

# Annual Statement

# 2025



# INSURING OPPORTUNITY

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**Harford Mutual Insurance Group** is here to ensure the financial well-being of our policyholders by providing quality products and services that give them peace of mind.



# 2025 AT-A-GLANCE

**96.6%**

COMBINED RATIO

**\$438M**

POLICYHOLDERS' SURPLUS

**\$1.2B**

IN TOTAL ASSETS

**\$446M**

DIRECT WRITTEN PREMIUM

**\$55M**

NEW BUSINESS

**92 AGENCIES**

with **\$1M+** IN PREMIUM WITH HMIG

**2 NEW STATES**

WRITING MULTI-LINE, for a total of  
**12 STATES, PLUS DC**

## PURPOSE

Insuring opportunity through a commitment to mutual success.

## MISSION

Protecting the financial well-being of our policyholders through mutuality, financial strength, quality insurance products and services, and meaningful partnerships.

## VISION

We are a regional carrier of choice and a preferred employer with the resources and agility to best serve the expanding needs of our team, our policyholders, and our agency partners.

## VALUES

- Financial Strength & Stability
- Mutual Respect & Integrity
- Customer Service & Relationships
- Opportunity through Inclusion & Diversity
- Performance Accountability & Self-Improvement
- Corporate & Social Responsibility

# A MESSAGE FROM OUR PRESIDENT

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“Every mountain top is within reach if you keep climbing.”

**Barry Finlay**  
*Author & Climber*



*Steven D. Linkous*

We welcomed 2025 with cautious optimism following the frustrating results and tough decisions that closed out 2024. With the wind at our back and under favorable conditions, we experienced momentum from our dedication to our strategic plan. Like the climbers of the world's tallest mountains, we knew our journey would demand resilience and determination, requiring a commitment to excellence from each and every team member to help us rise above the challenges and turn them into opportunities.

Reaching the destination is not always about moving in a single direction forward, or up, in the case of a climber. We can achieve ultimate success by understanding that there is no perfect journey and sometimes the best way to proceed is to take a step back, reassess, ground ourselves in the mission, and find a better way. That is precisely what we did in 2025 as we continually adapted to the new normal that has emerged for our industry over the past few years.

Regaining strong underwriting profitability with a stellar **96.6 Combined Ratio** and a **\$14.1M Underwriting Gain**, far exceeded our plan and re-established the performance necessary to maintain a strong foundation for future success. These are direct results of the superb execution of our underwriting portfolio management strategies by our talented team, coupled with good fortune and low weather severity.

Despite volatility, our sound investment strategies delivered realized gains of **\$15.2M** and unrealized gains of **\$6.3M**, further strengthening our capital base. As a combined result of underwriting and investment performance, **Policyholders' Surplus increased by nearly \$50M, reaching a record-setting \$438.4M.**

New Business performance was also a notable achievement, exceeding plan by **\$6M**, closing at **\$54.9M**. Growth was well distributed across our targeted units, reflecting our continued focus on diversification, ending the year with **\$446M in Direct Written Premium.**

Agent adoption of RapidWrite® continues to fuel growth with **\$11.5M** written and over 2,300 policies issued. Agents also embraced the addition of ACORD upload and appreciated enhancements to our BOP program, including the expanded eligibility for Mercantile classes.

Our commitment to mutual growth is evident with **92 agents now writing over \$1M in premium with us.** We strengthened our Midwest expansion with the addition of a dedicated business development specialist, the conversion of 28 monoline agents to multi-line,

and the appointment of 43 new agents in Kentucky and Indiana.

Our success also reflects the vital importance of partnerships. In a year marked by competitive pressures, shifting market conditions, and evolving customer needs, our agency partners played an essential role in helping us execute our strategies. Their advocacy, insight, and collaboration enabled us to navigate complexity while strengthening our presence and performance across every region we serve.

Outside of our financial success this year, HMIG is also proud of the accomplishments and service of our past and present employees and board members. Through educational advancement and the implementation of award-winning initiatives, we continue to create an environment where our employees thrive, celebrating 590 years of combined service from 38 team members in 2025. While we look forward with excitement to their future contributions, we must also pause to laud the impact of Vice President Frank Kellner, who will be retiring after 35 years with Harford Mutual; board members Woody Collins, Al Mezzanotte, Spence Roman, and Steve Scott who retired in 2025 with a combined 80 years of service to our board; and former board member Chuck Boyle, who passed away in November. We are grateful for their indelible guidance and leadership, which will continue to serve Harford Mutual for years to come.

Our results speak not only to what we accomplished, but also to how we achieved it — through mutual commitment, disciplined execution, resolute accountability, and the collective belief that better outcomes are always within reach on the climb.

We are grateful for the steady guidance of our Board of Directors, whose support and strategic perspective helped ensure we remained grounded in our long-term objectives.

As we look forward to 2026, we do so with confidence. We know that our greatest achievements come not from standing on the summit, but from the climb itself. We scaled this mountain, but there are many more ahead that will require our determination and experience to navigate. This year proved once again that growth, fulfillment, and momentum are earned in the work we do together, step by step, as one team committed to a shared purpose.

Always to our mutual success,



**STEVEN D. LINKOUS**

*President and Chief Executive Officer*

# HMIG GIVES BACK

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Founded on the principles of mutuality, we are committed to being meaningfully involved in the communities we serve.

Nearly

**\$600,000**

in Charitable support since 2025!



*Eileen Hammer, Volunteer Event*

## Expanding Opportunity

Harford Mutual Insurance Group proudly invests in the communities we serve through our #HMIGgivesback program. In 2025, our giving focused on expanding opportunity through direct charitable contributions, including disaster relief, scholarships, and Giving Tuesday support—strengthening organizations and community initiatives.

Our impact was further amplified through charitable donations made from our HMIG Community Fund, managed by the Community Foundation of Harford County. We supported capital projects for **Anna’s House**, the **Harford Community College Foundation**, and **The Harford Center**. The fund also powered our Employee Match Program—multiplying the generosity of our team members—and our Flagship Agency Grant Program, which provides \$1,000 grants to nonprofits selected by our Flagship agencies.

Our giving went even further, with HMIG team members volunteering more than 700 hours in 2025.



## Elevating All Voices

In 2025, Harford Mutual advanced its commitment to diversity and inclusion through internal and community-focused efforts. Our Inclusion, Diversity, and Opportunity Committee (IDOC) worked to reduce unconscious bias and strengthen inclusion by bringing 39 team members across 10 departments together for a skill-building session, with more planned for 2026. The IDOC also expanded its community impact through school-supply drives and career outreach. Additionally, HMIG received the **Executive Alliance Honor Roll Award for Women’s Representation**, underscoring ongoing efforts to recruit, develop, and advance women in leadership and board roles.

**701**

Employee Volunteer Hours

**98**

Organizations Supported

**\$6.8M**

Charitable Support  
Since 2005

**\$30,000**

Disaster Relief

**\$19,400**

Scholarships

**\$18,452**

Giving Tuesday Challenges

**\$92,930**

HMIG Community Fund

# TEAM MEMBER SUCCESS

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“You do not climb a mountain like Everest by trying to race ahead on your own, or by competing with your comrades. You do it **slowly** and **carefully**, by **unselfish teamwork.**”

Tenzing Norgay



*Bill Langston, 10 Years of Service*

## Achievements

At Harford Mutual Insurance Group, growth is something we pursue together. When our team members rise, our organization rises with them, a reflection of the mutuality and shared purpose at the heart of who we are.

In 2025, that spirit was evident as team members advanced their skills and marked meaningful career milestones. A total of **34 team members** completed coursework to expand their expertise, including **11 who earned professional designations** and **3 who achieved certifications**. We also celebrated **38 team members** who reached milestone service anniversaries. Among them were three employees who each celebrated an impressive 40 years of service and one who marked an incredible 45 years with HMIG. Together, the 2025 milestone service anniversary honorees represent **590 years** of commitment—years that reflect the loyalty and expertise that make Harford Mutual a place where people build lasting careers.

## Awards & Recognition

Harford Mutual Insurance Group earned notable honors in 2025, celebrating excellence in communication and culture. Our internal “News in 90” series received both a **Gold Showcase Award** from the Insurance Marketing & Communications Association (IMCA) and an **Award in Innovation** for Best in Category/Adaptability from the National Association of Mutual Insurance Companies (NAMIC). HMIG was also named one of Ragan Communications’ **Top Places to Work in Communications**, recognizing our dedication to creating a workplace where team members are prioritized, collaboration is encouraged, and hard work is recognized.



## A LEGACY OF EXCELLENCE

Among the 2025 milestone service award honorees, President & CEO Steve Linkous marked an extraordinary 40-year career with Harford Mutual Insurance Group. His HMIG journey began in 1985 as a Computer Programmer, and over four decades, he has played an integral role in the organization’s evolution and success. Through periods of growth and change, Steve’s institutional knowledge, commitment to excellence, and people-first approach have helped shape HMIG’s culture and long-term strength, earning the respect of colleagues across the organization.

In addition to this remarkable service milestone, Steve will celebrate 20 years as President & CEO later this year in 2026. Since assuming the role in 2006, he has guided HMIG with steady, visionary leadership, reinforcing the organization’s mission while positioning it for the future, earning him the Circle of Excellence recognition as a thrice named **Most Admired CEO** by The Daily Record. His two decades as President & CEO reflect a legacy rooted in purpose, stewardship, and dedication.

# INSURED SPOTLIGHT

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## Peabody Press

Since 1947, Peabody Press has proudly served the greater Baltimore area, forging lasting relationships with businesses, schools, organizations, and individuals. Their decades-long commitment to high-quality printing and community partnership has made them a trusted leader in the print industry.

*“From the beginning, Harford Mutual Insurance Group established a foundation of trust that has been instrumental in safeguarding our assets and fulfilling our essential insurance requirements. Their commitment to understanding the unique needs of the print industry allowed them to tailor coverage that not only enhanced our protection but also positively impacted our budget. With HMIG, Peabody Press can confidently pursue continued growth, knowing we are supported by a team that is always there to identify additional needs as we expand. I highly recommend HMIG to anyone seeking a reliable, supportive, and trustworthy insurance partner.”*

Derek Smoot, President, Peabody Press



Derek Smoot

# AGENT SPOTLIGHT



Insurance Since 1875



Founded in 1875 as a marine insurer to the businesses that utilized the Port of Baltimore, Maury Donnelly & Parr, Inc (MDP) operates today as an agent, consultant, broker, program administrator, and risk manager across the insurance industry. In 2025, they celebrated their 150th year as a privately held independent agent dedicated to keeping their insureds protected and providing them with customized insurance solutions for their unique needs.

*“Harford Mutual stands out among our carriers because of its deep regional expertise and underwriting consistency. Their appetite remains disciplined and stable, which allows us to build sustainable books of business without constant shifts in direction. Additionally, their entire team takes a “how can we help” mindset, which differentiates HMIG and contributed to our steady growth and enduring partnership. From underwriting to leadership, their team understands our marketplace and supports us with thoughtful, relationship-driven underwriting.”*

## R Rogers Insurance



Rogers Insurance, an independent agency founded in 1989, serves the Tullahoma, Tennessee community and surrounding area, helping businesses understand their insurance options and choose coverage tailored to their needs. Rogers Insurance writes a variety of businesses and is ranked as the top user of RapidWrite®—HMIG’s online quoting platform.

*“Rogers Insurance’s growth with HMIG is largely due to our strong partnerships with their underwriters. These relationships help us expand our client base and enhance retention. What truly sets HMIG apart from other carriers is the responsiveness of their underwriters, their professionalism in handling matters, and their competitive pricing. We especially appreciate how easy their quoting platform, RapidWrite®, is to navigate, in addition to the wider appetite guide, allowing us to diversify our portfolio. Working with HMIG’s team is always a pleasure—they make it simple for us to deliver outstanding service and innovative solutions to our clients.”*

# REGIONAL SUMMARY

## Northern Region (DE, NJ, PA)

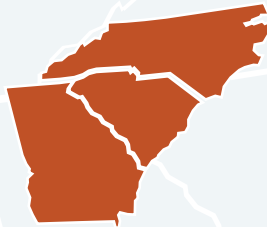
The Northern Region ended 2025 with nearly \$169 million in direct written premium, a growth of over 7%—making it our largest region. This region has demonstrated sustained, profitable growth, with **direct written premium increasing by 65% over the past five years**. Notably, New Jersey has been the primary driver, contributing more than \$50 million in growth since 2014.



Agency performance remained strong, delivering a premium retention rate of 94%, the highest among all regions. The region also surpassed its previous new business record, writing over \$22 million in new premium. Agency appointments were strategically selective to preserve franchise value, resulting in 22 new agencies being appointed, primarily in underrepresented areas of Pennsylvania.

## Southern Region (GA, NC, SC)

In 2025, the Southern Region completed several underwriting initiatives aimed at restoring profitability and establishing a platform for future growth while strengthening long-standing agency relationships. Hurricanes, convective storms, and challenging legal environments—especially in Georgia and South Carolina—led to these adjustments, with strong agency support. These efforts resulted in a **50% year-over-year improvement in the loss ratio**, positioning the region for continued responsible growth and financial stability.



North Carolina remained a steady contributor, delivering a profitable year with over 7% direct written premium growth and achieving a record \$5.6 million in new business.

## Mid-Atlantic Region (DC, MD, VA, WV)

The Mid-Atlantic Region closed 2025 as our most profitable region, recording a direct case loss ratio of 39%. **The region continued to diversify beyond Habitational business into additional sectors, including Restaurants, Lessor's Risk, and Service industries.** Direct written premium reached \$153 million, with a notable 45% year-over-year increase in new business.



Virginia led the region with 13% growth in direct written premium and achieved its highest level of new business since 2017 at \$4 million. Six new agencies were appointed, primarily focusing on smaller account sizes compared with historical regional standards.

## Midwest Region (IN, KY, TN)

The Midwest Region addressed increased Workers' Compensation claim frequency and severity through targeted underwriting improvements, resulting in substantial stabilization in this line of business. We anticipate that these underwriting actions will yield ongoing positive results in 2026.



Our Midwest Office, based in Louisville, Kentucky, continues its transformation from a Workers' Compensation-focused operation to a comprehensive, multi-line regional office, supporting both agency partners and insureds. 2025 marked the first full year of writing other lines of business in addition to Workers' Compensation in Kentucky and Indiana. **With over 40 appointed agencies in the region, we are well-positioned for multi-line growth with current partners, enhancing geographic risk diversification and deepening regional relationships.**

# COMBINED FINANCIALS

**\$438M**

Policyholders' Surplus

**\$55M**

New Business

**\$446M**

Direct Written Premium

**\$1.2B**

Total Admitted Assets

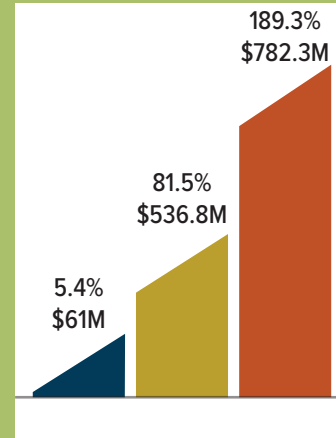


AM Best Financial Size IX  
(Surplus greater than \$250 million)

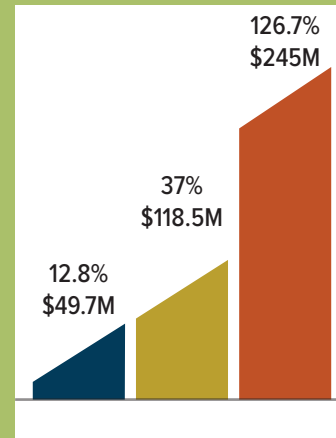
NOTE: For the Condensed Consolidated Statutory Financial Report, visit our website at HarfordMutual.com

- 1-YEAR GROWTH
- 5-YEAR GROWTH
- 10-YEAR GROWTH

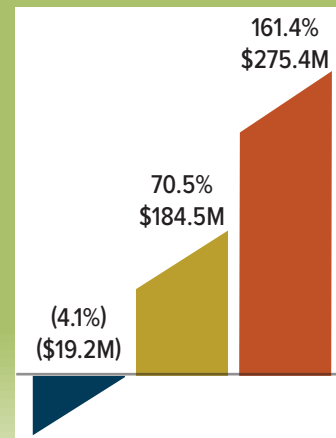
## TOTAL ADMITTED ASSETS



## POLICYHOLDERS' SURPLUS



## DIRECT WRITTEN PREMIUM





Donald C. Fry, Chair

# BOARD

## Remembering Chuck Boyle



The passing of Clarence “Chuck” Boyle Jr. in 2025 marked the loss of an influential leader for Harford Mutual Insurance Group and the Harford County

community. Chuck served on Harford Mutual’s Board of Directors for more than two decades, beginning in 2000 in the seat previously held by his father and retiring in 2021. During his tenure, Harford Mutual benefited greatly from his leadership, strategic insight, and commitment to our mission. A respected business figure in Harford County, he spent nearly 50 years guiding his Boyle Buick GMC dealership and remained an active contributor to civic and philanthropic initiatives throughout the community. His legacy of service, integrity, and dedication continues to shape our organization, and we remain grateful for his lasting impact.

## Directors

**Theodore M. Alexander III**

**John J. DeMartini**  
Governance Committee Chair

**Jillian E. Froment**  
Audit Committee Chair

**Sean M. Garber**

**Steven D. Linkous**

**Teresa Q. McTague**  
Risk Committee Chair

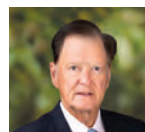
**Vernon A. Reid Jr.**  
Investment Committee Chair

**Sandra L. Rich**  
Compensation Committee Chair

**Abigail E. Smith**

## Retirement

In 2025, Harford Mutual Insurance Group saw the retirements of four long-tenured board members. Together, their decades of leadership and expertise have advanced HMIG’s growth and long-term success, and we extend our sincere thanks for their service.



**Atwood Collins III**  
2012–2025



**Albert J. Mezzanotte Jr**  
2000–2025



**Spencer M. Roman**  
2012–2025



**Stephen T. Scott**  
1996–2025; Board Chair 2013–2019

## Executive Leadership

**Jeffrey S. Rink**, Executive Vice President

**Karen L. Mashinski**, Senior Vice President,  
Chief Financial Officer & Treasurer

**F. Wayne Gearhart**, Senior Vice President,  
Chief Operating Officer

## Vice Presidents

**Jeffery J. Bischoff**, Information Technology

**Shane A. Crockett**, Chief Underwriting Officer

**Patrick J. Gagen**, Human Resources

**Frank P. Kellner III**, Administrative Operations

**Stacey A. Rebbert**, Chief Marketing Officer

**Geneau M. Thames, Esq.**, General Counsel &  
Corporate Secretary

## Assistant Vice Presidents

**Pauline L. Bao**, Chief Actuary

**Christopher J. D'Alessio**, Underwriting

**Matthew D. Summerell**, Business Development

**Jillian R. Taylor**, Finance

**Bryan E. Yekstat**, Claims



**Steven D. Linkous**, President & CEO

# OFFICERS

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## Leadership Change



**Frank P. Kellner III**, Vice President of Administrative Services, will retire from Harford Mutual Insurance Group on April 1, 2026, after more than 35 years of

dedicated service. Since joining HMIG in 1990, Frank has been a steady and influential leader, holding key roles including VP of Claims, Corporate Secretary, and most recently overseeing our expanding facility and real estate operations across MD, KY, and SC. He launched both our Special Investigation Unit (SIU) and Customer Service Representative team and has mentored countless team members throughout his tenure. Known for his commitment to HMIG and the community, Frank's leadership, guidance, and genuine connection with colleagues will be deeply missed. We wish him all the best in his well-earned retirement.



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**HARFORDMUTUAL.COM**

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Harford Mutual Insurance Company, Founded 1842  
Firstline Insurance Company, Founded 1988  
1842 Insurance Company, Founded 2020  
Clearpath Specialty Insurance Company, Formed 2017