

DEDICATED
to *your family's*
FINANCIAL SECURITY
*Community
& Service*



DEGREE of HONOR
Insurance with a Heart®

WISE with your MONEY

“ This annual report examines how we honor our commitments to members. For more than a century, through good times and lean, we have always made the interests of our members the highest priority. ”



Jackie Felling
Chief Executive Officer

We provide financial security to families as well as encourage – even promote – their service to charities. We blend business relevance and social conscience. That's why we are *Insurance with a Heart®*.

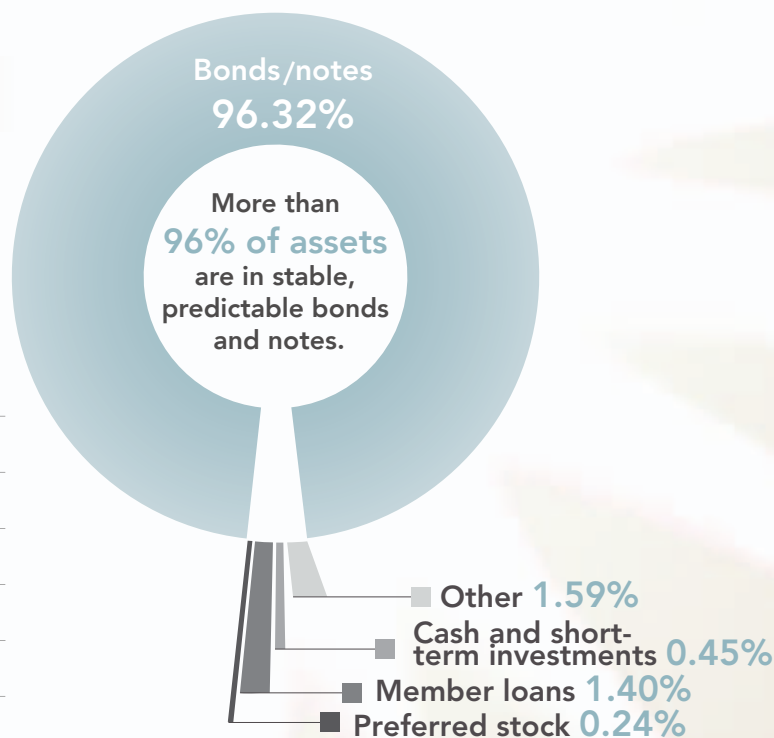
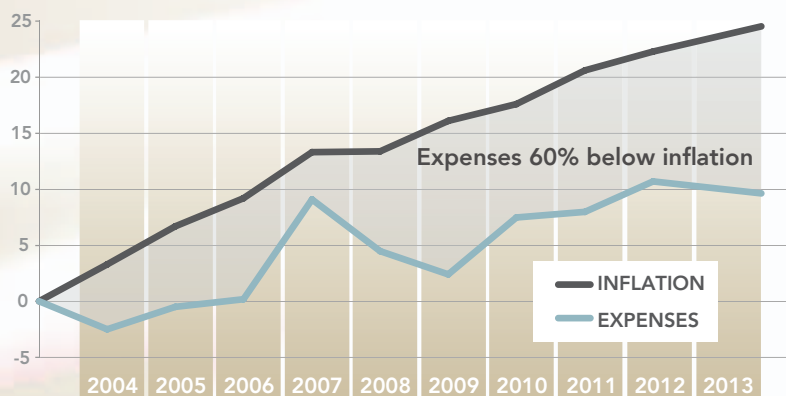
Total life insurance in-force
\$601,961,000

CONSERVATIVE ASSET DIVERSIFICATION

DILIGENT OPERATIONS MANAGEMENT

The experience of our own personnel consistently keeps expenses at nearly 60% below the general rate of inflation.

Source: U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) data



TOTAL LIABILITIES
\$204,998,741



TOTAL SURPLUS
\$6,398,073

STRONG SALES

Total 2013 premium income of more than \$17 million paid by members demonstrates our continued financial stability year upon year.

Total premiums collected
\$17,231,241

DELIVERING ON PROMISES

We pay each claim as quickly as possible to respond to the member's beneficiary in a difficult time.

1,405 death claims paid
\$10,442,000

We exist to honor our commitments to members. This is why we began, and where we stand today.

Benefits paid since 1886
\$447,344,169

MANAGING BEYOND THE STATUS QUO

We continually develop new ways to deliver better service and lower costs. To that purpose, we implemented outside partnerships with information technology (IT) and asset management companies.

“ Highly qualified independent agents choose to represent Degree of Honor because they see we stand by members as an ethical company with a product worthy of something beyond the commission. ”



Bob Frello
DEGREE of HONOR National Sales Director

“ ... When my father passed away, Theresa Olson, senior member services representative, helped me fill out all the necessary paperwork. The funds arrived very quickly and I was able to start paying the estate bills. For that I am grateful. ”

Eric B.
DEGREE of HONOR Member

TOTAL ASSETS as of 12/31/13

\$211,396,814



What does "insurance with a heart" mean for you? Valuable benefits like scholarships, family grants, support for your charitable outreach, and more.

HERE *to* BENEFIT *you*

HELPING FAMILIES IN NEED*

FAMILY GRANTS

For any type of hardship

NEW! Available twice a year,
in spring and fall.

Next deadline, October 15, 2014

HONORS PROGRAM

Recognition and rewards for kids

DISASTER RELIEF

UNINSURABLE CHILD, ORPHAN, & STILLBORN/NEWBORN DEATH BENEFITS

ACCIDENTAL DEATH BENEFIT

*Non-contractual benefits are subject to exclusions and change

family

“ I’m almost 90-years-old and I’ve been an insured member ever since I was born, when my mother bought me a policy. I was so surprised and happy to read that I could apply for a family grant for my great grandson Lucas, even though he’s not yet a Degree of Honor member. He works hard to pay as much as he can of his college costs, and this grant was a wonderful help. I can’t say a big enough thanks! ”

Beverly J.
DEGREE of HONOR Member



Dedicated service hours **9,527**

Community & fellowship events **573**

Community service,
events and civic support **\$144,202**

MAKING EDUCATION AFFORDABLE

HIGHER EDUCATION SCHOLARSHIPS

CONTINUING EDUCATION SCHOLARSHIPS

LIFELONG LEARNING SCHOLARSHIPS
FOR AGES 50+

From \$50 - \$1,000

*For any type of learning
that enhances your life.*

NEW! Available throughout the year!

*Scholarship applications
can be completed online.*

“ Degree of Honor
is a fantastic
organization,
and through
their scholarship
program they
help students
like me achieve our
educational goals! ”



Felicia H.
DEGREE of HONOR Member

IMPROVING YOUR COMMUNITIES

ENRICHING YOUR
CHARITABLE OUTREACH

SUPPORT FOR AT-RISK YOUTH

VOLUNTEER OF THE YEAR PRIZE
\$1,000 for the charity of your choice!

“ It was just
wonderful,
almost
overwhelming,
to be able to
give \$1,000 to an
organization that does
so much for our community. ”



Pat Colvin, DEGREE of HONOR Member
2013 Volunteer of the Year

educationcommunity

We fund outreach and support charitable service through our tax exemption as a not-for-profit benefit society. In this way, money we would pay in specific taxes is instead invested to strengthen communities, support members in their charitable efforts, and help those in need.



Saving LIVES

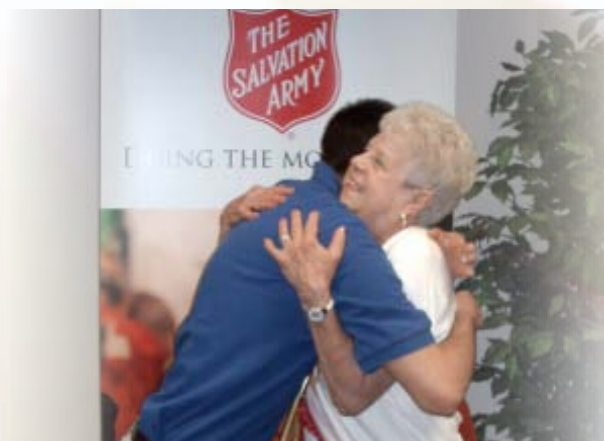
Across 19 years our Annual Charity Golf Tournament has helped provide a safe-haven, counseling and training for countless at-risk youth through our support of The Salvation Army's Booth Brown House. In 2013 our Charity Golf Tournament raised nearly \$50,000. In addition to supporting Booth Brown House, the proceeds also funded Honor Foundation, providing family grants, scholarships, disaster relief, and more.



Helping
you,
your family,
your community

Uplifting LIVES

Members have causes they especially care about. It could be a national charity with a local presence such as The Salvation Army or Ronald McDonald House, or another organization that is vital to the community. Degree of Honor multiplies members' donations by matching funds, and with a \$1,000 prize donated to our Volunteer of the Year's favorite charity.



“ A properly functioning Association dedicated to our members’ best interests is not only my duty, but my passion. ”

Gloria Collett
DEGREE of HONOR Board Member



Changing LIVES

“This experience taught me things I couldn’t learn from books,” said Marisa, a doctoral candidate in Creighton University’s physical therapy program. She was describing the impact of a trip to the Dominican Republic where she and fellow students treated people with a variety of disabilities and were able to improve the mobility of children with congenital problems. A Degree of Honor family grant helped make the trip possible. “The generosity of the company astounded me. I can’t say a big enough thanks!” she said.



“ As an active service club member, I hear from other members firsthand, which keeps me diligent with their trust. ”



Laureen Jansky
DEGREE of HONOR Board Member



DEGREE *of* HONOR

Insurance with a Heart®

Celebrating more than 125 years
of service to our members.