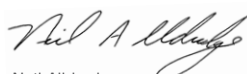


ANNUAL REPORT



2024

FROM THE CHAIR



Neil Alldredge
Chair of the Board

NAMICO has had another excellent year with solid leadership provided by President and CEO Jen Hamilton. In every respect, 2024 brought solid performance and achievement in all of the important areas of NAMICO operations: financial results, operational efficiency, excellent customer service, and strategic initiatives. This report provides details of that performance and NAMICO is well served by its board of directors and its professional staff.

NAMICO finished its second year of its three-year strategic plan with progress on all elements of that plan. That plan addresses not only the financial stability and security of the company, but the commitment to policyholder service and support. New product development and implementation of upgraded systems technology is fully underway and will support continued improvements in the value provided by NAMICO to mutual insurance companies and insurance agents.

With each year NAMICO demonstrates its ability to meet existing or new challenges facing insurers – whether generated in the marketplace or in regulatory oversight or in operations. I remain confident, that NAMICO is not just positioned, but also prepared and committed to continue its excellence as a provider of critical professional liability coverages for member companies and agents.

I thank you for your continued support as a policyholder/shareholder of NAMICO and look forward again, with you, to a successful 2025 and beyond.

FROM THE PRESIDENT AND CEO



Jen Hamilton
President & CEO

NAMICO achieved another successful year, continuing our core mission to provide a stable and competitive professional liability market for NAMIC member companies and insurance agents. 2024 saw an unprecedented volume of mergers and shifts within the reinsurance market, which appear to have since stabilized. Despite these challenges, NAMICO successfully navigated this turbulent period, while remaining true to our core values. As a shareholder, you can rely on the organization's strong financial standing and unwavering commitment to excellence.

Net underwriting income increased to \$717,404, up from \$462,920 in 2023. Furthermore, NAMICO maintained an impressive combined ratio of 91.2%, while surplus reached a record high of \$36.4 million. These financial successes are directly attributable to the outstanding performance of NAMICO's Finance, Underwriting, and Claims teams. Through ongoing education and training, our underwriters deliver specialized coverage tailored to meet the distinctive needs of our policyholders while effectively managing risk. Simultaneously, NAMICO's Claims Department remains steadfast in achieving early claim resolution, thereby minimizing exposure to extra contractual damages, interest and legal fees.

Looking ahead in 2025, NAMICO is poised for continued growth and innovation, with exciting developments on the horizon. These include updated policy forms, potential expansion into new markets, and a new software system. While transitions of this nature come with unique challenges, we are confident in the dedication and expertise of our team. NAMICO's staff remains deeply committed to the professional liability niche and the mutual insurance industry, and this dedication will continue to drive our success. We are eager to build upon our legacy and continue fulfilling our founding mission: to serve the best interests of NAMIC members and the mutual insurance industry, enabling them to better serve their policyholders.

We extend our heartfelt gratitude to our policyholders, members of our Reinsurance Pool, our reinsurance partners, and the NAMICO Board of Directors. Your continued support is vital as we confidently move toward the future.

FINANCIAL REPORT

(2024 DATA UNAUDITED)

ASSETS	2024	2023	% Change
Cash & Cash Equivalents	6,118,172	11,247,965	
Bonds	52,969,592	46,066,622	
Stocks	19,229,837	18,008,425	
Other Invested Assets	774,993	317,808	
Agent Balances	2,678,239	2,582,561	
Federal Income Tax - Current	150,137	71,800	
Accrued Investment Income	818,003	525,159	
Other Assets	47,376	56,137	
Total Assets	82,786,349	78,876,478	5%

LIABILITIES AND SHAREHOLDERS' EQUITY

Reserve for Losses / Loss Adjustment Expenses	11,373,891	10,252,960	
Reserve for Unearned Premium	3,281,694	3,407,458	
Accrued Expenses & Other Liabilities	455,356	1,692,343	
Reinsurance Premiums Payable	174,095	124,000	
Federal Income Tax - Deferred	559,433	339,089	
Funds Held Under Reinsurance Treaties	30,607,508	28,476,000	
Total Liabilities	46,451,978	44,291,851	5%

COMMON STOCK

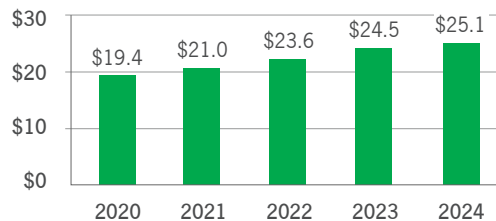
Class A stock	102,000	102,000	
Class B stock	4,423,689	4,441,437	
Unassigned surplus	31,808,683	30,041,190	
Total Shareholders Equity	36,334,372	34,584,627	5%
Total Liabilities & Shareholders Equity	82,786,349	78,876,478	5%

OPERATING RESULTS	2024	2023	% Change
Gross Written Premium	25,098,880	24,518,480	
Premiums Earned	8,015,187	7,748,354	
Losses and Loss Expenses Incurred	(6,418,265)	(5,925,648)	
Underwriting Expenses Incurred	(879,518)	(1,359,786)	
Underwriting Gain (Loss)	717,404	462,920	
Net Investment Income	1,785,816	1,253,138	
Realized Capital Gain (Loss) (pretax)	669,351	(252,971)	
Investment Return Credited to Reinsurance Pool	(940,601)	(389,203)	
Pretax Income (Loss)	2,231,970	1,073,884	
Federal Income Tax Expense (Income)	499,663	349,172	
Net Income (Loss)	1,732,307	724,712	139%

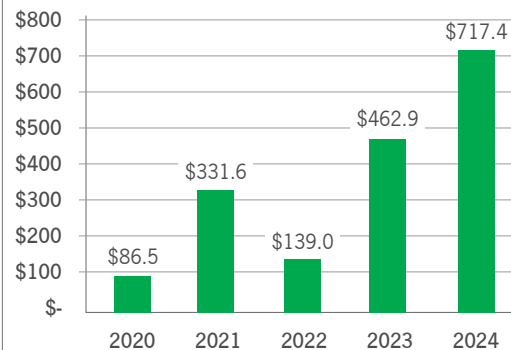
SUMMARY OF CAPITAL AND SURPLUS

Shareholders Equity - Beginning of Year	34,584,627	30,755,235	
Net Income (Loss)	1,732,307	724,712	
Change in Unrealized Capital Gains	715,508	2,904,922	
Change in Net Deferred Federal Income Tax	(30,145)	85,476	
Change in Non Admitted Assets	(530,781)	80,254	
Change in Common Stock & Paid In Capital	(137,143)	(291,575)	
Change in Pension Related Liabilities	-	325,602	
Change in Shareholders Equity	1,749,745	3,829,392	
Shareholders' Equity - End of Year	36,334,372	34,584,627	5%

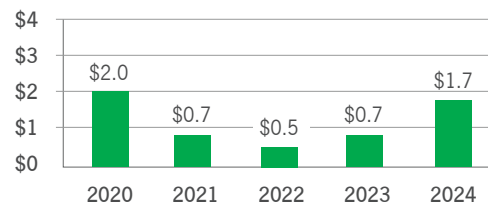
GWP (Millions)



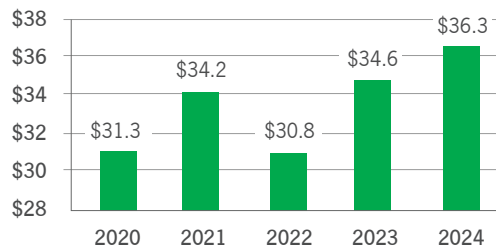
Net UW Income (Thousands)



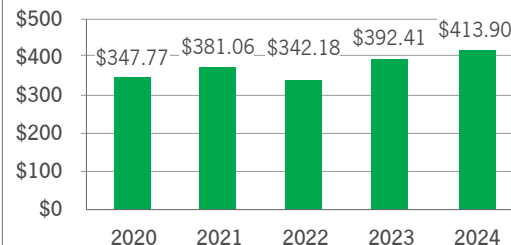
Net Income (Millions)



Surplus (Millions)



Stock Value Per Share



BOARD OF DIRECTORS

DIRECTORS

Neil S. Alldredge
NAMIC
Indianapolis, Indiana

Steven C. Couch, J.D.
Texas Lawyers Insurance Exchange
Austin, TX

Randall K. Druvenga
First Maxfield Mutual Insurance Association
Denver, IA

Kimberly A. Fry
Loudoun Mutual Insurance Company
Waterford, VA

Tom Galle
Germantown Mutual Insurance Company
Germantown, WI

Eric Raski
Millville Mutual Insurance Co.
Millville, PA

Eric P. Schmader, PFMM, FMDC
Farmers Mutual Fire Ins. Co. of Marble
Marble, PA

Chad J. Schuettpeiz
Maple Valley Mutual Insurance Company
Lena, WI

Tim D. Shauf
The Commonwell Mutual Insurance Group
Lindsay, Ontario, Canada

OFFICERS

Chair
Neil S. Alldredge
NAMIC

President & CEO
Jennifer M. Hamilton, Esq., RPLU+, CPLP
NAMICO

CFO & Treasurer
Thomas R. Kaehr, CPA
NAMICO

Finance Director/Assistant Treasurer
Chris Gargula
NAMICO

Vice President - Claims
Dale A. Diamond
NAMICO

Corporate Secretary
Andrew T. Kirkner
NAMIC

Assistant Corporate Secretary
Shannon J. Ollikainen
NAMIC

Vice President - Underwriting
Ted W. Doughman, CPCU, RPLU, AFSB
NAMICO

