Consistency, Strength, Stability

A legacy that stands the test of time
We use the expression, “keeping time.” But, that’s really just a non sequitur. Time is not kept, but experienced. During 2017, Mutual Benefit will celebrate its 109th anniversary. During those many years, we have used our time to build a strong legacy of financial strength, consistent performance, and excellent service for our policyholders. In our policyholders’ time, they have experienced collectively a great many hardships. Mutual Benefit has been there beside them giving them back their homes, autos, health, and economic well-being. We’ve protected them in time of difficulty, and even though we cannot give them back time, we can provide them the opportunity to fully experience their time to come.

Records are made to be broken. Even so, I would like to thank you for helping us achieve new records in premium volume, assets, and policyholder surplus during 2016. And, with your support and trust, together we can break those records again next year.

Over the past few years, we have been busy appointing several new agents so that we can effectively help serve more of our neighbors in Pennsylvania and Maryland. Our independent agent partners are a sound, trusted choice for you as you look to secure your present and future against the potential challenges of time. We are blessed at MBG to have such a strong group of agents representing our company. You are also blessed in the same way as these ladies and gentlemen work tirelessly for you to secure protection for you, your family, or your business.

One thing that is certain about time is that its passing will bring change. Mutual Benefit has been working diligently to improve our offering to you to meet the challenge of change in your lives. We’ve improved our homeowner product coverage. We are putting the finishing touches on a revised businessowner product, and we completed several automation projects during this past year that will make us more efficient and therefore allow us to improve our pricing levels. Remember, as a mutual insurance company, savings that we achieve in our costs either are added to surplus to strengthen our security for you or are used to improve pricing to you.

Just as the regulator clock in our lobby consistently beats out the time, Mutual Benefit works tirelessly through time to ensure that you are well-protected, excellently served, and fairly treated. We were privileged to be your insurance company of choice during 2016. We would be pleased to be your insurance company of choice through time. Time is on your side with Mutual Benefit Group.

Steven C. Sliver
President and CEO
Meeting the need like clockwork, time after time

The rare astronomical regulator clock that graces the foyer of Mutual Benefit Group’s home office has been keeping company time since the firm was founded in 1908. Its strength and endurance defines Mutual Benefit. So says Tim Havice, chair of Mutual Benefit Group’s board of directors.

“The clock is a great part of Mutual Benefit’s history, and it’s become a symbol of Mutual Benefit,” comments Tim, “so much so that we choose to present grandfather clocks to the top agents who qualify for our Inner Circle award program.”

This past year, Mutual Benefit’s emblem was in need of some TLC. Tim, who happens to be an antique clock aficionado, made it his personal mission in 2016 to see that the clockworks were repaired and cleaned, the cabinet restored, and the dial resilvered.

“When I look at Mutual Benefit’s clock, I think of all the things that have happened since it began keeping time. I think of all the policyholders served, the homes and autos repaired or replaced, the peace of mind and protection that the company has offered to so many over the years. Just as Mutual Benefit has been there to meet needs time after time, so the clock just keeps ticking away through it all.”

Astronomical regulators are considered today to be rare precision pieces. They were originally designed with movements that kept highly precise time for scientific purposes, and were used to trace the stars and help sailors navigate on the open seas. Eventually, their consistency and stability made them the standard for monitoring official business practices. Regulators were found in law offices and in public places where accurate time was important, such as train stations. They were employed in jewelry stores and clock repair shops where they served as the standard to set the correct time on new clocks or watches or on those that had been repaired. They also had a place of prominence in villages surrounded by rural areas; when farmers came to market to sell their goods, they brought their mantle clocks from home and synchronized them with the community regulator, often known as “the town clock.”

Since 1908, policyholders and agents alike have praised Mutual Benefit for its consistent focus on strong, productive relationships, its sound management of financial assets, and its ability to provide a stable market for those seeking insurance coverage. Since 1908, there have always been dedicated people at Mutual Benefit Group, ready to answer calls and meet needs with consistency, strength, and stability. It’s a legacy inspired by a grand old clock that’s still on the job, a legacy that stands the test of time.

The George Jones regulator clock pictured above has been a fixture in Mutual Benefit’s home office since 1908. Mutual Benefit CEO Steve Sliver, left, and Board Chair Tim Havice made sure that the clock received some necessary restoration in 2016 so it could remain a working symbol of Mutual Benefit’s rich legacy of consistency, strength, and stability.

Company Overview

• Rated A- (Excellent) by A.M. Best Company, the leading independent analyst of the insurance industry.
• Represented by more than 250 independent insurance agents throughout Pennsylvania and Maryland.
• Providing prompt, efficient claims service to nearly 75,000 policyholders through full-time staff adjusters and independent adjusting specialists.
• Offering a full line of personal and commercial insurance coverages, including homeowners, automobile, commercial package plans, workers’ compensation, inland marine, and umbrella through Mutual Benefit Insurance Company and Select Risk Insurance Company.
We can't turn back the clock, but we can wind it up again

At Mutual Benefit Group, we don't watch the clock. We do what it does. We keep going. We keep going so that you can, too.

We hope you never have to go through a vehicle accident or experience damage to your home or business. But if you do, we know you'll want to get things back to normal as quickly as possible. That's what insurance is for, and it's what we've been doing at Mutual Benefit Group for the past 108 years.

We've consistently developed partnerships with experienced independent agents who provide you with advocacy and expertise as you make your decisions about insurance coverage. We have focused on building our corporate financial strength so we can readily meet your needs when you do have a claim. And we have remained committed to providing a stable market for agents and policyholders, providing you the type and amount of coverage you expect at fair prices.

There are 86,400 seconds in each day. A lot can happen. We're here the minute you need us. Just as we learned from the craftsman who repaired the historic timepiece in our home office this past year, we can't turn back the clock to a time before the damage occurred. But we can repair the damage, and wind things up again. Just like clockwork, Mutual Benefit has kept going year after year, so our policyholders could keep going, too. In 2016, Mutual Benefit Group's Claim Department was there to help nearly 16,000 people through a difficult time. Here's what just a few of them had to say:

"I appreciated how well I was listened to."
- P.R., Robesonia, PA

"Prompt and courteous service."
- C. & T.L., Baltimore, MD

"Very nice to work with and very helpful."
- B.S., Rosedale, MD

"Everyone did a good job. I was well pleased."
- J.W., Shamokin Dam, PA

"We have been with Mutual Benefit for eight years and will not go anywhere else!"
- D.B., Aliquippa, PA
Leadership

Mark R. Cummins
Sparta, NJ

Debra A. Goodling-Kime
Dover, PA

Timothy I. Havice
Lewistown, PA

Janis Herschkowitz
Hummelstown, PA

Judy L. Loy
Port Matilda, PA

Peter M. McManamon
Huntingdon, PA

Robert R. Packer
Clymer, PA

Steven C. Sliver
Huntingdon, PA

Directors

Officers

Timothy I. Havice
Chair of the Board

Steven C. Sliver
President
Chief Executive Officer

Kevin M. O’Brien
Senior Vice President
of Insurance

Peter M. McManamon
Secretary

Robert R. Packer
Vice Chair of the Board

Joseph L. Sloan
Vice President
Treasurer
Chief Financial Officer
Mutual Benefit Group instituted its Inner Circle Award Program in 1993 to honor outstanding independent agency partners. These agents are recognized for establishing a consistent record of profitable growth along with superior customer satisfaction. Those who qualify for Inner Circle membership for five years within a timeframe of eight consecutive years receive a commemorative grandfather clock. Mutual Benefit Group congratulates the agencies listed below who have earned the coveted clock over the past 24 years:

<table>
<thead>
<tr>
<th>Agency Name</th>
<th>City, State</th>
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<tbody>
<tr>
<td>Arbor Insurance Group Inc.</td>
<td>Allentown, PA</td>
</tr>
<tr>
<td>Avis Insurance</td>
<td>Lititz, PA</td>
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<tr>
<td>The Bert Company, Renshaw-Best Insurance Affiliates</td>
<td>Erie, PA</td>
</tr>
<tr>
<td>Carriage House Insurance Agency</td>
<td>Huntingdon, PA</td>
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<tr>
<td>E &amp; M Insurance Agency Inc.</td>
<td>North Huntingdon, PA</td>
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<tr>
<td>Frost &amp; Conn Inc.</td>
<td>State College, PA</td>
</tr>
<tr>
<td>Good's Insurance Agency Inc.</td>
<td>Leola, PA</td>
</tr>
<tr>
<td>Arthur Hall Insurance</td>
<td>West Chester, PA</td>
</tr>
<tr>
<td>Hockley &amp; O'Donnell Insurance Agency</td>
<td>Gettysburg, PA</td>
</tr>
<tr>
<td>Jack M Shuck Agency</td>
<td>Huntingdon, PA</td>
</tr>
<tr>
<td>Ken Jones Insurance Agency Inc.</td>
<td>Delta, PA</td>
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<tr>
<td>JVS Associates Ltd.</td>
<td>Strasburg, PA</td>
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<tr>
<td>Kish Agency Inc.</td>
<td>Reedsville, PA</td>
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<tr>
<td>Malagise &amp; Associates Inc.</td>
<td>Bridgewater, PA</td>
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<tr>
<td>Fred Meyer &amp; Sons Inc.</td>
<td>Baltimore, MD</td>
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<tr>
<td>Newhart Insurance Agency Inc.</td>
<td>West Pittston, PA</td>
</tr>
<tr>
<td>RFP &amp; Associates LLC</td>
<td>Latrobe, PA</td>
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<tr>
<td>Rupp &amp; Fiore Insurance Management Inc.</td>
<td>Turtle Creek, PA</td>
</tr>
<tr>
<td>Tomlinson Agency</td>
<td>Oakmont, PA</td>
</tr>
<tr>
<td>Whitford Insurance Network Inc.</td>
<td>Exton, PA</td>
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