

THE MAIN STREET AMERICA GROUP

2006 ANNUAL REPORT



PARTNERING ON MAIN STREET

Main Street America's Agency Development Manager Brian Mahoney (left) and Senior Commercial Lines Underwriter Jean Pergerson meet with Prime Financial Services Vice President Karl Thomason at the sidewalk café in Prime's spectacular "Main Street USA" office in Fayetteville, Ga. Learn more about how Main Street America's field personnel partner with our customers in the story on page 7.

TABLE OF CONTENTS

2	Vision in Action Message from the Chairman
5	Financial Overview
6	People in Action
8	Products in Action
10	Communities in Action
12	Bonds in Action
14	Senior Management
15	Circle of Excellence
16	Board of Directors
17	2006 Financial Results
20	Office Directory

PEOPLE IN ACTION



The Main Street America Group's sustainable competitive advantage is "The MSA Experience" — serving our customers, and our customers' customers, better than anyone else.

The MSA Experience reflects our organization's responsiveness, personal service and commitment to helping our customers achieve profitability and growth, and complements our goal of making it as easy as possible to do business with us.

"It is all about the ease of doing business," said Carmen Marciano, president of Appleby & Wyman Insurance Agency Inc., Beverly, Mass. "It's the simple things such as how efficiently they handle our customers' billing and processing. Main Street America turns our business quickly and gets the policies out to our customers in a timely manner."

Alan DeForest, owner of the DeForest Group, an aggregator based in Kingston, N.Y., said the integrity of Main Street America is the most critical market differentiator. Main Street America ranks as DeForest's No. 1 carrier in terms of premium volume.

"Our relationship with Main Street America is tremendous. We seem to be a perfect fit organizationally and culturally," Alan said. "I like to think both of us do business effectively, but with integrity. That is why we have meshed so well and achieved success together."

Jim Burgin, owner of C&D Insurance Service Inc. and head of the Insurance Network Group, based in Angier, N.C., said he values the strong relationships he has with Main Street America personnel at all levels.

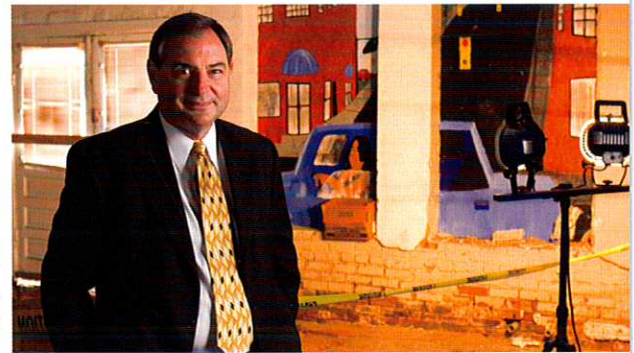
"I really appreciate having Chris (Brendel) so readily accessible," Jim said. Chris, Main Street America's agency development manager, is based 15 miles from Angier in Holly Springs, N.C. "If I need to, I can call (CEO) Tom Van Berkel. That isn't possible at most carriers."

Jim added he appreciates how receptive Main Street America is to the suggestions of its customers.

"If we go to an agency council meeting and address a specific issue, it is usually resolved by the next time our council meets or much sooner," he said. "They can't always do what we ask, but they listen to us and have empathy with our situations."

"If I need to, I can call (CEO) Tom Van Berkel. That isn't possible at most carriers."

- Jim Burgin



Jim Burgin
Owner,
C&D Insurance
Service Inc./
Insurance
Network Group
Angier, N.C.

ENHANCING EASE OF DOING BUSINESS

To build upon our ease of doing business strategy, we established the Field Operations Support Center to enhance our service to our customers. The centralized Support Center, based in our Keene, N.H., office, enables us to streamline activities such as updating customer information, coordinating leads, managing book transfer agreements and assigning agency identification codes. The unit also facilitates the agency appointment process, customer licensing and agency compensation.

Also in 2006, we enhanced the capabilities of our MSA Service Center by adding personal lines accounts to the Keene-based operations that began with small commercial lines accounts in 2005. Our Service Center representatives can complete and issue new business, process renewals, handle endorsements and other routine tasks so our customers can focus on sales.

Main Street America also prides itself on its WOW! Claim Service. Our customers tell us claims handling clearly distinguishes one carrier from another and many have indicated this is where Main Street America shines. We service claims from our Customer Care Unit in Auburn, Mass., our centralized reporting center, supported by four regional claims locations.

"I can speak from personal experience that your claim service is very good as I filed a claim after my own auto accident," Carmen said. "The whole process went very smoothly."