



2016  
OVERVIEW



AMERICAN NATIONAL

# Reaching the Summit

The late May morning dawned clear and bright over the Himalayas — a relief after days of unrelenting snow and wind. Having slowly ascended the slopes of Mount Everest for the past two months, Edmund Hillary had just 1,000 perilous feet left to reach the summit. So, on the morning of May 29, 1953, carrying a 30-pound pack on his back and wearing boots that had been frozen solid by the punishing conditions, Hillary carefully inched his way up a vertical slope face, wedging his body in a small crack between the rock and ice. Finally reaching the summit at 11:30 a.m., Hillary cemented his legacy as the first to successfully stand atop the world's highest peak.

Although his name is the one we remember, Hillary didn't do it alone. He was part of an expedition that encompassed more than 400 people, including 362 porters, 20 guides and 10,000

pounds of baggage. Even as he broke away from the larger group for his final ascent, Hillary was accompanied and aided every step of the way by his guide Tenzing Norgay. The two men worked as a synchronous team to finally conquer Everest.

While few of us will ever make the perilous journey to the summit of Everest, most of us will face our own mountains in life. In fact, life offers endless challenges – whether it involves becoming a parent, getting a college degree or, in the case of American National founder W.L. Moody Jr., building a financial services business that has stood the test of time. The people who most successfully navigate these challenges are the people who realize they need the help of others and, therefore, approach life as a team effort. Because, as Hillary and Norgay discovered more than 60 years ago on that May morning, no one climbs a mountain alone.





“You do not climb a mountain like Everest by trying to race ahead on your own or by competing with your comrades. You do it slowly and carefully, by unselfish teamwork.”

**Tenzing Norgay, Mount Everest climber**

## Common Goals

When W.L. Moody Jr. founded American National Insurance Company in Galveston, Texas in 1905, he had already begun his own personal climb – a journey that, ultimately, spanned nearly 90 years and led to the creation of a business that continues to grow and thrive to this day.

From its very first days with just 10 employees in 500 square feet of office space to its current state as a multi-billion dollar financial services organization with more than 3,000 employees, four corporate locations and a network of agents in all 50 states and Puerto Rico, American National has always emphasized the importance of teamwork and striving toward a common goal.

As American National has grown over the decades, management has focused on cultivating centers of excellence within the company by encouraging employees to reach across divisional and geographical lines to work together and achieve corporate goals which emphasize profitable growth, customer satisfaction, internal business processes, employees and learning. This combination of individual talent and dedicated teamwork has been a powerful catalyst for innovation and long-term success.

As an example, our Corporate Technology Services (CTS) department receives and prioritizes requests for more than 100 technology-based projects per year from all divisions within the company – everything from internal data storage enhancements for Life Insurance Administration to building performance-driven mobile applications for Property and Casualty. And all of these projects require the combined expertise of employees from multiple business areas in order to complete them efficiently and successfully.

In 2016, CTS coordinated the creation of AmericanNational.com, bringing together employees from marketing and shared service areas to build a new corporate website from the ground up. After the site’s successful launch, a new multi-divisional team of employees – this time coming together as the Web Advisory Council – picked up the baton and began moving forward with discussions about how to grow and improve the site in the coming months and years.

By encouraging the ongoing creation and collaboration of working groups from across the enterprise, American National consistently capitalizes on the power of teamwork. Other recent companywide initiatives in 2016, such as a comprehensive employee feedback survey, new ASCEND management training programs and quarterly leadership meetings that bring together leaders from across all four corporate locations, are ensuring that a collaborative spirit continues.





## Moving Forward

People form the foundation of American National – our employees, agents and policyholders. Our commitment to these groups is what propels us into our 112th year of providing financial products and services that offer security and peace of mind.

By focusing on the fundamentals of sound investment and careful, measured growth, American National has earned an “A” rating from both Standard & Poor’s® and A.M. Best Company. With consolidated GAAP assets of more than \$24 billion and more than 5 million policyholders, we remain confident that American National is financially strong and prepared to meet the needs of the future.

## Products and Services

### LIFE

A family is the most important team in a person’s life. While the special bond between a couple or parent and child can never be replaced, it’s comforting to know that life insurance allows you to provide for them even after you’re gone. With life insurance you

can leave a legacy of care, stability and financial security for the ones you love the most.

Because every family is different, American National offers a wide range of life insurance products to suit a variety of needs and situations. Whether you’re interested in the limited-time coverage and more affordable rates of term life or the permanent coverage and flexible premium options of universal life, you can rest easier knowing you’ve given your loved ones the gift of financial security.

We’re always working on ways to bring more to the life insurance marketplace. Our marketing areas such as Career Sales and Service Division and our Independent Marketing Group have regular research and development meetings with our Product Development, Underwriting, Administration, CTS, Investments and Legal and Compliance departments to look for new products, services, technology and enhancements to better serve our customers.

We’re gratified to regularly hear the stories of people who have been financially cared for by their loved ones, long after they have passed. It’s a lasting legacy and a testament to the enduring power of love.

LIFE INSURANCE	DESCRIPTION
<b>Term Life</b>	Simplest form of life insurance that provides pure death benefit coverage for a limited term at a fixed rate.
<b>Credit Life</b>	Specialized term insurance established to pay all or a portion of borrower’s debt in the event of death during the term of the loan.
<b>Whole Life</b>	Permanent life insurance with guaranteed premiums. A savings component accumulates cash value that can be withdrawn or borrowed against.
<b>Universal Life (UL)</b>	Permanent life insurance that allows for flexible premiums and coverage. Premium payments in excess of current cost of insurance rates and fees accumulate cash value based on a declared interest rate, subject to a minimum for the duration of the policy.
<b>Indexed UL</b>	Universal life insurance with a potential for higher cash value, related to the performance of a market index.
<b>Variable UL</b>	Universal life insurance with a potential for higher cash value. However, there is more risk to the customer as cash value can also decrease. Cash value increases and decreases are based on allocations to subaccounts that invest in underlying mutual funds.

American National’s life insurance products are issued and underwritten by one or more of the following companies: American National Insurance Company, American National Life Insurance Company of Texas, American National Life Insurance Company of New York, Standard Life and Accident Insurance Company and Farm Family Life Insurance Company.

American National Insurance Company is licensed in all states except New York. In New York, business is conducted through Farm Family Life Insurance Company and American National Life Insurance Company of New York. Not all products are available through each company or in all states. Variable insurance products are distributed through Securities Management and Research, Inc. (SM&R); (Member FINRA/SIPC), which is independent of the American National companies. SM&R’s address is 701 Tama Street, Building B, Box 868, Marion, Iowa 52302-0868.

Companies not licensed in all states and do not offer all of the products that are described. Products may not be available in all states and eligibility requirements will apply. Each company has financial responsibility only for the products and services it issues. In New York, business is conducted through Farm Family Life Insurance Company and American National Life Insurance Company of New York.





“Individual commitment to a group effort – that is what makes a team work, a company work, a society work, a civilization work.”

Vince Lombardi, football coach

## PROPERTY AND CASUALTY

A home, a business, a vehicle ... the things we build, create and acquire take on a special significance in our lives. Because we can never be sure what tomorrow will bring, American National offers an array of property and casualty insurance products to protect the things we value.

Property insurance protects against the loss of physical property or its income-producing abilities, and casualty insurance protects against the legal liability that can result from injury to other people or damage to their property.

In addition to auto and home coverage, American National offers specialty property insurance coverage for items such as classic cars,

motorcycles, boats and recreational vehicles. Commercial lines focus on property and casualty coverage for small business owners, particularly those with agriculture-related businesses such as small farms, ranches, nurseries and wineries. American National's Credit Insurance Division offers products that protect creditors' interests in collateral (pledged as security for a loan) against property loss and damages.

Because of the many property and casualty insurance options available, American National's Multiple Line division is working on ways to position the company for success – not just in the products offered, but in the way they are offered. By building a powerfully simple client experience, Multiple Line meets clients where they are and sets itself apart from the competition.

INSURANCE COVERAGE	DESCRIPTION
<b>Auto Insurance</b> <ul style="list-style-type: none"> <li>• Personal Auto</li> <li>• Collector Car</li> <li>• Recreational Vehicles</li> <li>• Commercial Auto</li> <li>• Motorcycle</li> </ul>	Covers bodily injury and property damage liability plus physical damage to the vehicle.
<b>Homeowners Insurance</b> <ul style="list-style-type: none"> <li>• Personal Dwelling</li> <li>• Tenants</li> <li>• Renters</li> <li>• Condos</li> </ul>	Protects the value of homes, including the structure, personal property, contents, loss of use and some forms of personal liability.
<b>Boat Owner's</b>	Coverage for physical damage to boats as well as liability coverage for the boat owner.
<b>Business Owner's Policy (BOP)</b>	Provides coverage for small and medium-sized businesses. Provides both general liability and property insurance.
<b>Commercial Package Policy</b>	Includes liability, property, inland marine and crime coverages.
<b>Flood Insurance</b>	Protects home or business against damage from flooding.
<b>General Liability</b>	Protects insured from legal liabilities imposed by lawsuits and/or similar third-party claims resulting from various business pursuits.
<b>Special Farm Package</b>	Provides customized coverage for farming operations to include personal dwelling, farming operation buildings, machinery and contents.
<b>Umbrella Policy</b>	Additional protection in excess of specified other policy limits and potentially primary coverage for losses not covered by other policies.
<b>Workers' Compensation</b>	Replaces all or part of a worker's wages lost and accompanying medical expenses incurred because of a job-related injury.
<b>Credit Products</b>	Provide coverage to pay off all or a portion of debt associated with personal property.

Property and casualty products are issued and underwritten by one or more of the following companies: American National Property And Casualty Company (ANPAC), ANPAC Louisiana Insurance Company, American National General Insurance Company, Pacific Property and Casualty Company, American National Lloyd's Insurance Company, American National County Mutual Insurance Company, Farm Family Casualty Insurance Company (FFCIC) and United Farm Family Insurance Company.

ANPAC and Farm Family Casualty Insurance Company offer the Standard Flood Insurance Policy through the "Write Your Own Program," a cooperative undertaking between FEMA and participating property and casualty insurance companies that allows the companies to write and service the Standard Flood Insurance Policy. National Flood Services is the full service vendor for the WYO Flood Program for both ANPAC and FFCIC.

Companies not licensed in all states and do not offer all of the products that are described. Products may not be available in all states and eligibility requirements will apply. Each company has financial responsibility only for the products and services it issues. In New York, business is conducted through Farm Family Casualty Insurance Company and United Farm Family Insurance Company.

Credit property & casualty Insurance products are offered by the Credit Insurance Division of American National and are issued through; American National Property And Casualty Company, Springfield, Missouri; American National General Insurance Company, Springfield, Missouri; American National Lloyds Insurance Company, Galveston, Texas; American National County Mutual Insurance Company, Galveston, Texas; and ANPAC Louisiana Insurance Company, Mandeville, Louisiana.



## ANNUITIES

Although it's impossible to predict what tomorrow may hold, it can be made more secure by establishing savings today. American National offers a range of annuity options to choose from, including fixed deferred, indexed deferred, immediate fixed and variable deferred annuities for pension plans.

Deferred annuities can play a vital part in a long-term savings plan, allowing individuals to approach the future confident in the knowledge that they'll be able to respond to the uncertainties of life. With deferred annuities, an individual is able to accumulate money, tax deferred. Annuities may also offer the ability to withdraw a portion of the funds early without incurring a surrender charge, should an unexpected event occur. However, taxes are incurred upon funds being withdrawn and penalty taxes may apply.

With immediate annuities, it is possible to convert a lump sum of money into a guaranteed income stream with multiple payout options from which to choose. Similarly, funds that have accumulated in a deferred annuity can be converted into an income stream when it's most needed. For example, payout options can be set up over a pre-determined period of time or over the life of an individual (or couple).

No matter which type of annuity a customer purchases from American National, our claims and customer service employees stand ready to assist. Our Life/Annuity Customer Service division fields more than 500,000 calls and processes in excess of 60,000 claims each year for approximately 90,000 persons ranging from policyholders, beneficiaries, funeral homes and creditors. It's our goal to offer outstanding service throughout the life of a policy or annuity contract.

### ANNUITY

### DESCRIPTION

#### Fixed Deferred Annuity

A long-term vehicle to accumulate tax-deferred retirement assets. Accumulation is based on a set return for a period of time, subject to a minimum for the contract duration.

#### Indexed Deferred Annuity

A long-term vehicle to accumulate tax-deferred retirement assets. Accumulation includes upside potential related to the performance of a market index.

#### Variable Deferred Annuity

A long-term vehicle to accumulate tax-deferred retirement assets, with gains or losses in value based on the performance of sub-accounts that invest in underlying mutual funds. Group unallocated variable deferred annuities are the basis for our pension plans.

#### Immediate Fixed Annuity

An income annuity that pays a guaranteed income stream in exchange for a lump sum of money.

American National Insurance Company is licensed in all states except New York. In New York, business is conducted through Farm Family Life Insurance Company and American National Life Insurance Company of New York. Not all products are available through each company or in all states. Variable insurance products are distributed through Securities Management and Research, Inc. (SM&R); (Member FINRA/SIPC), which is independent of the American National companies. SM&R's address is 701 Tama Street, Building B, Box 868, Marion, Iowa 52302-0868.

## HEALTH

A serious illness or accident has the ability to devastate a person, not only physically, but financially as well. The cost of care, even with standard health insurance or Medicare, can be overwhelming. That's why American National offers a variety of insurance products to supplement the basic coverage of an individual's primary health insurance policy.

Supplemental health insurance can provide added peace of

mind and act as a buffer between serious illness and the unfortunate possibility of a depletion of savings, creation of long-term debt, and even bankruptcy. Our offerings include dental, cancer, critical illness and hospital indemnity, accidental death and dismemberment, and credit disability. In addition, the Health Insurance Division is a provider of all types of supplemental health coverage in the worksite including catastrophic (often called stop-loss or excess risk) coverage for employers choosing to self-fund their medical plans.

HEALTH COVERAGES	DESCRIPTION
<b>Medicare Supplement</b> Standardized plans: A, B, C, D, F, F(hd), G, and N	Supplemental product that complements Medicare.
<b>Supplemental Health Insurance</b> Cancer Dental Critical Illness Group Term Life Short Term Disability Hospital Indemnity/Limited Medical Accident/Accidental Death and Dismemberment	Cover specific types of expenses not covered by basic health care policies.
<b>Employer Stop Loss</b>	Reinsurance for self-insured employers to cover cost of excess claims beyond a predetermined amount.
<b>Credit Disability</b>	Provides benefit payments to the lender in the event of total disability due to a covered illness or injury during the term of coverage.

Health insurance products are issued and underwritten by one or more of the following companies: American National Insurance Company, American National Life Insurance Company of Texas, Standard Life and Accident Insurance Company and Farm Family Life Insurance Company.



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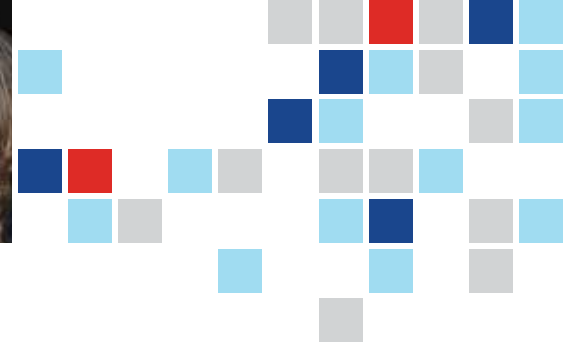
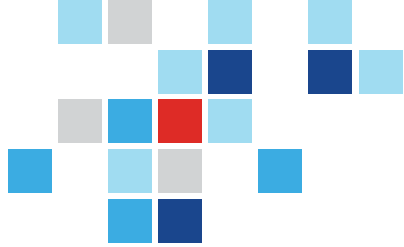
*President and Director*  
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### **RUSSELL S. MOODY**

*Investments*  
League City, Texas







## Senior Management

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American National Insurance Company

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*Executive Vice President, Chief Financial Officer, Treasurer*  
American National Insurance Company

#### **JOHNNY D. JOHNSON**

*Executive Vice President, Corporate Business Process Officer,  
Chief Information Officer*  
American National Insurance Company

#### **JOHN F. SIMON**

*Executive Vice President, Chief Life and Annuity Actuary*  
American National Insurance Company

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Corporate Chief Compliance Officer*  
American National Insurance Company

#### **MICHELLE M. BARTOWSKI**

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American National Insurance Company

#### **SCOTT F. BRAST**

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American National Insurance Company

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*Senior Vice President, Corporate Controller*  
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American National Insurance Company

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#### **ANNE M. LEMIRE**

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American National Insurance Company

#### **BRAD W. MANNING**

*Senior Vice President, Life Claims & Customer Contact Center*  
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#### **DR. JOHN WHITE III**

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American National Insurance Company

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#### **JAMES W. PANGBURN**

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American National Insurance Company

#### **SHANNON L. SMITH**

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American National Insurance Company

#### **TIMOTHY A. WALSH**

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#### **SCOTT C. CAMPBELL**

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American National Insurance Company

#### **LEE C. FERRELL**

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American National Insurance Company

#### **RONALD C. PRICE**

*Senior Vice President, Chief Marketing Officer, Career Life Agencies*  
American National Insurance Company

#### **JAMES P. STELLING**

*Senior Vice President, Health Insurance Operations*  
American National Insurance Company





### Vision

To be a leading provider of financial products and services for current and future generations.

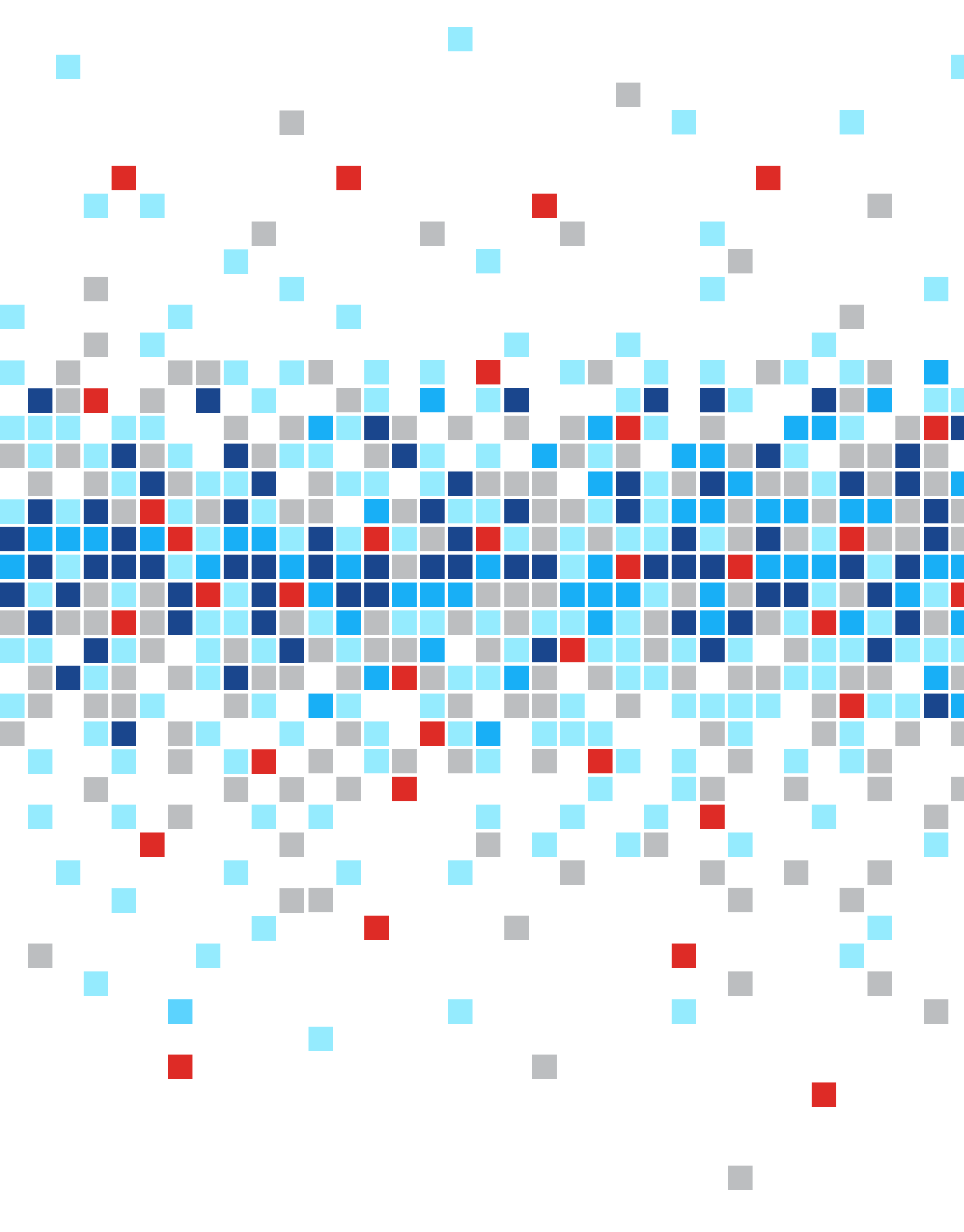
### Mission

We will earn the trust of our customers and of our diverse distribution partners by always acting with integrity and fairness, and by working to exceed expectations.

We are committed to teamwork and continuous improvement in all that we do.

We will be prudent stewards of our assets, conservative navigators of risk, and steadfast in our resolve to preserve and enhance our reputation for enduring strength and success.







**AMERICAN NATIONAL INSURANCE COMPANY**

One Moody Plaza | Galveston, Texas | [AmericanNational.com](http://AmericanNational.com)