

Workers' comp solutionists



2015 Annual Report



President's Message

Relationships at Work. It's what inspires our employees to deliver outstanding solutions every day. Our broad underwriting approach, financial strength, multi-state capability and online tools help our agents grow their book of business. When we insure a business, they become part of a family supported by professionals dedicated to providing safety guidance and training along with responsive claim handling. As a result, our customer retention rates are among the highest in the industry.

This dedication is reflected in our year-end financials. FFVA Mutual's operating results continued to improve while the balance sheet and capitalization strengthened. Our 2014 net income of \$19.7 million represents a 217% increase from \$9.1 million the prior year. Policyholder surplus increased 12% and the combined ratio of 88%, excluding dividends, improved eight points.

In 2015, FFVA Mutual is embarking upon two key initiatives: a rebranding campaign and the expansion of our multi-state footprint. The new brand reflects our commitment to meaningful relationships in a fresh, authentic way. The strategic decision to extend our licensed state offerings to Indiana and Virginia is bolstered by our sustained financial growth and in response to the needs of our agency partners.

With a clear vision and a trusted foundation, I am confident that the progress we achieved in 2014 will only expand in the coming year, and I look forward to sharing our future successes with you.

Sincerely,

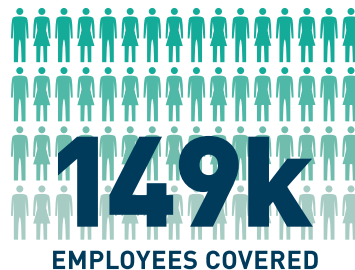
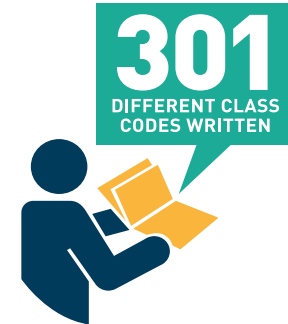


Craig Menzl
President & CEO

our company

FFVA Mutual is a regional insurance carrier specializing in workers' compensation since 1956. Rated A- (Excellent) by A.M. Best, we insure all major industry groups, write business in nine states (AL, FL, GA, IN, KY, MS, NC, SC, TN) and will expand into Virginia later this year.

2014 At a Glance



Mission

At FFVA Mutual, our mission is to be respected, reliable and responsive.

We accomplish this by providing trusted workers' compensation coverage to our agency partners and policyholders who rely on us for consistent underwriting, expert safety services and proactive claim solutions delivered through outstanding customer experiences.

Vision

To be an influential industry leader recognized for unparalleled service, strategic growth and financial strength.

our commitment, our Promise

Our employees are committed to creating personal, professional experiences for our customers every day by providing workers' compensation solutions with a passion and dedication unmatched in our industry.



59-Year History

FFVA Mutual has a unique perspective on workers' compensation insurance. We understand firsthand what it's like to be an employer looking for workers' comp coverage because that's where our journey began nearly 60 years ago.

Our history began in 1956 with the need to provide workers' compensation insurance for agricultural workers in Florida. That year, the FFVA Self Insurers Fund was established to help our sister company, the Florida Fruit and Vegetable Association, obtain

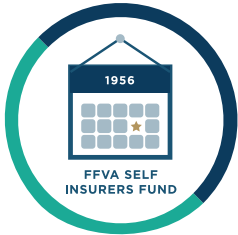
coverage for its members' employees. Forty years later in 1996, the Self Insurers Fund evolved into FFVA Mutual Insurance Company. In 1998, the decision was made to expand into all market segments and become licensed in additional states.

Today, FFVA Mutual has grown to 10 licensed states while remaining true to its corporate vision. Our solid reputation is built on integrity, financial stability and customer service excellence.

Timeline

1956

Began as the FFVA Self Insurers Fund, licensed in Florida



1996

Became FFVA Mutual Insurance Co.

1998

Georgia license



2002

Mississippi license

2002

Alabama license



2006



South Carolina license

2006

Tennessee license

2002

Kentucky license



2009

North Carolina license



2014

Indiana license

2015

Virginia license

2014 Successes

Underwriting

- \$110.4 million in direct written premium, an increase of 6.6% from the prior year.
- \$12.2 million net underwriting profit compared to \$3.6 million in 2013.
- 12% policyholder surplus growth.
- \$7.5 million in policyholder dividends distributed.

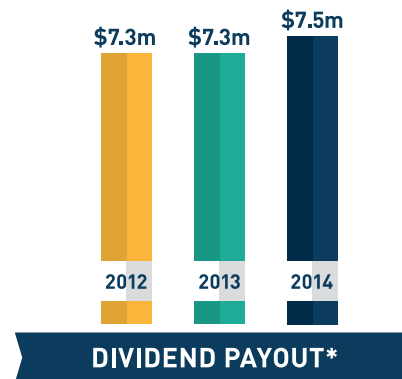
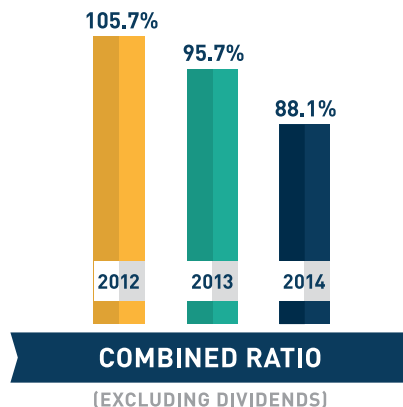
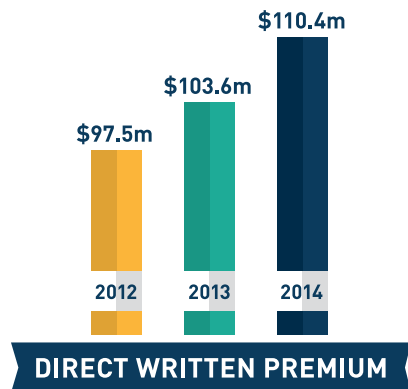
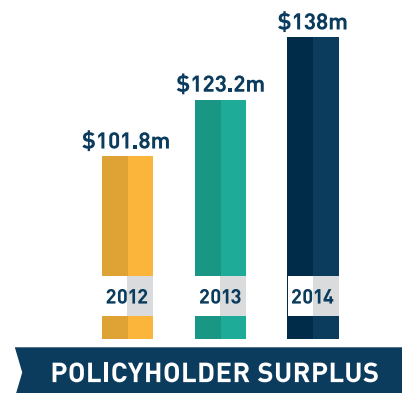
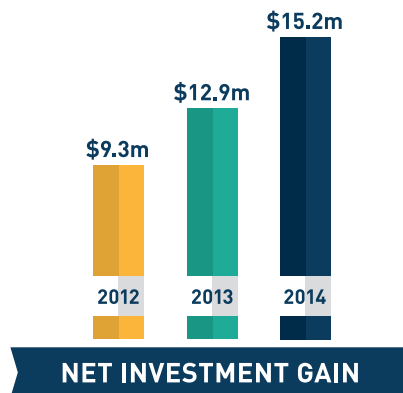
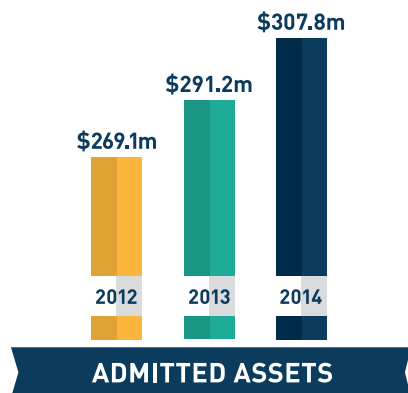
Safety

- Conducted 1,907 job-site visits and provided safety training to 2,549 employees.
- Presented bimonthly webinars on trending safety topics.
- Offered 34 training courses including OSHA 10-hour and 30-hour compliance training at no extra cost to policyholders.
- Implemented a mobile solution for on-site workplace evaluations.

Claims

- Processed 5,646 claims with a reported claim closure rate of 71% for the year.
- Reviewed 63,700+ medical bills that resulted in savings of more than \$30 million.
- Less than 5% of filed claims were litigated as a result of proactive claims management by adjustors.

Financial Highlights



*FFVA Mutual's Board of Directors has a 100% record of awarding dividends to policyholders based on terms of various plans since the company's inception.



Looking Ahead

FFVA Mutual's strategic initiatives are to:

- Optimize our visibility and market presence in all 10 licensed states.
- Maintain strong risk selection practices for continued financial profitability.
- Concentrate on sound investment strategies that will yield steady growth.
- Evaluate technological upgrades company-wide to improve customer service experiences and enhance operational efficiencies.
- Advance the new corporate brand through materials, communications and the redesigned website.



Board and Executive Staff

Board of Directors

Les W. Dunson, III, Chairman

Glenn R. Rogers, Vice Chairman

Charles T. Ranson

Craig Menzl, President & CEO,
FFVA Mutual

Kerry Gubics

Michael Stuart, President,
Florida Fruit & Vegetable Association

Morgan H. Roe

Peter S. Harlllee, Jr.

Robert C. Barrett

FFVA Mutual Executive Staff

Craig Menzl, President & CEO

Alan Hair, Secretary/Treasurer & CFO

Bruce Clement, Vice President, Investments

Donna Grier, Vice President, Underwriting

Fred Allen, Vice President, IT

Jose Ramos, Vice President,
Safety & Loss Control

Melissa Hide, Vice President,
Marketing & Brand Development

Sandra Riding, Vice President, Claims



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Thank you to the FFVA Mutual employees, agents and policyholders featured in this Annual Report.