

Modern Woodmen
FRATERNAL FINANCIAL



Modern since 1883®

Strong roots FOR A
**GROWING
FUTURE**

2025 ANNUAL REPORT TO MEMBERS

Modern Woodmen has been around a long time, but we're not resting on our laurels. As we inch toward our 150th anniversary, we're **focused on growth**. We're making sure we'll be here – and stronger than ever – for generations to come.

- **Growing our team of financial representatives** nationwide to help serve current members better and bring even more into the Modern Woodmen family.
- **Developing new products** to stay relevant and meet the growing needs of today's families.
- **Investing additional funds and focus into fraternalism** – the member-centric mission, community spirit and essence of Modern Woodmen since 1883.
- **Leveraging technology** to ensure we're as easy to work with as possible – without losing the personal touch our members want and deserve.
- **Devoting more resources to brand awareness**, spreading the word about who we are and the difference we can make in the lives of our members and the communities they call home.

All of these initiatives have helped lead to the success you see highlighted throughout the following pages. And they will lead us into the future.

Thank you for your continued membership. It's my honor to share this annual report with you.



Sincerely,

Jerald J. Lyphout
President and CEO

MISSION

To improve the quality of life for our members.

VISION

Modern Woodmen of America will grow nationwide through members helping members create a better tomorrow for themselves, their families and others.

CREED

All that we send into the lives of others comes back into our own.



▲ **Strengthening our culture.** ▶
Doing good isn't just something we say. Throughout 2025, employees at Modern Woodmen's headquarters and representatives across the country gained extra opportunities to immerse themselves in the organization's fraternal mission.



Addressing big challenges of our time.

Whether through large-scale events or small volunteer projects with family and friends, Modern Woodmen members, representatives and employees jumped into action throughout the year to respond to real community needs – from foster care and environmental support to combating overdose, illiteracy, hunger and more.



2025 SNAPSHOT



682,615
MEMBERS



\$46.04 billion
OF LIFE INSURANCE
COVERAGE IN FORCE



\$1.51 billion
PAID TO MEMBERS (INCLUDES
DEATH BENEFITS, ANNUITY
PAYMENTS & SURRENDER
BENEFITS)



\$22.6 million
IN FRATERNAL EXPENDITURES
SUPPORTING MEMBER
PROGRAMS



118.2%
SOLVENCY RATIO

◀ BOARD OF DIRECTORS

President and CEO

Jerald J. Lyphout, East Moline, Illinois

National Secretary and Executive Vice President

Shea E. Doyle, Bettendorf, Iowa

Directors

Joseph A. Sztapka, Sioux Falls, South Dakota

Lester L. Bohnert, Bettendorf, Iowa

Brett M. Van, Coal Valley, Illinois

Sandra L. Stosz, Falmouth, Massachusetts

Jackie R. Zachmeyer, Milan, Illinois

Thomas H. Harris, Doylestown, Pennsylvania

Bruce K. Baude, Carmel, Indiana

Member programs



Member Jaina Holst, Iowa

BIRTHDAY BOOK CLUB

13,243 CHILDREN received a free book

BIRTHDAY BOOK CLUB

Unlock imagination and fun

Young Modern Woodmen members have another reason to smile big on their big day. They can receive a special box in the mail for each birthday up to age 12. Each delivery includes an age-appropriate, high-quality book (ranging from classic tales to contemporary fiction) and other activities.

"This book is fun!" Jaina Holst, Iowa, said after she received her birthday box last year.

Modern Woodmen increased funding for this member program in 2025, making the experience even more memorable for kids like Jaina.

WILD ABOUT ANIMALS

National community focus

Modern Woodmen regularly rallies members across the country around a single community cause, concentrating funding and volunteer power to make a greater impact. Members act together – supporting local efforts with national momentum.

In 2024 and 2025, members celebrated the important role animals play in our lives and environment. Chapters and youth service clubs held **more than 2,000 volunteer service projects** nationwide and partnered with animal-related causes to contribute **more than \$880,000** to local communities.



DO-GOOD GRANT®

639 GRANTS AWARDED TO MEMBERS
22,393 VOLUNTEER HOURS*

*Preliminary, unverified estimate submitted at the time of application.



Member Ashleigh White, Colorado

DO-GOOD GRANT®

What could you do with \$200?

Modern Woodmen supports members' efforts to volunteer and give back to causes they care about and choose. Each year, qualifying member households can apply to receive \$200 to kick-start a small, hands-on volunteer project with family and friends.

Member Ashleigh White, Colorado, wanted to help feed families staying at the local Ronald McDonald House while their kids were hospitalized.

"I didn't know how I was going to fund that as a college student, but I still wanted to do good things and help the community," she says.

The Do-Good Grant® made her volunteer project possible, providing funds to purchase ingredients and pans needed to make baked ziti. She and her volunteer crew fed 40 people.



WREATHS ACROSS AMERICA

Memorializing U.S. veterans

In December, Modern Woodmen partnered with the nonprofit Wreaths Across America to help ensure the sacrifices of those who've served in our armed forces are not forgotten.

In total, **nearly 1,200 members volunteered** across 367 chapters and youth service clubs. With their support, Modern Woodmen donated and distributed **more than 30,000 wreaths at 80 select cemeteries** nationwide.

SCHOLARSHIPS

Support for college, trade school, grad school and more



SCHOLARSHIPS

\$679,500 AWARDED to 351 members

Member Jaxon Hulsey, Alabama

No matter the path, the expense of continuing education after high school can be a challenge. In 2025, Modern Woodmen expanded its scholarship program to provide funds to both graduating high school seniors and older students, like member Jaxon Hulsey, Alabama.

"I want to use my education to benefit my hometown," says Jaxon, who is pursuing a degree in poultry science. "I hope to have the opportunity to bring back what I learn to serve those in my community."

The scholarship program was reconfigured for even greater impact in 2026.

- **Current high school seniors** can compete for scholarships ranging from \$1,000 to \$10,000.
- **Members ages 21 and up** can receive \$1,000 in a competition reserved for older students.

Subject to change, fraternal member programs are not part of the contract and may have specific eligibility requirements. Learn more and apply for member programs at member.modernwoodmen.org.

FINAL WISHES RESOURCES

2,228 MEMBERS ordered booklets to help with late-in-life planning



FINANCIAL RELIEF FUND

\$78,266 PREMIUMS COVERED for members experiencing financial distress due to medical or natural disasters

CHAPTERS

2,281 ACTIVE CHAPTERS



302,785 ATTENDEES

at social, educational and volunteer events in communities nationwide

235 ACTIVE SUMMIT CHAPTERS for members age 55+



27,883 EVENT PARTICIPANTS

YOUTH SERVICE CLUBS

376 CLUBS



24,940 PARTICIPANTS

CHAPTER/CLUB SERVICE PROJECTS AND VOLUNTEER ACTIVITIES

232,545 VOLUNTEER HOURS



\$2.23 million REIMBURSED for projects in members' communities

MATCHING FUND PROGRAM



3,660 FUNDRAISING EVENTS



\$5.79 million IN DIRECT MATCHING contributions by Modern Woodmen



\$57.8 million* CONTRIBUTED to community projects and individuals in need

*Includes total dollars raised by member chapter and youth clubs partnering with community groups.

Products

Financial products available to meet needs throughout life

LIFE INSURANCE PRODUCTS

- Term life insurance
- Universal life insurance
- Whole life insurance

ANNUITY PRODUCTS

- Fixed annuities
- Fixed index annuity
- Immediate annuity
- Registered index-linked annuity*
- Variable annuities*

INVESTMENT PRODUCTS*

- Brokerage services – stocks, bonds, ETFs, UITs
- College savings plans – 529 college savings plans, Coverdell education savings accounts
- Investment advisory services – adviser-managed and third-party managed accounts, financial planning services
- Mutual funds
- Retirement plans – traditional IRA, Roth IRA, SEP-IRA, SIMPLE IRA, 401(k), 403(b) TSA
- UGMA/UTMA accounts

INSURANCE PRODUCTS**

- Dental and vision insurance
- Disability income insurance
- Group employee benefits
- Group voluntary benefits
- Health insurance
- Impaired risk life insurance
- International life and health insurance
- Long-term care insurance
- Medicare Advantage and prescription drug plans
- Medicare supplement insurance

*Securities offered through MWA Financial Services, Inc., a wholly owned subsidiary of Modern Woodmen of America. Member: FINRA, SIPC. Investment Advisory Services offered through MWA Financial Services, Inc., a Registered Investment Adviser. Individual agents may not be licensed to sell all products.

**Coverage is underwritten and issued by independent third-party carriers and brokered through MWAGIA, Inc., a subsidiary of Modern Woodmen of America. Product availability varies by state.



Melillo family, members from California, with representative Josh Leung (center).

HOLISTIC PLANNING

With the help of Modern Woodmen’s subsidiaries, our representatives can assist members with a wide range of financial needs. Assets under management at MWA Financial Services, Inc. continued to see strong growth in 2025, increasing 28% to a total of \$4.3 billion.



Binder family, members from Wisconsin



Frazier family, members from Texas

Financial results, 2025

Condensed statutory financial information, Modern Woodmen of America, Dec. 31, 2025. (Unaudited.)

ASSETS

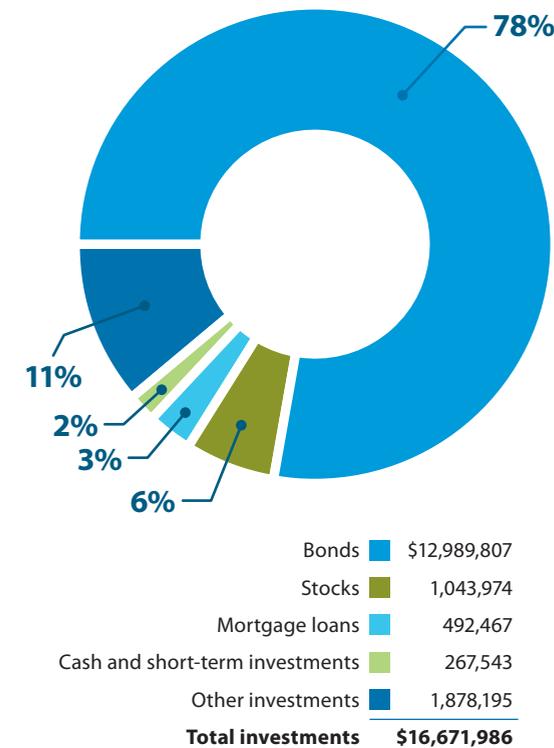
DOLLARS IN BILLIONS



The funds you place with Modern Woodmen are backed by a strong asset base.

INVESTED ASSETS BREAKDOWN*

DOLLARS IN THOUSANDS



ASSETS, LIABILITIES AND SURPLUS (Dollars in thousands)

	2025	2024
Admitted assets		
Bonds	\$12,989,807	\$12,925,922
Stocks	1,043,974	970,468
Mortgage loans	492,467	358,086
Cash, cash equivalents and short-term investments	267,543	336,756
Other investments	1,878,195	1,816,804
Total investments	16,671,986	16,408,036
Other assets	226,110	224,147
Assets held in separate accounts	1,746,575	1,536,886
Total admitted assets	\$18,644,671	\$18,169,069
Liabilities		
Reserves for life, annuity and health contracts	\$10,540,651	\$10,463,167
Other liabilities	3,490,007	3,573,762
Liabilities related to separate accounts	1,746,575	1,536,886
Total liabilities	15,777,233	15,573,815
Total surplus	2,867,438	2,595,254
Total liabilities and surplus	\$18,644,671	\$18,169,069

INCOME AND EXPENSES (Dollars in thousands)

	2025	2024
Premium income	\$1,006,163	\$1,036,852
Net investment income	740,731	730,144
Other	(16,099)	(49,246)
Total revenue	\$1,730,795	\$1,717,750
Certificateholders' benefits	\$1,262,090	\$1,292,944
Operating expenses, taxes and commissions	251,827	235,747
Other	23,479	15,103
Total benefits and expenses	\$1,537,396	\$1,543,794
Net gain from operations before net capital gains	\$193,399	\$173,956
Net capital gains	103,040	126,012
Net income	\$296,439	\$299,968

*Assets are primarily invested in high-quality, low-risk investments. As of Dec. 31, 2025, approximately 98.7% of bonds were of high or medium quality.