

*“When you wake up in the morning,
you have two choices- go back to sleep
and dream your dreams, or wake up
and chase those dreams!”*

- Author Unknown

At Clark Insurance,
we chase the dream of
total customer satisfaction
- every day.



2014 Annual Report



Thank you for taking the time to review our 2014 annual report. I believe the continuing success of Clark Insurance is rooted in the fact that we are diligently chasing our dreams as an employee-owned agency.

How does employee ownership of an independent insurance agency make us different and a better choice for our customers?

- Our employees take a **team approach** toward understanding

the personal and business objectives of our customers and prospects. We understand our success relies on our customers' security, success and satisfaction.

- We also are able to draw on years of experience and a **"deep bench"** of talent from which to form our recommendations for coverage, risk control and claim management.
- We are a significant agency for dozens of **"A"-rated insurance companies**. Those relationships, based on trust and more than 80 years of success, help customers get the best coverage at a competitive price.

Another distinction is our commitment to satisfy customer needs. The degree of that commitment is evidenced by the **industry-high customer retention rates** we are fortunate to enjoy. Similar to an election cycle, our customers are voting for us every time they decide to renew their policies, purchase additional coverage, and refer their friends and families to us.

When you place your trust in us, we take the relationship seriously and pledge to meet or exceed your expectations year in and year out. We will never take our relationship for granted.

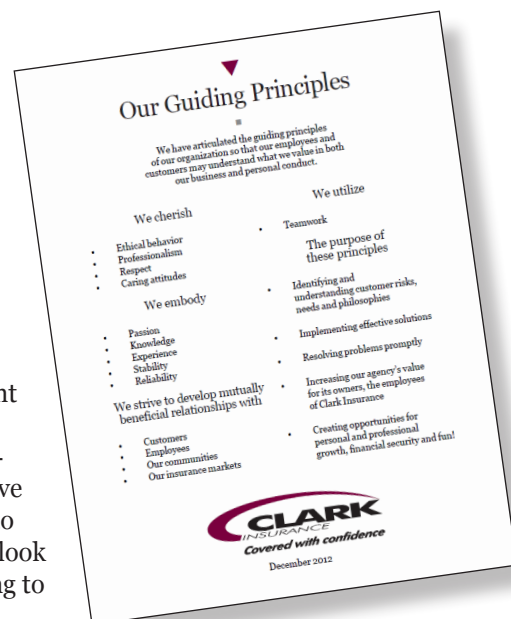
We also enjoy a special relationship with **Gorham Savings Bank** who owns a twenty percent stake in our agency. Their president, Chris Emmons, serves on our Board of Directors, and helps to assure our two organizations reach out and offer one another's customers the individual focus that has been the key to our mutual success. Another shared value is our sense of corporate responsibility; giving back to the communities we serve.

How do we measure progress?

There are the typical financial indicators that are so important: income growth, expense control, profits and stock value. We *do* measure these and **2014 saw an increase in all of them**, but these financial results are driven by human interactions, a far more important factor of success when it comes to building trust and long term relationships. That's why we put such a strong emphasis on recruiting and supporting our employee-owners, all 100+ of them.

Our aim is to **hire personable, caring, intelligent and motivated people** who thrive on working as a member

of a team. We provide them with the tools they need to be successful, as they learn the business and build a career for themselves. By emphasizing a collaborative work environment and a consistent, values-based culture, they will have the opportunity to prosper and will look forward to coming to work each day.



How do we recognize our shared success and commitment to excellence?

Our employer-provided pension plan, **(the Clark Insurance Employee Stock Ownership Plan)** receives a share of agency profits in the form of Clark Insurance stock. Working together as a team to satisfy customer needs assures that the value of our retirement plan will continue to grow. The proof of our shared effort is that our ESOP value has grown every year since 1992.

At Clark Insurance, we are working hard to earn your trust. We promise to:

1. Learn about you and your needs
2. Find sensible solutions while simplifying the complex
3. Allow you to make informed decisions by building your insurance knowledge
4. Anticipate problems and opportunities
5. Adapt to changes in your needs and to the demands of a changing world
6. Respond to you promptly
7. Build long term relationships.

For all who entrust their insurance needs to us, we are extremely grateful. For those we do not yet serve, we look forward to demonstrating how employee-ownership makes an unusual and valuable difference. **I wish to thank each of our customers for your continuing support**, and again, pledge to prove every day that your confidence has been well placed.

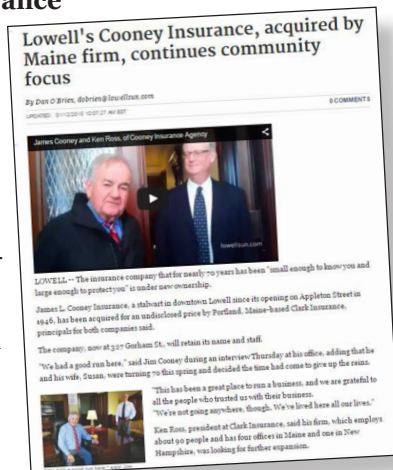
On behalf of all our employee-owners, I hope the coming year and beyond affords you a high degree of success and satisfaction, both personally and professionally.

Ken

Kenneth A. Ross
President

Realizing the Dream of Growth

At the end of the year, we agreed to buy the assets of the **James L. Cooney Insurance Agency of Lowell, Massachusetts**. The two-generation family-owned agency has been serving customers since 1946. Everything fit. Their philosophy toward customer service and community service is the same as ours. With independent insurance agencies rapidly consolidating, the entry into Massachusetts gives us greater strength and opportunity.



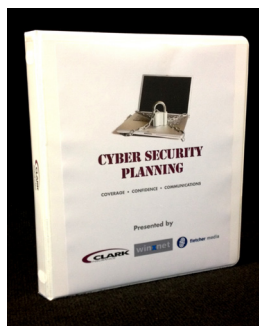
Sharing What We Know

Among the attributes of Clark Insurance is our knowledge of the ever-changing coverages and case law that impact insurance contracts. We believe that taking time to inform customers about coverage, risk control and claim management is the highest and best use of our time. An educated buyer makes better decisions.



Professional Liability: Gregg Ritter, a Vice President and noted speaker within the design professional communities in Maine and New Hampshire, presented several case studies for architects and engineers to help them retain their professional credentials and avoid risks that can cripple a professional practice.

Cyber Security - Before, During and After: The agency in conjunction with InsureTrust, Winxnet and Fletcher Media briefed more than 75 owners and risk managers about the fast-evolving world of data breaches. The seminar included the planning process, practical steps to take once a breach has been identified and what needs to happen after the fact to recover both data and an organization's reputation.



That's Outrageous!: Using outrageous examples of extraordinary liability claims and inappropriate employer behavior, the agency and our friends at Pro Search gathered a large crowd to learn the finer points of **employment practices liability**. Attorney Gregg Frame of Taylor McCormack and Frame helped human resource professionals, owners and managers understand how to avoid conflict and misunderstandings, the anatomy of a sound defense and how to practice five essentials of documentation.

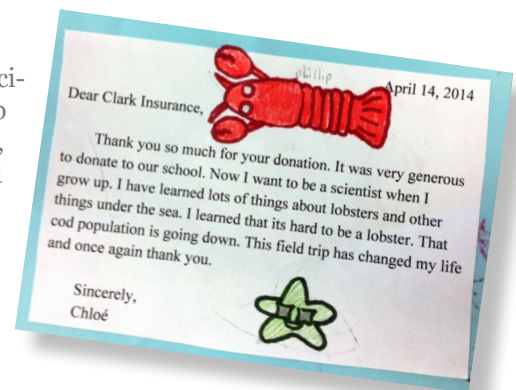
In addition to seminars and lots of individual meetings, the agency also published a weekly "blog" and a monthly newsletter for customers and the communities we serve. In this process of education, we have touched on **community challenges, risk control, personal financial security and individual health**. In all, we have sent more than **365,000 email newsletters** over the last four years and have generated in excess of **200,000 page views** at our web site.



Being Grateful for Your Feedback & Support

"I've been dealing w/Clark on a few matters , both work & personal, & just wanted to let you know how impressed I am with the quality of the folks with whom I've been working" - Sam B.

"I want you to know how much we appreciate your sponsorship going into the derby, your help today, and your sound advice throughout the process! I'm super impressed with you!!!!" - **Crystal Lake Derby**



"Thank you very much! I think you have the speediest turnaround that I know!" - Sarah

"I'm at a loss for enough words of praise to describe how satisfied I am with all that Clark folks have done to make the transitions easier and dealing with the accident less traumatic. It is a great comfort, knowing that we have all of you there at Clark looking out for us." - **Paul C.**

"Thank you for your quick feed back! I'll recommend your agency to all my friends and family, since I do interpreting job, I have a large network as you can imagine...." - Facyal

"You are the best!!!! I never had anyone keep an eye on my expenses like you do. That is great service. Thank you." - **Chantal**

"Clark Insurance is very responsive to our business needs that can come up at a moment's notice ranging from contract review to supplying certificates of insurance to enrolling employees in our health insurance plan." - Erik W.

"Clark helped us consolidate nearly all of our insurance programs under one carrier, greatly simplifying claims administration and communications. We are very pleased to recommend Clark to whoever needs a comprehensive, responsive insurance partner." - **George D.**

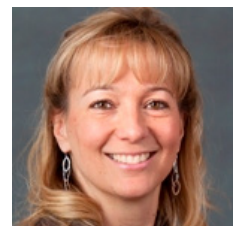


Uniting for Greater Portland

“For more than 85 years, the people and organizations of Greater Portland have been coming together to create everlasting change. It’s one of the remarkable things that make our community a great place in which to live and work. Together, we are continuing to make progress on realizing our collective vision of helping all children to succeed in school, all families to achieve financial stability, and all individuals to lead healthy and happy lives.”



“Clark Insurance exemplifies this commitment to strengthening our community. We are deeply grateful for your leadership, the generosity of your employees, and the commitment from Sandy Trotter who, once again, served as your Employee Campaign Manager during the 2014 campaign.”



Supporting the Civic Center Expansion

Perhaps our most visible civic and marketing investment was committing to a **five year sponsorship of the main entrance** to the Cumberland County Civic Center in support of its \$32 million renovation.

This public facility in downtown Portland touches so many people in our service area - young and old, sports fans, patrons of the arts and lovers of world-class entertainment. It also is a multiplier of economic activity for the region’s restaurants, hotels and retailers. We think it’s a good investment with a long civic return.



Showcasing Insurance Careers

For the third year in a row, we hosted the young and enthusiastic students of Scarborough Middle School. **JA’s Job Shadow Day** brings students into a place of work to see the variety of career paths available to them if they stay engaged and do well in school.

These Scarborough students played a variety of Clark-inspired games and role playing to learn about how to (and not to) interview for a job, manage an account, market a product, and settle a claim. Thanks to JA and their teachers, these youngsters now may see insurance as a potential career choice to consider.

Focusing on Food, Clothing, Shelter Wellness & Higher Ed



There are so many worthy civic and charitable organizations that we support but our focus has been on the essentials of **food, clothing, shelter, wellness and higher education.**

Good Shepherd Food Bank, Preble Street Soup Kitchen, Habitat for Humanity, Bi-State Primary Care Association and the University of Southern Maine are a sampling of those we supported with time, talent and treasure.

In addition, a number of our employees assumed leadership positions with civic and charitable organizations throughout Southern Maine and New Hampshire. In all, **we supported more than 100 causes** that help make our communities livable and safe.

Supporting Civic, Charitable & Industry Organizations

A Company of Girls
 ACEC - NH
 ACEC of Maine
 ASCNET*
 American Institute of Architects
 American Red Cross*
 Associated General Contractors of Maine
 Biddeford Athletic Association*
 Biddeford Little League
 Biddeford-Saco Chamber of Commerce*
 Big Brothers Big Sisters of Southern Maine
 Bi-State Primary Care Association
 BOOM Volleyball
 Boy Singers of Maine
 Breathe New Hampshire
 Camp Allen*
 Cancer Community Center
 Card Center
 CFMA - Maine Chapter

Home Care & Hospice Alliance of Maine
 Hugs From Hayley
 Human Resource Assoc. of Southern Maine
 Institute for Family-Owned Business
 Insurance Professionals of Greater Portland*
 John Duranceau Scholarship Fund
 Junior Achievement of Maine
 Kennebec Behavioral Health
 Kennebec Valley Chamber of Commerce
 Kennebec Valley Human Resources Assoc.
 LeadingAge
 Leavitt's Mill Free Health Care
 Lyric Music Theater
 Maine Cancer Foundation
 Maine Council of IAIP*
 Maine Employee Benefits Council
 Maine Engineering Promotional Council
 Maine Innkeepers Association
 Maine Insurance Agents Association*
 Maine School Management Association
 Maine Senior Games
 Manchester City Library Foundation
 Manufacturers Association of Maine

Preble Street
 Queen City Rotary Club*
 Reiche PTO
 Riding To The Top
 Robbie Foundation
 Rotary Club of Biddeford-Saco*
 Rotary Club of Falmouth*
 Rotary Club of Portland Sunrise
 Manchester Rotary Club*
 Saco Bay Rotary Club
 Saco Spirit
 Safe Voices
 Saint Andre Home
 Scarborough Public Library
 Sebago Lakes Region Chamber
 Sexual Assault Response Services
 Society for Human Resource Management
 Society of FSP
 Southern Maine Agency on Aging*
 Southern Maine Claims Association
 Southern Maine Landlords Association
 Special Operations Warrior Foundation
 Mary's Nursing Education Fund

Time



Talent



Treasure



Central Crew Club*
 Child Health Services
 Community Financial Literacy
 Community Partners
 Convention + Visitors Bureau
 CPCU Society
 Cumberland County Civic Center
 Downeast Chapter ALA
 Downeasters Chorus
 Dyer Library / Saco Museum
 Falmouth Economic Development Commission
 Falmouth Rotary*
 Family Hope
 Frannie Peabody Center
 Friends of Casco Bay
 Goffstown Screamin' Eagles Cheer
 Goodwill Industries of Northern New England
 Gorham Business & Civic Exchange
 Greater Manchester Chamber of Commerce
 Greater Portland Landmarks
 GrowSmart Maine
 Gulf of Maine Research Institute
 Habitat for Humanity of Greater Portland
 Harraseeket Yacht Club

Massabesic Baseball
 Mental Health Center of Greater Manchester*
 Mercy Healthcare Foundation
 Maine Real Estate & Development Assoc.
 Merriconeag Waldorf School
 NAIFA
 National MS Society
 New Beginnings
 New England Veterinary Association
 Northern New England Law Publishers, Inc.
 Opportunity Alliance
 Parkwood Villa Apartments Catastrophe Fund
 PAYSA Soccer
 Pine Tree Council, Boy Scouts of America*
 Port Resources
 Portland High School
 Portland Marriott at Sable Oaks
 Portland Museum of Art
 Portland Pie Company
 Portland Presents
 Portland Press Herald
 Portland Regional Chamber
 Portland Society of Architects
 Portland Symphony Orchestra

Stepping Stones
 Sweetser
 Table of Plenty
 Teen Challenge New Hampshire
 The Dream Factory, Inc.
 The Majestic Theatre
 The Root Cellar
 Town & Country Federal Credit Union*
 Thornton Academy
 United Way of Greater Portland
 University of Southern Maine Foundation*
 USM Board of Visitors*
 USM Risk Management & Insurance*
 VNA Hospice Care
 Westbrook Animal Refuge League
 Westbrook H.S. Basketball Booster Club
 Westbrook Together Days sponsor
 Windham Baseball
 Windham Hill United Church of Christ
 Windham Little League
 Woodfords Family Services
 Y of Southern Maine

* Indicates board or committee leadership

Capturing the Dream of Professional Growth and Performance

Perpetuating the Business

We often coach our customers about the importance of leadership perpetuation. To that end, the Board of Directors of Clark Insurance **elected G. Jeffrey Shaw to serve as Executive Vice President** of the agency.



A graduate of Cheverus High School and Bentley University, Jeff has been with Clark Insurance since 2004. Under his leadership as a vice president and sales manager, the agency has steadily grown in both revenue and customers.

The Board also elected Marty Duggan and Bret Cote as two new shareholders in the agency in recognition of their past and future contributions.



Marty joined the agency in 1997 and has qualified for the Million Dollar Roundtable on six occasions as well as twice being named to the elite Century Club among life and health agents around the globe.

Bret joined the agency in 2007 and serves as Vice President and Sales Manager for the agency's New Hampshire office.



Broadening our Leadership



Tony Payne, who joined the agency in 2011, was elected **Vice President of Business Development**. He has helped enhance the agency's identity and reputation as well as facilitated an increasing number of educational seminars for customers and prospects.

Making a Mark Among Employers

A highlight of the year was being named one of the **Best Places to Work in Maine**. By having our employees review the agency's culture, business practices and opportunities for professional growth, we not only ranked among the best but gathered insights of how to become even better.



Serving Innkeepers



The Maine Innkeepers Association recognized Clark Insurance as their **2014 Allied Member of the Year**. The agency has a long and ongoing history of supporting this economic engine of the state's economy.

Chairing the Chamber

Rebecca Harris, a Personal Lines Senior Account Executive in our Saco office, was elected to serve as **Chair of the Biddford-Saco Chamber of Commerce**. Rebecca's objectives are 1) Believe in ourselves and tell the world! 2) Invite others to join us! and 3) Buy locally!



Directing IT Services



Nancy Burton was named the agency's **Information Services Director** to oversee the management system, our information services operations as well as the compliance requirements for the confidentiality of our data.

Leading in Rotary



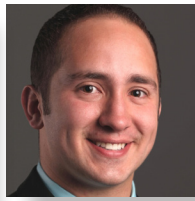
In our New Hampshire office, Monique Ruth, an Account Executive, was elected to the board of the Queen City Rotary while Thom Lavoie, also an Account Executive, was elected to the board of the Manchester Rotary.

Excelling in Service

Denise Douglass, a Personal Lines Senior Account Executive, was recognized for the fourth consecutive year by Safeco Insurance with their **Award of Excellence**. The award recognizes superior front-line underwriting and is given to the top performing agents.



Earning Professional Designations



Pamela Cyr, an Account Manager and Anthony Villandry, an Account Executive, completed their studies and testing to earn the designation of

Chartered Property Casualty Underwriter. This is the equivalent of a master's degree for the insurance industry.

In addition, many advanced their knowledge and careers by attaining a variety of professional designations including:

- Derek Doucette, API
- Josh Ellis, CRIS
- Shelby Hamilton, API
- Jim Lowell, AINS and API
- Heather Martin, ANFI
- JoAnn Martin, ACSR
- Meghan McDonald, ACSRL
- Tricia Spencer, AINS
- Kelly St. Onge, AINS and API
- Anthony Villandry, AAI

Celebrating Service



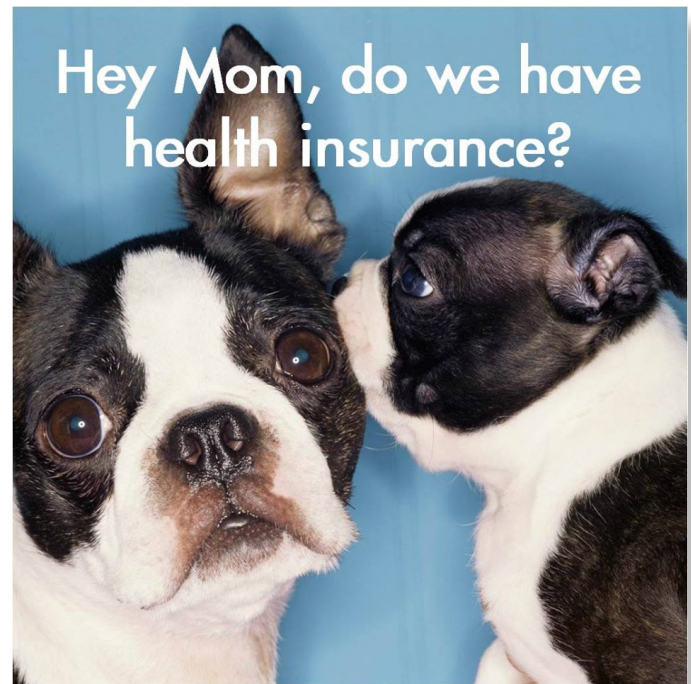
At Clark, we celebrate accomplishments of all kinds. In a world of short-tenured employment, it is fun to see so many people with so many years of service. This past year, we honored and thanked sixteen employees with increments of five years of service led by Ken Ross with twenty-five years and Denise Douglass with twenty.

Showing our Colors for Good Causes



At the **top**, the Clark Team went Red for Women to help raise money and awareness in the fight against heart disease, the number one killer among females.

At the **bottom**, while global landmarks like the Empire State Building and Sphinx were lit in blue, we donned blue in support of National Autism Awareness and Research Day.



Adding Pet Insurance

With more than 70-80 million dogs and 74-96 million cats in the United States, we introduced our customers to Pet Insurance from Trupanion to help with often staggering veterinarian bills. The insurance provider is widely endorsed by veterinarians for its breadth of coverage and affordable premiums. Though more than 20 percent of many European countries have households with pet insurance, the U.S. market is just beginning to embrace the coverage despite average medical procedures of \$3,600.

2014 Activity Album



◁ Brad Kirkpatrick was honored by Cystic Fibrosis for years of leadership and fundraising.



◁ Bret Cote (R) graduated from the Leadership Greater Manchester program

▷ A Clark crew had way too much fun doing clean-up work at the Y•M•C•A during the United Way Day of Caring



▷ Team Clark turned out for the annual American Heart Association



△ In Manchester, we celebrated 20 years of partnering with the Concord Group Insurance

▷ The year's Christmas "giving tree" benefited families served by Safe Voices



△ A Clark team did laps to lick Multiple Sclerosis at Maine Karting.



△ Amee Rice and Kip Thomas went fishing in the sea of boating enthusiasts at the annual Wooden Boat Show



We also celebrated educational achievements within all departments of Clark.



△ We bid farewell to and best wishes in retirement to (L-R) Lois Knight, Sandy Rothman, Brad Kirkpatrick and Kal Kotkas. All have given years of service and talent to our insurance customers throughout their long careers.



Portland, ME
(800) 244-6257

Saco, ME
(866) 738-8391

Windham, ME
(800) 244-6257

Gorham, ME
(800) 244-6257

Manchester, NH
(866) 738-8390

Lowell, MA
(800) 783-0505