BEARING THE BURDENS: RESTORING THE CHURCH

ANNUAL REPORT 2016

BROTHERHOOD MUTUAL® 100 YEARS

PRESIDENT'S **MESSAGE**

WE CARRY THE BURDENS TOGETHER, SO MINISTRY CAN THRIVE

Some time ago, a local businessman approached me and thanked me for what Brotherhood Mutual does. The man, now retired, said that he would drive by our home office every morning while it was still dark. From the highway, he could see former president Paul Steiner kneeling in front of his desk, praying.

"I could only imagine that he was praying for the company and praying for the city and praying for the lives that you guys must touch," the businessman said. "It meant something to me. It reminded me of who we are supposed to be."

I love this story, because it reminds me of our company's heritage.

Brotherhood Mutual was built by men and women who dedicated their lives to serving the church. Their commitment is woven so strongly into the character of our company that you can still see us living it out today—100 years later.

We care about helping those in need. We're passionate about the reputation and mission of the church. We're obsessed with loss prevention. And we want the work of our hands to have an eternal impact.

Last year was an incredible example. We had the opportunity to come alongside more than 11,000 ministries who experienced losses during the year. Some damage was minor, but a number of our customers encountered crises that threatened to pull them under. Through the restoration process, they are regaining the strength to thrive again.

We're grateful to provide a safety net strong enough to support all of their needs, plus accommodate more than 2,000 new ministries who joined our family last year. Including our payroll customers, today we serve more than 55,000 ministries across America, including some of the nation's largest.

Last year, we also passed the half-billion dollar mark in assets. This milestone is significant because it increases our capacity to carry the burdens of more churches, schools, camps, and ministries.

Our commitment to serve the church—and the people who *are* the church—is the heritage we stand on. Yet, we feel like we're just getting started. As we begin our next century of service, we remain committed to carrying out our mission daily, advancing the Kingdom by serving the church.

Running together,

MARK ROBISON | CHAIRMAN & PRESIDENT
Brotherhood Mutual Insurance Company

2016 FINANCIALS

2015		2016
$292,246,452	Premiums Earned	$324,339,595
($178,153,177)	Losses and Loss Expense Incurred	($201,574,190)
($98,645,576)	Underwriting Expense Incurred	(113,602,790)
$15,447,699	Net Underwriting Gain	$9,162,615
$9,399,071	Net Investment Gain	$6,453,018
$628,179	Other Income	$1,479,533
($4,094,943)	Dividends to Policyholders	($795,084)
($2,317,026)	Federal Income Taxes	($4,051,448)
$19,062,980	Net Income	$12,248,634

(The three charts above are in millions)

CARRYING MINISTRIES' BURDENS

In serving Christian ministries, Brotherhood Mutual carries on a tradition that dates back to the early church. Just as Aaron and Hur raised Moses' arms when he grew weary in battle, we come alongside ministries when they need support.

Our work goes beyond restoring brick and mortar. We help ministries control risks, address challenges of a changing culture, and manage many aspects of running a 21st century ministry.

In the past year alone, we were there for thousands of ministries across America when they needed us.

More than 11,000 customers were able to construct new buildings, replace stolen property, pay medical bills, and much more after experiencing losses during the year. Many ministries would have been devastated without the help of insurance.

A record 2,000 ministries sought and received guidance on their challenging risk management questions—free—through our Legal Assist program.

Nearly 2,000 ministries entered tax season with confidence, knowing that MinistryWorks® was keeping their payroll in step with the IRS.

One woman with altitude sickness was rescued from a mountain pass in the Himalayas, because she was among more than 41,000 people who purchased Faith Ventures® mission travel cards before taking a short-term mission trip.

As we look to the future, we see ourselves exploring even more opportunities to fulfill the scriptural mandate of Galatians 6:2, our founding verse: Bear one another's burdens, and so fulfill the law of Christ.

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