



**AMERICAN EUROPEAN GROUP, INC.**

## **ANNOUNCEMENT**

March 30, 2007

American European Group, Inc. announced today it has finalized its acquisition of Merchants Group, Inc.

The acquisition also included Merchants Insurance Company of New Hampshire, Inc., formerly based in Buffalo, New York. The Company will operate in 13 states and in the District of Columbia as the American European Insurance Company.

*American European Insurance Group, Inc. ("AEIG") has offices in Cherry Hill, NJ and New York, NY. We are a group of regional insurance companies, American European Insurance Company and Rutgers Casualty Insurance Company, and affiliates, Rutgers Enhanced Insurance Company and United International Insurance Company. Our group offers property and casualty products and services through a network of independent agents. We pride ourselves in meeting our insurance obligations to our agent partners and customers for more than 20 years.*