

## News from Sedgwick Claims Management Services, Inc. and The Hartford

# The Hartford To Sell Specialty Risk Services To Sedgwick CMS

*Sedgwick CMS and SRS share focus on quality and accountability to clients*

HARTFORD, Conn. and MEMPHIS, Tenn., December 20, 2010 – The Hartford Financial Services Group, Inc. (NYSE: HIG) and Sedgwick Claims Management Services, Inc. (Sedgwick CMS) today announced a definitive agreement to sell Specialty Risk Services, LLC (SRS) to Sedgwick CMS.

SRS, a wholly-owned subsidiary of The Hartford, is one of the nation's leading third-party claims administrators providing self-insured, insured, and alternative market clients with customized claims services.

"The sale of SRS is consistent with our strategy to focus The Hartford on core protection and wealth management businesses," said Liam E. McGee, The Hartford's chairman, president and chief executive officer. "This transaction accomplishes the goal of creating shareholder value without impacting the earnings power of the company.

"These are two outstanding organizations that will build on strong traditions of client-focused service. As we work with Sedgwick to close the transaction, we will continue to provide high quality products and services to our customers."

Sedgwick CMS is a leader in innovative claims and productivity management solutions to major employers. The company provides claims administration, managed care, program management and related services.

"SRS is a highly respected player in the industry and has established a strong reputation for serving and retaining outstanding clients," said Dave North, CEO of Sedgwick CMS. "Sedgwick CMS and SRS share remarkably similar philosophies on issues of quality and accountability for client results. We look forward to bringing these two exceptional organizations together for the benefit of our customers, industry partners and company colleagues."

The transaction is expected to close during the first quarter of 2011, subject to regulatory approval and other required consents. Sedgwick CMS plans to extend comparable employment offers to all direct SRS employees, as of closing.

### **About the Transaction**

Under the agreement, Sedgwick CMS will pay The Hartford \$278 million in cash to acquire SRS. The Hartford expects to realize a capital gain of approximately \$150 million, after-tax, upon closing of the transaction.

Credit Suisse served as the financial advisor to The Hartford.

**About The Hartford**

Celebrating 200 years of helping its customers achieve what’s ahead, The Hartford (NYSE: HIG) is an insurance and wealth management company. Through its unique focus on customer needs, the company serves businesses and consumers by providing the products and solutions they need to protect their assets and income from risks and manage their wealth and retirement needs. A Fortune 100 company, The Hartford is recognized widely for its service expertise and as one of the world’s most ethical companies. More information on the company and its financial performance is available at [www.thehartford.com](http://www.thehartford.com).

**About Sedgwick CMS**

Sedgwick Claims Management Services, Inc. is the leading North American provider of innovative claims and productivity management solutions. Sedgwick CMS and its affiliated companies deliver cost-effective claims administration, medical management, risk consulting and related services to clients through the expertise of 7,000 colleagues in a hundred and thirty offices in the U.S. and Canada. The company specializes in workers’ compensation; disability, FMLA and other employee absence; general, automobile and professional liability; and warranty and credit card claims services as well as Medicare compliance solutions. Sedgwick CMS and its affiliates design and implement customized programs based on proven practices that meet client needs. For more see <http://www.sedgwickcms.com>.

Some of the statements in this release may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Investors should consider the important risks and uncertainties that may cause actual results to differ. These important risks and uncertainties include those discussed in our Quarterly Reports on Form 10-Q, our 2009 Annual Report on Form 10-K and the other filings we make with the Securities and Exchange Commission. We assume no obligation to update this release, which speaks as of the date issued.

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