

— BOARD OF DIRECTORS —

Peter J. Hennessey III, CLU, FLMI
Chairman of the Board

Cristy J. Farley, JD

Peter J. Hennessey IV, LLIF, FLMI

Pamela A. Hutchins, FSA, MAAA

Cynthia Taylor Krier, JD
Judge (Ret.)

Maria de Lourdes Mendoza, CPA, FLMI

Angela Salinas
Major General, USMC (Ret.)

Dr. Patrick D. Sculley, DDS
Major General, USA (Ret.)

Kenneth L. Wilson

Neal T. Jaco

Lieutenant General, USA (Ret.), Advisory Director

— SENIOR OFFICERS —

Peter J. Hennessey III, CLU, FLMI
Chairman of the Board, President and CEO

Peter J. Hennessey IV, LLIF, FLMI
Executive Vice President and Chief Operating Officer

Pamela A. Hutchins, FSA, MAAA
Senior Vice President and Chief Actuary

Tonya E. Carroll, CLU, CSA, FLMI
Vice President – Customer Experience Officer

Robert R. Draper, CFA, MBA
Vice President – Investments

Cristy J. Farley, JD
Vice President, General Counsel and Secretary

Gregory M. Lawler, MBA, FLMI
Commander, USN (Ret.)

Vice President – Chief Information Officer

Maria de Lourdes Mendoza, CPA, FLMI
Vice President and Treasurer

Jay Moyer, ChFEBC, LLIF
Vice President – Director of Marketing

Nicholas A. Reed, FALU, FLMI
Vice President and Chief Underwriter

Michael E. Dever, M.D.
Medical Director



**Government Personnel Mutual Life
Insurance Company (GPM Life)**

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2021
Annual Report



GPM Life

E X C E L L E N C E

Most simply, Excellence is defined as the quality of being excellent.¹ Applied in the business world, excellence touches on all aspects of the operation.

Business excellence is a journey of consistent efforts to excel in every aspect of your business including Customer, Financials, Product/Service, Processes and People.²

We are dedicated to this journey of improving our processes and services to evolve with the need of our policyholders and customers.



Excellence is the last, not the least, of our Core Values.

Integrity: *Be honest and fair; do the right thing in all that we do.*

Service: *Provide quality assistance to those we serve.*

Teamwork: *Our field and home office staff work and serve as a team.*

Excellence: *Always strive to do better.*

Thank you for allowing us to serve you, with a commitment to fulfilling our Core Values.

¹merriam-webster.com, Merriam-Webster, Incorporated

²entrepreneur.com, Entrepreneur Media, Inc.

GPM Life is a mutual life insurance company owned by our policyholders. Our company is built on the foundation of our Core Values and each day we commit to operate under these tenets to insure we are financially sound and ready to meet our ultimate promise to our policyholders. In 2021 we paid over \$67 million in benefits to our policyholders, which included \$45.1 million in death benefits to their beneficiaries.

The nation and our industry faced the trials of the Covid pandemic in 2021. The life insurance industry experienced significant increases in death claims. But GPM Life's strong financial standing ensured that we were able to keep our promises and fulfill our contractual obligations.

Throughout the year we continued to focus on transforming operations to meet customer expectations. Projects to improve communication tools, speed of service and administration of policies continued throughout the year and into 2022. Our goal to operate more efficiently supports our long-term philosophy of conservative management of the company and its resources.

2021 saw continued growth in new premiums as well as in-force life insurance policies. Growth in new policies and premium will have long-term, positive impact on income and financial resources, but growth also produces a strain that affects surplus and resources.

Increases in the number of in-force policies establishes a recurring premium base to help offset that strain and mitigate operational expenses. We manage our new premium increases to long-term potential, planning for a sustainable level that will ensure our total surplus (capital) is more than adequate.

Investments

The low interest rate investment landscape continues to be a challenge, but GPM Life purchases highly rated bonds, and funds quality commercial mortgage loans. Our investment philosophy is conservative, focusing on providing protection of principal and adequate cash flow to meet the financial needs of our policyholders. The Net Investment Yield rate was 4.46% for 2021.

Sales Performance

Overall, new annualized premium grew by 4.5% in 2021, over 2020. We supported this growth by continuing to pursue enhancement to new client onboarding to make the purchasing journey easier. Sales in our core markets, including products designed for Federal employees and seniors, increased to help further diversify our sales organization. This diversification helps to mitigate any disruptions in a single market.

We continue to meet the needs of retirees with Medicare Supplement insurance offered through our subsidiary GPM Health and Life.

Financial Strength Rating

A.M. Best Company



GPM Life maintained its A.M. Best Rating of

A- (Excellent)

as of the last date of review, March 12, 2021. For details on the latest rating and the exact type, numerical order, scope, and extent of the rating, see the website: www.ambest.com.



**GOVERNMENT PERSONNEL MUTUAL
LIFE INSURANCE COMPANY**

STATEMENT OF FINANCIAL CONDITION

December 31, 2021

Invested Assets	\$762,835,594
Total Assets	\$799,829,933
Total Liabilities	\$703,309,618
Surplus	\$96,520,314
2021 Net Income	(\$12,049,206)
2021 Net Increase In Surplus	(\$2,745,593)

**The Annual Meeting of the
GPM Life Policyholders will be held**

**WEDNESDAY
APRIL 13
9:00 a.m.**

**2211 N. E. Loop 410
San Antonio, Texas, 78217**

Attendees will receive a full report on financial operations for 2021 and will have the opportunity to participate in the election of Directors.

All policyholders are cordially invited to attend the meeting, or to return their proxy if unable to attend.