



May 1, 2026

## Notice of Annual Meeting and Proxy Statement of Members

- Notice of Annual Meeting and Proxy Statement of Members
- Board of Directors and Officers
- Letter from the Chief Executive Officer
- Financials 2025 and 2024

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To the Members (policyholders) of California Mutual Insurance Company (the Company):

Notice is hereby given that the annual meeting of the members of the Company will be held on:

**TUESDAY, MAY 18, 2026**

**AT 3:00 P.M.**

In the Company Office located at:

**650 SAN BENITO STREET, STE. 250**

**HOLLISTER, CA**

For the following purposes:

1. Election of one director, and
2. For the transaction of any other business that may properly come before that meeting or any adjournment thereof.

Hollister, California

May 1, 2026

*Connie Glosser,*

Secretary

### **ELECTION OF DIRECTORS**

The term of office for one directors will expire this year. The candidate nominated for the four-year term expiring in May 2030 is:

#### **MATT CURLEY**

Mr. Curley is the current Chief Executive Officer of California Mutual Insurance Company. He has been working in the insurance industry since graduating from Santa Clara University in 1989 with a degree in economics. He spent over 25 years with State Farm Insurance and Farmers Insurance prior to joining California Mutual

as Director of Claims in early 2017. Mr. Curley holds the designation of Chartered Property and Casualty Underwriter (CPCU) and is licensed to handle insurance claims in various states across the country.

Mr. Curley was raised in Contra Costa County and has 2 sons with his wife, Michelle. He is an avid fan of Bay Area sports teams and was a volunteer coach for many years in the middle school and high school club hockey programs. While not working as a Quality Assurance Engineer, Michelle volunteers for and is a board member of Starting Arts, a California Non-Profit company designed to supplement public school art and theater programs.

Mr. Curley is seeking his second election as a director.

#### **RAY BORZINI**

Mr. Borzini is a retired Prudential Insurance Agent from King City, California. He worked in South Monterey County from 1975-2007. Mr. Borzini also worked as a business development officer for 1st Capital Bank in Salinas.

Ray and his wife Debbie enjoy team roping and a little golf. He is a graduate of Cal Polytechnic State University and is seeking his second term as a director

#### **OTHER MATTERS**

As of this date there are no other matters management intends to present or has reason to believe others will present at the meeting. The members acting as your proxy will vote on those matters in accordance with their best judgment.

## 2024-2025 Board of Directors

Matt Curley, San Jose  
Steve Miller, Payson, AZ  
John Tobias, Hollister  
Kenneth Bettencourt, Gilroy  
Cheri Schmidt, Hollister  
Connie Glosser, San Francisco  
Sara Singleton, Hollister  
Don Marcus, Hollister  
Ray Borzini, Cave Creek, AZ

## 2025-2026 Officers

Matt Curley,  
Chief Executive Officer

Connie Glosser,  
Secretary

Cheri Schmidt,  
Chief Financial Officer

### CALIFORNIA MUTUAL INSURANCE COMPANY DECEMBER 31, 2025 AND 2024 UNAUDITED (STATUTORY)

BALANCE SHEET	2025	2024
<b>ASSETS</b>		
Cash in Bank	\$ 14,281,890	\$ 10,223,256
Bonds	9,938,710	9,661,418
Stocks	8,441,103	7,371,867
Agents Balances	2,642,897	3,197,558
Reinsurance Recoverable	268,090	1,881,782
Other Miscellaneous Assets	556,454	502,696
<b>TOTAL ASSETS</b>	<b>\$ 36,129,144</b>	<b>\$ 32,838,577</b>
<b>LIABILITIES AND POLICYHOLDERS' SURPLUS</b>		
Reserve for Losses/Loss Adjustment Expenses	\$ 8,721,776	\$ 6,216,559
Reserve for Unearned Premium	8,709,039	9,656,819
Accrued Expenses	928,928	1,133,740
Deferred Income Tax Liability	205,489	78,589
Current Income Tax Liability	-	-
Reinsurance Payable	(85,915)	(150,244)
<b>TOTAL LIABILITIES</b>	<b>18,479,317</b>	<b>16,935,463</b>
<b>POLICYHOLDERS' SURPLUS</b>	<b>17,649,827</b>	<b>15,903,114</b>
<b>TOTAL LIABILITIES AND POLICYHOLDERS' SURPLUS</b>	<b>\$ 36,129,144</b>	<b>\$ 32,838,577</b>
<b>OPERATING RESULTS</b>		
<b>PREMIUMS EARNED</b>	<b>\$ 14,970,825</b>	<b>\$ 13,441,243</b>
<b>DEDUCTIONS</b>		
Losses and Loss Expenses Incurred	8,929,375	7,077,433
Underwriting Expenses Incurred	5,512,900	5,173,506
<b>UNDERWRITING GAIN (LOSS)</b>	<b>528,550</b>	<b>1,190,304</b>
<b>NET INVESTMENT INCOME EARNED</b>	<b>979,851</b>	<b>1,068,476</b>
<b>OTHER INCOME (EXPENSE)</b>	<b>10,856</b>	<b>11,392</b>
<b>FEDERAL INCOME TAX EXPENSE</b>	<b>264,596</b>	<b>365,814</b>
<b>NET INCOME</b>	<b>\$ 1,254,661</b>	<b>\$ 1,904,358</b>
<b>SUMMARY OF SURPLUS</b>		
<b>POLICYHOLDERS' SURPLUS-BEGINNING OF YEAR</b>	<b>\$ 15,903,115</b>	<b>\$ 13,359,629</b>
Net income	1,254,661	1,904,358
Net Unrealized Capital Gains (Losses)	615,680	326,495
Change in Non-Admitted Assets	3,271	299,954
Change in Net Deferred Income Tax	(126,900)	12,679
<b>POLICYHOLDERS' SURPLUS-END OF YEAR</b>	<b>\$ 17,649,827</b>	<b>\$ 15,903,115</b>

***To Our Members***

2026 is California Mutual's 106<sup>th</sup> year serving California families and businesses throughout the state. We were founded in 1920, by a small group of San Benito County residents who banded together to form a mutual insurance company to secure fire insurance for their properties. We have since grown into a statewide mutual insurer providing comprehensive coverage for individuals and businesses. California Mutual provides personal lines coverage for homeowners, rental properties, and supplemental insurance to California Fair Plan insureds. On the commercial side, we offer coverages for apartments, motels, mercantile, office buildings, bed & breakfast inns, shopping malls, light to medium industrial and more. Our products are sold through hundreds of independent agents across the state.

We invite you to visit our website for more information on California Mutual and the services we offer at [www.calmutual.com](http://www.calmutual.com).

***Owned by You***

It is important to understand that California Mutual is a mutual insurance company. A mutual insurer is owned by its members or policyholders. There are no shareholders, as with a stock company, and we do not make profits that are passed along to shareholders or investors like a stock company. All net income we generate is held in a policyholders' surplus fund that is used to pay claims made by policyholders. Because we are not owned by shareholders nor are we driven to make traditional profits, we can offer our members fair and accurate pricing while ensuring the company remains financially secure. As a mutual insurer, we operate with a long-term view to creating value and financial stability for our members.

***A California Domestic Company***

California Mutual is a California domestic company insuring and employing Californians. We know the state well and we insure risks based on individual attributes rather than by zip code. Our Board of Directors, almost entirely based in California, is comprised of talented and experienced professionals who make sure the company remains financially stable and able to fulfill the promise we make with every policy we sell.

***A.M. Best***

California Mutual is rated A- (Excellent) which was affirmed again by A.M. Best Company in 2026. A.M. Best is the leading insurance industry financial rating agency. The rating of A- (Excellent) is assigned to companies that have excellent financial strength, operating performance, and market profile when compared to the firm's established standards.

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### ***Financials***

Due to significant growth over the last several years, our goal in 2025 was to slow premium growth to allow policyholder surplus to catch up to premium. In 2025, California Mutual sold and serviced a slightly smaller number of policies than in 2024. Our premium decreased 2.75% as the total insured value of all the policies we issued increased by 3.5%. Our new business decreased by 21% while our expense ratio increased by 4 points. We continue to take pride in our support for our members in the state at a time when many of our competitors have still not returned to the California insurance market.

In 2025, our Combined Ratio, which represents the percentage of each dollar earned after paying claims and expenses, was 99%, for a 5-year average of 95.3%. In 2025, Policyholder Surplus increased by 10.98%, resulting in a 5-year increase of 27%.

### ***Reinsurers Provide Added Strength***

We place our reinsurance with reinsurers rated at A (Excellent) or higher by A.M. Best Company. The reinsurance we maintain provides support for large and catastrophic losses and each of our reinsurers has financial surpluses in excess of \$10 billion.

### ***Some Services and Value to our Members***

- Electronic delivery of documents
- Online services to view your policy, billing, and claims information
- Commercial Policyholders may elect to add optional coverage such as:
  - Employment Practices Liability- responds to claims brought by employees, as well as third party harassment and discrimination, such as ADA
  - Equipment Breakdown
  - New, Enhanced Cyber Liability and Data Compromise
- Homeowner policyholders may elect to add:
  - CalAdvantage coverage—includes equipment breakdown, water service line coverage, green home, and increased limits
- Payment options include:
  - Online and telephone payment—credit and debit card and electronic check
  - Automatic payment via email or text messaging
  - Assortment of payment plans

### ***Your Privacy is Important***

The information we gather is used by California Mutual to conduct California Mutual business only. We do not share policyholder information with any third parties for their use.

We recognize you have many insurance companies to choose from and we are honored you have chosen to be a member of the California Mutual Insurance Company.

We wish you all the best in 2026!  
Chief Executive Officer

Matt Curley, CEO