

2018 ANNUAL REPORT



Kenneth P. Knight Kenneth P. Knight

Bud Bonner Chief Executive Officer

Samuel Hammons III

Diane T. Keil-Hipp

John Jage

January **2019**

Dear Stakeholder:

For 18 years, we've published this Annual Report for you, our stakeholder. Unusual for a privately held company, for sure. We see it as a unique vehicle to share our results from the past year. Our stakeholders—our clients, carriers, employees, community, and owners—are integral to our success; we would not be in business without them. So whether you're reading this for the 18th time or the first time, you received this copy because you are one of our stakeholders.

Last year, we introduced you to our definition of 20/20 and outlined aggressive goals for 2018. (Refresher on page 3) Taking Aim at 20/20 made 2018 a year of **focus**, **high energy**, and **changing behaviors**. We had laser **focus** on our goals, made possible because every employee understood the agency's objectives and direction. Tied closely with focus was a **high energy** to achieve our aggressive goals. And, we were challenged to **change** our individual **behaviors** to achieve lofty results. The old adage, "Insanity is doing the same thing over and over again and expecting different results," reminds us that in order to reach higher goals, we have to do things differently.

We changed a lot of behaviors in 2018, and our results are proof of it. Here are some highlights of our year:

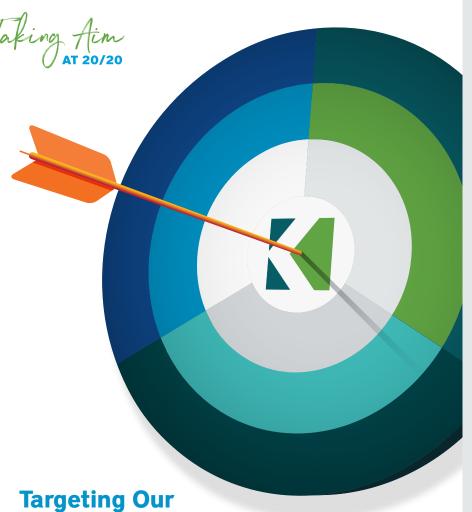
- **Gainsharing Home Run.** The service team exceeded its team goals in every category, making 2018 the best year in nearly 20 years of Gainsharing history.
- **Sales Team Trifecta.** Three new producers started on the same day in September.
- **Personal Lines Growth.** We grew our individual and family insurance department by the highest percentage in 20 years.
- **Trilogy Three-Peat.** We achieved the highest recognition by Westfield (Trilogy) for the third consecutive time.

Taking Aim, of course, implies that there's more to do, and you'll read specifics on what needs additional improvement. Still, the **focus** and **high energy** are palpable when you walk through our doors, so we continue to be optimistic about our 2019 targets.

Enjoy this visual journey of our 2018. We appreciate your interest and your participation in our success. Thank you for your continued support and your business.

Vaking Aim AT 20/20





Targeting Our Culture Statement

Created in 2014 with the help of Tim Kight's Focus 3 organization, we have integrated our Culture Statement into everything we do. It's embedded in our performance reviews, plastered on our conference room wall, themed in our bonus program, and marketed online. It's based on the principle that **Values** drive **Behaviors**, which lead to **Outcomes**. As we continue to emphasize the words within the statement, this target design offers some new insights.

At the heart, or core, of it all is the agency. From there come our values. And isn't that true for all of us? Our values come from our heart, what we most deeply believe in. Behaviors demonstrate our values, and those behaviors unfold into outcomes. Aiming for the core starts the ripple effect that makes the behaviors and outcomes a natural result. When one person focuses on these values and behaviors, a positive outcome results. When 40+ people focus on these values and behaviors, the positive results are exponential! Nothing will stand in our way to achieve our goals. Just step back and watch us go!

20/20 Defined

First 20:

20 percent revenue growth over last year.

Second 20:

20 percent profit before interest, taxes, depreciation, amortization (EBITDA)

2018

Update on our Strategic Plan

Last year, we outlined the strategic plan designed by our CEO, Bud Bonner. Here's an update on our progress toward those goals:

20/20 Buy-In: Not only does our team understand 20/20, they are committed to achieving it. There is an energy like never before in our organization. It is hard to describe, but it's very evident to visitors who walk through our office. Our entire organization is working as one unit moving forward toward our vision. It's fun to be part of this environment.

Growth engine: We currently have six new salespeople in the development process; further evidence of our commitment to growth. Our total growth in 2018 commission income was 9.5 percent. This performance far exceeds the industry average.

Profit: We continually work on efficiencies to make us more productive and cost effective. Our invested dollars are focused on new business growth and adding client value.

Perpetuation: We have assessed several options for the best perpetuation structure. We are moving forward with what we believe is the best option to keep Knight Insurance Group a privately held, locally owned operation for generations to come.







We began 2018 with a new challenge for our service team. In addition to our annual focus on Retention and Client Coverage Reviews, account managers were trained on Best Practices to identify and solve clients' uncovered exposures. Historically, we responded to client requests promptly and accurately and focused less on digging for exposures. So, asking the team to step out of their individual comfort zones and learn new skills was a stretch. Setting this goal without training on how to change our behavior would have been a recipe for failure, so with help from Hanover Insurance, we enlisted a consultant who specializes in just what we needed. Through his help, we learned:

- Effective word tracks that ask probing questions as an extension of good service.
- Habit Loops. Not all habits are good ones! If you're not getting the results you'd like, maybe it's time for a new habit!
- Small gains aggregate over time.

Aggregation of Marginal Gains



- TIME →
- Growth is always outside of our comfort zone!
- Practice, practice, practice!

The result of learning these new skills was a record number of client interactions, further building client relationships.

Congrats to our Service Team!

Aliya, Bridgett, Carol, Cynthia, Denise, Dorian, Jane, Lesley, Linda, Marlene, Michele, Nick, Paige, Selena, Stephanie, Tracy.



2018 GAINSHARING RESULTS

	ITEM	GOAL	ACTUAL	DIFFERENCE
	Client Thank Yous	730	1001	+271
PERSONAL	Client Coverage Reviews	550	967	+417
	Account Rounding Premium	\$40,000	\$65,319	+\$25,319
	Retention of Targeted Accounts	95%	96%	+1%
SS	Client Coverage Reviews	100	146	+46
BUSINES	Account Rounding Premium	\$55,000	\$141,043	+\$86,043
BUS	Retention of Targeted Accounts	95%	94%	-1%

Of all of our results, the most exciting is the retention of targeted personal accounts at 96 percent. What does this statistic mean?

It means that 96 percent of our clients retained their policies with us another year.

To say it another way, only 4 percent of clients left us to buy their insurance elsewhere. We believe this is the ultimate testimonial of our service. With industry average retention at 87 percent, we are exceptionally proud of our achievement.

Clients tell us that they most appreciate being able to talk to a local representative who knows and values them. Having a dedicated representative that they have built a relationship with is also key. We wouldn't do it any other way!

THREE CHEERS!

Our 2018 results are THE BEST we have experienced in nearly 20 years of Gainsharing. We are extremely proud of the team's efforts. What made it such a great year? A few things stand out:

- The team focused diligently every month beginning in January to hit the monthly targets. They learned that staying on track is much easier than catching up.
- Our website, online advertising, outdoor advertising, social media posts, and email communications were hitting on all cylinders.
- Team members received monthly coaching on service Best Practices and constructive feedback on client phone conversations.
- Overall focus on the service team's contribution to 20/20.

Gainsharing Defined

Gainsharing is a group bonus program based on the principle of a company "sharing its gains" with employees. In our case, when we improve our retention, we maintain revenue that would have been otherwise lost to attrition. The agency shares that "gain" with employees.



In over 20 years of running Gainsharing, we've tweaked and enhanced the program to also include Client Coverage Reviews and other client service initiatives. Taking Aim AT 20/20

Why Client Coverage Reviews?

Achieving our goal of Client Coverage Reviews each year has been a standard metric of our service team's performance for many years. Why are these reviews so important? Several reasons:

- Clients' lives are busy! Whether a business or a family, clients make changes that affect their insurance without realizing it. As much as we'd like to believe, insurance is not topof-mind to our clients on a daily basis. A periodic check-in brings these changes to the forefront.
- Client connections are important. This is the most important part of our job—talking to our clients, learning about their businesses and families. The more we know about our clients, the better we can serve them.
- Insurance products change
 over time. Like everything else,
 insurance products are enhanced
 or improved. The review gives us an
 opportunity to discuss new products
 and policy changes that may benefit
 our clients.
- Clients expect claims to be covered. Of course they do—and they should! A Coverage Review may uncover something we didn't know that would affect a claim being covered.

2018 Sales Results

Our sales team was hard at work, meeting new potential clients and getting involved in the community. More and more people recognize the name, Knight Insurance Group. Our reputation in the region as an agency with professional, knowledgeable, ethical, and skilled employees opens a lot of doors.

The sales team started the year taking aim at aggressive new business goals. After all, they're the front line to achieve the first 20 in our 20/20 goal. Last year, we reported our new business premium targets for 2018, and they were significantly higher than historic. How'd we do?

	NUMBER OF NEW CLIENTS	NEW CLIENT PREMIUM	% REVENUE GROWTH
Business Insurance & Bonds	135	\$1,820,406	13%
Personal Insurance	169	\$415,729	3%
Overall	304	\$2,236,135	9.5%

Remember that our 20 percent growth goal assumes an attrition rate of 5 percent, netting us 15 percent growth. Our Business Insurance unit nearly got there, coming in at a strong 13 percent! We also hit a milestone in our Personal Insurance unit. After approximately 20 years of relatively flat growth (excluding acquisitions), we achieved a net growth of 3 percent. Far from the 15 percent that we're ultimately targeting, but the ship has gained steam!





The rockstar team of Phil Bowles, Matt Fox and Del Vath.

Sales Team Trifecta

On September 17, we welcomed our first sales cohort—a triple hit of three new salespeople starting on the same day. That brings our total number of producers in development to six—a clear demonstration of our commitment to grow organically. In our Personal Insurance Unit, we will start 2019 with a slate of three people focusing on new sales. This is the most horsepower we've ever seen in personal insurance sales. After all, one of the best ways to grow is to have more salespeople on the team.

Allison Hammons

GOLDEN HAMMER WINNER!

At our 2018 Annual Meeting, Allison Hammons was awarded the Golden Hammer, our award for the highest new business production. She came in at 27 percent over her goal, a personal best. And she beat out her male counterparts! Go girl power!



Sam Hammons presents Allison her award.

Congrats everyone!

ADAM SHEETS

won a 2-in-1 laptop tablet for making the most new business appointments in a sales contest held in January 2018.





JOHN GAGE JOINS AS SHAREHOLDER

Taking Aim at perpetuating the agency into the next generation, John Gage became a shareholder of Knight Insurance Group on January 1, 2019. John was invited to convert his previous ownership in related entities into Knight Insurance Group shares and joins Ken, Sam, and Diane as a new partner.

John is our Chief Information Officer, and in today's day and age, it's a strategic move to have a person with John's technological acumen as a partner. Well respected in insurance tech circles, John keeps us current with the latest innovations, protects our clients' data, and develops internal efficiencies that are critical to our quest for 20/20. John has been with the agency since 1996, when he was a senior in high school. He has master's and bachelor's degrees in computer science.

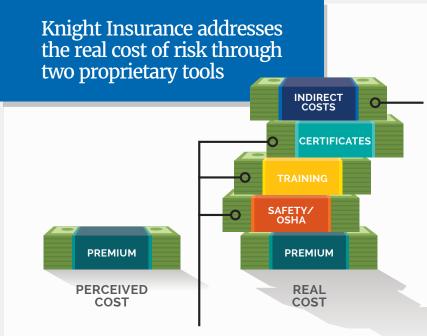


John Gage

Knight Vision and the Real Cost of Risk

This past year, a record number of businesses asked us for help in reducing the cost of managing risk—administrivia like scheduling and tracking safety training, meeting OSHA requirements, and managing Certificates of Insurance. Our online Risk Management Center has saved them money and time, making a real impact on their bottom line.

You see, when most businessowners review their insurance, they look solely at the annual premiums they pay. But there are more costs to consider.



Costs of Doing Business

- Administrative costs of managing Certificates of Insurance both outgoing and incoming.
- Training, hiring, and compliance.
- OSHA requirements for your business and other safety training and tracking.
- **Document** creation to meet HR, safety, and training needs.

2 Online Tools

A comprehensive online portal that helps manage administrative tasks in less time. Through an intuitive, organized program, tracking tasks can be performed, documents customized and thousands of hours saved.

Our in-house expert, Bridgett Purpich, helped clients get the most out of the Risk Management Center, by customizing their experience to the areas of highest priority and training customers on this powerful tool.

Indirect Cost of a Claim

Employee time off work, vehicle out of service, increased rates for loss history, administrative cost of managing the claim...these are some of the indirect costs that hit your income statement:



1 Analytic Solutions

Knight Insurance provides a tool that quantifies the indirect cost of losses, showing how much money is drained from your bottom line. We then give you a plan to reduce these costs to improve your EBITDA.



Check out our website for more information on these tools.

knightinsurance.com/analyticsolutions.

Lesley Kleinhen, Senior **Business Account Manager** Employee since 2014

"I love snowboarding in Michigan!"



How are you?

Cybersecurity, Hacking, Phishing, Dark Web... Do Not Pass Go. Do Not Collect \$200



Being on the web is not a game of Monopoly, but it is possible to lose everything if you're not careful. The risks that come from interacting through the internet just keep increasing. The latest device for hacking your information is the interactive speakers that so many of us have (think Alexa and Google Home). Those speakers are listening...all the time...and they're not as secure as they should be.

The State of Ohio just recently became the third state to adopt insurance-specific legislation pertaining to data security—an acknowledgement of the importance of this issue. More and more businesses are becoming concerned about their data security and exposure in the event of a cyber crime. As they seek information on this very confusing and complex topic, we are ready. This past year, we took a serious look at our role in cyber protection and prevention for our clients. Lesley Kleinhen stepped up as our in-house expert. She attended cyber insurance classes, studied the latest research, scoured the insurance markets, and compared the various cyber insurance policies. Like any new product, there are vast differences from carrier to carrier, and it requires a true expert to navigate those differences.

We dedicated a section of our website to cyber and built online resources for consumers who want a primer on cyber issues. We also communicated to our clients on simple preventative measures to reduce the risk of a cyber incident. Concerned about your risk of a cyber crime? Check out our online resources

at www.knightinsurance.com/cybersecurity or contact Lesley at kleinhen@knightinsurance.com.

Apply our static-cling webcam cover on your computer or mobile device to prevent spying. Removes easily when not needed.



The internet gives us the ability to reach consumers who seek information about insurance, so our YouTube Channel and website are loaded up with content, easily found through a Google search.

Knight Knowledge

We published a significant number of articles and videos on social media and online in 2018, all geared toward educating the consumer about insurance. We believe that an educated consumer will always select the independent insurance distribution channel because it is clearly superior to the other choices out there. Furthermore, we believe Knight Insurance Group is the best among our direct competitors! (No surprise.)

Here's a glimpse at some of the publications we created in 2018.



Reduce Your Cost of Managing Risk



Why Do I Need Unbrella Insurance?

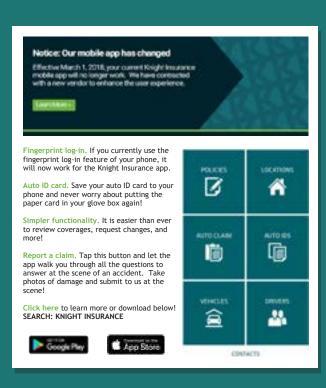


How to Not Let Safety Bog Down Your Company's Production



Taking Aim AT 20/20







Technology at Your Fingertips

We may be a nearly 160-year-old company, but we believe in the future! To say that technology is moving faster than ever sounds cliché, but it is all around us. Rather than being intimidated by it, we have embraced how today's technology assists us in serving our clients faster (instantly in some cases!), when they want it (24/7) and in many cases, providing a superior service experience. Here are the new automated offerings we've introduced.

Mobile app. We partnered with Applied Systems for a mobile app that derives its data directly from our management system. This means it exactly matches the information we're viewing when we service clients. Clients can get an auto ID card in two clicks, report a claim, view policy details, and contact us. Additionally, the mobile app has fingerprint and facial recognition log-in capability, making it not only secure, but super easy to log-in.

Client Online Portal. All of the same functionality from the mobile app is available from a desktop via our website and client portal. Clients can request changes to their policies, review declaration pages, create and print Certificates of Insurance, or report a claim. The log-in is the same across both platforms, making it easy to manage their accounts from anywhere.

Texting. Beta tested in 2018, we will roll out this often-requested feature to all clients in 2019. As people move away from emails and toward texting, we looked for an agency-wide solution that provides the convenience and quick turn-around that clients expect. Clients can rest assured that our texting will be limited to our business interactions—no mass marketing will take place.



RETREAT GOALS:

• Inform: Every employee knows where we stand.

Left of Jeep: Sam, John and Diane Right of Jeep: Tommy, Ken and Bud

- Inspire: Create energy and enthusiasm for our 2019 goals.
- Improve: Beat our previous results!

20/20 Retreat: Inform, Inspire, Improve

Last year's all-agency offsite retreat was so valuable, we decided to make it an annual event. The 2018 retreat was held at the Renaissance Toledo, a perfect venue to focus on our local roots amidst the backdrop of so many successful Toledo-based firms.

We were honored to have Tommy McDonald, insurance industry consultant at Marsh Berry, as our keynote speaker. Tommy spoke about the tremendous steps we've taken as an organization the past few years and provided benchmarks of successful insurance agencies across the country. Seemingly lofty goals feel achievable when you see them being accomplished by firms similar to your own.



At break-out sessions, our sales team went through the detailed calculations necessary to determine weekly and monthly activity required to hit their sales goals for 2019. Our service team's break-out sessions were high-tech; we learned about agency-wide client texting, Google Reviews, and mobile app.

Social time is a part of every Knight event. Employees and spouses were invited to an all-agency dinner at Georgio's Cafe International. Laughter and smiles abounded; it was a wonderful night for all.





WESTFIELD NAMES KNIGHT INSURANCE GROUP A TRILOGY AGENCY FOR THE THIRD TIME.

Westfield's highest honor for its agencies is Trilogy status. Trilogy signifies the highest level of partnership, superior performance, and proven commitment to customers. To earn Trilogy, an agency must perform at the highest level of growth and profitability among Westfield's agencies over a two-year period. Fewer than 8 percent of agencies earn Trilogy status each biannual. Most impressive is our consecutive triple win; over the past six years, we have performed at the top of Westfield's agencies. This would not be possible without a long-term strategy, focus, and the effort of both organizations.

"This recognition is reserved for only the finest of Westfield's agency partners. We could not be prouder to partner with you."

Craig Welsh, Chief Distribution Officer, Westfield.



Frankenmuth Named as Carrier of the Year

We could not be successful without carriers who partner with us in a significant way. Acknowledging that, we created the Carrier of the Year award to recognize one carrier that demonstrated true partnership with us over the past year. Our process for naming a Carrier of the Year starts with winning Carrier of the Month. Carrier of the Month is an internal nomination by employees. In 2017, Frankenmuth was selected as Carrier of the Month a total of three times. Here are some of the comments included in the nominations:

They really went to bat for me on a new account that was \$40,000 of new business for me.

In a situation where Frankenmuth could have said no under a strict interpretation of the contract, Frankenmuth honored the spirit of the contract and said yes.

Frankenmuth did a great job helping me write what became my largest account. This was a competitively priced account with a large agency. Frankenmuth came in with a great quote and we got the job done!

Congratulations to our Agency of Choice winners!

Agency of Choice Awards Celebrate our Culture

As further reinforcement of our culture, we instituted the Agency of Choice Awards a few years ago to recognize those employees who displayed exemplary evidence of each of our three values. We're proud to share with you the winners of the 2018 Agency of Choice awards.

"From the beginning of our partnership with Frankenmuth in 2005, we have enjoyed a personal relationship with leadership. We're proud to represent Frankenmuth and name them Carrier of the Year for 2017."

Sam Hammons, President, Knight Insurance Group

It's a mutual love fest! At its Executive/Agency Round Table meeting in April, Frankenmuth named us a Preferred Partner for 2017. This prestigious distinction is awarded to a top percentage of Frankenmuth's agencies, and is reflective of the agency's outstanding profitability, growth, and partnership. "The effort and professionalism of the management and staff

at Knight Insurance Group reflects our own goal of exceeding the expectations of those we serve," says Frankenmuth Insurance President and COO Fred Edmond. "It is indeed a privilege to honor the agency with our Preferred designation."



Sam Hammons, Fred Edmond and Bud Bonner

Howdy!

Sam Hammons, President Employee since 1998.

"I love riding motorcycles, especially my Harley Ultra Classic!

Relentless Focus Award:

to the employee who seeks opportunity in every challenge, focuses on daily high-payoff activities, and cultivates internal and external enthusiasm.

WINNFR.

Greg Corbitt

Greg Corbitt



The Exceptional Award:

to the employee who builds exceptional business skills, is always creative, and builds herself as a person first.

WINNFR.

Marlene Lemons

Diane Hipp and Marlene Lemons



Relationship Builder Award:

to the employee who seeks to understand first, lives the Golden-Platinum Rule, and earns trust in every interaction.

WINNER:

Kendallyn Jacobs

Diane Hipp and Kendallyn Jacobs



Achievements

Again this year, our team members distinguished themselves in various ways, exemplifying the Exceptional Standards value. A big pat on the back to these individuals.



Sam Hammons celebrated 20 years at Knight Insurance Group in September. Sam has spent his entire career in the insurance industry, first starting in personal lines at a carrier. The agency side drew him in, and soon Sam was selling business insurance to all kinds of businessowners. He joined Knight Insurance Group in 1998, became a partner in 2002, and is now President of the agency. His first love is sales, and he spends significant time mentoring our newer producers, teaching them the skills he's honed over an entire career. Thanks, Sam, and congrats!





John Gage taught two classes at AppliedNet, Applied Client Network's annual educational conference with over 4,000 attendees. John's in-depth understanding of the agency management system, Epic, makes him a sought-out expert at conference. His teaching style makes him a conference favorite.



Diane Keil-Hipp was elected as president of the Westfield Agents Association in April. Diane was first elected as a board member in 2014 and began moving through the chairs in 2016. She is one of a handful of women to ever serve as president. Westfield Agents Association is a 127-year-old entity that serves the advocacy and educational needs of Westfield insurance agents.



Lesley Kleinhen earned her CIC designation, Certified Insurance Counselor. This rigorous program consists of five courses including General Liability, Commercial Property, and Commercial Auto. Sponsored by the National Alliance for Insurance Education and Research, CIC is one of the highly regarded designations in the industry.



Travis Spitnale obtained his CLCS, Commercial Lines Coverage Specialist. This program's curriculum delves deeply into policy language, specifically around insurance principles, commercial liability, workers compensation, commercial auto and property. Five exams must be passed in order to attain the designation.



Cynthia Matus won the Client Service Professional of the Year Award, given by Toledo Area Insurance Professionals. Last year, Knight employee, Tracy Barber, was the winner, so we've kept the award at the agency for two years in a row!

Why do designations matter?

Every year, you'll read about several of our team members who are working on designations. What are they and why do they matter? In simple terms, insurance designations denote that an individual has successfully completed and passed a series of classes relating to specific insurance topics. Different designations focus on different topics within insurance-risk management, commercial liability, specialty coverages, cyber insurance, as examples. The classes are rigorous; typically 16 hours of instruction in two days followed by a test on the third day. Suffice it to say, they require focus, study, and concentration to pass. Now, why should that matter to a client? Well, wouldn't you feel more comfortable getting advice from someone who has demonstrated an advanced knowledge of insurance? As part of our commitment to provide clients with superior service and advice, we require all of our sales and service team members to successfully complete at least one insurance designation. We believe this is another reason for clients to do business with us!

Top Workplace Repeat Winner!

For the second year in a row, Knight Insurance Group was named a Top Workplace in the annual Top Workplace competition sponsored by Toledo newspaper, The Blade, and conducted by Energage.

This competition takes place in regional markets in over 30 states across the country and is sponsored by over 50 media partners. Since 2006, over 50,000 organizations and 17 million employees have been surveyed. Energage conducts confidential employee surveys, ranks the results against similarly sized businesses in the region, and publishes the annual list.

2018 was the first year we applied for consideration, and of 15 winners in the Small Company group, we placed #4. Additionally, Ken Knight won as the top leader among the Small Company group.

In 2019, we again placed #4 in the Small Company group. Additionally, we won the Superior Ethics Award based upon the statement, "This company operates by strong values." Some of the comments submitted by our employees include, "I love the people I work with, our culture, our professionalism. Individual growth, as well as professional growth, is encouraged." Way to go!

Community Honors

Toledo Stories: The Warehouse District

Knight Insurance Group has been a longtime supporter of the Toledo Warehouse District Association. TWDA's mission is to benefit businesses, institutions, property owners, residents, and visitors by promoting socioeconomic stability and growth and encouraging the preservation and appreciation of the



Diane Hipp, Elyse Labardee, Nicole Roe and Ken Knight

[Warehouse District] neighborhood's diversity and history.

For over twenty years, Knight employees have volunteered countless hours of service to the organization. The agency has donated thousands of dollars in support of programs, events, and advocacy efforts. This year was no exception.

In October, WGTE, Toledo's public television station, premiered a two-part program on the history and revitalization of Toledo's Warehouse District.

The shows feature interviews with many of the early pioneers of revitalization in the Warehouse District, including Ken Knight, Chairman of Knight Insurance Group. Also featured is our COO, Diane Keil-Hipp, who is also president of Toledo Warehouse District Association. As a proud resident of the Warehouse District, Knight Insurance Group was a major sponsor of Toledo Stories, and the sole sponsor of the Premiere Party.

DeWine & Husted Visit Knight Insurance Group

On June 5, Mike DeWine and Jon Husted, now our Ohio Governor and Lieutenant Governor, visited Knight Insurance Group's office in downtown Toledo during a day-long trip to Northwest Ohio. DeWine and Husted spoke to a room-filled crowd of businessowners and employees about their vision for Ohio's future.



John Husted, Diane Hipp, Carolyn Mangas, Mike DeWine, Ken Knight and Jeff Smith

Serving Others

Serving others is an integral part of who we are as an organization. Here are some of the ways we cared for our community in 2018.



Fellowship of Christian Athletes.

Sam Hammons and Greg Corbitt both serve on the board of FCA and contributed talent and treasure to the organization this year. Through the Unity Breakfast, golf outing sponsorship, and personal contributions, over \$7,500 was donated to FCA.



David Pattin, Rodney Schuster, Jeanelle Addie and Diane Hipp

Catholic Charities LaPosada Emergency Family Housing.

Through the Westfield Legacy of Caring, Knight Insurance Group presented Catholic Charities a check for \$9,000 for its LaPosada emergency family housing. LaPosada provides emergency shelter to families who find themselves without a home. As soon as families arrive, they meet with social workers who help them find permanent housing and improve their situation.



The Learning Club.

This organization provides free afterschool programming for students grades 1-12 to help them improve basic math and reading skills. Ken Knight sits on their board, and through his personal fundraiser, \$2,500 was donated to the organization.



Selena Stagnolia and Cynthia Matus

Honor Flight.

At our Mud Hens Opening Day party, employees made homemade goodies and held a bake sale to benefit Honor Flight. All told, we raised \$1,400 to send one veteran and his chaperone to Washington DC in September.



Monroe County Jr. Livestock Association.

Again this year, Sam Hammons supported 4H members through his purchase of livestock. The proceeds from the livestock contribute to the college funds of 4H members.



Diane Hipp, Ron Carter, Marlene Lemons

Christmas 50/50 Raffle.

Again at this year's Christmas party, we held a 50-50 raffle to help a local needy family. Additionally, employees purchased toys, clothes, and food to help this family have a Merry Christmas. Over \$1,000 was donated by our team.

Culture is King!

KNIGHT INSURANCE GROUP PARTY HERE!

Nicole Roe

Opening Day Party

Our first Mud Hens Opening Day Party was held in the former DWF building, next to our headquarters. Visitors enjoyed a sneak peek of the building's interior prior to any renovation. Corn hole, music, plenty of food and beverages, and great weather made for a fantastic Opening Day!



Ken Knight and the Guest of Honor

KIG Pig Roast

Employees and their families enjoyed a pig roast picnic, complete with jumbo Jenga, cornhole, music, and of course, plenty of pork!

Many readers of our Annual Report tell us that they get a strong sense of our culture from reading our yearly publication. It's no accident that "fun" is specifically mentioned in our Culture Statement, and we work hard to create a fun environment. Does it pay off? This year, we received more unsolicited job applications via our website than ever before. The common remark: "I've heard nothing but good things about Knight Insurance Group, and I want to be a part of it." Wow.

Here are some of the fun events we had this past year.



"The Tall Team" - Phil Bowles, Matt Fox, Greg Corbitt and Del Vath

Rookie Christmas Performance

This tradition is over ten years old, and each year, it adds a lot of fun to our Christmas party. Every new employee (rookie) performs a talent at our Christmas party. The talent is wide open—in the past, we've had karaoke singers, skits, self-defense tips, videos of race car driving, even men in tights performing to the Nutcracker. Our 2018 Rookie team showed off their sports talents in a game of basketball, Harlem Globetrotter style. Videotaped and edited to highlights, it brought lots of laughter at the party.

"The Short Team" - Michele Merritt, Ken Knight, Paige Elias and Travis Spitnale





Gregg Hipp

Curling

In an effort to embrace winter, a group of Knight employees learned curling at the Black Swamp Curling Center. No bones were broken...maybe some muscles stretched a bit...but a good time was had by all!



Nick, John and Ava Gage















"I want to be a part of it."









If you couldn't sense the energy and excitement we feel about our achievements from 2018, here's our last chance to get the message across: We had a great 2018! We surpassed some goals that we thought would be tough, we exceeded our own expectations in some areas, and as always, we have more work to do.

Taking Aim at 20/20 in 2019 means that our growth goal is 20 percent higher than 2018's revenue, less 5 percent attrition. Our service team will continue to focus on the client experience and introduce clients to our mobile and texting technology. Our admin team will continue to create and publish educational articles online and implement internal efficiencies to do more in less time. In short, we are not resting!



Thanks to you, our clients, carriers, and employees, for all you've done to support us. You are important stakeholders in our success.



TOLEDO

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FINDLAY

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