

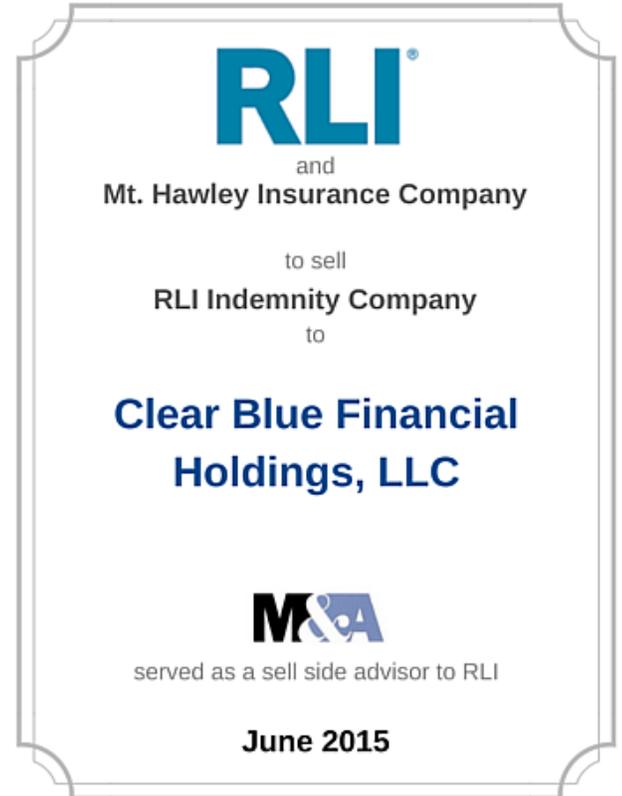
For Immediate Release

Mt. Hawley Insurance Company to sell RLI Indemnity Company to Clear Blue Financial Holdings, LLC

New York, New York., June 2, 2015 — RLI Insurance Company (“RLI”) and its affiliate Mt. Hawley Insurance Company (“Mt. Hawley”) entered into a Stock Purchase Agreement with Clear Blue Financial Holdings, LLC (“Clear Blue”), pursuant to which Mt. Hawley agreed to sell RLI Indemnity Company (“RLI Indemnity”) to Clear Blue in exchange for the capital & surplus of the company plus \$7.5 million to be paid in cash at closing. RLI is guaranteeing certain obligations of Mt. Hawley in the transaction. RLI, Mt. Hawley and RLI Indemnity are all wholly-owned insurance subsidiaries of RLI Corp. Merger & Acquisition Services served as a sell side advisor to RLI.

The transaction is structured as a sale of the stock of RLI Indemnity by Mt. Hawley, which is subject to insurance department regulatory approval, and expected to close promptly after such approvals are secured. Terms and conditions of the transaction are set forth in the Stock Purchase Agreement, attached as an exhibit hereto, and are incorporated herein by reference.

RLI is a specialty insurance company that has been successful for more than 45 years. The company is a diversified portfolio of property and casualty coverages and surety bonds serving “niche” or underserved markets. RLI operates in all 50 states from office locations across the country. The company’s talented associates have delivered underwriting profits in 31 of the last 35 years, including the last 16 consecutively. RLI’s insurance subsidiaries are rated A+ “Superior” by A.M. Best Company and A+ “Strong” by Standard & Poor’s.



RLI
and
Mt. Hawley Insurance Company

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June 2015

Merger & Acquisition Services, Inc. is a specialist advisory and financial services Firm to the insurance and reinsurance industry, with offices in New York, Connecticut, Georgia & Cayman Islands. Founded in 1999, the Firm and its affiliates provides investment banking and insurance consulting services globally, including; merger & acquisition advisory, capital raising, valuations, program placement/fronting, and reinsurance advisory. To learn more about Merger & Acquisition Services, visit <http://www.maservices.com>

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