



News Release
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Companion Life Insurance Co. Acquires Intermediary Insurance Services Inc.

Columbia, S.C. – Companion Life Insurance Co. of Columbia, S.C., announced today that it has purchased San Francisco-based Intermediary Insurance Services Inc. (IISI), a managing general underwriter of stop loss coverage for employer health plans.

The acquisition includes IISI's headquarters in San Francisco and its other offices, located in Doylestown, Pa., and Tampa, Fla. Terms of the purchase were not disclosed. IISI has 29 employees and estimated annualized premium of \$43 million.

"IISI will retain its name and continue operating independently, with its core management team in place and no changes to day-to-day operations," said Companion Life President Trescott N. Hinton Jr. "Chris Hutton will continue serving as president of IISI.

"We are very excited about our ownership of IISI," Hinton said. "We view this as an excellent strategic fit and are looking forward to significant growth opportunities. The acquisition of IISI is a natural extension of our business model. This acquisition, along with our November 2007 purchase of Montgomery Management Corp. and our purchase in May 2008 of International Specialty Underwriters, demonstrates our commitment and desire to continue in this market."

Hutton said, "IISI's mission will continue to be to serve the self-funded community by providing effective risk management and comprehensive managed care resources, delivered with the highest standard of professional performance and superior customer service. We look forward to the partnership between Companion Life and IISI."

About Companion Life

Headquartered in Columbia, S.C., Companion Life Insurance Co. (www.CompanionLife.com) has specialized in employee benefits since 1971. The company markets life, dental, disability, accident and specialty health insurance products through a network of independent agents and brokers, general agents and managing general underwriters. Companion Life is licensed in 46 states and the District of Columbia, with an A. M. Best Rating of A+ (Superior).

About IISI

Founded in 1983, IISI (www.iisinet.com) offers a full array of excess loss programs featuring employer stop loss for self-funded employers. As a full-service managing general underwriter, IISI provides services on behalf of its insurance carrier partners. These services include marketing, underwriting, policy issuance, premium collection, managed care coordination, and stop loss claim adjudication and payment. Marketing is done on a national scale, serving brokers, consultants, and third-party administrators with their stop loss needs.

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