

2021 Annual Report

Indiana Farmers[™]
Insurance





We are Indiana Farmers Insurance.



Rising to the Challenge

Weather, technology, war, political unrest, economic issues... so much change and turmoil. You could easily be mistaken in thinking we're talking about 2021. In fact, we faced similar challenges in 1877, the year Indiana Farmers Insurance was founded. It's hard to compare then vs. now, but no one can argue that 2021 was really a story about our dynamic and ever-changing world. And we rose to the challenge.

In 2021, our insurance premium revenue grew 4.7% to \$275.6M. The policyholder security fund reached \$266.8M, up 5.1% over a record year in 2020, with total assets exceeding \$554M.

Our Commercial product was a big win this year, with nearly double-digit growth and more than \$7M in underwriting gain. As our largest book of business, gains in Commercial lines helped offset weather-related losses in other business lines. We felt the significant impact of weather losses during 2021, driving our combined ratio to 99.7%. The largest line of business impacted by weather was homeowners, with over \$25M in weather-related losses for the year.

Our state expansion initiative took a huge step forward in 2021 as we wrote our first policy in the great state of Ohio. Illinois expansion work continues to progress well, with Illinois premiums now representing 3% of our total direct written premium for the year. We go into 2022 poised to continue expanding within Illinois and Ohio to grow our business.

I am excited to be leading the organization at this pivotal juncture, and I am committed to building on the solid foundation laid over the last 145 years by those who came before. As we execute our 2022 strategies and put in place the pieces to enable profitable growth in the future, we are making investments to ensure we have the people, products, brand, and technology that best serves our members. We may not know exactly that the future brings, but we will face it together with our associates, agents, and members.

In fact, we've already begun.

A handwritten signature in black ink, appearing to read 'Wesley F. Sprinkle', with a large, stylized flourish at the end.

Wesley F. Sprinkle
President and CEO

Direct Written Premium \$275,571,869

Net Losses & Loss Expenses Incurred \$166,948,496

Assets

Fixed income securities	\$377,631,828
Cash and cash equivalents	\$67,356,342
Equity securities	\$8,673,983
Real estate	\$3,395,164
Premiums & reinsurance receivables	\$70,568,699
Other assets	\$26,679,564

Total Assets	\$554,305,378
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Liabilities and Surplus

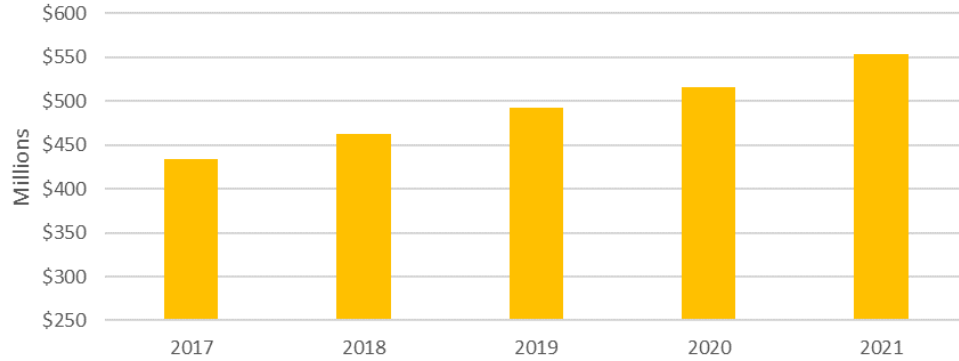
Reserve for losses & loss adjustment expenses	\$122,894,859
Reserve for unearned premium	\$133,259,123
Accounts payable and other liabilities	\$31,326,023

Total Liabilities	\$287,480,005
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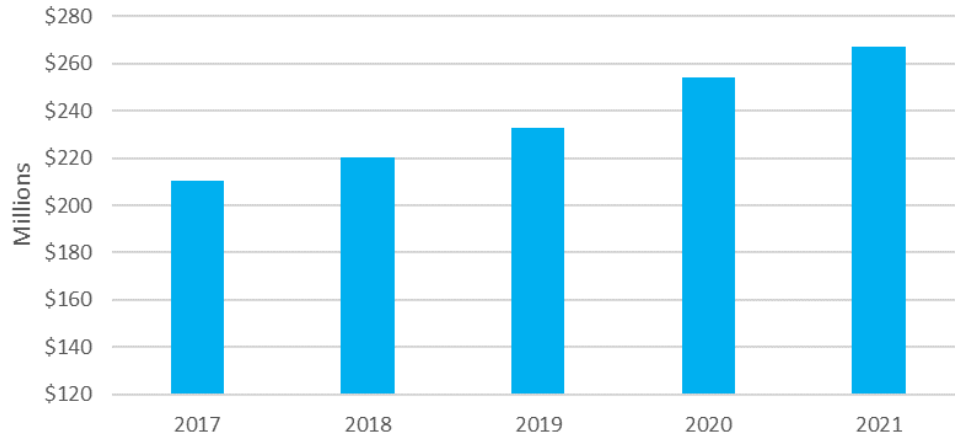
Policyholder Security Fund	\$266,825,373
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Total Liabilities & Policyholder Security Fund	\$554,305,378
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Total Assets



Policyholder Security Fund





Board of Directors

Judith G. Palmer
Chair

Mark A. Bates
Vice Chair

Jeffrey G. Belskus
Diann E. McKee
Wesley F. Sprinkle

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Daniel E. Stone

David M. McIntosh
Kim O. Smith

Officers

Wesley F. Sprinkle
President and Chief
Executive Officer

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Senior Vice President,
Chief Financial Officer,
Treasurer

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Vice President,
General Counsel,
Secretary

Chad M. Beehler
Vice President,
Risk and R&D

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Vice President,
Claims

Lisa K. Cameron
Vice President,
Human Resources

W. Ryan Campbell
Vice President, Chief
Information Officer

Rick A. Marden
Vice President,
Underwriting

Scott W. Miller
Vice President,
Sales

Judy A. Tanzer
Vice President, Marketing
& Strategic Initiatives

Doug W. Collins
Assistant Vice President
& Controller

K. Scott Hartzell
Assistant Vice President,
Claims

Scott D. MacWilliam
Assistant Vice President,
Underwriting

Lisa M. Rau
Assistant Vice President,
Sales