

# Letter from Tom

## Dear Fellow Customers and Friends,

The ways we interact with the world have changed dramatically in recent years. A key part of this shift is the burgeoning growth of the sharing economy. People are coming together in new and different ways to make their lives easier – better. From using vehicles to transport strangers and generate income, to renting extra real estate to travelers from other cities, or even pitching in on pet boarding responsibilities.

Our company, for the last 128 years, has been an important part of the sharing economy. Our basic business is helping people come together to protect themselves against the financial devastation of premature death, disability or a debilitating disease. As a mutual insurer owned by our customers, we are one of the oldest forms of the sharing economy.

Fundamental to the effective operation of the sharing economy is trust. Trust that you will get what you pay for. That the provider of a service or product will do what they said they would. As the CEO of a mutual organization, I think this is my most important responsibility: to be sure we will be able to honor our promises to our customers. To that end, I'm pleased to report, due to good financial performance in 2017, the financial strength of your company again improved. Here are some highlights:

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- Our capital account grew by 3%. Risk-based capital is now 618%. One of the strongest positions in our industry.
  - Our investment portfolio remains at a very high quality.
  - Our high-performing culture was again confirmed when Gallup rated us in the 96th percentile for associate engagement.
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We know treating our customers right is key to our success, and all our home office associates are focused on delivering exceptional service to our customers and our distributors. Tangible evidence of this includes:

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- No long wait times at Assurity. When customers call in, 90% of our calls are answered within 30 seconds. And, yes, you get to talk to a real person (in Lincoln, Neb.) who will give you real answers to your questions.
  - We issue most policies within 3.5 days of receiving an application in the home office.
  - We aim to pay claims swiftly; most are processed and paid within 10 business days.
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In closing, I want to thank all of my colleagues at Assurity for serving our customers and distributors so well. I also want to express my appreciation to our Board of Directors, all of whom are also customers, for their wise counsel and advice.

In 2018, we look forward to adding many more customers to the Assurity family.

Sincerely,



**Thomas E. Henning, CLU, ChFC, CFA**  
Chairman, President & CEO

