

MMIC TO ACQUIRE UTAH MEDICAL INSURANCE ASSOC.

WCMA acts as financial advisor to MMIC solely to provide a fairness opinion on the acquisition of UMIA

\$142 million

June 2013



Acquisition of:



Financial Advisor to MMIC solely to provide a fairness opinion



Transaction Overview

- **On 2/4/13, MMIC announced it had entered into an agreement to acquire UMIA**
 - Terms of the transaction were not disclosed
 - UMIA will become a wholly-owned subsidiary of MMIC, but will retain its name and BOD
- **UMIA is a leading medical professional liability insurer in the Mountain Region**
 - Oregon reciprocal insurance company headquartered in Salt Lake City, UT
 - Leading medical professional liability market share in Utah, Montana and Wyoming
 - Insures over 3,000 physicians, including approximately 90% of eligible subscribers in Utah
 - Wrote \$60 million of DPW in 2011 with statutory surplus of \$90 million at 9/30/12
- **Stated acquisition rationale includes the following:**
 - Extends MMIC's geographic footprint
 - Broadens UMIA's access to products and services
 - Complementary product offerings targeting physicians and health care providers
 - Creates stronger systems and processes and drives efficiencies
- **Combined company will have nearly 20,000 policyholders in 14 states**

Willis Capital Markets & Advisory Role

- **Financial advisor to MMIC solely to provide a fairness opinion on the transaction**
 - Provided unparalleled objective advice regarding the fair value of UMIA
 - Conducted financial, strategic and capital analysis in formulating a fair value of UMIA