



Safer workplaces and trusted workers' compensation insurance since 1993.



After 25 years, it's still personal.

MEMIC25
ANNIVERSARY

At MEMIC, our mission has always been ensuring the safety of every person on the job and taking good care of anyone who gets hurt.

For 25 years, we've been there for employers and their employees, evaluating procedures, training on state-of-the-art equipment and engineering systems to keep workers safe so they can return home to their families in good health.

We've been there for injured employees, paying benefits quickly and providing connections to quality medical care and treatment so they can return to work and life as it was before the injury.

We've been there for our own employees, creating opportunities for growth, supporting continuing education and fostering collaboration to build a culture of teamwork and mutual respect.

We've been there for our communities, living our mission to make life better and safer for all our neighbors.

And, by focusing on the fundamentals, we've been there for our policyholders, sharing our mutual success year after year as we've grown from transforming workers' compensation in Maine to being named the "top workers' compensation company in the U.S." by ACORD.

MEMIC Safety Management Consultant Tonya Hawker demonstrates safe lifting techniques using an ergometer during a supervisor training at Ukrop's Homestyle Foods in Richmond, Virginia.



A group of MEMIC employees celebrating their 25 years with MEMIC.



As we celebrate our 25th anniversary year, we would like to recognize everyone at our growing organization who has worked incredibly hard, year after year, to better serve our policyholders. We are proud to share this award with everyone who works with us to fulfill our vision of safer workplaces and the compassionate treatment of all workers, which will continue to be the key to our success.



Up close and personal.

A message to our policyholders from our President and CEO.

Michael starting his day on Back Cove Trail in Portland, Maine.

MEMIC strives to keep work and life in balance for all employees. On most days, our President and CEO Michael Bourque watches the sun come up during his daily run which offers him the perfect opportunity to reflect on just how far MEMIC has come—and refine his vision for the path forward in the years ahead.



If you're a regular reader of The MEMIC Group's annual report, you'll notice a new face here on the President's letter. After more than 22 years with MEMIC, I'm delighted to have been selected by our Board of Directors last year to become the second President and CEO in the 25-year history of our company.

The great pride that I possess in this company is born of the opportunity I have had to see it grow, working alongside a great mentor in John Leonard, our president emeritus. John created a legacy of a purpose-driven organization with a trajectory that promises even greater successes in the next 25 years.

So, what does it mean at MEMIC when we say it's still personal? For me, who has seen us grow from a single state workers' compensation insurer writing less than \$60 million in premium to a super-regional carrier with more than \$380 million in premium and record-level dividends, it means that despite all of that change, we still believe that ours is fundamentally a people business. Sure, technology provides amazing tools and infuses every corner of the business world, but it's the people-to-people connections that we intentionally create and cultivate that make the MEMIC difference. It's the safety professional problem-solving with our policyholders, the underwriter working in partnership with the agent producer, and, of course, the claim expert guiding and encouraging the injured worker.

In this report, you'll meet some of the people who create these personal relationships. People who help make a tough circumstance that much better. People who answer the challenge of creating a safer workplace. People who take their work personally.

My vision for our team is to continue living up to our recent honor and be the best workers' compensation insurance company in America. There is no shortcut to this effort, no new math. Technology will play its part but ultimately, it's about one-on-one, personal connections, each one building on the last, upward from our strong foundation. That's been the MEMIC way in our first 25 years and will be, I believe, for the next 25.

Thank you for the faith you place in our company as your workers' compensation insurer. I can assure you that we don't take it for granted. We take it personally.

A handwritten signature in black ink that reads "Michael P. Bourque". The signature is fluid and cursive.

Michael P. Bourque, President and CEO



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“We’re changing the culture.”

Because building a safer work environment starts with building a solid relationship.

Tonya Hawker, ARM
Safety Management Consultant

Just how personally does Tonya take her role as a safety consultant?

So much so that having left the insurance industry for more than a decade, she would only consent to come work for MEMIC on one condition: “If the company would give me the time to let me get my job done, to service policyholders the way they need to be serviced.” That kind of can-do attitude makes Tonya the perfect partner for a company like Ukrop’s, who are literally baking a culture of safety into everything they do. “I love rolling up my sleeves, being embraced by the team and working to find solutions that make a difference. It’s all about moving a company and its culture in the right direction. It takes time and patience.”



When Dee Gordon started her career with Ukrop’s Homestyle Foods back in 1986, neither she nor the company ever envisioned that she would become the organization’s safety czar. But, as the business transitioned from retailing to exclusively manufacturing its Homestyle Foods in 2010, everything changed. “I had to start from scratch,” Dee says. “It was safety immersion.”

With the trust and support of the leadership team, Dee’s first task was to identify safety goals in the company’s two facilities. Luckily for her, MEMIC’s Tonya Hawker lives for exactly that kind of “what can I do to help?” challenge. With her expertise, enthusiasm—and MEMIC’s long experience helping businesses cultivate a culture of worker safety—Tonya was able to give Dee all the ingredients she needed to succeed. And even, when necessary, rolled up her sleeves to pitch in personally.

“The opportunity to talk with Tonya, to have her come in and help fine-tune our goals, she was like a mentor.” Within a year, Tonya and Dee had addressed nearly all the safety needs they’d identified. With the two working closely on everything from training sessions and drafting work charts to helping create Safety Teams—“my soldiers,” as Dee calls them—they transformed operations from the kitchen and bakery facilities to the shipping dock.

“It’s working,” Dee says, with pride. Associates have become engaged and empowered, helping senior management realize the value of fostering a safety-conscious work environment. “We’re changing the culture.”

TOP PHOTO: Dee Gordon, Ukrop’s Homestyle Foods Manager of Human Resources and Safety, with Safety Team.

MIDDLE PHOTO: Dee and Tonya share ideas during a safety walk-through.

BOTTOM PHOTO: Ukrop’s leadership team choose MEMIC, not only for our reputation, but also for our “personalized” approach to their safety needs.

“This is really my life.”

Because a personal touch can be a lifesaver in helping injured workers get back on their feet.

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There's no hint in Judy Cyr's bright smile that in the course of five months last year she landed in the hospital with a fractured ankle and lost her husband to a terminal illness. At an age when most workers would be counting down the days to retirement, Judy wanted to keep working at the job she loves as a Customer Service Representative in L.L.Bean's Portland call center. That's why, after a fall in the parking lot put her out of commission, she quickly rallied a team of supporters to help her get back on her feet and back to work as soon as possible.

That kind of “can-do” attitude was just what Cindy Thibeault, Judy's Nurse Case Manager, needed to hear. Asking “What do you need?” Cindy called regularly to make sure Judy was getting the care and therapy she required.

“Cindy was calling every week” Judy acknowledges with a bright smile. “She really kept tabs. I think she thought I was her daughter! It made the recovery go fast.” She turns serious when she adds, “A lot of friends became part of my family. This is really my life.”

Today, Judy is back to work, having just celebrated her 21st year of employment at the iconic global retailer. Her supervisors, Dawn Gay and Cheryl Hutchins, are happy to have their resident “prankster” back to work: “It's nice to see her laughing. She was struggling, she was grieving. It's nice to see she's landed in a good place.”



Cynthia Thibeault, RN, BSN, CCM, WCP® Nurse Case Manager

In her 18 years helping injured workers get back on the job, Cindy Thibeault has seen for herself the power of the personal touch. It's more than just coordinating caregivers and scheduling therapies, it's about understanding each person's particular situation and motivation, particularly in a case like Judy's. “In 18 years, I've never had something like that happen, where a major life event happens during recovery. But work was a big part of her life.” And today, thanks to Cindy, Judy is back at work, living the life she loves.

TOP PHOTO: Judy's supervisor, Cheryl Hutchins, and L.L.Bean's Manager of Customer Satisfaction, Dawn Gay, worked hard to ensure Judy got the support she needed at home and on the job.

BOTTOM PHOTO: Judy Cyr, Customer Service Representative, L.L.Bean Call Center.

A history of success.



Financial Highlights

	2017	2016
Assets		
Invested	\$ 1,172,544	\$ 1,078,070
Other	157,480	151,719
Total Assets	\$ 1,330,024	\$ 1,229,789
Liabilities		
Loss and LAE Reserves	\$ 653,149	\$ 590,913
Other	237,878	223,861
Total Liabilities	\$ 891,027	\$ 814,774
Policyholders' Surplus	\$ 438,997	\$ 415,015
Key Statistics		
Dividend	\$ 25,163	\$ 22,389
Direct Written Premium	\$ 381,799	\$ 343,056
Premium-to-Surplus Ratio, Direct	.87:1	.83:1
Premium-to-Surplus Ratio, Net	.85:1	.81:1
Number of Policyholders	20,924	20,755
Direct Combined Ratio before Dividends	96.94%	95.53%
Net Operating Ratio	96.46%	94.26%
Change in Asset Base Year over Year	\$ 100,235	\$ 99,209



The MEMIC Group wrote more than \$380 million in premium in 2017, an increase of more than 10% from the previous year.

Visit www.memic.com/annualreport to view the complete 2017 Annual Report.

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Corporate Headquarters

261 Commercial Street
Portland, ME 04101
1-800-660-1306
www.memic.com

Office Locations

Glastonbury, CT
Tampa, FL
Manchester, NH
Weehawken, NJ
Albany, NY
West Conshohocken, PA
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