



2020

ANNUAL REPORT



CONCORD GROUP
INSURANCE

A MEMBER OF THE AUTO-OWNERS INSURANCE GROUPSM

COMMENTS FROM THE CEO

2020 was arguably the most challenging and rewarding year. The Concord Group has experienced since its inception in 1928. From one perspective, the Company, like the rest of the world, experienced the human tragedy and hardship of the COVID-19 pandemic. From another, the members of our Company joined together in a unique way to help fellow employees, policyholders, Agents, and those in our communities overcome substantial adversity. The year was a test of our fortitude, perseverance, and empathy, and I am extremely proud of our performance under such adverse circumstances.

Business continuity was a top priority throughout the year. Our information technology (IT) team worked tirelessly to ensure our employees were ready and able to effectively work from home without any reduction in service to our policyholders and Agents. That responsibility was carried on successfully throughout the year, while our facilities team ensured clean and safe work environments upon our return to office in September.

Responding to human need was a critical focus for the Company throughout the pandemic. Initiatives such as cancellation flexibility, underwriting guideline adjustment, and expansion of product coverages for essential workers were implemented at the outset of the crisis. In response to the immediate financial needs of our policyholders, The Concord Group was the first insurance company in the region to return premium to our automobile customers. In a similar fashion, charitable donations were made to many food pantries throughout the area, aligning with our commitment to the local communities in which we live and work.

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Despite these trying times, the Company grew in-force policy count to almost 179,000, with the addition of approximately \$36 million in new business, delivering a 5.7% increase in direct written premium. This growth is a continued testament to the confidence our policyholders and Agents have in the strength and stability of our organization.

Financial results were strong for the year, generating just under \$16 million in underwriting profit - and a similar figure in investment gains - despite market volatility. These earnings combined to produce over an 8% increase to surplus for a year-end figure of just over \$395 million, ensuring our sustained ability to grow, invest in the business, and successfully manage unanticipated events like the pandemic.

I am pleased to share that A.M. Best has, once again, upgraded the Financial Strength Rating of The Concord Group from "A" to "A+" (Superior), demonstrating continued confidence in our organization. A number of important projects progressed and were implemented, despite the challenging work environment that COVID created. Externally, a new multi-variate homeowner product was launched in two states to help drive more consistent profit and growth. A multi-policy discount for life insurance was deployed in an effort to buoy growth in that line of



 **CLOCK TOWER**
Concord, New Hampshire

COMMENTS FROM THE CEO

business, and our Customer Center Mobile App was introduced in late summer to support greater service levels for our policyholders. Within the organization, we all became much more technologically savvy, mastering the art of video-conferencing while building our social media footprint to support our Agency, employee and policyholder relationships. Larger projects included the implementations of a new medical benefits platform as well as a new claims management system, both providing long-term efficiency gains.

Of course, we could not have accomplished any of the feats mentioned without each and every one of the employees who are part of this fine organization. Their ability to manage through an ever-changing work environment as a cohesive team, delivering the highest level of service and support to our Agents and policyholders, was extraordinary. I am proud to be a part of such a great company of people.

A tremendous thank you to our Independent Agents who also dealt with extreme adversity to support our policyholders, as well as to our directors and policyholders themselves for their steadfast confidence in our organization. I look forward to better days for all in 2021, and our ability to deliver continued success in the evolving environment to come.



Daniel L. McCabe

PRESIDENT & CHIEF EXECUTIVE OFFICER

CONCORD GROUP INSURANCE BY THE NUMBERS

1

UPGRADED FINANCIAL
STRENGTH RATING TO



\$2.4

MILLION

RETURNED TO
POLICYHOLDERS
IN RESPONSE
TO COVID-19

LOCAL
INDEPENDENT
AGENCIES

600+

and growing!

WRITTEN
PREMIUM

\$223M

SURPLUS

\$395M

COMBINED
LOSS RATIO

91.4%

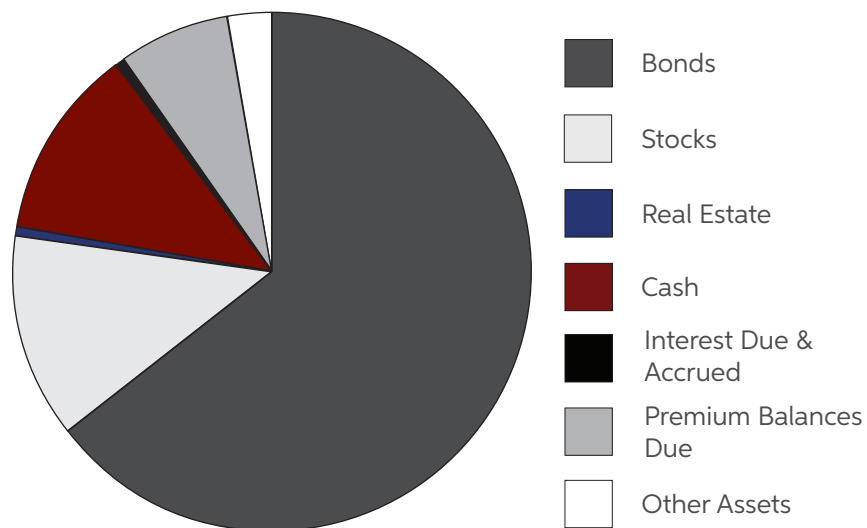
PROTECTING OUR
CUSTOMERS FOR OVER

90
YEARS

245 EMPLOYEES
ACROSS

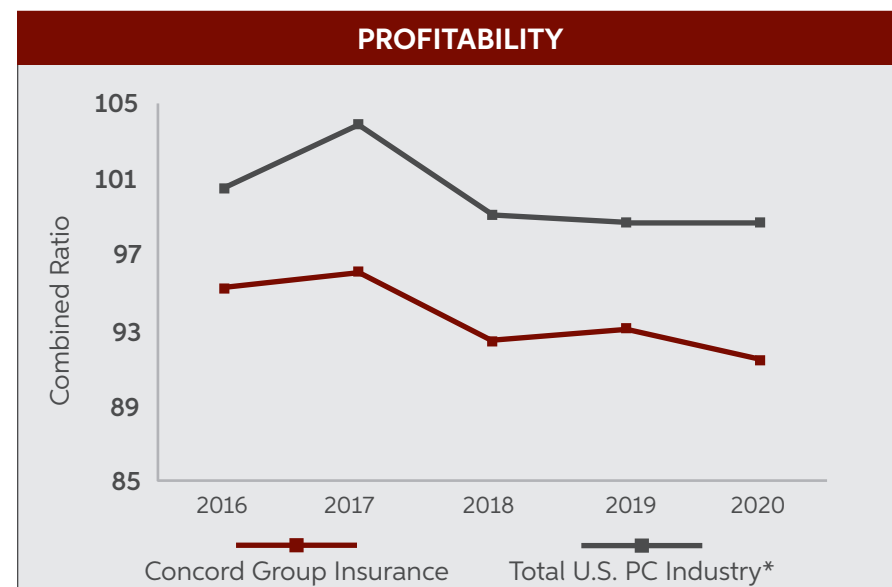
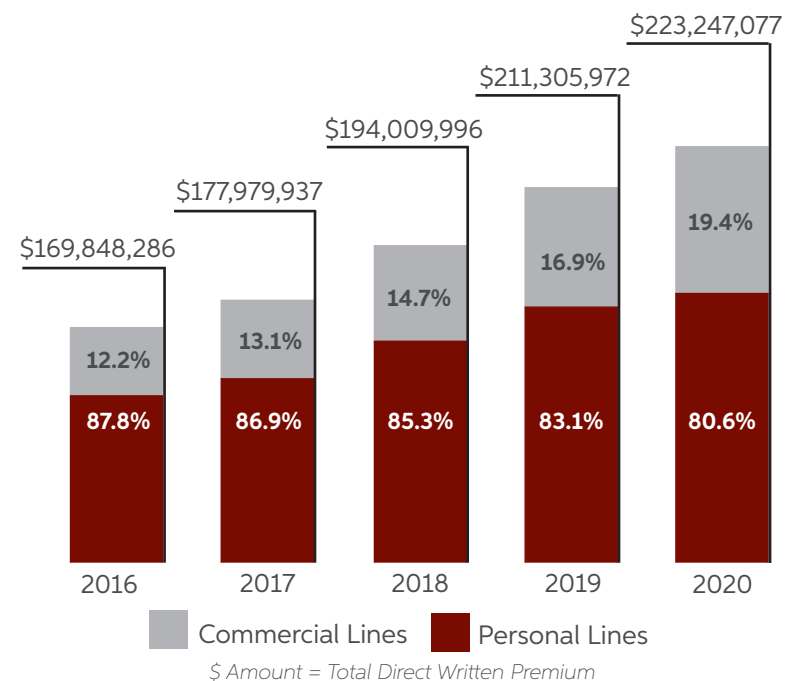
4 STATES

COMBINED ASSETS



ASSETS	TOTALS
Bonds	\$408,368,670
Stocks	\$79,907,449
Real Estate	\$4,151,611
Cash	\$75,765,229
Interest Due and Accrued	\$3,914,246
Premium Balances Due	\$44,645,323
Other Assets	\$15,984,690
Total Assets	\$632,737,218

DIRECT WRITTEN PREMIUM & PROFITABILITY

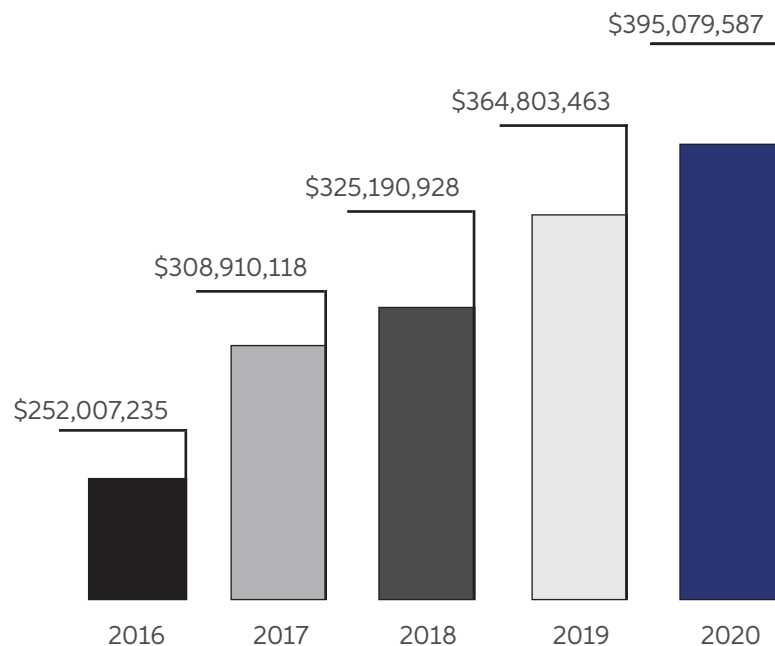


*Data sourced from the National Association of Insurance Commissioners 2020 Full Year Results Report

POLICYHOLDER SURPLUS

LIABILITIES	TOTALS
Reserve for Losses & Expenses	\$59,751,080
Reserve Unearned Premiums	\$113,057,393
Other Liabilities	\$64,849,158
Total Liabilities	\$237,657,631

SURPLUS	TOTALS
Unassigned Surplus	\$395,079,587
Total Liabilities and Surplus	\$632,737,218



BOARD MEMBERS & COMPANY OFFICERS

BOARD MEMBERS

Linda J. Day
Lori A. McAllister
Daniel L. McCabe
Warren C. McLean, Jr.
Michael P. Nolin, Jr.
Michael D. Pike
Gordon A. Rehnborg, Jr.
Theodore W. Reinbold
Jeffrey S. Tagsold
Daniel J. Thelen
William F. Woodbury

COMPANY OFFICERS

Jeffrey S. Tagsold
Chairman of the Board
Daniel L. McCabe
President & Chief Executive Officer
Michael P. Nolin, Jr.
Senior Vice President & Chief Operating Officer
Kevin M. Ferreri
Vice President, Marketing & Sales
Amy M. Kezar
Vice President, Information Technology
Michael W. Percy
Vice President, Claims
Bruce W. Sorette
Vice President & Treasurer
Anthony L. Sychtysz
Vice President, Underwriting
William F. Woodbury
Corporate Secretary
John S. Fournier
Assistant Vice President, Facilities





NEW HAMPSHIRE STATE HOUSE
Concord, New Hampshire



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