MAX completed its eighteenth year in 2018 with another record-setting year of growth and development. We are grateful for the over 4,000 new members that joined MAX this past year and helped account for our 12.3% growth in premium. Over $4.65 million was added through these new member additions. We now serve nearly 20,000 members. We also began writing business in two new states (Utah and Arizona) in 2018. Our strong growth and development is a tribute to all the diverse agencies that represent MAX that are helping persons in their local communities understand the unique vision and mission of MAX.

Of course, the greatest measure of an insurance company is how it responds to losses incurred by its members. In 2018, we paid back to members $14,675,376 for losses they experienced. We don’t, however, just pay losses. We work hard to live out our vision of restoring wholeness to property, lives and communities. We are gratified that our members experienced this wholeness. Some of the comments we received this year included the following:

"Your company overall made a very difficult time a little easier."

"Customer Service Rep was very helpful and prompt with processing our claim!"

"MAX is amazing and I will never go with another company. Wonderful customer service and ease of service is remarkable."

"MAX settled our claim faster than we thought. Thank you."

Another very important facet of MAX is our Mutual Aid Ministries. This is also an important way that we restore and promote wholeness in our communities. In 2018, we partnered with 318 agencies to give back to their communities through 387 grants. In addition, we provided personal support to 24 families who had special needs in their lives.

Financials are important as they provide the fuel to support MAX’s wholeness programs of insurance and mutual aid. But we measure our success differently than many insurance companies. We focus more on our ability to create wholeness than generate any certain levels of income. We take more gratification in restoring persons to wholeness than in any net income or surplus amounts. That being said, however, we can say that MAX remains very strong financially. The financials posted in this report will convey that strength to you.

Special thanks to our members for their trust and participation in MAX!

Kindest Regards,

David M. Wine
President and CEO
MutualAid eXchange
BALANCE SHEET

MutualAid eXchange
at 12-31-2018

Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$2,892,051</td>
</tr>
<tr>
<td>Other Investments</td>
<td>$24,620,592</td>
</tr>
<tr>
<td>Premiums Receivable</td>
<td>$2,077,669</td>
</tr>
<tr>
<td>Other Assets</td>
<td>$1,588,261</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$31,178,573</strong></td>
</tr>
</tbody>
</table>

Liabilities & Surplus

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss &amp; Loss Adjustment Reserves</td>
<td>$3,706,046</td>
</tr>
<tr>
<td>Commission &amp; Expenses Payable</td>
<td>$643,134</td>
</tr>
<tr>
<td>Unearned Premium Reserves</td>
<td>$9,832,206</td>
</tr>
<tr>
<td>Advance Premiums</td>
<td>$907,213</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>$776,128</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>15,864,727</strong></td>
</tr>
<tr>
<td>Member's Surplus</td>
<td><strong>15,313,846</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Surplus</strong></td>
<td><strong>$31,178,573</strong></td>
</tr>
</tbody>
</table>

Change in Surplus—2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities &amp; Surplus</strong></td>
<td><strong>$31,178,573</strong></td>
</tr>
<tr>
<td><strong>Change in Surplus—2018</strong></td>
<td><strong>(551,312)</strong></td>
</tr>
</tbody>
</table>
Notice is hereby given to all Subscribers (Members) of MutualAid eXchange that the Annual Meeting of Subscribers will be held on Monday, May 13, 2019 at 9:00 a.m. Central Daylight Saving Time at 4400 College Boulevard, Suite 250, Overland Park, Kansas, to consider and act upon the following matters:

(a) Election of Directors. The names of the nominees for vacancies on the Board of Directors intended, at the time of issuance of this notice, to be presented by the Board to the Subscribers at the meeting for election to the Board of Directors of MutualAid eXchange, to the identified terms, are:

Steven L. Garboden, Goshen, Indiana (Director of attorney-in-fact since 2002 and of MutualAid eXchange since 2014)(3-year term)
Michael J. Lally, Overland Park, Kansas (Director of attorney-in-fact since 2011 and of MutualAid eXchange since 2014)(3-year term)
Kathy Goering Reid, Waco, Texas (Director of MutualAid eXchange since 2010)(3-year term)

(b) Such other matters as may properly come before the meeting.

Pursuant to Section 2.5 of the MutualAid eXchange Bylaws, the close of business on April 1, 2019 is the record date for determination of Subscribers entitled to notice of and to vote at the Annual Meeting or any adjournment thereof.

Every Subscriber is invited to attend the meeting in person. Per the MutualAid eXchange Bylaws, if a Subscriber does not vote in person at a meeting or by written proxy, the Subscriber consents that the Subscriber’s vote shall be cast by the Board of Directors on the Subscriber’s behalf. Subscribers who do not expect to attend in person and wish to give their vote to another person to vote on their behalf in place of the Board of Directors may complete and return the accompanying proxy form.

April 2, 2019

Scott T. Forland, Secretary
I, the undersigned Subscriber of MAX, hereby appoint ____________________________ as my attorney-in-fact to vote on any and all business that properly comes before the Subscribers at the MAX Subscribers’ Annual Meeting on May 13, 2019. I authorize my proxy holder as my attorney-in-fact to cast my vote as he/she deems appropriate if I am not present in person.

Subscriber's Name (print): ________________________________________________

Subscriber's Signature: ___________________________________________________

Dated: __________________________________________________________________

Subscriber's Telephone Number: __________________________________________

Subscriber's Email Address: ______________________________________________

Subscriber's Address: ____________________________________________________

This proxy must be received by the Secretary of MAX by delivery to 4400 College Blvd., Ste 250, Overland Park, KS 66211 by April 26, 2019 to be valid. This proxy may be revoked by written notice or attendance in person at the Subscribers’ Annual Meeting.
MAX GIVES BACK TO FAMILIES AND COMMUNITIES

Creating & Sustaining Wholeness

MAX PROVIDES GRANT TO HELP PURCHASE THERMAL IMAGE CAMERA FOR VOLUNTEER FIRE DEPARTMENT

Through MAX’s Mutual Aid Ministries Agent Community Grant program, MAX partnered with Southeast Iowa Insurance in Kalona, Iowa and provided a grant to the Kalona Volunteer Fire Department. The grant will be used towards the purchase of a thermal image camera. The camera will help firefighters be able to see through a smoke-filled room, locate hot spots and help save lives.

Shawn Powell, Principal/Agent at Southeast Iowa Insurance presenting check to Kalona Fire Chief Steve Yotty.
Mutual Aid Ministries created the Agent Community Grant program in 2015 to help our independent agents become more involved in their communities and to build stronger relationships between MAX and its agencies. We believe this program exemplifies the fair, faithful and socially responsible way MAX and our agents do business. In 2018, we held two $100 seasonal themed grant programs for agents to give $100 to their charity of choice. These programs gave nearly 300 grants in 2018. Below are a few examples of our agents presenting $100 checks in their communities.

Reckless Saints of Nowhere
Agency Partner:
Troyer-Weaver Insurance
Pryor, OK

Mid-Ozark CASA
Agency Partner:
Insurance Center of Cuba
Cuba, MO

Project Clothe the Kids
Agency Partner:
The Vaughan Agency
Pomeroy, OH

To learn more about Mutual Aid Ministries, visit www.MAXInsurance.com/MutualAidMinistries
WHO WE ARE

MAX is a fair, faithful and socially responsible, member-owned insurance program that provides excellent coverage and claims service at a fair, competitive price. We help our members create, regain and sustain wholeness when their lives are disrupted by an unforeseen loss. We call that Insurance the Way it Should Be.

OUR VISION

Creating and Sustaining WHOLENESS

OUR MISSION

Preserving and restoring property, lives and communities through a combination of quality faith-based insurance programs and mutual aid ministries.

BOARD OF DIRECTORS

Joan K. Cohen, Leawood, KS
Steven L. Garboden, Goshen, IN
E. Fred Goering, Jr., Moundridge, KS
S. Joan Hershey, Mount Joy, PA
Michael J. Lally, Overland Park, KS
J. Brian Reeve, Toronto, ON
Kathy Goering Reid, Waco, TX
Elaine L. Shantz, Wellesley, ON
David M. Wine, Overland Park, KS
Karen M. Zecy, Prairie Village, KS

LEADERSHIP TEAM

David Wine
President and CEO
dwine@maxinsurance.com

Dan Boxell
Chief Financial Officer and Treasurer
dboxell@maxinsurance.com

Scott Forland
Executive Vice President, Chief Legal Officer and Corporate Secretary
sforland@maxinsurance.com

Lisa Bage
Chief Operating Officer
lbage@maxinsurance.com