

For immediate release
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NJM Tradition Continues: Policyholders Receive Special Dividends *Financial Strength, Consistent Focus on Policyholders lead to \$48.5 million declaration*

WEST TRENTON, NJ – For the 16th year in a row, New Jersey Manufacturers Insurance Company will send Special Dividend checks to its Personal Auto policyholders. Approximately 406,000 customers will share more than \$48.5 million. The checks will be mailed starting November 17 and going through mid-December.

The Special Dividend checks, which average more than \$107 each, are in addition to the 5% Regular Dividend that Personal Auto policyholders receive on the renewal of their 2009 policies. The largest auto insurer in New Jersey, NJM has returned dividends to policyholders every year since 1918, totaling more than \$4.8 billion for all lines of insurance.

Each policyholder's Special Dividend check will be 7.5% of the premium paid for the 12-month policy that began in 2008. Personal Injury Protection (PIP) no-fault medical coverage (known as First Party Benefits in Pennsylvania) has been excluded from dividends for the past seven years due to ever-increasing medical costs to provide treatment for injuries suffered in auto accidents.

Dividends significantly enhance the bottom line for NJM policyholders. The most recent statistics show that, because of both competitive rates and dividends, the average NJM Personal Auto insurance policy costs 23% less than the statewide average.* Drivers with NJM coverage enjoy the further benefit that their rates do not increase because of tickets or accidents.

NJM maintains the highest rating of A++ (Superior) from A.M. Best Company, the leading evaluator of insurance companies' financial strength and ability to pay claims. Only 1.5% of the U.S. property-casualty insurance groups rated by A.M. Best have this highest designation.

Based in West Trenton with branch offices in Parsippany and Hammonton, NJM conducts more than 98% of its business in New Jersey. The Company operates in the mutual fashion, exclusively for the benefit of policyholders. Dividends depend on the Company's experience each year, including claims, administrative expenses, investment income and any extraordinary expenses imposed by state government.

In addition to personal auto insurance, NJM is by far the leading provider of workers' compensation coverage in New Jersey. NJM also offers commercial auto, homeowners, flood and umbrella insurance. Eligibility to apply is restricted to individuals (or spouses) who work for a company that is a member of the New Jersey Business & Industry Association (NJBIA) or the State of New Jersey.

NJM Bank, a wholly owned subsidiary of NJM Insurance Company, offers consumer and business checking and savings accounts, Certificates of Deposit, Home Mortgages, Home Equity Loans and Lines of Credit, Auto Loans and Commercial Real Estate Loans to the general public. September 2009 marked the Bank's 10th anniversary.

* Based on 2008 figures. Total New Jersey market average cost per vehicle was \$1,041 as calculated by the New Jersey Department of Banking and Insurance (DOBI). NJM average cost per vehicle before dividends was \$923, and \$803 after dividends.

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