



News Release

FOR IMMEDIATE RELEASE

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Penn Millers Enters into Agreement to Sell Eastern Insurance Group

January 8, 2009 -- Penn Millers has entered in to an agreement to sell its insurance agency operation to Eastern Insurance Acquisition Group, a local investment group. The sale is expected to close within thirty days and is part of Penn Millers' strategy to concentrate on underwriting property/casualty insurance for Agribusiness and Commercial Business customers.

Eastern Insurance Group (EIG) is a large and successful independent insurance agency serving Luzerne County businesses and individual customers. In addition to Penn Millers, EIG represents over 30 insurance companies.

“Currently we’re not considering a reduction in staff or relocation of operations,” said Brian Corbett, an Eastern Insurance Acquisition Group investor and President of Corbett Insurance of Shavertown. “Our group plans to continue to serve EIG’s existing customers and to build upon existing operations.”

EIG employs 31 individuals at its Baltimore Drive, Wilkes-Barre location.

Incorporated in 1887, Penn Millers Insurance Company is a regional property/casualty company whose strong financial foundation and successful operating strategies have earned the company a rating of “A-“ (Excellent) by A.M. Best Company, the nation’s leading insurance rating organization. Penn Millers writes competitive products through quality, professional independent insurance agents in eight (8) Northeastern, Mid-Atlantic and Southern states and competitive Agribusiness products through quality, professional independent insurance agents and brokers in 33 states throughout the continental United States. The company’s Internet site is www.pennmillers.com

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