

I am pleased to report that GPM Life reached record levels of policyholder surplus and invested assets in 2010. We continue to focus on financial strength and stability as our most important objective to ensure the future delivery of the financial promises GPM Life has made to you. Policyholder surplus plus the Asset Valuation Reserve increased from \$98.7 million in 2009 to \$105.7 million in 2010, an increase of 7.1%. Your company is well positioned to maintain its strength and stability, to continue its dividend scale for 2011, and to provide the level of service our policyholders expect.

During the slow economic recovery in 2010, our total revenue increased from \$103.1 million in 2009 to \$107.4 million, an increase of 4.2%. These results are due to our conservative and diversified investment strategy along with our expanding marketing efforts. Our continued emphasis on new life insurance sales with our well qualified field force enabled us to grow individual life insurance sales more than 16% over 2009.

This year's proxy has a space for policyholders to give GPM Life their email addresses. These addresses will not be sold or shared with others outside the company. GPM Life will not use email for most of the messages it sends to policyholders. It may use email to attempt contact with policyholders if there seems to be an issue with the regular mail, or when urgency is indicated. Please do not include confidential information in emails to GPM Life.

GPM Life is a mutual company, owned and operated for the benefit of our policyholders. Thank you for your trust in us. We are focused on providing long-term value for you, our policyholders. Please review the remainder of this annual report for additional information about your company's financial results in 2010.



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