

Connections

2024 Annual Report



Mutual Connections, Mutual Benefit.



Gary Williams
President and Chief Executive Officer

For Mutual Benefit Group, nurturing our core relationships is an essential part of our DNA as a mutual company. Everyone at MBG works to build trusting relationships and provide outstanding service through effective communication and compassionate service. Our policyholders are the owners of MBG, which means the interests of policyholders, independent agents, employees and the broader community are inherently connected.

Assessing risks, providing coverage and settling claims are common across all insurance companies. However, MBG's consistent commitment to building, developing and nurturing long-lasting connections allows us to deliver value above and beyond indemnification.

We connect the power of our agents to the needs of our policyholders by delivering on our promise.

Our independent agents, weaved into the fabric of the Pennsylvania and Maryland communities we serve, deliver personalized assistance and expert advice. When our insureds experience a loss, their local independent agent is often the first person they'll turn to. Bringing their knowledge to the complex and sometimes intimidating world of insurance, independent agents provide comfort and security to policyholders amidst times of confusion and difficulty.

We are connected with qualified, compassionate agency partners who help us provide the most tailored, caring coverage based on personal needs. And in the event of a loss, we are here to deliver on our promise for every policyholder, every day.

The financial stability of our policyholders is our joint goal.

As a mutual company, MBG knows that when we work to take care of our communities, they will support us in return. The coverage we provide to our policyholders underpins the financial strength of families and businesses across PA and MD, providing a safety net of protection during times of both stability and volatility.

In today's world, we understand the speed of change is accelerating; equilibrium and peace are rare and often short-lived, from economic instability to technological innovations and political conflict. Being a steady, dependable anchoring point for our policyholders and agents through building strong financial success remains our top priority.

Over our 117 years in business, we have built our connections with compassion, integrity and respect, creating strong, powerful trust with our policyholders and agents. Our values underpin every communication, interaction and transaction, making it possible to foster our mutual connections while delivering mutual benefits to all.

Here is the power of MBG's mutual connections in 2024:

- MBG's largest Direct Written Premium at \$151 million (from \$132 million in 2023)
- Combined Ratio of 97.0 (turnaround from 117.7 in 2023)
- Added \$11 million to MBG's Surplus (increased to \$117.3 million)
- Leverage Ratio improved to 1.1 (0.3 points better than plan)
- MBG recognized as a Best Place to Work in PA for the 10th time since 2009
- MBG's largest group of Inner Circle agents (see back cover for those who qualified)

Thank you for making this year a success story for MBG. I know that the connections we share will help us continue to protect economic security across our communities in 2025 and beyond.



Gary A. Williams, President and CEO



What does MBG's logo represent?

Our logo was redesigned in 2018 to symbolize our commitment to meeting the needs of our policyholders in today's ever-evolving market — but the meaning and significance have remained the same for the past 117 years.

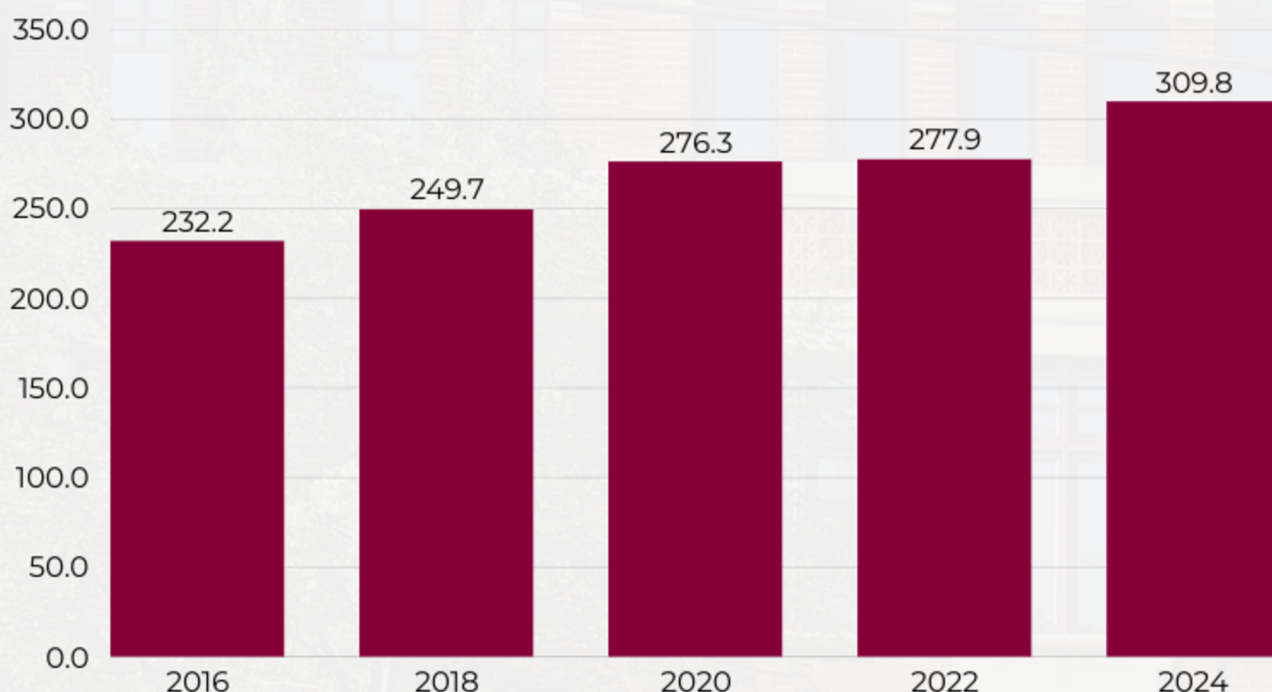
The three interconnected circles represent the strong, interdependent, invaluable relationships that are formed when a financially sound mutual insurance company, experienced independent insurance agents and wise consumers pool their resources to face the risks of everyday life. Our logo is our policyholders' symbol of security: Mutual Benefit Group's promise to help build and protect their economic wellbeing.

The openness between these three circles conveys a forward-thinking, forward-moving approach to insurance protection as we all work together to adapt to a changing world. Ringed in our signature shade of maroon, the circles are shielded by MBG's ongoing commitment to providing protection and security for policyholders as well as a strong, stable market for agents.

Our financial strength **connects** to the economic well-being of our partners.

Assets

(millions)

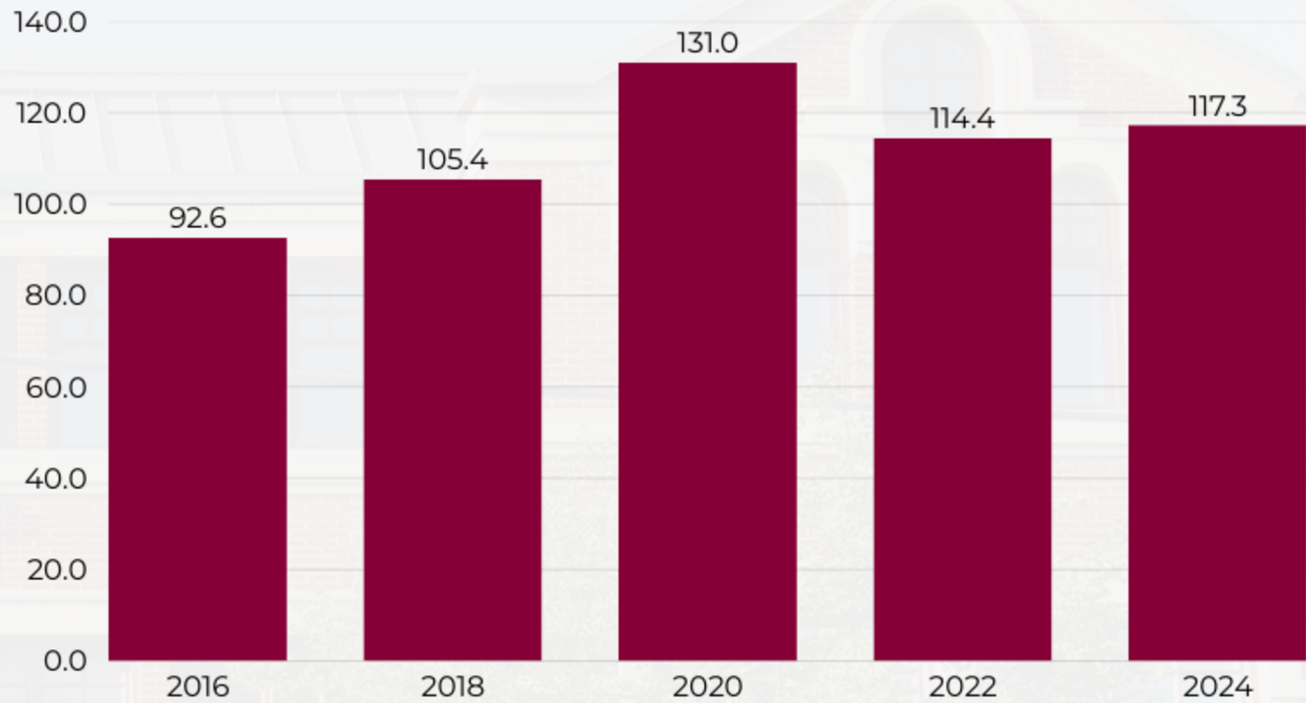


Assets (000s)	2024	2023
Cash in Bank	\$ 5,971	\$ 16,191
Bonds (Amortized)	\$ 218,628	\$ 186,381
Stocks (Market)	\$ 31,030	\$ 31,753
Real Estate	\$ 6,263	\$ 6,409
Accounts Receivable	\$ 44,626	\$ 41,393
Reinsurance Recoverable	\$ 888	\$ 1,543
Accrued Interest	\$ 2,074	\$ 1,895
All Other Assets	\$ 350	\$ 586
Total Assets	\$309,830	\$ 286,151

Liabilities (000s)	2024	2023
Reserves for		
Unearned Premium	\$ 67,476	\$ 63,947
Reserve For Loss and		
Adjusting Expense	\$ 104,622	\$ 97,848
Reserve For All		
Other Liabilities	\$ 20,447	\$ 18,007
Policyholder Surplus	\$ 117,285	\$ 106,349
Total Liabilities and Surplus	\$309,830	\$ 286,151

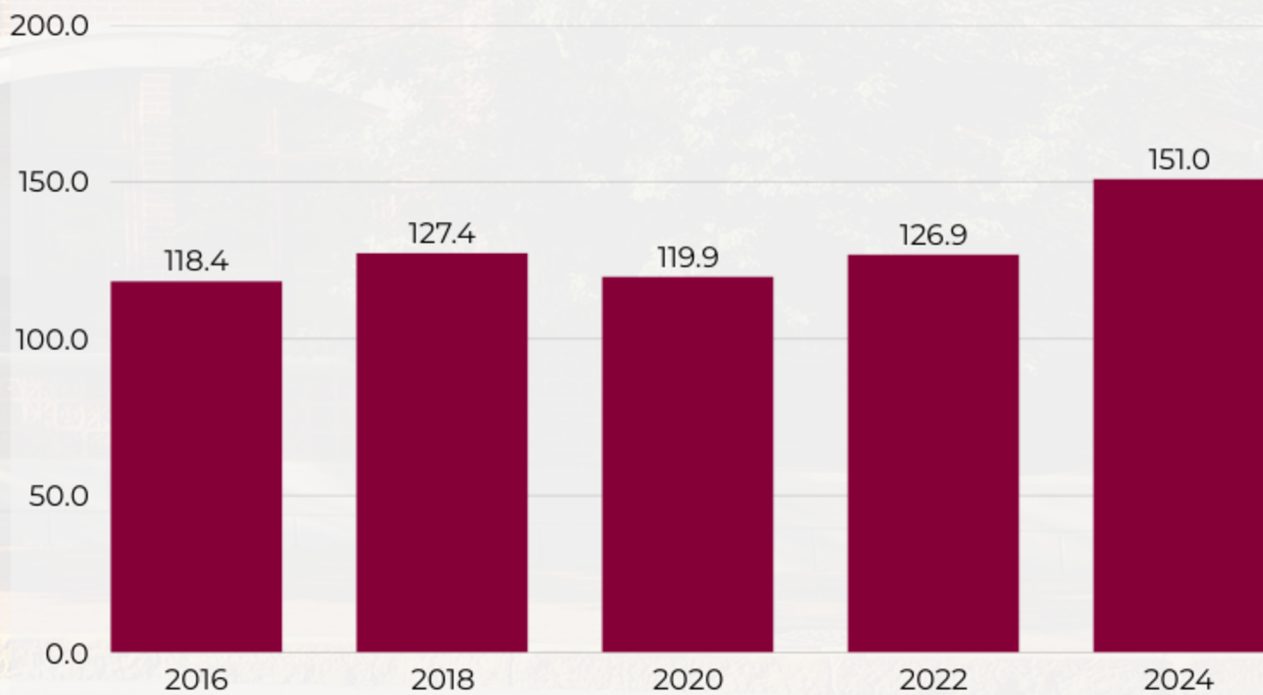
Policyholder Surplus

(millions)



Premium Writings

(millions)





Connecting the Circles: Integrity, Community, Dependability

“Integrity is built into the MBG Experience.”
- Mark Russell, Chief Claims Officer

Chief Claims Officer Mark Russell became aware of a \$1 million uninsured motorist loss a day before a December 2024 meeting with BMS — a broker that assists Mutual Benefit Group in obtaining our own insurance. Although he knew that informing BMS of the loss would require a significant increase in rates for MBG, he also knew that it was simply the right thing to do.

Shortly after the reinsurance meeting, the loss reserve was bumped up to \$2 million. Luckily, the reinsurers had not yet left MBG’s office, so Mark was able to advise them of the increase to get fair and accurate, albeit more costly, rates. “They’re our partners, and I think they appreciate the transparency. I know we would, if the shoe was on the other foot,” Mark said.

“Everyone at MBG looks out for each other, and we continue that spirit into the community.”
- Jennifer Hefkin, Vice President - Finance and Accounting

Mutual Benefit Group prides itself in playing an active role in the communities that support our employees, agencies and policyholders. One way we bring this value to life is through our ongoing commitment to providing educational funding to local students and organizations.

For more than a decade, MBG has been an active member in the Educational Improvement Tax Credit Program. Every year, we donate \$200,000, split evenly between Scholarship Programs and Educational Improvement Programs, which offers critical support to the areas where our employees live and work.

Our partnership with the program has mutual benefits: as MBG connects local community members to resources that help them learn, grow and thrive, the program provides a tax credit helping to lower our expenses and deliver the MBG Experience to all of our stakeholders.

“We can *depend* on that relationship.”
- Neil Robertson, Robertson Insurance & Risk Management

Robertson Insurance & Risk Management is MBG’s largest producing agent, and we are honored to be their largest business partner. This strong, symbiotic business relationship dates back as early as 1985. So, what’s the key to making our mutual growth and success possible?

Nate Shope is the Commercial Lines Senior Production/Executive Underwriter assigned to work with Robertson. What he appreciates is the trust that arises from shared goals and values: knowing that both parties will both do right by each other. Nate is committed to being available and providing prompt responses to any and all requests from the agency. “They know they can come to me,” he said. “They know we’ll make things right.”

Neil Robertson, Vice President and General Counsel for the agency, said that Robertson can always rely on MBG to care about and be responsive to their needs. “We can have a conversation — that one-on-one interaction is where things get done,” Neil said. He appreciates the people and the culture of MBG that have remained stable and trustworthy over the 40-year relationship.



Board of Directors



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Debra A. Goodling-Kime



Judy L. Loy



Robert R. Packer



Dan C. Pickens



Steven C. Sliver



Bradley J. Wagner



Gary A. Williams

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Dover, PA

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Port Matilda, PA

Robert R. Packer
Clymer, PA

Dan C. Pickens
San Antonio, TX

Steven C. Sliver
Huntingdon, PA

Bradley J. Wagner
Manheim, PA

Gary A. Williams
Huntingdon, PA

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Vice Chair of the Board

Gary A. Williams
President and CEO

Joseph L. Sloan
Vice President and CFO,
Treasurer and Secretary of
the Board

Inner Circle

Mutual Benefit Group introduced its Inner Circle Award Program in 1993 to honor outstanding independent agency partners. These agents are recognized for meeting three qualifications:

- A cumulative three-year uncapped loss ratio of 50.0% or less
- Positive written premium growth (including rate increases) in each of the last three years
- Total current year written premium volume of \$500,000 or more

Inner Circle agents will be honored with a celebration and recognition dinner, a commemorative gift and a cash award in the upcoming year. Agents who qualify for five years within a timeframe of eight consecutive years are honored with a commemorative grandfather clock.

Mutual Benefit Group congratulates the agencies listed below who have qualified for Inner Circle in 2024. We are proud to be connected to you.

**Altiery Gingerich
Insurance Agency LLC**
Lewistown, PA

**Arthur Hall
Insurance**
West Chester, PA

**Bair Insurance
Group, Inc.**
Harrison City, PA

**Bechtel Kopac
Insurance Agency**
Monaca, PA

**Beiler Insurance
Agency**
Gap, PA

**B J Mattheiss
Insurance, Inc.**
Baltimore, MD

**Bulava
Companies LLC**
Greensburg, PA

**C Kenneth
Grant Inc.**
Coatesville, PA

**Gerhart Hartman &
Ritner LTD**
Boyertown, PA

**Insurance Consultants
of Pittsburgh**
Pittsburgh, PA

**Jack M. Shuck
Agency Inc.**
Huntingdon, PA

**National Associates
Doylestown, Inc.**
Doylestown, PA

**Robertson Insurance
& Risk Management**
Lititz, PA

**Strickler Insurance
Agency, Inc.**
Lebanon, PA

**THR Insurance
Agency LLC**
Landsdale, PA

**Vlahos Dunn
Insurance**
Pottstown, PA

**Whitford Insurance
Network, Inc.**
Exton, PA

**W G Oliver
Agency, Inc.**
Bel Air, MD