



2020 ANNUAL REPORT



We've enhanced our 2020 Annual Report with videos to supplement the information and to share a little of the PLM experience. As you go through the report, look for the acorn 🌰 below the illustrations. You can click on the title of the video or the acorn icon to view the video.

The first video can be found on the next page which features a collage of the PLM Team. Click on the linked title at the bottom right of the page to launch the video, PLM is WITH YOU Across America.



Video: PLM is WITH YOU Across America

PLM at a Glance

- PLM ended 2020 with a combined ratio of 95.3%.
- There were 12,158 inforce policies with PLM at the end of 2020.
- We wrote 597 new accounts generating over \$28.4 million of new business premium in 2020.
- We wrote \$287.9 million in direct written premium in 2020 with an 86.9% policy count retention and 97.3% premium retention.
- Our total assets surpassed \$547 million in 2020.
- 98% of PLM employees participated in professional development in 2020. A total of 93 exams were passed with 14 employees earning designations through The Institutes.
- We were recognized as one of the 2020 Top Workplaces by The Philadelphia Inquirer.
- Due to COVID-19, 95 employees were sent home from our Philadelphia office. While majority of employees are equipped with a company laptop and cellphone, IT sent out an additional 20 laptops and 21 cellphones, and roughly 100 monitors, keyboards, and mice to allow for fully remote workplaces.
- PLM usually participates in over 100 wood-related industry events and approximately 80 insurance-related events. In 2020, due to the pandemic, we saw 117 events cancelled, 11 postponed, and 33 adapted to virtual events.
- Over 2,133 brokers partner with PLM throughout the continental U.S.
- PLM employees have been WITH YOU for a combined 1,521 years.

MISSION STATEMENT

To be recognized by stakeholders as America’s premier property and casualty insurance company serving the lumber and building materials industries by establishing long-term relationships built on stability in the marketplace, superior service, industry-specific risk management, quality products, and the utmost professionalism as we consistently strive for profitable growth.

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President’s Message



Video: Welcome to PLM’s 2020 Annual Report
JOHN K. SMITH, CPCU
PRESIDENT & CEO

2020 was supposed to be a year of celebration for the 125th anniversary of Pennsylvania Lumbermens Mutual Insurance Company (PLM). Like anyone who has celebrated a similar milestone, we had planned for an extensive array of events to mark this significant event in our history. Looking at the past 125 years, there were many financially lean times for the company. We survived, as did the rest

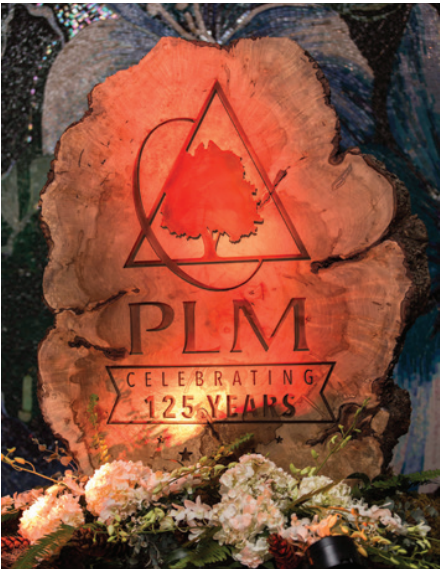
of the country, through the good, the bad, and everything in between. Through two World Wars, the Great Depression, a recession, economic collapse and expansion, political and social changes, the upheaval of the 1960’s, a man in space, the birth of the internet, 9/11, and today, the COVID-19 pandemic.

On February 26, 2020, we brought together our entire team in Philadelphia for our 125th Anniversary Gala to honor our milestone achievement, celebrate as a company the outstanding results we enjoyed in 2019, and to look forward to another great year in 2020. Less than three weeks later, PLM, like the rest of the country, was rocked by the COVID-19 pandemic, and concerned about our ability to withstand the impact of this unprecedented crisis on our business, our employees, and our customers.

What led us through this difficult time, was our ability to essentially practice what we preach

to our insureds. We have a deep, broad-based, disaster recovery and business continuity plan in place that we have tested over the years, and updated regularly, allowing us the flexibility and the necessary guide to not only survive, but thrive, through the pandemic.

Almost two weeks before America closed, the



THE LOGO ENGRAVED ON A LARGE WOOD SLICE THAT WAS DISPLAYED AT THE PLM 125TH ANNIVERSARY GALA.

leadership team held a brief meeting to discuss what steps would be necessary to operate our organization and to service our customers, brokers, claimants, and other stakeholders remotely. Days later our IT Department began gathering laptop computers and securing iPhones to equip every employee in this transition.

When the Pennsylvania governor closed the state, we quickly reacted with our insurance associations, to propose that insurance be an essential business and be allowed to continue to operate. At the same time, we supported our association partners in the wood industry as they advocated for wood businesses to be deemed essential throughout the country.

Within 36 hours, we sent the entire team home with the necessary technology to continue our operations. We shipped additional equipment to all our employees’ homes, including large computer screens, keyboards, printers, shredders, and other hardware to enhance their productivity. Within 24 hours of

sending everyone home, we were completely functional and operating in a fully remote environment. We did not miss a beat.

Early on, we determined that the three critical objectives we needed to focus on were to keep our employees healthy and keep their families healthy, while maintaining and achieving all our financial and non-financial

“We did not miss a beat.”





goals to ensure our future. At our first company-wide virtual town hall, a weekly meeting that we have continued throughout the pandemic, these objectives were underscored with the entire PLM team. Our employees whole-heartedly expressed their support even though it meant the company at times operating and making decisions on a razor’s edge to navigate the competing challenges of achieving those three objectives.

As you read through this annual report, we will explore what was accomplished this past year, both financially and non-financially, including record-breaking premium growth and one of the best expense ratios we

have seen in our history. Our loss ratio, although a little high, was still acceptable to our bottom line. This drove a “combined ratio” that was simply outstanding. We will also discuss our investment portfolio, which took a huge hit back in March, and how we have encouraged and watched it fight its way back to a record-setting policyholder surplus. This is a surplus that our customers can depend upon and one that will allow us to fulfill our obligations to our stakeholders.

We were pleased to not only be recognized by The Philadelphia Inquirer in 2020 as a Top Workplace in the Delaware Valley for the second straight year, but we were also notified at the end of the year that we had garnished the same designation on a national basis for the first time in our 125-year history.

We rolled out a Net Promoter Score capability, AskNicely, that allows us to obtain direct feedback from our customer base on our ability to service their needs and their experiences with PLM. We continue to build out the AskNicely program and expect by late 2021 we will be routinely surveying

our customers, claimants, and other stakeholders on our service, right down through the department level to the individual employee level.

ABM, our agency, finished its first year of operations. The agency allows us to be a one-stop shop and round accounts out by placing their workers’ compensation needs. It also allows us to consider other lines of business in the future with carriers who have underwriting specialization in unique areas where we choose not to operate.

We started building the foundation of the operation by rolling out a workers’ comp product. We earned eight appointments with “A” rated national carriers and used it as a proof of concept that ABM could deliver quality products and services as a wholesale brokerage facility. By all key performance indicators, 2020 would be considered a successful first year.

As ABM continues to build its “never having to say no” model, 2021 will see the agency add other property and casualty solutions. We believe that ABM

will open many doors and create new opportunities for PLM, our broker partners, and our insureds in the wood niche.

Ward Benchmarking has been part of PLM’s DNA for many years. It provides performance data and best practices studies for the insurance industry. Ward analyzes staff levels, compensation, business practices, and expenses for all areas of company operations and helps insurers to measure results compared to peer groups, optimize performance, and improve profitability. Several years ago, PLM formed the Ward Committee, a group of employees from different departments,

to further analyze the Ward Study, discover areas of improvements, and implement changes in the organization. Over the past year, we were able to achieve operational improvements in innovation, process improvements, and expense reduction over several operational areas.

Late in March, we were pleased to reaffirm our A- (Excellent) with a



ANGELO T. GANGUZZA
VICE PRESIDENT & GENERAL MANAGER
BROKERAGE OPERATIONS



GENEVIEVE VENTIERE
BROKERAGE MARKETING MANAGER

Stable Outlook rating from A.M. Best, the insurance industry’s foremost evaluator of financial capability. That same month, we entered discussions with Green Tree Perpetual Assurance Company, a company whose roots date back to 1784, to purchase select assets. The final transaction was completed on December 31, 2020.

We once again took our reinsurance program to market and completed the renewal late in the year. Due to the changes in the reinsurance marketplace, prices were up substantially, but we otherwise settled on terms that we felt



were appropriate on our renewal.

When COVID-19 forced us to pull our loss control and business development representatives off the road, they came together and found a way to continue to complete new business visits, renewal visits, and loss control risk management visits on a virtual basis. Working with one of our vendors,

we developed Anytime Risk Management (ARM), a virtual self-inspection program for smaller accounts that we are now rolling out across our entire book of business. It will allow us to heighten our risk management and loss control value-added services for all insureds.

Despite our Field Operations team finding themselves grounded behind a desk, they adapted, along with our Underwriting and Loss Control teams, to produce record-breaking new business.

We were also pleased to see throughout the year enhanced processing of policy documentation leading to improvements in timeliness and quality in this critical area. In the rare instances when new business quotations and policy issuance for new accounts and renewals were slowed down, it was not by anything internal in PLM, but rather due to information needs from external sources.

Our IT Department not only overcame the tremendous challenge of setting up everyone in a remote environment, but also took action to enhance our own cyber protections to ensure that we did not become a victim, as so many others

have, of cyberattacks. Additional cyber training was pushed out for all employees as well as new tools like a phish alert button for screening emails. We also dramatically expanded our Cyber Liability coverage to our insureds, just in time for the surge in cyber activity associated with the pandemic. When coupled with Employee Practices Liability coverage (EPLI), we helped equip our insureds with a better coverage platform to deal with COVID-related issues that came to the forefront.

When more than 35 insurance regulators throughout America told our insureds that they did not have to pay their insurance premiums due to COVID-19 for anywhere between 30 and 120 days, we dipped into our deep financial resources to create the cash flow required to maintain our commitments to claimants, policyholders, stakeholders, and our employees. When our

receivables surged dramatically upwards, our collection efforts continued unabated with the result being, by year end, not only a dramatic improvement in cash flow, but outstanding receivables at the lowest level.

We implemented virtual huddles, town halls, and played virtual Jeopardy and Bingo. We recognized employee milestones from work anniversaries to retirements, and even honored personal ones such as birth announcements and the high school and college graduates in their homes. This was all accomplished through Microsoft Teams, Zoom, Blue Jeans, and a host



Video: [How can you protect your organization against cyberattacks?](#)
ERIN L. SELFE
VICE PRESIDENT
INFORMATION TECHNOLOGY

of other vehicles to create an environment where our employees felt connected with one another despite being apart.

Our employees were challenged by a significant amount of additional

training that included two cyber security courses, an ethics class, a seminar on working from home, and a workers' compensation training program to support our efforts as we pursued workers' comp through ABM. Management also went through not one, but two classes on how to manage remotely. We continued to focus our people on the need for professional development. Almost every employee, in addition to the training outlined above, participated in a professional

2020 Designations

AINS Designation

Kelly Conlan
Robert Lemieux
Karen McAllister

ERM Designation

Lindsey DiGangi
Harold Jamison

ARe Designation

Stephen Hicks
John Smith

CPCU Designation

Kobié Jacobs

AIC Designation

Ranada James
Maria Lubbers

AIAF Designation

Matthew Kienholz

ARC Designation

Matthew Kienholz
Christine Woodward

ARM Designation

Tetiana Larson
Jonathan Luciano

development course with more than 100 of them taking exams and 14 of them earning professional insurance designations. Our commitment in this area of professional development for our employees is unparalleled within the insurance industry today. It underscores the fact that ours is a relationship business, and as customers and brokers, you have the right to deal with true insurance professionals. Our efforts in this area are only bolstered as we drive people to develop better awareness and understanding of the wood niche. There is genuine value in an insurance partner that truly understands the business of its customers. It allows us to ask pertinent questions and have solutions that are time tested in the wood industry. Our insureds do not have to explain to our claims people the process and equipment that their business utilizes.

Having people who understand their business and who are insurance professionals creates an environment of continuous enhanced value.

In 2020, we saw great social unrest in our country with many businesses making public declarations and affirming their commitment to diversity. We at PLM, operate under the philosophy that we need to hire and promote the most talented people that we can find without discriminating based on race, ethnicity, or gender. While we can and will do a better job, we would rather let our actions and staff speak the volumes that they do with regards to our commitment to operating a diverse environment. Are we there yet? No, but we will continue to do the right thing, support organizations that fight against social inequality and build opportunities for people of all backgrounds.

This past year, we saw some changes in our leadership. We honored the retirement of Thomas E. Beach from our Board of Directors. Tom has served on PLM’s Board faithfully and with distinction for the past 40 years, since April 1980. He has also served on several Board Committees, including being a member and Chairman of PLM’s Investment Committee. During his tenure, his experience and guidance on the Investment Committee has helped PLM realize a number of different unique market opportunities and lead our investment portfolio to outpace the property and casualty insurance industry’s investment marketplace.

We were also pleased to announce the appointment of Sean Briscoe to Assistant Vice President of Underwriting. This advancement reflects Sean’s leadership and the success he has brought to PLM over the last several years. He joined PLM as a Senior Underwriter and was promoted to Manager, and then Director during his tenure with us. He has successfully led our efforts to rehabilitate our heavy manufacturing book of business. Importantly, he understands the “big picture” and the strategic nature of leadership that has allowed him to act, as opposed to react, and overcome challenges while taking advantage of emerging opportunities. Sean maintains excellent working relationships throughout PLM, and represents the best of the company to prospects, clients, brokers, and associations.

Finally, I would like to take a moment to thank the employees of Pennsylvania Lumbermens Mutual Insurance Company for the work that

they have done this year. The challenges were overwhelming, yet they persevered and overcame. As you will see as you go through this report, we (they) accomplished great things. I would also like to thank their families for helping them remain focused and for understanding their needs. Many a kitchen or dining room table, basement, and yes, even a closet became “the office”.

Likewise, I would be remiss if I did not take a moment to express my appreciation to the Board of Directors. It is easy to be involved with the Board of Directors of a company during the good times; it is much more difficult at a time of uncertainty. PLM’s Board remained steadfast in its commitment to support leadership by freely offering the advice, counsel, and wisdom which we have long depended upon, during perhaps the most difficult time in our 125-year history. It was and is greatly appreciated.



THOMAS E. BEACH



SEAN T. BRISCOE

“Finally, I would like to take a moment to thank the employees of Pennsylvania Lumbermens Mutual Insurance Company for the work that they have done this year. The challenges were overwhelming, yet they persevered and overcame. As you will see as you go through this report, we (they) accomplished great things.”

Over 2,000 brokers chose to partner with PLM to represent our policyholders' interests. Our unique triangular relationship in which we as a company deal directly with insureds and with their brokers is a challenging and unusual approach for an insurance company to take. At times, it may create a certain level of discomfort, but because of that, we feel the solutions developed, presented, and taken advantage of, are more creative, broad-based, and appropriate for our mutual customers. This triangular relationship ultimately creates checks and balances for all parties involved. We thank the insurance broker community for placing their faith and confidence in us, and for recommending PLM to their clients.

I would like to express my appreciation to our insureds, who have at the end of the day, trusted the future of their business with us. Our people approach each day with the sole thought of “what can we do better today, than yesterday, to improve the value of what we provide to our policyholders?” We see our policyholders as more than customers, but members of our mutual insurance company family.

In closing, we reflect upon those who have been personally affected by this terrible pandemic. Many have lost loved ones, lost livelihoods, and struggled on the frontline serving all those in need. This past year has been challenging for us all and has required us to show strength and to adapt to protect ourselves, our families, our employees, and our businesses. PLM vows to remain steadfast, remembering our original charge 125 years ago to serve the wood industry, and to be “with you” through this pandemic and beyond.

John K. Smith
CPCU, CIC, CRM, ARc



Premium Growth

We once again saw several competitors decide to exit the lumber and forestry segment in 2020. The result of their departure lead to a lot of potential customers searching for new insurance carriers. This created the opportunity for us to not only reacquire accounts that had moved to these competitors during their usual brief tenure in the wood niche, but to also explore new accounts that we had never seen before.

While the PLM Business Development team was temporarily sidelined due to the pandemic, they turned to their phones to prospect for new customers. At the same time, the Underwriting team spent countless hours prospecting for new brokers. Our Marketing Department, under new leadership, began to revamp many of our long-term programs and methodologies. We turned to a more personalized outreach using new avenues and started to ramp up our social media efforts.

Since our founding 125 years ago, we have robustly participated in the wood niche, supporting more than 75 trade groups, associations, and buying cooperatives through attendance at their trade

shows, by financially sponsoring events, and more recently, by being actively involved with their boards and committees. Clearly, our involvement has been a win-win situation as we have used these interactions as an opportunity to spend more time with our customers and potential customers. This has allowed us to build and strengthen the personal relationships that are so important to our business. 2020 proved to be a difficult year for this when you consider that more than 100 trade shows were either postponed or eventually cancelled. Yet these groups all knew they could continue to count on PLM's support as they struggled to deal with the impact of the pandemic.

Over the past few years, we have similarly spent quite a bit of time participating in broker events throughout the country to explore with insurance brokers our capability and viability as a market for lumber and forestry businesses. These events, too, were mostly cancelled as a result of the pandemic, yet we saw our overall book of business grow and the number of brokers that presented that business, ramp up in 2020.

PLM's unique open brokerage approach allows any broker in America to place lumber or forestry-related business with PLM, regardless of the size of the account or number of accounts. This approach allows an insured or potential insured to have complete freedom of choice regarding the broker they want to act as their representative to PLM. The broker's efforts are supplemented by the services of our 24 Business Development Representatives that are spread throughout the country. Unlike our largest competitor, which requires the customer to work with a company employee, our own customers not only enjoy local representation by their chosen broker, but also are assigned a local Business Development Representative who is there to assist them and their broker through the insurance process.



2020 was truly a remarkable year from a revenue viewpoint with PLM’s total gross written premium surging to \$287.9 million. We easily exceeded our premium objectives for the year, and it is appropriate that we take a few moments to review the underpinnings of the overall success we had in this area.

Substantial premium growth was anticipated and generated as a result of a deal we struck with AmTrust Financial Services in the spring of 2019 for their lumber/forest products book of



Video: What is the value of a BDR?
STEPHAN D. FIRKO
SENIOR VICE PRESIDENT
BUSINESS DEVELOPMENT, LOSS
CONTROL & CUSTOMER SERVICE

business. Commencing in September of 2019 and running through the end of August 2020, PLM acquired more than \$20 million of lumber and forest products business through this arrangement. AmTrust, who was fully ready to disengage from the wood niche, had the foresight and wisdom to allow for a smooth transition for their insureds and their brokers to PLM. In addition to growth in premium volume, PLM also picked up the underwriting team of this book of business from AmTrust and has been pleased at the dedication and capabilities of these new employees who have substantially assisted in reacquiring and expanding this book of business. Interestingly, some of the business that moved elsewhere during the transition has now come back to PLM in the form of new business.

Premium growth is also driven by new business. It’s driven from the new business premium generated through an adequate number of

“2020 was truly a remarkable year from a revenue viewpoint with PLM’s total gross written premium surging to \$287.9 million. ”

high-quality submissions available to quote and by achieving an acceptable hit ratio on those quotations. PLM received 2,997 new submissions during 2020, declining 65%, while quoting the remainder. We were successful in writing 54% of those quoted. While the number of new accounts was somewhat less than we would have liked, the premium developed by those accounts was in excess of our new business premium target of \$24 million. If there are areas of improvement needed, it is that we have to generate not only more submissions as we move through 2021, but also generate submissions on higher quality businesses that will allow us to decline less and write more. We also need to be less dependent upon writing large accounts and remember that small accounts are the foundation on which our

company has been built and has thrived on over the years. We saw a greater mix of lumber and forest products accounts and were pleased with the diversity of coverages that we were able to write.

With policy count renewal retention premium objectives of 87%, we exceeded our targets for both new and renewal business. Almost 88% of our renewal customers put their faith and confidence in the value of a PLM relationship by binding their renewals with us. This is a testament to great work by our Underwriting team and the open lines of communication among PLM, our customers, and the brokers involved. We are proud to say that both new and renewing customers regularly report that the decision to renew with PLM is an easy one, particularly because our Claims and Loss Control people are great and easy to work with!

Premium retention soared during the year. This was driven by rate and actions that we implemented to

correct unprofitability on certain lines of coverage or accounts. Additionally, successful premium retention was due to increasing exposures related to values from a property viewpoint, sales, or the number of autos that we insure.

We unfortunately dialed back our two-year policy program by reducing the eligible account size for a policy to \$25,000. While this was a difficult decision on our part, it was driven in large part by the fact that simply too many insureds were committing to a two-year policy and then moving elsewhere midterm. This was never part of the

anticipated outcome of implementing a two-year policy program, and thus the need arose to reign in this action on larger accounts.

In all, despite its many challenges, PLM found its own successes and many opportunities for growth in 2020. We’re looking forward to even more in 2021.



Profitability

Profitability for an insurance company is generated by selecting the right group of accounts and pricing them at a point where there is enough premium collected on the entire book of business to produce an underwriting profit. To do this, the company must aggressively manage its expenses, both in its claims and operational areas. Underwriting profitability can then be supplemented by investment return which, after taxes are paid, generates policyholder surplus.

In considering underwriting profitability, we tend to look at results on a binary basis – segment of business (retail and wholesale lumber dealers, hardware, light wood manufacturing, primary manufacturing), and by line of business (property, general liability, commercial auto and umbrella). Any workers’ comp that we provide through ABM is not

underwritten by PLM, thus, we do not consider it in this discussion as the underwriting risk is retained by another insurance company.

When thinking about the segments of the niche, this year was an interesting one. While light wood manufacturing continued to be profitable, we saw the primary manufacturing segment (pallets and sawmills) move toward and achieve a break-even status. At the same time, the historically profitable segment of retail/wholesale lumber yards continued to be unprofitable. Taking the analysis further, looking at the lines of business and considering them on a segment basis, we have the following thoughts.



Video: What can be done to improve the commercial auto line?
RICHARD A. HALL
SENIOR VICE PRESIDENT
UNDERWRITING

Despite wildfire, straight-line winds, winter weather, and four hurricanes that made landfall this past year, our property book of business made money in both the retail/wholesale, hardware, and light wood manufacturing segments, and broke even in the heavy manufacturing segment. General liability was profitable in the light and heavy manufacturing segments, while it was unprofitable in the retail/wholesale lumber and hardware

segments. However, the line of business that plagued us and our insureds continues to be the commercial auto line, which was unprofitable and considerably so in the retail/wholesale lumber segments and marginally so in light manufacturing.

We feel good about the property results. While we have been criticized over the years for our windstorm deductibles, cosmetic roof endorsements, and other restrictive terms and conditions in the property arena, we have never been forced out of the property market, and thus have provided a consistent property market to our insureds virtually anywhere in the country.

Of course, the commercial auto line of business has been negatively impacted by poor driver selection and training, unfortunate risk management decisions, and the shift for many insureds to deliver their products over a larger and unfamiliar geographic zone as they



Video: What is social inflation, and how is it impacting you?
JOHN KENNEALY
VICE PRESIDENT
CLAIMS

fight to operate their businesses successfully. Many of these losses could have been avoided. This past year, we had several losses involving a driver being assigned to vehicles that were beyond their capabilities, and surprisingly in two cases, the business owner knew that the driver’s license had been suspended.

On the other hand, general liability, auto, and umbrella results have been impacted by “social inflation”. Plaintiff attorneys are relying more than ever on time limited demands, medical costs are increasing, and certain judicial arenas are becoming untenable. These trends have indeed hurt our ability to be profitable while

forcing up the cost of coverage in these lines of business, particularly in the auto and more recently in the umbrella marketplace. Another interesting trend we have noted is that today’s juries are bringing back bigger verdicts than we have ever seen over the years. Social inflation has also hurt the commercial insurance market, particularly toward the end of 2020 when major reinsurers began reigning in their willingness to support heavy commercial auto fleets and larger umbrella limits across the entire segment.





The Underwriting team was particularly proud of maintaining communications, both internally and externally, that helped facilitate the achievement of PLM's collective financial goals in 2020. What other company out there welcomes an insured to connect with the actual underwriter who is reviewing and pricing their account? The team also adjusted our standard practices during the pandemic to find a good balance between addressing the arising challenges we all faced while still supporting our goals. They even went a step further, developing new practices such as self-surveys and the use of drones.

Our underwriting profitability was further enhanced by the controls on our expenses. There was a decision to freeze staffing due to

the pandemic, and travel costs were greatly reduced by government travel restrictions and the aforementioned cancellation of

various trade shows. Today, PLM's efficiency is demonstrated by the amount of premium per employee that we are able to handle, when considering as a company we reached nearly \$288 million in 2020.

When it came to expenses, one of the areas that we did not reduce was our efforts to communicate various risk management techniques and programs to our insureds. We invested heavily in the development of a self-survey program called "Anytime Risk Management" and advanced a host of auto-related loss control programs, including additional training, resources, and new partnerships with fleet safety products in continuous MVR monitoring and telematics.

In considering claims activity this past year, we saw a drop in new claims. While this is not all too surprising due to the pandemic, the reality is that while there was less traffic on the roads, many of our customers' businesses soared, increasing deliveries and auto usage overall. New property claims jumped 28% in large part due to the weather, although we were pleased that we avoided many of the large claims that we have seen in the past. The exceptions were one wildfire claim (about \$5 million), and one large claim involving an insured suffering losses over several locations due to a hurricane.

Our pending lawsuits dropped by 9.6%, and we saw a reduction of 13.5% in the amount of pending open claims due to a strong approach by our claims department to close claims as quickly and effectively as possible. These efforts were positively received by claimants and the plaintiff bar. We believe at the end of the day this created a win for all.

We saw the cost to handle claims from a legal viewpoint had increased as the pace of litigation accelerated early in the year before COVID-19 hit. With the pandemic closing most courts, we were able to curb the growth of litigation costs while aggressively working to close existing claims. There is concern that when courts reopen, we will once again see a surge in costs.

New large loss activity on the property line increased by 14.5%, while the dollars associated with those new large property losses jumped 6.7% to \$25.1 million. On the casualty side (auto, general liability, and umbrella), we saw a reduction in new large casualty claims and a drop in the dollar reserves associated with those claims of 33.5% to \$4.6 million.

In considering weather-related events on both a catastrophic and non-catastrophic basis, we saw a 27.1% increase in the number of claims (239 events), while gross loss associated with the claims jumped 32.2% to \$19.6 million, up \$4.8 million on a year-over-year basis.

While PLM has always had a strong operating expense budgeting process, immediately after stabilizing our remote workforce, leadership directed all departments to review operational expenses and recommend adjustments that would reflect our new working environment. There was constant evaluation and communication throughout the expense review process. Thus, by the end of the year, the company had reduced overall expense costs without reducing or cutting into any needed capital expenditures that would create any mortgage on the company's future.

"The Underwriting team was particularly proud of maintaining communications, both internally and externally, that helped facilitate the achievement of PLM's collective financial goals in 2020."

Enterprise Risk Management

For years, the PLM leadership team has spent **considerable** time working on our ability to not just survive, but thrive in any environment that we find ourselves in. Much management time, research, discussion, planning, testing, and dollars have gone into our Enterprise Risk Management program.

Year-after-year, we expended substantial energy and focus on understanding the operational risks that we as a company were exposed to. We studied and evaluated the combination of various events. Along the way, a few of those risks materialized in some form, but many did not. Every time we mentioned that we were going to review and work on the Enterprise Risk Management program, we could see eyes glaze over and people wondering why we were spending our resources on a program that never seemed to be needed.

And then COVID-19 arrived. For the first time in our 125-year history, we shuttered our Philadelphia

home office and transitioned 100% of our employees to a remote working environment, all over a 72-hour period of time. When cash flow evaporated, there was no panic, there was reasoned review of our options. While other companies struggled to develop plans and implement them, we pulled our plans off the shelf, updated them a bit, and quickly moved forward.

Hopefully, it will be another 125 years before we are faced with a calamity like the one that has threatened Americans and American businesses in 2020. The reality is that the known threats to our business (and yours) are everywhere, let alone the emerging ones! When they materialize, we will be ready to keep the promise that we made to almost 6,000 insureds that have placed their faith and confidence in PLM.

More detail regarding our Enterprise Risk Management program is appropriate. Ours is a broad-based program that focuses on a host of risks that include underwriting risk, investment

risk, operational risk from a competitive environment viewpoint, operational risk from a concentration viewpoint, claims/claims reserve risk, reinsurance risk, liquidity and capital management risk, legislative/regulatory risk, judicial risk, economic risk, and other general operational risk that does not neatly fit into any of the other categories. We measure risk separately for the classes of business that we underwrite and from a line of coverage that we provide to our insureds. We try to understand



Video: Why is ERM important, now more than ever?
JOHN K. SMITH, CPCU
PRESIDENT & CEO

each area of risk by plotting them on a 2 x 2 heat index to visualize their significance and understand what needs to be addressed.

We have discussed, developed, and gained an understanding of our risk appetite, our willingness to accept certain levels of risk, and the tolerance that we have for change. We spend a considerable amount of time identifying various risks that are everchanging, and any potential management controls or techniques of avoidance, reduction or transfer that we can implement.

Senior management recognizes risk management as a priority and reviews the topic in some form at least quarterly with a semi-annual review and discussion with various members of our Board of Directors. We actively look for emerging risks, new things that our insureds are doing or things that are happening economically, judicially, legislatively, or operationally, that will potentially have an impact on our ability to operate. These are added to a watchlist and periodically evaluated.

“Enterprise Risk Management fails when a firm and its leadership continue to view it more as a compliance exercise than one that produces strategic value.”

Mark Beasley, Professor and Director of the Enterprise Risk Management Initiative at North Carolina State University

Perhaps more importantly is that we think about the risks that we face and the interplay between those risks (correlation) when making all our strategic decisions. For instance, not only do we think of what happens if unemployment jumps 20%, or our ability to obtain a group of quality reinsurers to support our operations, as independent risks. But, we also consider what happens if we deal with a housing crash, an economic upset, loss of consumer confidence, or a drop in sales for many of our insureds, all at the same time.

These are the types of things that we think about and plan out. It is tedious. It can be boring. And you may often think about why you are doing it, because nothing ever happens – until it does.

Our 125th year will be long recognized as perhaps one of our best, if not our best, when we consider the results that we achieved under the unprecedented stress. Reflecting on this year, it's clear to see that the sole reason for our success was the fact that we make it our daily business to understand the challenges and the risks involved in successfully operating this business.

Investments

If there was ever a challenging year for investments, 2020 would stand out as one that required a long-term view and a steady hand on the decision-making process. After a positive start to the year, the pandemic rocked the investment marketplace with equity prices dropping dramatically at the end of the first quarter. With the ramp up in Federal spending and a drop in the Federal funds rate, associated with the upheaval and uncertainty from the pandemic, we witnessed a historic drop in interest rates. Most insurance companies (PLM is no exception), have most of their investments in the fixed income arena. Thus, the drop in interest rates can cause some dramatic long-term pain. Over the last several years, PLM ratcheted down its equity investments, but the drop during the end of the first and second quarter was certainly difficult.

In the early stages of the pandemic, various state insurance regulators requested that insurance companies do not cancel policies for non-payment of premium. This created more downward pressure on cash flow, as customers were no longer responsible for paying us within a set timeframe. Efforts extended by our customer service staff, recouped the cash flow that was lost earlier in the year, and there was a strong rebound across the board, as indicated earlier in this report.

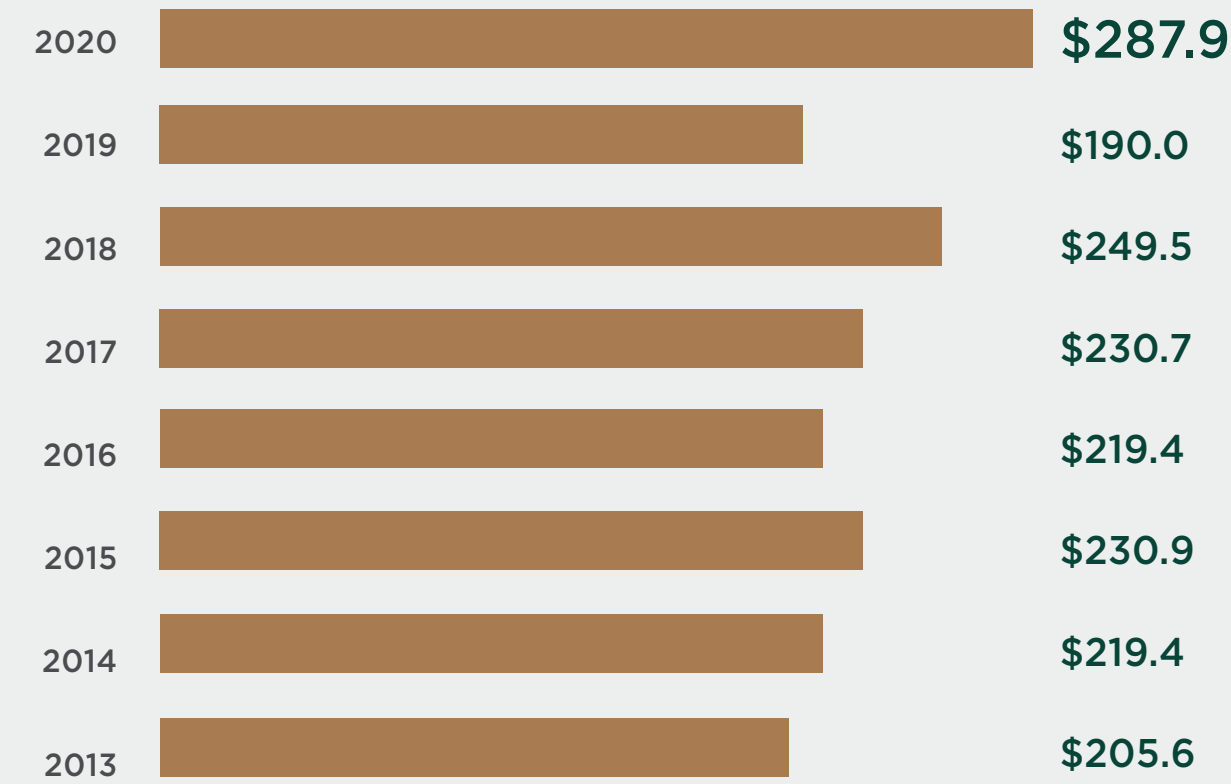
PLM reacted aggressively to the investment and cash flow pressure. Management produced daily cash flow reports and estimates and had almost daily conversations with investment advisors. We worked to develop not only enhanced cash flow models, but also to calculate capital adequacy on

a weekly basis during the second and third quarter. The Investment Committee for the Board of Directors also convened weekly for most of that period. The consensus opinion that arose from the many hours spent evaluating options resulted in some minor trimming of the equity portfolio and bonds being “pushed out” from a maturity viewpoint. Despite our concerns, it did not result in wholesale upheaval in the investment portfolio, although there were some sleepless nights. This long-term vision proved successful for PLM as the equity markets came roaring back and the fixed income market stabilized. The result was only

a minor drop in investment income, less than 5% by the end of the year, and an investment portfolio that had regained its strength and recovered its losses by the end of the year.



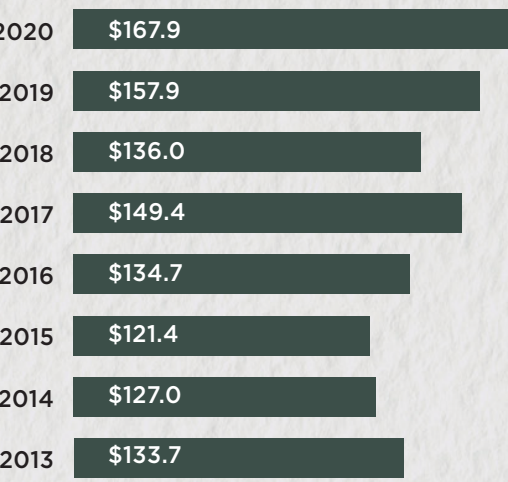
Direct Written Premium (In Millions)



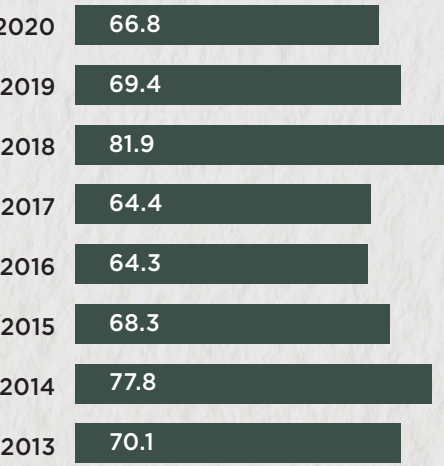
Combined Ratio (%)



Year End Surplus (In Millions)



Annual Loss Ratio (%)



Dividends (In Millions)



Condensed Comparative Statutory Balance Sheet

2020 VS. 2019 (\$ IN MILLIONS)

ASSETS	2020	2019	2020 vs. 2019 Change
Investments and Cash			
Fixed Income Securities (at amortized cost)	\$308.5	\$296.2	\$12.3
Equity Securities (at market)	81.6	77.0	4.6
Cash, Short Term and Other Investments	17.9	10.4	7.5
Total Cash and Investment	408.0	383.6	24.4
Receivables			
Premiums Due	126.6	108.1	18.5
Reinsurance Recoverable on Paid Losses	3.6	6.6	(3.0)
Receivables for Securities Sold	-	0.5	(0.5)
Accrued Investment Income	2.6	2.8	(0.2)
Total Receivables	132.8	118.0	14.8
Other Assets			
TOTAL ASSETS	\$547.4	\$507.8	\$39.6
LIABILITIES AND SURPLUS			
Liabilites			
Loss Reserves	\$182.5	\$182.3	\$0.2
Unearned Premium Reserves	151.9	131.6	20.3
Premium Due Reinsurers	6.2	4.6	1.6
Expenses Payable and Other Liabilities	38.9	31.4	7.5
TOTAL LIABILITIES	379.5	349.9	29.6
Surplus	167.9	157.9	10.0
TOTAL LIABILITIES AND SURPLUS	\$547.4	\$507.8	\$39.6

Condensed Comparative Statutory Operating Results

2020 VS. 2019 (\$ IN MILLIONS)

	2020	2019	2020 vs. 2019 Change
Premiums Written - Direct	\$287.9	\$190.0	\$97.9
Premiums Written - Net	\$202.6	\$127.8	\$74.8
Premiums Earned	\$182.3	\$171.3	\$11.0
Losses Incurred	121.7	118.9	2.8
Expenses Incurred	57.7	46.5	11.2
Total Losses and Expenses	179.4	165.4	14.0
Underwriting Profit	2.9	5.9	(3.0)
Dividends	0.4	0.5	(0.1)
Underwriting Profit After Dividends	2.5	5.4	(2.9)
Net Investments Income	10.4	10.5	(0.1)
Pre-Tax Operating Income	12.9	15.9	(3.0)
Realized (Losses)/Gains & Other	(2.8)	1.5	(4.3)
Pre-Tax Income	10.1	17.4	(7.3)
Federal Income Taxes	2.5	1.1	1.4
Net Income	7.6	16.3	(8.7)
Change in Unrealized Gains (Net of Tax)	2.0	10.1	(8.1)
Other Surplus Increase/(Decrease)	0.4	(4.5)	4.9
Change in Surplus	\$10.0	\$21.9	(\$11.9)
Total Surplus	\$167.9	\$157.9	10.0
% Increase in Surplus	6.3%	16.1%	

Charitable Giving

Our company and employees have always supported the communities in which we all live and operate. 2020 was no different. Despite the challenges of the pandemic, our people stepped up in new ways to continue our promise to our communities and to uphold the culture of caring in our organization.

We began the year by gifting each employee \$125 to donate to a charity of their choice in recognition of PLM’s 125th Anniversary. Further, after a beautiful performance from the Cristo Rey High School Choir at our Anniversary Gala, we deepened our commitment to the Philadelphia Cristo Rey High School with a large donation to their choral program. PLM has been committed to the Cristo Rey concept almost since its founding in Philadelphia, and today has five of its students on staff on a part-time basis. Our involvement with these students continues as they move into college through internship opportunities. We are very excited



A WALL OF \$125 “CHECKS” DISPLAYING THE DIFFERENT CHARITIES THAT WERE CHOSEN AND THEIR SIGNIFICANCE TO EACH EMPLOYEE.

that soon, we will be offering one of our first Cristo Rey student interns full-time employment as they complete their college degree.

At the start of the pandemic, we looked for ways to help the lives of those abruptly affected by COVID-19. PLM gave a sizeable contribution to the Red Cross Pandemic Fund with the help of personal donations from many of our employees.

After supplying all our staff with technology equipment for their remote workplaces, we were left with about two dozen desktop computers that were no longer necessary. We made the decision to offer these computers to our employees’ families who now found their children learning at home and needing additional equipment to support their academic efforts. We were pleased to give away all the desktop computer systems that we had sitting unused in our office in Philadelphia.

As the year progressed, we were honored by one of our reinsurers with a sizeable gift to the charity of our choice. A decision was made by leadership to match that gift and make a major contribution to the National Association of Mutual Insurance Companies Merit College Scholarship Program. With our President & CEO, John Smith, chairing the Scholarship Committee, we were pleased that PLM’s gift allowed this scholarship program in its first year to exceed its annual giving target.

Later in the year, another one of our reinsurance partners recognized our 125th Anniversary with a gift to the charity of our choice. PLM chose to use this generous gift towards a second matching donation to the Cristo Rey Choral Program, to put in place a firm foundation for their future.

During the summer, when normally our PLM softball team would be playing in the Insurance Softball League of Philadelphia, the pandemic put an end to our season. The PLM softball team has always had a great time running

around, networking, and raising money for charity, but was never a softball powerhouse. With a record of only winning a single game (by forfeit) over two whole seasons, we were especially excited to have our first legitimate shot at the trophy when the League adapted the tournament into a virtual fundraiser.

The team with the most donations through the Insurance Industry Charitable Foundation (IICF) would take home the trophy. We are proud to share that not only did our softball team bring home a great victory in this year’s virtual tournament, but also that we were once again able to support the Philadelphia Children’s Alliance, a non-profit organization that brings healing and justice to Philadelphia children affected by abuse.



Video: [How to invest in the future of your organization.](#)
JOHN K. SMITH, CPCU
PRESIDENT & CEO



THE 1ST DONATION CHAMPION TROPHY AWARDED TO PLM FROM THE PHILADELPHIA AREA INSURANCE SOFTBALL LEAGUE.

Our yearly United Way Campaign, our cornerstone program for our employees to give back to their local communities through donations, fundraising activities, and volunteer events, evolved into a virtual undertaking due to the pandemic. What resulted was more successful than any of us imagined, dispelling any fears of the effects of the pandemic on our employees' dedication to charitable giving. The PLM family stepped up in a

big way, especially during this time when many in our communities are experiencing great need.

A record-breaking 99% of our employees financially committed to the United Way with PLM agreeing to match their gifts to either the United Way or a United Way affiliated organization. The total commitment to the United Way from PLM and its employees soared past \$180,000. We saw a dramatic leap in the number of leadership donors (commitments over \$1,000) from within the organization with almost 25% of the PLM team giving at the leadership level. We invited both our Board of Directors and retirees to join in this past year's campaign and were pleased with the outpouring of support we received.

Toward the end of the year, it became clear that the lack of events had reduced the level of giving to a number of organizations that we historically support. PLM reached out to those organizations and made appropriate and critical last minute giving decisions to ensure that the financial commitments were maintained. We were pleased to help provide welcome relief to many of the organizations that had taken a hit to their revenue stream because of cancelled events. During the month of December alone, gifts or matching gifts to various charities approached \$110,000.

“The PLM family stepped up in a big way, especially during this time when many in our communities are experiencing great need.”



LIVE UNITED

United Way

WITH YOU SINCE

1974

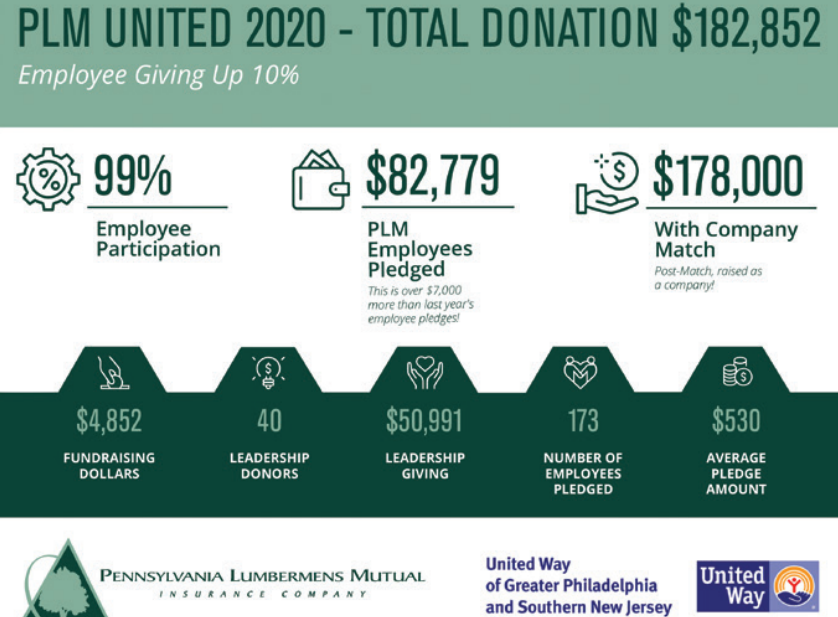


Video: Why I Give



Unfortunately, the area where we came up short this past year was in our physical support. We usually send teams of employees out into the community to support a variety of local charities. We had also planned to celebrate our anniversary with a “Year of Giving” by hosting various charitable events and volunteer activities. COVID-19 shut most of these efforts down. We were able to launch a new program designed to allow our employees the flexibility to do volunteer work on their own. Each employee was allocated

a free workday to use towards volunteering. Our hope is that, in this new year, our employees can get back out there to engage in different volunteer opportunities in their communities across the country.



Charitable Organizations

ABC Missions
Airborne & Special Operations Museum Foundation
American Institute for Chartered Property Casualty Underwriters (AICPCU)
American Red Cross
Arbor Day Foundation
Augustinian Friars
Barnes Foundation, The
Beaumont Retirement Services
Bladder Cancer Advocacy Network
Boy Scouts of America
Breakthrough Education
Cape Fear Botanical Gardens
Center City District Foundation
Center for Economic Empowerment & Development (CEED)
Children’s Hospital of Philadelphia (CHOP)
City of Hope - ourHope
Colby College
Cradles to Crayons
Crescent Springs Presbyterian Church
Cristo Rey Philadelphia
Daylesford Abbey

Department of Justice
Fayetteville Urban Ministry
First United Methodist Church
Friends of Sinners
Gamma Iota Sigma
George Mason University Foundation - Mercatus Center
Girl Scouts of Central & Southern of New Jersey
Girls On The Run
Gleaners Food Bank of Indiana
Hampden-Sydney College
Hebrew Immigrant Aid Society (HIAS) & Council Migration Service
of Philadelphia
High Point University
Hospice of South Texas
Humane Society of Westmoreland County
Institute for Quality Education
Insurance Industry Charitable Foundation
Insurance Society of Philadelphia
Juna Amagara Ministries
Kittson County Historical Museum
Kodiak Building Partners Foundation

Lake States Lumber Association
LaSalle University
LOGAN Community Resources
Melrose B’nai Israel Emanu-El
Merriam Christian Chapel
Metropolitan Area Neighborhood Nutrition Alliance (MANNA)
Metropolitan Golf Association
Middlebury College
Museum of the American Revolution
NAMIC Mutual Insurance Foundation
National Wooden Pallet and Container Association
New Life United Methodist Church
New York Law School
Old Mission Congregational Church
Pennsylvania Horticultural Society
Pennsylvania Society for the Prevention of Cruelty to Animals (PSPCA)
Philadelphia Children’s Alliance
Philadelphia Fire Department Foundation
Philadelphia Ronald McDonald House
Rider University
Riley Children’s Foundation

Salem Museum & Historical Society
Salem Presbyterian Church
Salvation Army, The
Sexual Assault/Spouse Abuse Resource Center, The (SARC)
Shipley School, The
St. Baldrick’s Foundation
St. Francis-in-the-Fields Episcopal Church
St. Thomas of Villanova
Sweet Briar College
Trenton Children’s Chorus
Trustees of the University of Pennsylvania
Twice Blessed Showroom
Union League Philadelphia, The
Union Presbyterian Seminary
United Nations Foundation
United Way of Southeastern Pennsylvania
University of Pennsylvania, The
Vine School, The
Walnut Street Theatre
West Trenton Presbyterian Church
Wheeler Mission Ministries

PLM Employees – With You Since...

Alex Acosta	2018	Sally Delp	2004	George Hawkins	2008	Suzanne Maile	2016	Herman Sanchez	2010
David Adams	1997	Christine Derby	2015	Jeffrey Hendershot	2016	Nina Manojlovich	2019	Donna Scardelli	2019
Jonathan Ayoub	2020	Brian Devenny	2019	Stephen Hicks	2012	John Marazzo	2006	Brian Schnurbusch	2007
Traci Barber	2000	Lindsey DiGangi	2013	David Hill	2019	Samuel Matthews	2018	Brad Schoolcraft	2019
Alex Beyer	2014	Joseph Donnelly	2016	Candace Hower	2019	Karen McAllister	2020	Barbara Schuster	1980
Jill Blocker	2003	Seema Duggal	2010	Kobié Jacobs	2019	Jean McCarthy	2019	Michael Seiwert	2019
Lisa Bragg	1990	Darr Dugo	2017	Christopher Jacobson	2019	Belinda McNeil	2007	Erin Selfe	2017
Daniel Braiman	2005	Carey Bueno	2019	Ranada James	2018	Robert McSorley	1988	Karen Sewell	2007
Sean Briscoe	2015	Jaya Echevarria	2020	Harold Jamison	2001	Sandra Meier	2019	Sondra Skibiak	2020
Matthew Brown	2019	Monica Eguiguren	2019	Paul Johnson	2011	Renée Miles	2017	Randy Skopecek	2001
Tonya Burroughs	2000	Christopher Erb	2016	Scott Johnson	2018	Sheldon Mitchell	2010	John Smith	1998
Joseph Burrows	2013	Jeffrey Evans	2015	William Johnson	2001	Keith Mosher	2017	Gregory Smyth	2019
Rasheed Byrd	2017	Stephan Firko	2003	John Kennealy	2019	Teresa Murphy	1972	Stephen Spica	2003
Todd Byrd	2021	Janice Fisher	2000	Loretta Kephart	2019	Patrick Musall	2017	Sydney Stenson	2019
Julian Carroll	2016	Bridget Fisher	2012	Stephen Kern	2017	Lavondah Muse	2012	Kelly Sullivan	2018
Natalie Cavallo	2020	Carissa Franklin	2005	Erin Keyser	2018	Edward Niewinski	2012	Alden Swan	2013
Sandra Cheney	2016	Terry Fricker	2012	Matthew Kienholz	2015	Edward Nowak	2019	Rita Taylor	1986
Susan Cho	2002	Charlotte Friend	2004	Tricia Kilrain	2008	Stephone Oakley	2019	Danette Terzano	2021
Louis Chow	2005	Rachel Gamblin	2014	Peter Kim	2007	William Osborne	1989	Timothy Thomas	2020
Kelly Conlan	1985	Angelo Ganguzza	2019	Jimmy Koshy	2018	Karen Parker	2018	Genevieve Ventiere	2015
Michael Conlin	2019	William Gardineer	2013	Stephanie Kozak	2019	Jessica Perper	2020	Gary Waggoner	2019
Carla Corrado	2017	BJ Gardner	2005	Paul Kremer	2018	Jay Phillips	1999	Veronica Wilkins	2018
Richard Costello	2017	Keia Gilliam	2019	Tetiana Larson	2019	Gary Postel	2015	Kristin Wilson	2017
Alexandria Craig	2008	Sheila Gjevre	2017	Nicholas Lawlor	2001	Dennis Ray, Jr.	2021	Sue Winstel	2001
Christopher Crucitt	2007	Jason Goldstein	2019	Mark Lefton	2021	Michelle Revelle	2005	Charlene Wolfe	2020
Michael Culbreth	2002	Matthew Goodwin	2016	Robert Lemieux	2003	Nicole Reynolds	2019	Christine Woodward	2008
Melanie Culp	1978	Cindi Graat	2000	Jill Levine	2020	Pamela Reynolds	2002	Qing Yang	2020
Eleanor Curry	1981	Antonio Grosso	2019	Todd Loy	2020	Paul Roberts	2018	Michael Zdrojewski	2016
Nicholas Cusato	2019	Marco Gulino	2016	Maria Lubbers	2007	Allan Robinson	2019	David Zeigenfuss	2014
Kathleen Dalton	2003	Marlaina Hahn	2018	Jonathan Luciano	2018	Carmela Robinson	2018	Cheryl Zoog	2007
Jennifer Danielian	2019	Richard Hall	2000	Chase Luffey	2018	Ray Rogers	2001	Richard Zorman	2007
Diane Della Pia	1986	Pat Harkins	2015	Syed Mahmud	2005	Veronika Rosenbaum	2017		

2020 MILESTONE ANNIVERSARIES

FIVE YEARS

Sean Briscoe
Christine Derby
Jeffrey Evans
Pat Harkins
Matthew Kienholz
Gary Postel
Genevieve Ventiere

TEN YEARS

Seema Duggal
Sheldon Mitchell
Herman Sanchez

THIRTY YEARS

Lisa Bragg

THIRTY-FIVE YEARS

Kelly Conlan

FORTY YEARS

Barbara Schuster

FIFTEEN YEARS

Daniel Braiman
Louis Chow
Carissa Franklin
BJ Gardner
Syed Mahmud
Michelle Revelle

TWENTY YEARS

Traci Barber
Tonya Burroughs
Janice Fisher
Cindi Graat
Richard Hall

RETIREES

Laura Mitchell – 1986
Valerie Melchiorre – 1995
Jack Wallace – 2006
Janice Gilbert – 2014



Video: What does it mean to be WITH YOU?

LINDSEY DIGANGI, CPCU
CORPORATE MARKETING MANAGER

PLM Officers



JOHN K. SMITH, CPCU
PRESIDENT & CEO



STEPHAN D. FIRKO
SENIOR VICE PRESIDENT
BUSINESS DEVELOPMENT, LOSS
CONTROL & CUSTOMER SERVICE



RICHARD A. HALL
SENIOR VICE PRESIDENT
UNDERWRITING



CHRISTOPHER H. CRUCITT
VICE PRESIDENT
UNDERWRITING



ANGELO T. GANGUZZA
VICE PRESIDENT & GENERAL MANAGER
BROKERAGE OPERATIONS



HAROLD L. JAMISON, JD, CPCU
VICE PRESIDENT
HR, REGULATORY & GOV'T AFFAIRS
CORPORATE SECRETARY



WILLIAM F. JOHNSON, JR.
VICE PRESIDENT
UNDERWRITING



JOHN J. KENNEALY
VICE PRESIDENT
CLAIMS



JOHN F. MARAZZO
VICE PRESIDENT
ACCOUNTING / TREASURER



ERIN L. SELFE
VICE PRESIDENT
INFORMATION TECHNOLOGY



DAVID ADAMS
ASSISTANT VICE PRESIDENT
FIELD OPERATIONS



TRACI BARBER
ASSISTANT VICE PRESIDENT
CUSTOMER SERVICE



SEAN T. BRISCOE, MBA
ASSISTANT VICE PRESIDENT
UNDERWRITING



KATHLEEN DALTON
ASSISTANT VICE PRESIDENT
OPERATIONS



TRICIA KILRAIN
ASSISTANT VICE PRESIDENT
FIELD OPERATIONS



ROBERT MCSORLEY
ASSISTANT VICE PRESIDENT
FIELD OPERATIONS

Board of Directors



C. RICHARD PETERSON
CHAIRMAN OF THE BOARD



JOHN K. SMITH
PLM INSURANCE COMPANY
PHILADELPHIA, PA



W.A. BISSETTE
FORMER CHAIRMAN
HIGHLAND LUMBER CO., INC
FAYETTEVILLE, NC



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MANUFACTURERS RESERVE
SUPPLY, INC.
IRVINGTON, NJ



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SAUL EWING LLP
PHILADELPHIA, PA



ANTHONY J. DECARLO, SR.
DECARLO ADVISORY SERVICES
BERWYN, PA



CALLY FROMME
KODIAK BUILDING PARTNERS
VICTORIA, TX



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HIRSCHHORN FRY & ASSOCIATES
PHILADELPHIA, PA



HARVEY E. KROIZ
FIRST CAPITAL REALTY, INC.
PLYMOUTH MEETING, PA



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RETIRED VP - MARKETING
PLM INSURANCE COMPANY
PHILADELPHIA, PA



JOHN F. WOLF
RETIRED PRESIDENT & CEO
ILM INSURANCE COMPANY
INDIANAPOLIS, IN



JACK YATES, III
CARLINO CAPITAL MANAGEMENT
CORPORATION
WYOMISSING, PA

“Looking back over a remarkable year where we all have learned new lessons about ourselves, our families, and our businesses, we begin our journey into the future – more compassionate and aware, stronger, and more committed than ever to fulfill and exceed the expectations of our customers and stakeholders. We at PLM uphold our commitment to this industry, made 125 years ago, with the promise to be WITH YOU tomorrow.”

John K. Smith, President & CEO

WITH YOU SINCE 1895

2020 ANNUAL REPORT



**PENNSYLVANIA LUMBERMENS
MUTUAL INSURANCE COMPANY**

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