



ProAssurance Corporation Procedures Governing Hiring Employees of the Registered Independent Public Accounting Firm

Governing Law

The Sarbanes-Oxley Act of 2002 amended the Securities Exchange Act of 1934 by adding a new Section 10A (l) that provides:

Conflicts of Interest: It shall be unlawful for a registered public accounting firm to perform for an issuer any audit service required by this title, if a chief executive officer, controller, chief financial officer, chief accounting officer, or any person serving in an equivalent position for the issuer, was employed by that registered independent public accounting firm and participated in any capacity in the audit of that issuer during the 1-year period preceding the date of the initiation of the audit.

This new provision supplements existing guidance concerning auditor independence such as the prohibition of an auditor from serving on the Board of Directors of the company being audited.

Purpose of Procedure

The purpose of this procedure is to provide a clear and concise policy for avoiding any situations that would violate the above quoted Conflicts of Interest provision of the Act.

This procedure recognizes that ProAssurance Corporation and its subsidiaries have only approximately 600 employees and that the employment of professional level employees such as “the chief executive officer, controller, chief financial officer, chief accounting officer, or any person serving in an equivalent position” is an infrequent and controlled hiring activity.

Procedure

1. ProAssurance Corporation and its subsidiaries may not hire any person who is employed by, or within the past twenty-four (24) months was employed by, the Company’s registered independent public accounting firm unless management shall determine that the proposed hiring does not violate the Conflicts of Interest provision and applicable rules of the Securities and Exchange Commission and the New York Stock Exchange governing the hiring of the registered independent public accounting firm’s present or prior personnel. As a part of its pre-hiring review, management shall make a determination that there is not a violation of the applicable rules and shall obtain the written assurance from the registered public accounting firm that the hiring of the person under consideration will not violate the Conflicts of Interest provision and applicable rules of the Securities and Exchange Commission or the New York Stock Exchange.
2. Prior to hiring, management shall advise the Audit Committee of the proposed hiring in the form of a memorandum that describes the hiring review. The memorandum shall include the written assurance from the registered public accounting firm.

This procedure shall be included in the hiring procedures of ProAssurance Corporation and its subsidiaries.