

ANNUAL REPORT



2022

FROM THE CHAIR



Neil Alldredge
Chair of the Board

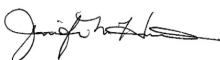
The solid financial performance of NAMICO in 2022 demonstrates once again its strength and resilience, and the superior service and support NAMICO provides to its customers is a key factor in its success. While we weren't sure what to expect this year as the industry and nation dealt with a challenging economic environment amid the return to a post-pandemic existence, we are proud of how NAMICO came through the year.

Not only did its customers prevail in most COVID business interruption claims, but the company also made significant gains in all major metrics – from GWP, to underwriting profit, to net income. That success is the result of strong and effective leadership by the NAMICO Board, along with the management team, led by Jen Hamilton, and backed by her outstanding staff. In the following pages of this 2022 annual report, you'll see the details behind this outstanding performance.

As part of NAMICO's leadership, the Board and management has worked together to develop a comprehensive strategic plan that will support NAMICO's continued growth and excellence in policyholder service. It is my privilege to work closely with this group of talented individuals as they continue to guide NAMICO to even greater success in the years to come.

This year promises to bring new challenges and opportunities and I am confident that NAMICO is well positioned to address both. Once again, I thank you for your support and I look forward to a successful year ahead.

FROM THE PRESIDENT AND CEO



Jen Hamilton
President & CEO

In 2022, NAMIC Insurance Company (NAMICO) continued its tradition of providing superior customer service, prudent underwriting, and top-notch claim handling. As most of you can attest, insurance is an intangible product, but we know that customer service is something everyone appreciates, and we try our best at every step of the insurance transaction. One statistic that speaks volumes to that effort is our policyholder retention rate of 99%.

NAMICO made strong financial gains during the year. To summarize, we finished 2022 by adding nearly \$1.639 million to our Gross Written Premium bringing the total to about \$23.5 million. In other key metrics, NAMICO produced both an underwriting profit and a net income in 2022, of \$139,045 and \$492,092, respectively. Despite the fluctuating economy, surplus remains strong at \$31 million. NAMICO has an A.M. Best rating of A with a stable outlook.

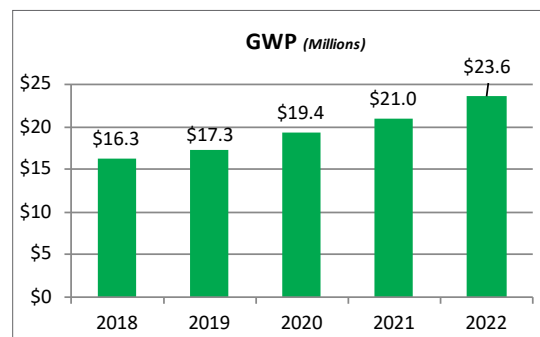
At the core of financial success for any insurance company is prudent underwriting and equitable claims handling; we are proud of both. COVID Business interruption claims have continued to slow considerably, and recent court decisions have been positive for NAMICO policyholders and the industry as a whole.

The Board and management continue to focus on the future and spent considerable time in 2022 on NAMICO's strategic planning. The plan focuses on policyholders and seeks continued growth by investing in technology and staff.

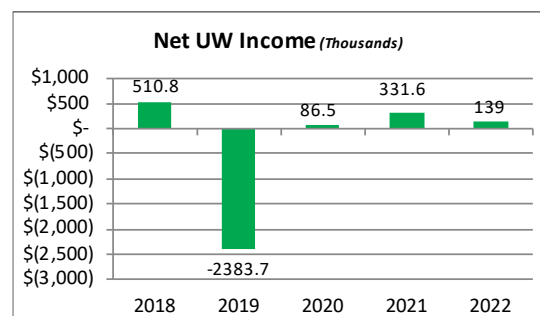
Our strong financial and operations results largely rest within the mutual property and casualty insurance industry. NAMICO's capitalization, reinsurance, client base, and Board of Directors are all derived from one source...members of the National Association of Mutual Insurance Companies. Your collective support has led to our success, and we like to think the opposite is true as well. We thank you for your continued support. To our leadership team and staff members, thank you for your dedication.

FINANCIAL REPORT (2022 DATA UNAUDITED)

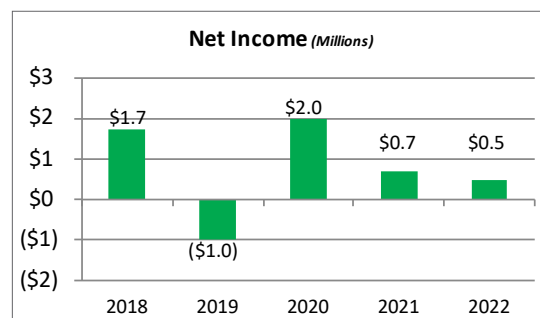
ASSETS	2022	2021	% Change
Cash & Cash Equivalents	5,929,833	8,992,661	
Bonds	45,765,783	39,125,013	
Stocks	14,673,277	18,695,176	
Other Invested Assets	263,893	-	
Agent Balances	2,762,013	2,703,278	
Federal Income Tax - Current	170,972	275,670	
Federal Income Tax - Deferred	347,629	-	
Accrued Investment Income	391,260	265,811	
Other Assets	104,269	127,978	
Total Assets	70,408,929	70,185,586	0%



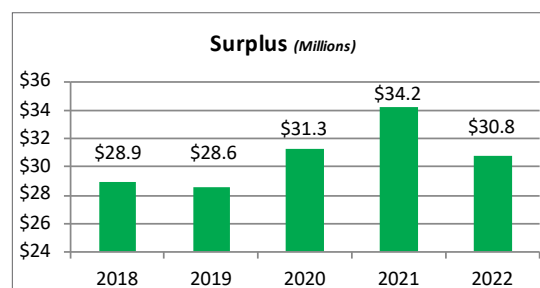
LIABILITIES AND SHAREHOLDERS' EQUITY	2022	2021	% Change
Reserve for Losses / Loss Adjustment Expenses	9,373,391	9,102,038	
Reserve for Unearned Premium	3,446,320	3,211,906	
Accrued Expenses & Other Liabilities	1,108,982	881,152	
Reinsurance Premiums Payable	347,000	194,820	
Federal Income Tax - Deferred	-	689,603	
Funds Held Under Reinsurance Treaties	25,378,000	21,857,014	
Total Liabilities	39,653,694	35,936,532	10%



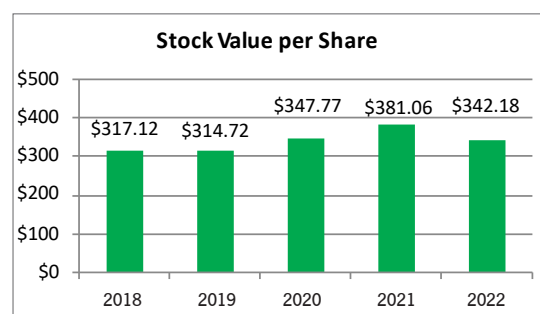
COMMON STOCK:	2022	2021	% Change
Class A stock	102,000	102,000	
Class B stock	4,481,829	4,481,829	
Unassigned surplus	26,171,406	29,665,225	
Total Shareholders Equity	30,755,235	34,249,054	-10%
Total Liabilities & Shareholders Equity	70,408,929	70,185,586	0%



OPERATING RESULTS	2022	2021	% Change
Premiums Earned	7,301,761	6,688,542	
Losses and Loss Expenses Incurred	(4,768,961)	(4,195,314)	
Underwriting Expenses Incurred	(2,393,755)	(2,161,618)	
Underwriting Gain (Loss)	139,044	331,610	
Net Investment Income	692,824	473,371	
Realized Capital Gain (Loss) (pretax)	111,235.45	402,334	
Investment Return Credited to Reinsurance Pool	(296,347)	(279,081)	
Pretax Income (Loss)	646,757	928,234	
Federal Income Tax Expense (Income)	154,666	244,505	
Net Income (Loss)	492,091	683,729	-28%



SUMMARY OF CAPITAL AND SURPLUS	2022	2021	% Change
Shareholders Equity - Beginning of Year	34,249,054	31,256,868	
Net Income (Loss)	492,091	683,729	
Change in Unrealized Capital Gains	(3,834,030)	1,995,578	
Change in Net Deferred Federal Income Tax	18,060	8,399	
Change in Non Admitted Assets	(278,957)	77,151	
Change in Common Stock & Paid In Capital	-	-	
Change in Pension Related Liabilities	109,017	227,329	
Change in Provision for Reinsurance	-	-	
Change in Shareholders Equity	(3,493,819)	2,992,186	
Shareholders' Equity - End of Year	30,755,235	34,249,054	-10%



BOARD OF DIRECTORS

DIRECTORS

Neil S. Alldredge
NAMIC
Indianapolis, Indiana

Steven C. Couch, J.D.
Ohio Bar Liability Insurance Company
Columbus, Ohio

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

Patrick (Pat) J. Faga
Farmers Mutual Hail Ins. Co. of Iowa
West Des Moines, Iowa

Kimberly A. Fry
Loudoun Mutual Insurance Company
Waterford, VA

Byron K. Long
Allegany Insurance Group
Cuba, New York

Tricia A. Mickley, CPA, PFMM
Frontier - Mt Carroll Mutual Insurance Company
Mount Carroll, Illinois

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

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

Corporate Secretary

Gregg A. Dykstra, J.D.
NAMIC

Assistant Corporate Secretary

Shannon J. Ollikainen
NAMIC

Vice President - Underwriting

Ted W. Doughman, CPCU, RPLU, AFSB
NAMICO

