



051085 - Safety Insurance Group, Inc.

Report Revision Date: 04/08/2013

Rating and Commentary ¹	Financial ²	General Information ³
Best's Credit Rating: N/A Rating Rationale: N/A Report Commentary: 04/08/2013	Time Period: N/A Last Updated: N/A Status: N/A	Corporate Structure: N/A States Licensed: N/A Officers and Directors: N/A
 Best's Credit Rating Methodology	Disclaimer	 Best's Rating Guide

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[Company Overview](#)

Stock Information: [NASDAQ:SAFT](#)

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¹The Rating and Commentary date outlines the most recent updates to the Company's Rating, Rationale, and Report Commentary for key rating and business changes. Report commentary may include significant changes to Business Review, Financial Performance/Earnings, Capitalization, Investment/Liquidity, or Reinsurance sections of the report.

²The Financial date reflects the current status of the financial tables found within the body of the Report, including whether the data was loaded as received or had been run through our quality control cross-check process.

³The General Information date covers key areas that may have changed such as corporate structure, states licensed or officers and directors.

Ultimate Parent: [Safety Insurance Group, Inc.](#)

Safety Insurance Group, Inc.

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AMB #: 051085

Ultimate Parent: [051085](#)

NAIC #: N/A

FEIN #: N/A

Publicly Traded Corporation: Safety Insurance Group, Inc.
NASDAQ: SAFT

Report Revision Date: 04/08/2013

Corporate Overview

Safety Insurance Group, Inc., owns property/casualty insurer Safety Insurance Company (Safety Insurance) and its two wholly owned subsidiaries, Safety Indemnity Insurance Company (Safety Indemnity) and Safety Property and Casualty Insurance Company (Safety Property and Casualty). Safety Insurance Group, Inc., was established in October 2001, as the senior management team of Safety Insurance and certain private investors purchased the holding company, Thomas Black Corporation, from its prior owners. In March 2004, the Thomas Black Corporation merged into the Safety Insurance Group, Inc., as a measure to streamline the organizational structure. This change had no effect upon the group's financial condition or results of operations.

Safety Insurance Group, Inc., sold 6,333,334 shares of its common stock at \$12.00 per share in an initial public offering (IPO) that closed on November 27, 2002. Safety Insurance Group, Inc., is traded on the NASDAQ Global Select Market under the symbol SAFT. Net proceeds of approximately \$72.7 million were received on that date from the IPO and a direct sale of 350,000 additional shares of common stock after deducting estimated underwriting discounts and estimated offering expenses, as well as \$30.0 million of borrowings received under a new credit facility. These net proceeds and borrowings were used to repay principal, interest and dividends on the outstanding debt. Safety Insurance Group, Inc., also received net proceeds of approximately \$10.0 million on December 5, 2002, when the underwriters exercised their over-allotment option in full.

The Safety Insurance Group, Inc., also owns all of the outstanding capital stock of Whiteshirts Management Corporation, a holding company, and indirectly, its wholly owned subsidiary, Whiteshirts Asset Management Corporation (WAMC). Prior to 2004, the property/casualty companies had a management agreement with WAMC, whereby the agency performed all underwriting, claims processing and administrative functions for a fee; however, as another step toward streamlining the organizational structure in 2004, this management agreement was terminated. Concurrently, an administrative services agreement was established between Safety Insurance and Safety Indemnity and, effective January 1, 2007, Safety Property and Casualty, under which Safety Insurance provides certain administrative and management services to its subsidiaries.

Corporate Structure

AMB#	Company Name	Domicile	% Own
051085	Safety Insurance Group, Inc.	DE	0
002684	Safety Insurance Company	MA	100
010760	Safety Indemnity Insurance Co	MA	100
013771	Safety Property & Casualty Ins	MA	100

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A Best's Debt/Issuer Credit Rating is an opinion regarding the relative future credit risk of an entity, a credit commitment or a debt or debt-like security.

Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do not address any other risk, including but not limited to liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

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