

PROPOSED CAPITAL

(Wis. Stat. § 644.07(4)(b)5)

JM MHC will function only as a mutual holding company and will conduct no operations except as the sole shareholder of JM New Holdings, Inc., and the ultimate controlling person of insurance companies JMIC, SI, and JM Specialty Insurance Company and service contract providers JM Care Plan, Inc., and JM Care Plan Services, Inc. JM MHC also will be the indirect owner of JM Insurance Services, LLC, and JM Facets, LLC, two non-insurance companies in the JM Group that will become directly owned by JM New Holdings, Inc. JM MHC (as well as JM New Holdings, Inc.) will become a party to the Management Agreement concerning the provision of intracompany services to which other members of the JM Group are also parties. JMIC proposes to capitalize JM MHC at \$13.5 million, \$13 million of which will be contributed to JM New Holdings, Inc., in exchange for its stock. The Amended and Restated Management Agreement and the Amended and Restated Tax Sharing Agreement are submitted with this filing for the OCI's review and approval.