

— 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 Retired*

Maria de Lourdes Mendoza, CPA, FLMI

Dr. Patrick D. Sculley, DDS

*Major General, USA Retired*

Kenneth L. Wilson

Neal T. Jaco

*Lieutenant General, USA Retired, 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 Retired*

*Vice President – Chief Information Officer*

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

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

Wallace Taylor, CLU, ChFC  
*Vice President and Corporate Underwriting Officer*

Michael E. Dever, M.D.  
*Medical Director*

**GPM Life**  
Government Personnel Mutual Life  
Insurance Company (GPM Life)  
P.O. Box 659567, San Antonio, TX 78265  
(210) 357-2222 1-800-938-4765  
www.gpmlife.com



since  
**1934**



Government Personnel Mutual  
Life Insurance Company

85 years

Annual  
Report **2019**

In 1934, retired Army Colonel P. J. Hennessey established a new insurance company, one which would, for the first time, provide life insurance protection to qualified U.S. service members who died as a result of war. Government Personnel Mutual Life Insurance Company (GPM Life) was formed based on a code of honor and the strength of integrity.



Eighty-five years later GPM Life continues to operate with the same view of service, honor and integrity. We are continuing this tradition.

# Integrity

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



## Fulfilling a Promise To You

GPM Life is a mutual life insurance company. This means that we are owned by our policyholders. Each time a policy is delivered, a promise is made – we will be there for your beneficiaries when needed.

In 2019, we paid over \$55.3 million in benefits to policyholders, keeping promises and protecting families.



## How We Keep Our Promises

Keeping our promises means managing your company in an ethical and responsible manner.

GPM Life has historically concentrated in niche markets. We experienced significant growth of new life insurance customers in the last two years, which has resulted in negative earnings, since the cost to add new customers is greater than initial premium dollars collected. However, our total surplus (capital) is more than adequate to fund the recent and projected growth.

GPM Life's surplus to asset ratio still far exceeds the industry average. This financial strength allows us to invest surplus into new sales growth that will generate a return on this investment in future years.

## Investments

Interest rates remain low, but GPM Life continues to purchase highly rated bonds and to make mortgage loans on commercial properties that meet GPM Life's conservative underwriting requirements. Our investment philosophy remains unchanged: balance safety of principal with adequate returns to meet the long-term financial needs of our policyholders. The Net Investment Yield was 4.61% in 2019.

## Sales Performance

Sales of individual life insurance policies continued to grow well above industry averages in 2019. Insurance amount in-force grew by 22%. This growth is primarily due to our focus on specialized products for individuals and families such as those purchasing new homes, as well as alternative opportunities for retiring Federal employees and simple-to-use products for seniors.

Medicare Supplement insurance sales continue to grow successfully through our subsidiary, GPM Health & Life Insurance Company.

## 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, February 19, 2020. For details on the latest rating and the exact type, numerical order, scope, and extent of the rating, see the website: [www.ambest.com](http://www.ambest.com).



**GOVERNMENT PERSONNEL MUTUAL  
LIFE INSURANCE COMPANY**

**STATEMENT OF FINANCIAL CONDITION**

**December 31, 2019**

Invested Assets	\$781,031,479
Total Assets	\$812,131,683
Total Liabilities	\$706,665,964
Surplus	\$105,465,719
2019 Net Income	(\$5,862,321)
2019 Net Increase In Surplus	(\$9,285,168)

# 2020 ANNUAL MEETING

The Annual Meeting of the GPM Life Policyholders will be held

**WEDNESDAY  
APRIL 8  
9:00 a.m.**

in the Home Office, GPM Life Building  
2211 N.E. Loop 410  
San Antonio, Texas, 78217

**Attendees will receive a full report on financial operations for 2019 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.**