



TRCC CREATES NEW SUBSIDIARY

It is with great pleasure that I am excited to announce that TRCC will be forming a Property and Casualty subsidiary in 2021. This new company will generate additional cash flow and revenue to our overall operations through commissions. Through this subsidiary, we will have the ability to provide personal and commercial lines of property and casualty insurance to our shareholders and the public. Property and Casualty commission revenues are levelized and will provide substantial annual recurring revenues in subsequent periods. We can provide anything from basic homeowner and auto insurance to more complex commercial insurance policies. It would be hard to find anyone that does not have a need for these types of insurance. Over the past few years, the Company conducted surveys and have identified that most shareholders would allow us to provide them with a quote. We will be able to simultaneously provide price comparisons from many of the largest P&C carriers to ensure that our clients pay the lowest rates possible. If you have an interest in allowing a TRCC subsidiary to quote your insurance needs, please contact us immediately. We would very much welcome the opportunity to earn your business and provide our shareholders with our world-class customer experience.

NEW CHIEF FINANCIAL OFFICER



It is my pleasure to announce the newest member of our Executive management team, Shane Mitchell, Chief Financial Officer. Shane has over 12 years in insurance accounting and finance experience. Previously, Shane was a corporate officer and Treasurer of a larger life insurance company and more recently, the head of finance and accounting for a technology company in the insurance industry. With experience in both traditional and technology driven companies within the insurance industry, Shane provides a breadth of experience and knowledge to help us achieve our goals at Texas Republic Capital Corporation.

Sales and Marketing Team



Sammy Carr



Scott Gately



Ben Schleppebach



Jared Moore

Corporate Information

Corporate Office
13215 Bee Cave Pkwy, Suite A120,
Austin, TX 78738, Tel. 512.330.0099

Annual Shareholder Meeting
Tuesday, May 11, 2021 at 1:00 PM (Central),
Sonesta Bee Cave Austin Hotel
12525 Bee Cave Pkwy
Bee Cave, Texas 78738

Transfer Agent and Registrar
For shareholder inquiries concerning
transferring ownership, address changes
or lost certificates, please contact:

Computershare Trust Company
C/O Shareholder Services
462 South 4th Street
Suite 1600
Louisville, KY 40202

Shareholder Service Line
800-962-4284 or 781-575-3120

Texas Republic Capital Corporation
13215 Bee Cave Pkwy, Suite A120, Austin, TX 78738
512.330.0099 | www.texasrepubliccapital.com

Independent Auditors
Kerber, Eck and Braeckel LLP
3200 Robbins Road
Suite 200A
Springfield, IL 62704

Investor Relations
Additional copies of this report is available
without charge and may be obtained by
written request to Investor Relations at the
corporate address.

Market Information
Trading of the Company's common stock
is limited and sporadic and an established
market does not exist.



TEXAS REPUBLIC
CAPITAL CORPORATION



2020
SHAREHOLDER
UPDATE



Dear Shareholder,

As the President and CEO, it is my pleasure to announce the progress of Texas Republic Capital Corporation (“TRCC”) or (“the Company”) and its wholly owned subsidiaries Texas Republic Life Insurance Company (“TRLIC”) and Texas Republic Life Solutions (“TRLS”) for the year ending December 31, 2020.

2020 presented unique challenges to all of us, the global pandemic, economic upheaval, restrictions on gatherings and statewide quarantines changed overnight the way our nation conducts business. Since most life insurance products are still sold face to face TRLIC had to change its marketing philosophy during these unprecedented times.

As part of our marketing strategy, throughout 2020 the Company conducted insurance presentations through the latest online technologies. TRLIC continued to market fixed annuities and the Texas Legacy Builder. The Texas Legacy Builder is a modified whole life with a flexible premium annuity rider that currently has an interest rate of 5.125%. While this product was not designed to be marketed virtually the Company was successful. During 2020 the Company’s premium income was \$7.6 million. Assets grew to \$36 million representing a 19% increase over prior year-end.

In addition, we continued to identify underserved segments and niche markets in which TRLIC could compete successfully. One segment of the market that the Company felt met its criteria is the workplace market. As the state of Texas reopens its economy this market will allow TRLIC to generate premium income by offering benefits through employers across Texas. We believe this market will also help mitigate insurance risks to the Company as these products generally have lower face amounts than life insurance products sold directly to individuals. In addition, workplace marketing provides the Company the opportunity to cover more lives thus spreading the mortality risk.

Most importantly during 2020, the Company developed distribution channels through some of the state’s leading insurance brokers that specialize in the workplace market. These new relationships will allow TRLIC to provide our products to some of the state’s largest employer groups. These products and benefits are generally enrolled using technology that simplifies the application and administrative process for employers, employees, and for TRLIC. In 2020, management worked diligently and invested heavily to create TRLIC’s own proprietary enrollment system for the Company’s Trueflex Universal Life product. This technology gives TRLIC a competitive advantage by streamlining the application process and reducing costs for both the broker and TRLIC. We believe less friction in the sales process, a streamlined application process, and reduced costs will make TRLIC a preferred option for both the insurance broker and the employer. In addition, to the Company’s proprietary technology, TRLIC added our products onto other leading third-party enrollment platforms. Most insurance brokers use



different systems depending on the type and differing characteristics of each employer group and their respective benefits. We have created optionality for the brokers by offering our own system as well as through product integration with other platforms.

TRLIC also expanded its product line by developing a group life policy. The Essential Term 100 is a worksite term to 100 life insurance product. Group life insurance provides benefits to employees through a master policy issued to the employer as a group instead of to each employee as an individual. Because the policy is issued to the employer and not the employee, this product can be marketed to employers that have employees across multiple states even though TRLIC is only licensed in Texas. The Essential Term 100 expands our opportunities to work with multistate and international companies. With only one master policy being issued to the employer it further simplifies the enrollment process and allows for off-site enrollments to be more intuitive and accessible to employers and employees. This product was filed with the Texas Department of Insurance and is expected to be available to market in the 2nd quarter of 2021.

Our life insurance agency, TRLS also faced similar challenges throughout 2020. On a positive note, TRLS was successful in marketing products through outside carriers and our sales team received firm commitments from many shareholders to provide insurance services and products. However, many carriers in 2020 postponed decisions on accepting new business due to concerns over the pandemic. Additionally, with mandated socially distancing guidelines, gathering appropriate information necessary for underwriting such as paramedical exams proved to be difficult. With many states now reopening and businesses beginning to operate at or near full capacity, we should be able to close many of our pending cases.

As mentioned in previous shareholder correspondence TRLS provides insurance products and services that TRLIC cannot provide at this time. It allows us to meet the needs of any prospective client while still providing revenue to the organization. Please contact the company if you know of any insurance need that you may have personally, through your existing business or if you are aware of anyone we could potentially help.

In summary, although 2020 presented many challenges, management is excited and confident in our outlook. We accelerated our plans to invest in new infrastructure and develop new products due to the circumstances. With further technologies now in place, TRCC and its subsidiaries are well positioned for future growth and prosperity. We continue our unwavering commitment to build a successful Texas life insurance company while focusing on becoming profitable and building shareholder value. We are excited about our future in 2021 and beyond! Thank you for your continued support.

Sincerely,

Timothy R. Miller
President/CEO



Executive Officers and Board of Directors



Timothy R. Miller
President, CEO
Director



Gregg E. Zahn
Chairman
Director



William S. Lay
Secretary, Treasurer
Director



Shane Mitchell
CFO



Charles R. Bailey
Director



Steven D. Braley
Director



David L. Cleavinger
Director



Kenneth R. Davis
Director



J. Pete Laney
Director



Adrian G. McDonald
Director



Alvie Joe Mitchell, Jr.
Director



Vernon R. Woelke
Director

