



Growing & Engaging Together

2024 Annual REPORT



A Message from the President

Each year, I have the privilege of reflecting on the milestones we've achieved at Preferred Mutual Insurance Company. This report provides an opportunity to look back on the moments that defined 2024—moments shaped by meaningful connections with our agents, employees, and policyholders. I am excited to share that this has been a year of significant growth, innovation, and strengthened relationships.



R. Benedikt Sander
President & CEO

This year, we prioritized strengthening relationships with our agents, enhancing our employee experience, and empowering our policyholders to *Live Assured*. Additionally, we maintained our focus on deepening community engagement and advancing internal initiatives that drive long-term success. These efforts underscore our ongoing dedication to being an insurance company recognized for evolving alongside and meeting the ever-changing needs and expectations of our customers.



We were honored to receive the Top Workplaces USA Award, reaffirming our commitment to a supportive, engaging workplace. AM Best upheld our Financial Strength Rating (FSR) of 'A' (Excellent) with a 'Stable' outlook for the 22nd consecutive year. Preferred

Mutual was also named among the 2024 RISE Professionals Elite 50 Internships, recognizing our investment in future industry leaders, and we received Commerce Chenango's 2024 Business of Distinction Award for our local impact.

We achieved our goal of profitable growth with a focus on the bottom line in 2024, driven by \$407M Direct Written Premium, \$279M Policyholder Surplus, and \$713M Total Assets by year-end. These results reflect the trust of our policyholders and our team's dedication to ensuring a stable, resilient foundation.

Equally important is the impact we have on our community. Our employees dedicated 630 hours of volunteer work, and we proudly supported 103 organizations, further strengthening our shared values. Additionally, our social media presence saw significant growth, allowing us to strengthen our brand and broaden our reach in sharing stories of community involvement and employee engagement.

As we move forward with our 2026 Strategic Plan, our focus remains on putting people first, supporting our employees, agents, and policyholders. I am pleased to share that we are making significant progress in our ongoing Business Transformation. We have selected a strategic vendor to upgrade our core systems, with a focus on leveraging advanced technologies to optimize our daily operations, enhance customer experience, and drive greater efficiency—all of which will contribute to our continued growth and success.

On behalf of the Board of Directors and our team, thank you for being part of our journey. I am honored to lead this organization and inspired daily by the trust of our policyholders and the dedication of our employees. Together, we safeguard peace of mind and inspire a future of possibilities.

Benedikt Sander
President & CEO

Cultivating Connections, Growing Possibilities

Since 1896, Preferred Mutual's commitment to the success and security of our employees, our agents, and our policyholders has remained steadfast.



Empowering Our Employees to Thrive

At Preferred Mutual, our employees are the heart of everything we do. Their passion and dedication drive us forward, creating a culture defined by Curiosity, Authenticity, Grit, Collaboration, and Compassion.

We are committed to supporting our employees through professional development, innovative tools, and a collaborative work environment. By cultivating their potential and encouraging their ideas, we grow stronger together, ensuring our collective success.



Strengthening Partnerships with Our Agents

Collaborating closely with independent agents is an integral part of our shared success. Together, we develop solutions to meet their evolving needs and foster mutual growth.

We focus on providing resources, technology, and expertise that empower agents to thrive in a dynamic industry. These partnerships are built on trust, innovation, and a shared commitment to delivering exceptional service and protection to policyholders.



Assuring Policyholders with Expertise and Care

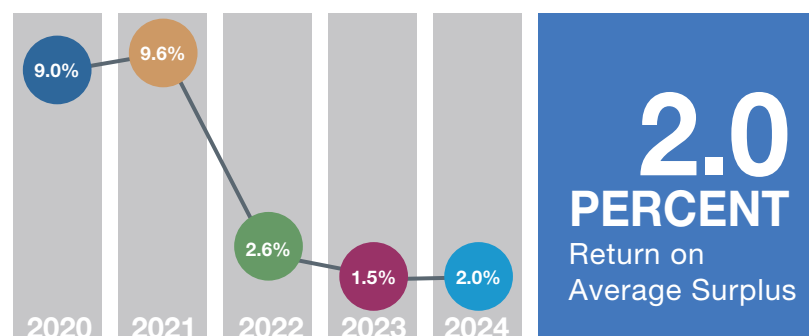
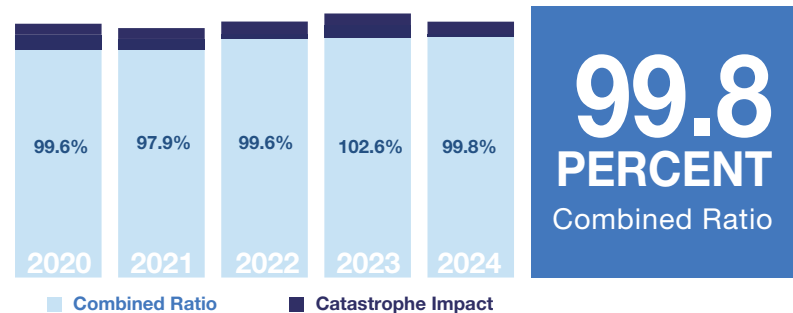
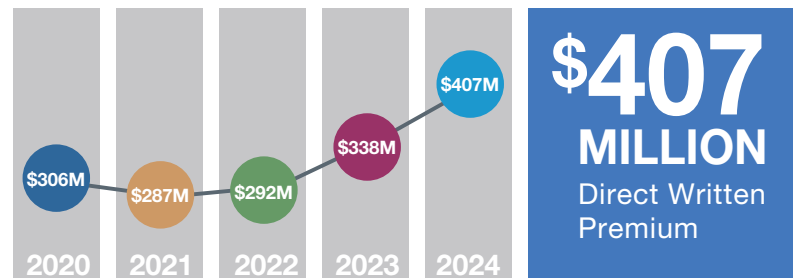
We are proud to provide our policyholders with the confidence and peace of mind they need to pursue their dreams, knowing our promise to protect what matters most is always there. By fostering meaningful connections and delivering personalized experiences, we strive to be more than an insurance provider—we aim to be a trusted partner in their journey.

With a personal touch and a deep understanding of their unique needs, we empower policyholders to safeguard what matters most. By engaging directly with their priorities and aspirations, we ensure they are able to *Live Assured*.

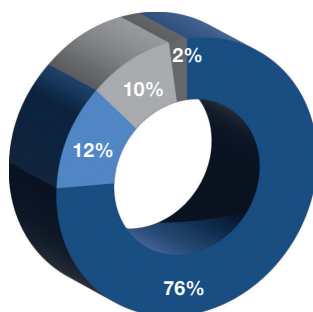
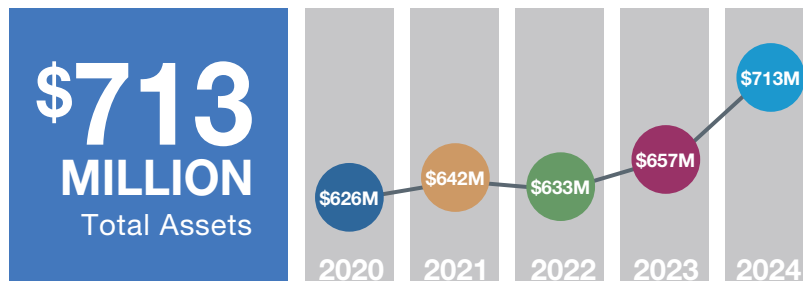
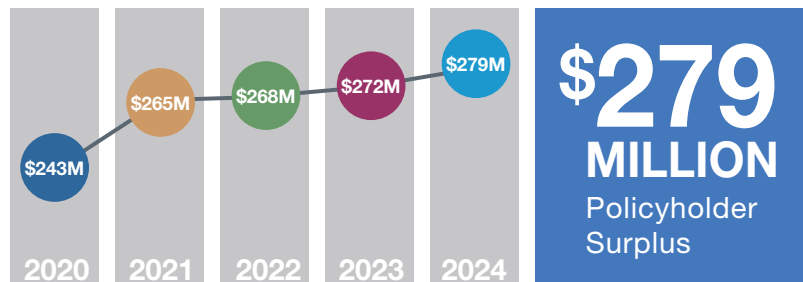




Strong Financial Performance



Strong Financial Performance



■ Bonds ■ Common Stocks
■ Cash ■ All Other



Company Quick Facts



508
Agency Partners



906
Independent Store Fronts



128
Years In Business



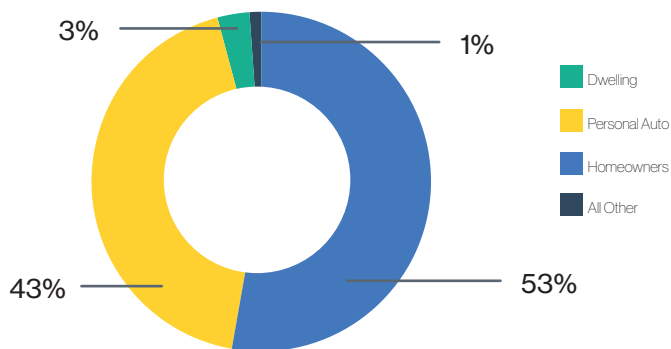
\$279
Million Surplus



\$713
Million Total Assets

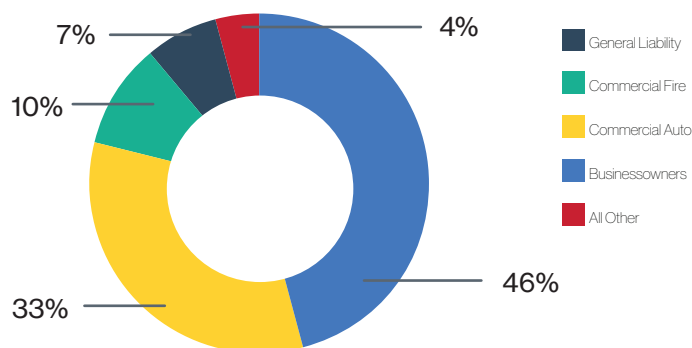


Rated Excellent
From AM Best



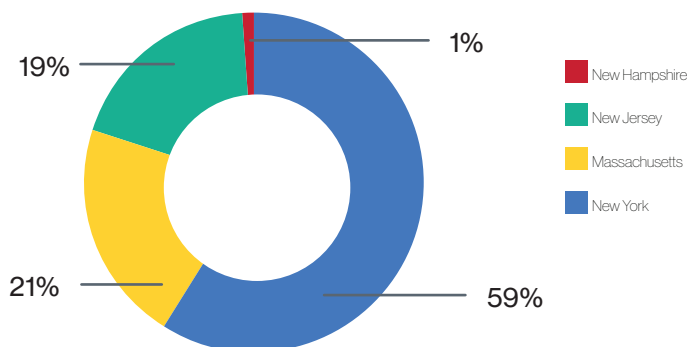
Personal Lines

Personal Lines DWP expanded by 24% in 2024 to \$278M. This compares to a 17% growth in 2023. Continued inflationary pressures and losses resulted in increased rates and exposure changes. Additionally, we leveraged market dynamics to drive further growth in healthy and profitable business. PL's Combined Ratio of 101.0% in 2024 improved from 110.5% in 2023.



Commercial Lines

Commercial Lines DWP grew to \$129M or 13% from \$114M in 2023. This compares to a 14% premium growth in 2023. CL finished the year with a Combined Ratio of 97.2% in 2024, up from 2023 of 87.4%. This increase was mostly driven from higher losses due to claim severity.



Premium Distribution

Preferred Mutual's DWP of \$407M is distributed between Personal and Commercial Lines products across a four-state footprint in the Northeast. This diversification has remained consistent with prior years and is aligned with expectations.



Strengthening Communities

At Preferred Mutual, we take pride in fostering growth and making a positive impact by being active members of the communities we serve. In 2024, we built upon the relationships and initiatives that allow us to make a tangible, positive difference where we live and work.

Continuing our focus on education, we invested in the leaders of tomorrow by providing scholarships for four college-bound high school seniors, supported literacy programs and youth activities with local school districts, and continued to assist community organizations however we can.

Holding our second annual Giving Tuesday campaign, 95 members of Team Preferred volunteered more than 190 hours across 14 organizations in four states, including Clear Path for Veterans, the United Way of Mid Rural New York, and the Chenango SPCA, embodying our values of compassion and collaboration. Preferred Mutual also contributed over 78 hours to volunteer activities as part of our Corporate Conference Leadership Day, supporting the Chase Nursing Home, Chenango County Area Agency on Aging, Unadilla Valley Food Pantry, Unadilla Valley schools, and Helping Hands of Norwich.

Preferred Mutual sponsored the Gus Macker basketball tournament, which celebrated its 50th anniversary and returned to the streets of downtown Norwich, NY. We continued our longstanding partnership with the American Heart Association, participating in initiatives to create a world where everyone can live longer, healthier lives.

Team Preferred observed Earth Day with a cleanup effort in our hometown New Berlin, donated raffle items to local charities, and held a volunteer day and donation drive benefiting the Susquehanna SPCA. These efforts exemplify our dedication to building a sustainable future and supporting every member of our community—both two-legged and four.

We take great pride in the goodwill of our employees, whose passion and purpose drive our ability to grow and engage with the communities that make our region home. Together, we strive to make a lasting impact and shape a brighter, more connected future for everyone.



100 backpacks filled with school supplies

OUR Shared IMPACT



\$2,500 donation
500 pounds of dog food for Susquehanna SPCA



\$1,000 donation to Chenango SPCA



Go Red for Women Luncheon



We completed our \$250,000 pledge
to Chenango Memorial Hospital



Board of Directors

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R. Benedikt Sander

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Preferred Mutual Insurance Company

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President and Chief Executive Officer of Utica University (Retired)

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Attorney at Law, Nelson & Flanagan

Dr. Michael J. Hayduk

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Principal, Fust Charles Chambers LLP

Rip L. Reeves

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Institutional Investor

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Chairman of the Board (Retired);
President & CEO Preferred Mutual Insurance Company (Retired)

Nicole C. Woodall

Partner at Citrin Cooperman

We're Proud of our AFFILIATIONS

- Big I NJ
- Big I NY
- Independent Insurance Agents & Brokers of America (NY, NJ, NH)
- Independent Insurance Agents & Brokers Affiliate

- Insurance Council of New Jersey
- Massachusetts Association of Independent Agents
- Massachusetts Insurance Federation
- NY First
- National Association of Mutual Insurance Companies
- New York Insurance Association
- Professional Insurance Agents (NY, NJ)



BOARD OF DIRECTORS

Back: Robert Wadsworth, Mary Ellen Luker, Patrick Flanagan, Michael Hayduk, Martin Dietrich, Rip Reeves, William Craine, David Emerson, Heidi Hoeller,

Front: Nicole Woodall, John Mitchell, Benedikt Sander, Laura Casamento

Strategic Leadership

R. Benedikt Sander

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Executive Vice President,
Chief Human Resources Officer
& Diversity, Equity and Inclusion Officer

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Executive Vice President,
Chief Underwriting Officer

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Executive Vice President,
Chief Claims Officer

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Chief Financial Officer & Treasurer

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Senior Vice President,
Chief Information Officer

Ronald R. Martin

Vice President,
Business Compliance & Research

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Vice President, Strategy Execution

Brandy C. Roth

Vice President, Actuarial Services

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Director, Infrastructure
& Network Services

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Director, Underwriting

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Director, Marketing
& Strategy Operations

Jessie M. Remillard

Director, Human Resources

Vida J. Tamoshunas

Director, Data & Analytics

Daniel M. Thall

Director, Casualty Claims

Renee M. Tolerico

Regional Director, MA, NJ, NH

Jessica M. White

Director, Auto Claims



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