



THE HISTORY OF AMICA

As of November 2009

Amica was founded in 1907 on the premise that preferred risk underwriting could be applied to the automotive field, an industry then in its infancy.

The man behind the theory was Adolph T. Vigneron, then a vice president with the Associated Factory Mutual Fire Insurance Companies. These companies practiced preferred risk underwriting, providing lower insurance rates for factories in excellent condition. Mr. Vigneron convinced a number of business leaders in Providence, Rhode Island, to work with him on a similar concept for automobile insurance. These forward-thinking businesspeople organized the Automobile Mutual Insurance Company of America, offering automotive fire and theft insurance from a humble room staffed by two clerks.

A Tradition of Value and Service

It was clear from the beginning that the company could thrive. By doing business with persons of prudent judgement and responsible behavior, and by offering outstanding value and superior service, it flourished. Policyholders recommended family, friends, and business associates who shared the same values, and the preferred risk concept was confirmed as an effective strategy for underwriting automobile insurance policies.

In 1907, there were only 25,000 automobiles on United States roadways. This number grew quickly as automotive financing became available, allowing more Americans to experience the conveniences of owning a car. Automobile Mutual grew steadily, paralleling the growth of automobile ownership. By 1913, the company was in a class by itself, with larger surplus to premium and surplus to amount-at-risk ratios than any similar company in the United States.

Unfortunately, the number of accidents involving injury, death, and property damage also grew quickly. To meet expanding needs, the Factory Mutual Liability Insurance Company of America was chartered in 1914 for the purpose of providing liability insurance to Automobile Mutual policyholders.

Thanks to sound and conservative investment policies, the companies were among the few businesses to emerge unscathed from the stock market crash in 1929 and the depression years that followed. In fact, there were gratifying gains made every year, especially in the number of policyholders joining the companies.

Quick to Respond in Times of Disaster

In 1938, a great hurricane pounded New England, concentrating much of its wrath on the tiny state of Rhode Island. A tidal wave and winds topping more than 100 miles per hour rocked the state. Rhode Islanders suffered extensive property damage, and the companies' policyholders

submitted more than 1,000 claims. When its policyholders were clearly in great need, the Automobile Mutual and Factory Mutual companies responded quickly, paying claims promptly and fairly. In the years to come, the companies would respond many times to damage caused by acts of nature, seeing customers through hurricanes Carol and Diane, and even a devastating tornado that ripped a path through Worcester, Massachusetts.

The World War II years saw reductions in automotive production, travel, and the output of general goods. The Automobile Mutual and Factory Mutual companies rode out the slowdown by serving as fiduciary agents of the War Damage Corporation, preparing many contracts to insure homes against losses through enemy action.

Growth, Changes, and a New Home

In 1941, the companies opened a branch office in Boston, and in 1956 they began issuing homeowner coverage. Later years saw the additions of marine and personal umbrella liability coverages.

In 1973, the Automobile Mutual and Factory Mutual companies merged to form a more efficient corporate entity, Amica Mutual Insurance Company. Amica Life Insurance Company, founded several years earlier, exists as a wholly owned Amica Mutual subsidiary.

In 1994, Amica's corporate offices moved from Providence, Rhode Island, to a much larger campus in nearby Lincoln. The company proudly celebrated its 100th year in 2007.

Amica Today

The insurance business is by no means a predictable one. Amica is subject to the same vagaries of circumstance as other companies in its industry. But our company has learned the lessons history has to teach. Amica will continue to follow the path it set upon in 1907, one that makes personal service, prudent investment, and prompt and fair claims service the company's top priorities.

Amica recognizes that its tradition of providing superior customer service has helped it to grow and flourish. Others do, too. The A.M. Best Company, founded in 1899 as the first company in the world to report on the financial condition of insurance companies, has consistently rated Amica A++ (Superior). Amica has placed first in the J.D. Power and Associates National Automotive Insurance Satisfaction Study every year from 2000, the inaugural year of the study, to the present. This award ranks Amica "Highest in Customer Satisfaction Among National Auto Insurers."* Amica has also been recognized by J. D. Power as "Highest in Customer Satisfaction Among National Homeowner Insurers, Eight Years in a Row."**

Amica is now the oldest mutual insurer of automobiles in the United States, with 40 offices across the country. For more information about Amica's products, history, and local community initiatives, visit the company's Web site at Amica.com

*Amica received the highest numerical score in the J.D. Power and Associates 2000-2009 National Auto Insurance Studies.SM The score in the 2009 study is based on 22,930 responses from policyholders of 32 insurance carriers who were surveyed in March and April 2009 about their experiences and perceptions. Visit jdpower.com.

**Amica received the highest numerical score in the J.D. Power and Associates 2002-2009 National Homeowners Insurance Studies.SM The score of the 2009 study is based on 12,987 responses from policyholders of 27 insurance carriers who were surveyed from April to June 2009 about their experiences and perceptions. Visit jdpower.com.