

# ANNUAL REPORT 2011

## PERFORMING STRONGLY

When we talk about 2011—and we will—we will remember it as a record year for the insurance industry. Not for dollars gained for business growth, but for the sheer number of lives touched by devastating storms.

And, that's why we exist—to help churches and ministries weather the storms and continue to advance the Kingdom. Through the hail and tornadoes, we were able to fulfill our promises to our customers.

The most important piece of information I can share with you about 2011 is that we met the needs of our policyholders. You helped meet the needs of your neighbors. Because we are a mutual company, the dollars paid in premiums by the ministries we insure go toward paying the claims of all the ministries we serve. Together, we were able to help them rebuild and renew God's work in their communities. It was a year that defined what it means to be "mutual."

Despite storm and tempest, at the end of 2011 the Policyholders' Security Fund remained exceptionally strong at nearly \$146 million, and our investments earned \$7.5 million. Brotherhood Mutual continues to be recognized as one of the nation's leading church specialty insurance companies, with an A Excellent rating from A.M. Best and more than \$347 million in assets.

A marked increase in new business—10 percent or more each month since April—along with a better than 95 percent customer retention rate places us in an outstanding position to serve you in 2012. We value your trust and look forward to serving you for years to come.



  
MARK ROBISON | CHAIRMAN & PRESIDENT

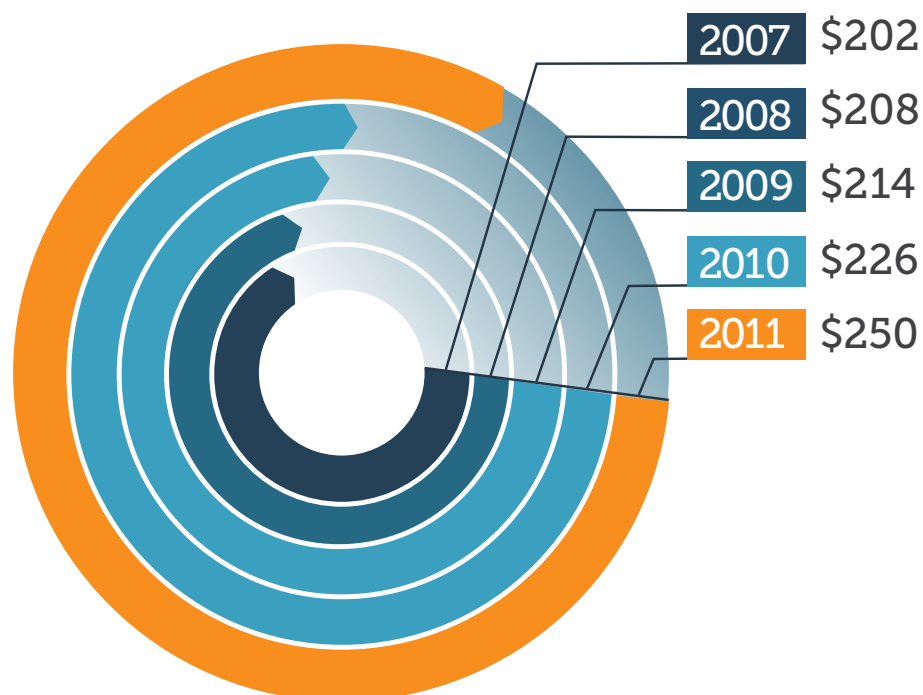


# FINANCIAL PERFORMANCE

## STATEMENT OF INCOME

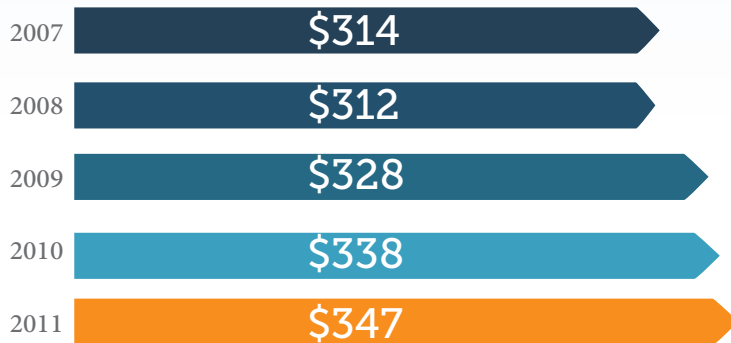
Premiums Earned	2011	\$178,586,425	2010	\$167,154,543
Losses and Loss Expense Incurred	2011	(\$143,977,370)	2010	(\$115,435,575)
Underwriting Expense Incurred	2011	(\$58,318,966)	2010	(\$55,323,837)
Net Underwriting Gain/(Loss)	2011	(\$23,709,911)	2010	(\$3,604,868)
Net Investment Gain	2011	\$6,691,190	2010	\$6,400,223
Other Income	2011	\$814,173	2010	\$829,734
Dividends to Policyholders	2011	(\$1,901,435)	2010	(\$2,066,968)
Federal Income Taxes	2011	\$2,352,314	2010	\$1,025,332
Net Income Gain/(Loss)	2011	(\$15,753,669)	2010	\$2,583,452

## DIRECT WRITTEN PREMIUM {in millions}



# FINANCIAL PERFORMANCE

## ADMITTED ASSETS {in millions}



## POLICYHOLDERS' SECURITY FUND {in millions}



41,468

Ministries served through our various product lines in 2011.

96.13%

Customer retention rate.

12,495

Customers helped through claims.

97%+

Claims satisfaction rate.

## SUCCESS REPORT

63%  
of churches

look to their insurance company for information on safety and security.  
{Barna Group, 2009}



Recently Released:

### The Safety & Security Guidebook

Helping churches protect their people, property, and ministries.

Coverage  
that FITS



Introducing:

### Ministry Essentials<sup>®</sup>

Key property and liability protection for basic ministry operations.

147k  
visits

to the Safety Resource section on BrotherhoodMutual.com.  
{Google Analytics, 2011}



Available 24/7:

### Safety Resources

Articles, checklists, guidebooks, forms, and more.

Advancing the Kingdom by Serving the Church



### meet our leaders

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