarters and regional operations located in Buffalo, N.Y., Merchants also operates offices in Hauppauge, N.Y.; Albany, N.Y.; Moorestown, N.J.; Manchester, N.H., and Dublin, OH. Merchants' website can be accessed at www.merchantsgroup.com.