

MUTUAL HOLDING COMPANY PLAN

of

JEWELERS MUTUAL INSURANCE COMPANY

Under Chapter 644 of the

Wisconsin Insurance Code

Dated [_____]

TABLE OF CONTENTS

	<u>Page</u>
PREAMBLE	1
RECITALS	1
ARTICLE 1 DEFINITIONS.....	2
ARTICLE 2 THE RESTRUCTURING.....	4
2.1 Formation of JM New Holdings, Inc	4
2.2 Formation of JM MHC	4
2.3 Preservation of Mutuality	4
2.4 The Restructuring	4
2.5 Corporate Existence of Converted JMIC.....	5
2.6 Continuation of Rights and Obligations	5
2.7 Continuation of Policies	5
2.8 Members of JM MHC.....	6
2.9 Articles of Incorporation and Bylaws of Converted JMIC.....	6
2.10 Articles of Incorporation and Bylaws of JM MHC	6
2.11 Articles of Incorporation and Bylaws of JM New Holdings, Inc	6
2.12 Sale of Voting Stock.....	6
ARTICLE 3 ADOPTION BY THE BOARD OF DIRECTORS	7
3.1 Adoption by the Board of Directors	7
ARTICLE 4 SUBMISSION TO, AND APPROVAL BY, THE WISCONSIN COMMISSIONER.....	7
4.1 Submission of the Plan	7
4.2 Public Hearing	7
4.3 Notice to Policyholders of Public Hearing	7
4.4 Notice to Other Insurance Commissioners of Public Hearing.....	8
4.5 Statements by Policyholders and Other Insurance Commissioners	8
4.6 Approval by the Wisconsin Commissioner	8
4.7 Potential Stipulation and Order	8
ARTICLE 5 APPROVAL BY MEMBERS	9
5.1 Member Vote	9
5.2 Notice of Meeting of Policyholders.....	9
ARTICLE 6 CONDITIONS PRECEDENT TO RESTRUCTURING	9
6.1 Approval of Wisconsin Commissioner and Members.....	9
6.2 Private Letter Ruling.....	9
6.3 Securities Law Opinion	10
6.4 Other Regulatory Approvals.....	10
6.5 Issuance of Certificates.....	10
ARTICLE 7 ADDITIONAL PROVISIONS.....	10

7.1	Directors and Officers.....	10
7.2	Liability of Member.....	10
7.3	Expenses	10
7.4	Amendment or Withdrawal of Plan.....	10
7.5	Agreements Among Affiliates	11
7.6	Governing Law	11
7.7	Headings	11

EXHIBITS

Exhibit A - Adopting Resolutions

Exhibit B – Amended and Restated Articles of Incorporation of Converted JMIC

Exhibit C – Amended and Restated Bylaws of Converted JMIC

Exhibit D - Articles of Incorporation of Jewelers Mutual Holding Company

Exhibit E - Bylaws of Jewelers Mutual Holding Company

Exhibit F - Articles of Incorporation of JM New Holdings, Inc.

Exhibit G - Bylaws of JM New Holdings, Inc.

Exhibit H - Directors and Officers of Jewelers Mutual Holding Company, Converted JMIC and JM New Holdings, Inc.

PREAMBLE

JEWELERS MUTUAL INSURANCE COMPANY, a Wisconsin mutual insurance company (“JMIC” or “Company”), intends to restructure into a mutual holding company structure pursuant to Chapter 644 of the Wisconsin Insurance Code (the “Restructuring”).

RECITALS

A. The Board of Directors of JMIC (the “Board of Directors”) believes that restructuring into an insurance mutual holding company system will provide benefits to JMIC and its current and future policyholders, including but not limited to:

- Maintaining the mutuality that has been a part of JMIC’s structure and culture since its inception in 1913 and, at the same time, enhancing JMIC’s flexibility to meet future challenges;
- Enhancing JMIC’s ability to respond to the future needs of policyholders and prospective policyholders in a rapidly changing insurance environment through the development of insurance and non-insurance products and services;
- Providing an avenue to obtain additional capital that will give JMIC flexibility in the event additional capital is required in the future;
- Placing JMIC in a more flexible position to expeditiously take advantage of opportunities as they present themselves;
- Enhancing the efficiency, management, and financial flexibility of JMIC’s insurance operations, thereby making the Company’s insurance products more competitive:

B. At a meeting duly called and held on [_____], the Board of Directors adopted certain resolutions attached hereto as Exhibit A (the “Adopting Resolutions”) which, among other things, (i) found that the Restructuring is fair and equitable to JMIC’s Policyholders and is expected to benefit JMIC and its Policyholders for the reasons set forth therein, (ii) adopted this Plan, (iii) directed that this Plan be submitted to the Wisconsin Commissioner for approval as provided in Wis. Stat. § 644.07(4), and (iv) subject to approval by the Wisconsin Commissioner, directed that this Plan be submitted for approval by the Members of JMIC, and that the proposed Amended and Restated Articles of Incorporation of Converted JMIC (attached hereto as Exhibit B) (the “Amended and Restated Articles”) be submitted for approval by the Members of JMIC, as provided by Wis. Stat. § 644.07(8) and/or applicable provisions of the current Restated Articles of Incorporation of JMIC dated May 19, 2010 (the “Current JMIC Articles”) and the current Bylaws of JMIC (the “Current JMIC Bylaws”);

C. For United States federal income tax purposes, it is intended that the transactions consummated pursuant to the Restructuring will qualify as non-recognition transactions under sections 368(a) and/or 351(a) of the Internal Revenue Code, respectively, and that this Plan will be, and is hereby, adopted as a plan of reorganization for purposes of the Internal Revenue Code.

ARTICLE 1 DEFINITIONS

As used in this Plan, the following words or phrases have the following meanings. The following definitions shall be equally applicable to both the singular and plural forms and to both genders of any of the terms herein defined:

“Adopting Resolutions” has the meaning set forth in the Recitals.

“Amended and Restated Articles” means the proposed Amended and Restated Articles of Incorporation of Converted JMIC (attached hereto as Exhibit B) that will go into effect on the Effective Date of the Restructuring.

“Board of Directors” means the Board of Directors of JMIC.

“Contract Rights” means a Policyholder’s right to receive the insurance coverage specified in the Policyholder’s Policy in accordance with the terms and provisions thereof.

“Converted JMIC” means Jewelers Mutual Insurance Company, SI, the mutual insurance company converted from a mutual insurance company to a stock insurance company through the restructuring.

“Current JMIC Articles” means the Restated Articles of Incorporation of JMIC dated May 19, 2010, and in effect as of the date hereof.

“Current JMIC Bylaws” means the Amended and Restated Bylaws of JMIC dated November 12, 2018, and in effect as of the date hereof.

“Effective Date” means the date upon which the Restructuring becomes effective, which will be the date a certificate of incorporation is issued to JM MHC by the Wisconsin Commissioner and which is expected to be January 1, 2020.

“In Force” means, with respect to a Policy, issued and not cancelled or otherwise terminated. Whether a Policy is In Force is determined based on the records of JMIC.

“JM MHC” means Jewelers Mutual Holding Company

“JMIC” means Jewelers Mutual Insurance Company.

“Jewelers Mutual Member Group” initially means Jewelers Mutual Insurance Company and JM Specialty Insurance Company.

“Jewelers Mutual Member Company” means a company in the Jewelers Mutual Member Group.

“Member” means a Policyholder who, by the records of JMIC or JM MHC, and by their respective Articles of Incorporation and Bylaws, is a Member of JMIC or JM MHC, as applicable.

“Membership Interest” means: (i) prior to the Effective Date, the voting rights of a Member arising under the Wisconsin Insurance Code and the Current JMIC Articles and Current JMIC Bylaws, including the right to vote on the election of directors and the right to vote on any plan of conversion, voluntary dissolution, or amendment of the Articles of Incorporation; and (ii) on and after the Effective Date, the voting rights of a Member arising under the Wisconsin Insurance Code and the Articles of Incorporation and Bylaws of JM MHC, including the right to vote on the election of directors and the right to vote on any plan of conversion, voluntary dissolution, or amendment of the Articles of Incorporation. “Membership Interest” does not include any Members’ Rights in Surplus, if any.

“Newly Admitted Member” means a Policyholder of one or more Jewelers Mutual Member Companies who was not a Member of JMIC immediately prior to the Effective Date of the Restructuring.

“Person” means a natural person, partnership, firm, association, corporation, joint-stock company, limited liability company, limited liability partnership, trust, government, government agency, state or political subdivision of a state, public or private corporation, board of directors, association, estate, trustee, or fiduciary, or any similar entity.

“Plan” means this Mutual Holding Company Plan, including all Exhibits attached hereto.

“Policy” means an insurance policy or contract (other than a reinsurance contract), or any binder or a renewal certificate issued by JMIC in the course of business and not cancelled or otherwise terminated.

“Policyholder” means a Person identified in the records of JMIC and/or Converted JMIC as the owner of one or more Policies issued by such company.

“Public Hearing” means the public hearing conducted by the Wisconsin Commissioner or a hearing examiner designated by the Wisconsin Commissioner regarding the Plan, pursuant to the provisions of Wis. Stat. § 644.07(6).

“Record Date” means the date established by the Board of Directors to determine which JMIC Members will be eligible to vote for approval of the Plan.

“Record Date Members” means Persons who are Members on the Record Date.

“Resolution Date” means [_____], the date the Board of Directors passed the Adopting Resolutions.

“Resolution Date Members” means Record Date Members who were also Members on the Resolution Date.

“Restructuring” has the meaning set forth in the Preamble.

“Rights in Surplus” means: (i) prior to the Effective Date, any rights of a Member arising under the Current JMIC Articles or Chapter 611 of the Wisconsin Insurance Code to a return of the surplus in respect of Policies of JMIC, including rights of Members to a distribution of such surplus in dissolution or conversion proceedings under Chapter 611 of the Wisconsin Insurance Code; and (ii) on and after the Effective Date, any rights of a Member of JM MHC arising under its Articles of Incorporation or Chapter 644 of the Wisconsin Insurance Code to the net worth of JM MHC, including any rights of Members of JM MHC to a distribution of any portion of the net worth of JM MHC in dissolution or conversion proceedings under Chapter 644 of the Wisconsin Insurance Code.

“Special Meeting” means the special meeting of Members of JMIC called for the purpose of approving this Plan.

“Wisconsin Commissioner” means the Office of the Commissioner of Insurance for the State of Wisconsin.

“Wisconsin Insurance Code” means the insurance laws of the State of Wisconsin, codified in Chapters 600 to 655 of the Wisconsin Statutes, and all applicable regulations thereunder.

ARTICLE 2 THE RESTRUCTURING

2.1 Formation of JM New Holdings, Inc. On or before the Effective Date, JMIC shall incorporate JM New Holdings, Inc., as a Wisconsin business corporation under Chapter 180 of the Wisconsin Statutes.

2.2 Formation of JM MHC. Pursuant to Wis. Stat. § 644.07(10)(a), on the Effective Date, JM MHC shall be incorporated as a Wisconsin mutual holding company under Chapter 644 of the Wisconsin Insurance Code, as evidenced by the issuance of a certificate of incorporation by the Wisconsin Commissioner.

2.3 Preservation of Mutuality. As more particularly described in Section 2.4, on and after the Effective Date, the former Members of JMIC, together with the Newly Admitted Members, will hold 100% of the Membership Interests and 100% of the Rights in Surplus of JM MHC as provided for under the Articles of Incorporation of JM MHC and Chapter 644 of the Wisconsin Insurance Code, and JM MHC will indirectly own 100% of the shares of voting stock of Converted JMIC. In this manner, the mutuality of JMIC is preserved.

2.4 The Restructuring. Effective as of 12:01 a.m. on the Effective Date, and in accordance with the terms of this Plan and Chapter 644 of the Wisconsin Insurance Code, the following will occur:

(a) JM MHC will be formed on the Effective Date and will be capitalized at Thirteen Million Five Hundred Thousand Dollars (\$13,500,000) by JMIC.

(b) JMIC will become a Wisconsin stock insurance company. All Membership Interests and Rights in Surplus of JMIC will be extinguished, and the Members of

JMIC will become Members of JM MHC, with Membership Interests and Rights in Surplus of JM MHC as provided pursuant to the Wisconsin Insurance Code and the Articles of Incorporation and Bylaws of JM MHC.

(c) All policyholders of any Jewelers Mutual Member Company other than JMIC will become Members of JM MHC, with Membership Interests as provided pursuant to the Wisconsin Insurance Code and the Articles of Incorporation and Bylaws of JM MHC.

(d) JM MHC will be issued 100% of the initial shares of voting stock of Converted JMIC.

(e) JM MHC will make a contribution to JM New Holdings, Inc., in the amount of Thirteen Million Dollars (\$13,000,000) and 100% of the shares of voting stock of Converted JMIC in exchange for 100% of JM New Holdings, Inc.'s shares.

(f) JMIC will transfer 100% of its membership interests in JM Facets, LLC and JM Insurance Services, LLC, to JM New Holdings, Inc., and JM New Holdings, Inc., will assume all of JMIC's rights and obligations under the Operating Agreements of JM Facets, LLC, and JM Insurance Services, LLC, and any related agreements or undertakings.

(g) Current JM Holdings, Inc., will dissolve and make a liquidating distribution of its equity in JM Care Plan Services, Inc., JM Care Plan, Inc., and JM Specialty Insurance Company to Converted JMIC.

2.5 Corporate Existence of Converted JMIC. On the Effective Date, JMIC shall change its name to "Jewelers Mutual Insurance Company, SI". Converted JMIC shall be considered to have been organized at the time that JMIC was organized. The Board of Directors of JMIC will be deemed removed and replaced, without further action, by the initial Board of Directors of Converted JMIC identified in Exhibit H. Except as otherwise provided herein, the officers, agents, and employees of Converted JMIC shall continue in like capacity without regard to the Restructuring, subject to any and all existing rights and obligations of such parties and Converted JMIC pursuant to existing contracts and applicable law.

2.6 Continuation of Rights and Obligations. The Restructuring of JMIC into a stock insurance company subsidiary of JM New Holdings, Inc., shall in no way annul, modify or change any of JMIC's existing suits, rights, property interests, contracts or liabilities. Converted JMIC shall exercise all of the rights and powers and perform all of the duties conferred or imposed by law upon insurers writing the classes of insurance written by JMIC before the Effective Date, and shall retain the rights and contracts existing prior to the Effective Date, except with respect to the Membership Interests and Rights in Surplus that are extinguished and replaced by Membership Interests and Rights in Surplus of JM MHC, as provided in Paragraph 2.4(b).

2.7 Continuation of Policies. On and after the Effective Date, every Policy of JMIC which is In Force shall continue as a Policy of Converted JMIC, and all Contract Rights of all such Policies shall be and remain as they existed immediately prior to the Effective Date as Contract Rights of Policies of Converted JMIC, except with respect to the Membership Interests

and Rights in Surplus that are extinguished and replaced by Membership Interests and Rights in Surplus of JM MHC, as provided in Paragraph 2.4(b).

2.8 Members of JM MHC.

(a) Each person who, and each entity which, is a member of JMIC, as provided in the records of JMIC and in accordance with the Current JMIC Articles and the Current JMIC Bylaws, immediately prior to the Effective Date, shall be a Member of JM MHC without further act and shall remain a Member so long as at least one (1) policy of insurance by virtue of which such Member status in JM MHC is derived remains in force.

(b) Each person who, and each entity which, is the owner of one (1) or more in-force policies of insurance issued or assumed by a Jewelers Mutual Member Company shall become a Member of JM MHC in accordance with the Articles of Incorporation and Bylaws of JM MHC without further act, commencing with the later of the Effective Date or the date any such policy is first in force.

(c) Any person who, or entity which, has become a Member of JM MHC as described in Section 2.8(a) or (b) shall cease to be a Member and, unless otherwise provided by law, all associated rights and privileges, including without limitation the Membership Interest and Rights in Surplus, if any, of such Member, shall cease, as of the date no policy of insurance by virtue of which such Member status is derived remains in force, whether as a result of lapse, expiration, nonrenewal, cancellation, termination, or novation of such policy.

2.9 Articles of Incorporation and Bylaws of Converted JMIC. On the Effective Date, the Current JMIC Articles shall, without further act or deed, be amended and restated as set forth in the Amended and Restated Articles attached hereto as Exhibit B. On the Effective Date, the Current JMIC Bylaws shall, without further act or deed, be amended and restated as set forth in the Amended and Restated Bylaws attached hereto as Exhibit C.

2.10 Articles of Incorporation and Bylaws of JM MHC. On the Effective Date, the Articles of Incorporation of JM MHC shall be as set forth in the Articles of Incorporation attached hereto as Exhibit D. On the Effective Date, the Bylaws of JM MHC shall be as set forth in the Bylaws attached hereto as Exhibit E.

2.11 Articles of Incorporation and Bylaws of JM New Holdings, Inc. On the Effective Date, the Articles of Incorporation of JM New Holdings, Inc., shall be as set forth in the Articles of Incorporation attached hereto as Exhibit F. On the Effective Date, the Bylaws of JM New Holdings, Inc., shall be as set forth in the Bylaws attached hereto as Exhibit G.

2.12 Sale of Voting Stock. The Board of Directors has no current plans for the sale of voting stock of Converted JMIC, JM New Holdings, Inc., or any other affiliated company to third parties.

ARTICLE 3
ADOPTION BY THE BOARD OF DIRECTORS

3.1 Adoption by the Board of Directors. The Adopting Resolutions were approved by the Board of Directors at a meeting duly called and held on [_____], 2019.

ARTICLE 4
SUBMISSION TO, AND APPROVAL BY,
THE WISCONSIN COMMISSIONER

4.1 Submission of the Plan. This Plan shall be submitted to the Wisconsin Commissioner for formal Public Hearing and approval. In addition to the Plan, JMIC will submit to the Wisconsin Commissioner, among other things, the following documents:

- (a) The proposed Articles of Incorporation and proposed Bylaws of JM MHC;
- (b) The proposed Articles of Incorporation and proposed Bylaws of JM New Holdings, Inc.;
- (c) The proposed Amended and Restated Articles and proposed Amended and Restated Bylaws of Converted JMIC;
- (d) So much of the following information relative to JM MHC as the Wisconsin Commissioner reasonably requires:
 - (1) The names and, for the preceding 10 years, all addresses and occupations of all proposed directors and officers;
 - (2) All agreements relating to JM MHC to which any proposed director or officer is a party;
 - (3) The amount and sources of the funds available for organization expenses and initial operating expenses;
 - (4) The proposed compensation of directors and officers;
 - (5) The proposed capital of JM MHC; and
 - (6) A business plan of JM MHC for the first five (5) years of operation.

4.2 Public Hearing. This Plan is subject to the approval of the Wisconsin Commissioner who, pursuant to Wis. Stat. § 644.07(6), must hold a Public Hearing on the Plan after receipt thereof.

4.3 Notice to Policyholders of Public Hearing. JMIC shall send notice of the Public Hearing to the last-known physical or electronic address of each person who was a Policyholder

of JMIC on the Resolution Date as such appears on the records of JMIC. The notice shall be mailed or sent electronically (for those Policyholders who have chosen to accept e-delivery from JMIC) not more than sixty (60) days and not less than ten (10) days before the scheduled date of the Public Hearing. The notice shall be accompanied by a copy of this Plan, and any comment that the Wisconsin Commissioner considers necessary for the adequate information of Policyholders. JMIC's failure to send notice to a Policyholder as required by this Paragraph 4.3 will not invalidate a Public Hearing if the Wisconsin Commissioner determines that JMIC substantially complied with this Paragraph 4.3 and attempted in good faith to send notice to all Policyholders entitled thereto.

4.4 Notice to Other Insurance Commissioners of Public Hearing. The notice, documents and/or comment(s) described in Paragraph 4.3 shall also be mailed to the insurance commissioner or similar authority of every jurisdiction in which JMIC is authorized to do any business. The notice shall be mailed not more than sixty (60) days and not less than ten (10) days before the scheduled date of the Public Hearing.

4.5 Statements by Policyholders and Other Insurance Commissioners. In accordance with such hearing procedures as the Wisconsin Commissioner or the designated hearing examiner may prescribe, any Policyholder identified in Paragraph 4.3 and any insurance commissioner or similar authority identified in Paragraph 4.4 may present written or oral statements at the Public Hearing and may present written statements within a period after the Public Hearing specified by the Wisconsin Commissioner or the hearing examiner. The Wisconsin Commissioner shall take statements so presented into consideration in making the determination to approve the Plan.

4.6 Approval by the Wisconsin Commissioner. The Wisconsin Commissioner shall approve the Plan unless he or she finds that the Plan violates the law, is not fair and equitable to Policyholders, or is contrary to the interests of Policyholders or the public.

4.7 Potential Stipulation and Order. The Wisconsin Commissioner may request that JMIC, Converted JMIC, JM MHC, and/or JM New Holdings, Inc., among others, enter into a Stipulation and Order or other form of agreement(s) with the Wisconsin Commissioner containing various covenants and/or undertakings binding upon such parties as a condition of the approval contemplated in Paragraph 4.6. The Board of Directors has authorized the officers of JMIC to represent JMIC in all negotiations with the Wisconsin Commissioner related to his or her review and approval of the Plan and has further authorized the officers of JMIC to negotiate and execute, on behalf of JMIC and, if necessary, Converted JMIC, JM MHC, and/or JM New Holdings, Inc., or any other affiliated company, any such Stipulation and Order or other form of agreement(s) with the Wisconsin Commissioner which, in the officers' sole judgment and discretion, are reasonable and necessary to secure regulatory approval of the Plan; should any proposed changes to the Plan as a result of such negotiations be deemed by JMIC's officers to be material, however, then the JMIC officers will so notify the Wisconsin Commissioner and seek Board approval as a condition of final agreement.

ARTICLE 5
APPROVAL BY MEMBERS

5.1 Member Vote. After approval of this Plan by the Wisconsin Commissioner, the Plan shall be submitted at the Special Meeting to a vote of those persons who are Members of JMIC on the Record Date. Voting on the Plan shall be in accordance with: (i) Wis. Stat. § 644.07(8); and (ii) the Current JMIC Articles and Current JMIC Bylaws. Wis. Stat. § 644.07(8) provides that voting on the Plan shall be in accordance with the Current JMIC Articles and Current JMIC Bylaws, but in no event shall the required vote to approve the Plan be less than a majority of those Resolution Date Members voting. The Current JMIC Articles provide that an amendment to such Articles (which amendment is a component element of the Plan) must be approved by a vote of two-thirds of those Record Date Members voting at the Special Meeting. Therefore, the Plan will be deemed approved if: (i) not less than a majority of Resolution Date Members; and (ii) not less than two-thirds of Record Date Members, present and voting in person or by proxy at the Special Meeting, approve the Plan. Only proxies specifically related to this Plan may be used for a vote on approval of the Plan.

5.2 Notice of Meeting of Policyholders. Notice of the Special Meeting must be mailed (physical or electronic mail, as prescribed and permitted under Current JMIC Articles and Bylaws and applicable law) to each Record Date Member not less than 10 days in advance of the Special Meeting. Notice of the Special Meeting shall be sent to the last-known address (physical or electronic) of each Record Date Member and may be included with any notice sent under Paragraph 4.3.

ARTICLE 6
CONDITIONS PRECEDENT TO RESTRUCTURING

6.1 Approval of Wisconsin Commissioner and Members. This Plan shall not become effective, and the Restructuring shall not be consummated, until the Plan has been approved as follows:

(a) This Plan (including the proposed Amended and Restated Articles of Incorporation and the Amended and Restated Bylaws of Converted JMIC, the proposed Articles of Incorporation and Bylaws of JM New Holdings, Inc., and the proposed Articles of Incorporation and Bylaws of JM MHC) is approved by the Wisconsin Commissioner as set forth in Article 4;

(b) This Plan is approved by the Members as set forth in Article 5.

6.2 Private Letter Ruling. This Plan shall not become effective, and the Restructuring shall not be consummated, until JMIC receives the opinion of Godfrey & Kahn S.C. or other independent tax counsel to JMIC, in either case or in combination, substantially to the effect that:

(a) The Members will not recognize taxable gain or loss in connection with the Restructuring, and

(b) Neither JM MHC, JM New Holdings, Inc., nor JMIC will recognize taxable gain or loss in connection with the Restructuring.

6.3 Securities Law Opinion. This Plan shall not become effective, and the Restructuring shall not be consummated, until JMIC receives either a “no action” letter from the Securities and Exchange Commission, or an opinion from Godfrey & Kahn SC or other independent legal counsel in form and substance satisfactory to the Board of Directors with respect to federal and state securities law matters.

6.4 Other Regulatory Approvals. This Plan shall not become effective, and the Restructuring shall not be consummated, until JMIC has received all other regulatory approvals that the Board of Directors deems to be necessary or appropriate.

6.5 Issuance of Certificates. This Plan shall not become effective, and the Restructuring shall not be consummated, until the issuance by the Wisconsin Commissioner of a new certificate of authority for Converted JMIC and a certificate of incorporation for JM MHC and the filing with the Wisconsin Department of Financial Institutions of a certificate of incorporation for JM New Holdings, Inc.

ARTICLE 7 ADDITIONAL PROVISIONS

7.1 Directors and Officers. Upon Restructuring, the directors and officers of JM MHC, JM New Holdings, Inc., and Converted JMIC shall be those individuals identified in Exhibit H hereto. The directors and officers of all other affiliated companies shall be the directors and officers of such companies serving immediately prior to the Effective Date, in each case until their successors have been duly elected and qualified.

7.2 Liability of Member. A Member of JM MHC shall not, by virtue of being a Member, be personally liable for the acts, debts, liabilities, or obligations of JM MHC.

7.3 Expenses. JMIC shall not pay compensation of any kind to any Person in connection with this Plan other than regular salaries to JMIC personnel. This Paragraph does not prohibit the payment of reasonable fees and compensation to attorneys at law, accountants, financial advisors, actuaries or other consultants for services performed in the independent practice of their professions. All expenses of the Restructuring, including any expenses incurred by the Wisconsin Commissioner and the prorated salaries of any involved office staff members of the Wisconsin Commissioner and payable by JMIC shall be borne by JMIC.

7.4 Amendment or Withdrawal of Plan. At any time before the Effective Date, JMIC may, by resolution of the Board of Directors, amend or withdraw this Plan. The Wisconsin Commissioner shall determine whether any amendment made after the Public Hearing identified in Paragraph 4.2 changes this Plan in a manner that is materially disadvantageous to the Policyholders of JMIC and, in such case, may require a further Public Hearing on the Plan as amended. If an amendment that the Wisconsin Commissioner determines is materially disadvantageous to any of the Policyholders is made after the Plan has been approved by the Members, the Plan as amended shall be submitted for reconsideration by the Members.

7.5 Agreements Among Affiliates. JM MHC or any of its subsidiaries or affiliates may enter into tax sharing agreements, management agreements, administrative or other service contracts, other cost-sharing arrangements, and similar agreements with another affiliate, subject to any required regulatory approval by the Wisconsin Commissioner pursuant to the Wisconsin Insurance Code.

7.6 Governing Law. The terms of this Plan shall be governed by and construed in accordance with the laws of the State of Wisconsin, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.

7.7 Headings. Article and Paragraph headings contained in this Plan are used for convenience only, and shall not be considered in construing or interpreting any of the provisions hereof.

IN WITNESS WHEREOF, Jewelers Mutual Insurance Company, by authority of its Board of Directors, has caused this Plan to be signed by its Chief Executive Officer and attested to by its Secretary on _____, 2019.

JEWELERS MUTUAL INSURANCE COMPANY

By: _____
Scott Murphy, CEO and President

ATTEST:

By: _____
Mark Willson, Secretary

EXHIBIT A
ADOPTING RESOLUTIONS

EXHIBIT B
AMENDED AND RESTATED
ARTICLES OF INCORPORATION OF CONVERTED JMIC

EXHIBIT C
AMENDED AND RESTATED
BYLAWS OF CONVERTED JMIC

EXHIBIT D
ARTICLES OF INCORPORATION OF JM MHC

EXHIBIT E
BYLAWS OF JM MHC

EXHIBIT F
ARTICLES OF INCORPORATION
OF JM NEW HOLDINGS, INC.

EXHIBIT G
BYLAWS OF JM NEW HOLDINGS, INC.

EXHIBIT H
DIRECTORS AND OFFICERS OF JM MHC,
CONVERTED JMIC, AND JM NEW HOLDINGS, INC.