

**JEWELERS MUTUAL INSURANCE COMPANY**  
**APPROVAL OF MUTUAL HOLDING COMPANY PLAN**  
**AND RELATED TRANSACTIONS**

**Board of Directors Meeting**  
**November 12, 2018**

Pursuant to Wis. Stat. § 644.07(2), the Board of Directors (“Board”) of Jewelers Mutual Insurance Company (“JMIC” or “Company”), a mutual insurance company organized and existing under Chapter 611 of the Wisconsin Insurance Code, at the Board’s meeting duly held on November 12, 2018, hereby adopts the following resolutions.

**WHEREAS**, the Board recognizes and affirms the benefits to JMIC and its policyholders from the Company’s mutual structure, but understands the limitations that such structure imposes on JMIC’s ability to react quickly to changes in the insurance marketplace and to move quickly to take advantage of business opportunities in that marketplace; and

**WHEREAS**, over the last year, with the assistance of JMIC’s senior management (“Management”) and outside advisors, the Board has evaluated multiple alternative structures, including a mutual holding company, to JMIC’s current mutual company structure to address the future challenges that Management and the Board see in JMIC’s future, and have discussed the advantages and disadvantages of these alternative structures; and

**WHEREAS**, the Board believes that restructuring into an insurance mutual holding company system (“MHC”) will provide benefits to JMIC, including but not limited to:

- Maintaining the mutuality that has been a part of JMIC’s structure and culture since its inception in 1913;
- Enhancing JMIC’s ability to respond to the future needs of policyholders and prospective policyholders and other customers 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 new debt and equity financing opportunities in the event additional capital is required in the future;
- Placing JMIC in a more flexible position to more 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;

**WHEREAS**, following the Board’s review and analysis of the mutual holding company structure over multiple Board meetings, the Board approved continuing the consideration of and

actions to restructure JMIC into an insurance mutual holding company system (the “Restructuring”), and authorized management to draft all required documents, to meet with the Office of the Commissioner of Insurance, and to bring final documentation to effect the Restructuring to the Board in November 2018 for anticipated final approval of an MHC adoption resolution; and

**WHEREAS**, Management, with the assistance of outside advisors, has prepared and reviewed with the Board the proposed form of Mutual Holding Company Plan (the “MHC Plan”), including a draft of the Policyholder Information Booklet to be distributed to JMIC’s policyholders (the “Policyholder Information Booklet”), and other related exhibits and materials, all as previously provided to the Board in the materials for this Board meeting and incorporated herein by reference; and

**WHEREAS**, the Board has determined that Restructuring as described in the MHC Plan will enhance JMIC’s ability to respond to a changing insurance marketplace, address future challenges and take advantage of future opportunities, including, in particular, by enhancing JMIC’s ability to successfully address the strategic challenges and opportunities identified by the Board in this resolution. The Board has further determined that the MHC Plan and the transactions contemplated therein are fair and equitable to JMIC’s policyholders as required by Wis. Stat. § 644.07(2), and are expected to benefit the policyholders by achieving the enhanced capabilities described above while preserving mutuality and the ability to operate with a focus on the interests of policyholders; and

**WHEREAS**, in order to restructure into an MHC, JMIC is required by Wis. Stat. Chapter 644 to file the MHC Plan and related documents with the Wisconsin Office of the Commissioner of Insurance (the “OCI”) and is also required to make certain other filings with governmental entities (collectively, the “Regulatory Filings”); and

**WHEREAS**, in addition to approval by JMIC’s Board, adoption of the MHC Plan would require the issuance of an order approving the MHC Plan by the OCI after a public hearing, certain other regulatory approvals, and approval by JMIC’s policyholders (the “Members”) at a meeting called for that purpose (the “Special Policyholders Meeting”);

**NOW, THEREFORE, IT IS HEREBY RESOLVED:**

1. **Approval of MHC Plan and the Restructuring**

**RESOLVED**, that the Board does hereby find that the MHC Plan and the Restructuring are fair and equitable to JMIC’s policyholders and are expected to benefit the policyholders and JMIC in the manner described in the recitals hereto.

**RESOLVED**, that the MHC Plan, in substantially the form presented to the Board, and each of the actions contemplated in such Plan, are hereby authorized, approved, and adopted in all respects, and that, subject to receipt of the required approval of the OCI and the Members, and the fulfillment of all other conditions precedent to consummation of the MHC Plan, JMIC’s officers be, and each of them individually hereby is, authorized and directed, in the name and on

behalf of JMIC, to: (a) execute the MHC Plan, with such changes or additions, provided such changes or additions are not material, to such Plan (including to any of the exhibits thereto) as may be required by any regulatory authority or governmental agency, or as may be required to comply with any applicable laws or regulations, or as JMIC's Chief Executive Officer shall, in his sole discretion, approve (such approval to be conclusively evidenced by the execution and delivery thereof), together with any other agreements, certificates, instruments, and documents as may be required in connection with the Restructuring; (b) perform the obligations and carry out the duties of JMIC under the MHC Plan and under such other agreements, certificates, instruments, and documents required in connection the Plan; and (c) take such other action as may be contemplated by the MHC Plan, or deemed by JMIC's officers to be necessary or desirable in connection with the Plan and the Restructuring.

**RESOLVED**, that, upon receipt of regulatory and Member approval, JMIC form Jewelers Mutual Holding Company, a Wisconsin mutual holding company under Wis. Stat. Chapter 644, as set forth in the MHC Plan.

**RESOLVED**, that, upon receipt of regulatory and Member approval, JMIC form JM New Holdings, Inc., a Wisconsin business corporation, as set forth in the MHC Plan.

**RESOLVED**, that, subject to required regulatory and Member approvals, JMIC's Articles of Incorporation be amended and restated in the form set forth in the MHC Plan (the "Amended and Restated Articles of Incorporation") and JMIC's Bylaws be amended and restated in the form set forth in the MHC Plan (the "Amended and Restated Bylaws"), effective as of the date contemplated in the MHC Plan.

## **2. Regulatory Filings**

**RESOLVED**, that the Policyholder Information Booklet is hereby approved in substantially the form provided to the Board in the materials for this Board meeting and shall be submitted, together with the MHC Plan and all such other materials and information as JMIC's officers deem necessary and appropriate, to the OCI for approval as provided in Wis. Stat. § 644.07(4), and that all other Regulatory Filings be made on behalf of JMIC with the appropriate governmental entities.

**RESOLVED**, that JMIC's officers are hereby authorized and directed to respond to all requests for additional information by, and to meet with, or cause JMIC's outside legal advisors to meet with, officials of the OCI or any governmental agency having jurisdiction to confer on any issues relating to the proposed Restructuring.

**RESOLVED**, that JMIC's officers are hereby authorized and directed to obtain a tax opinion meeting the requirements of the MHC Plan from JMIC's legal counsel.

**RESOLVED**, that JMIC's officers are hereby authorized and directed to work with JMIC's legal advisors to seek a No-Action Letter meeting the requirements of the MHC Plan from the Securities and Exchange Commission.

**RESOLVED**, that JMIC's officers are hereby authorized to negotiate the terms of any Stipulation and Consent Order that may be proposed by the OCI as a condition of approving the Restructuring, and JMIC's Chief Executive Officer is hereby authorized to execute and deliver any such Stipulation and Consent Order that he deems necessary and desirable to achieve the benefits of the Restructuring on behalf of JMIC and its Members, provided, however, that any material changes to the MHC Plan resulting from any such Stipulation and Consent Order shall be subject to further Board approval prior to the execution and delivery of such Stipulation and Consent Order and the submission of the MHC Plan to the Members as provided for below.

### 3. **Member Approval**

**RESOLVED**, that, subject to the approval of the MHC Plan by the OCI, the MHC Plan, including the Amended and Restated Articles of Incorporation of JMIC included as an element of the MHC Plan, be submitted for approval by the Members at the Special Meeting to be called by JMIC's Secretary for that purpose.

**RESOLVED**, that JMIC's officers shall distribute the Policyholder Information Booklet, with such changes and additions, consistent with the MHC Plan, as may be required by the OCI or deemed necessary or appropriate by JMIC's officers in their sole discretion, to the Members in advance of the Special Meeting; and shall provide for such other Member communications as such officers deem necessary or appropriate to inform the Members of the potential advantages and benefits, as well as disadvantages and risks, of the MHC Plan and the Restructuring, and to communicate other information that a Member might reasonably deem to be material to the decision whether to vote to approve the MHC Plan.

**RESOLVED**, that the record date for purposes of determining the Members eligible to vote on the MHC Plan shall be the date which is 90 days in advance of the date established for the Special Meeting.

**RESOLVED**, that the Board recommends to the Members that they vote to approve the MHC Plan.

**RESOLVED**, that JMIC's Secretary is hereby authorized to designate one or more representatives of JMIC to solicit, receive, vote, and tabulate Member proxies and otherwise assist with the conduct of the Special Meeting, and if any such representative requires a resolution in any form different from, but generally consistent with, the foregoing, such resolution shall be deemed to have been fully approved and adopted hereby when so certified by the Secretary.

**RESOLVED**, that upon the consummation of the Restructuring and the transfer of 100% of the outstanding shares in Converted JMIC to JM MHC, the Board hereby authorizes a distribution of \$13,500,000 from Converted JMIC to JM MHC for the capitalization of such company.

**RESOLVED**, that upon the consummation of the Restructuring, JM MHC will make a contribution to JM New Holdings, Inc. in the amount of \$13,000,000 and 100% of the shares of voting stock of JMIC in exchange for 100% of JM New Holdings, Inc.'s shares.

**RESOLVED**, that any officer of JMIC is authorized and directed on behalf of JMIC to pay all fees and expenses incurred in connection with the Restructuring, including, without limitation, fees and expenses of JMIC's advisors and agents, filing fees, and printing and mailing expenses.

#### 4. **General**

**RESOLVED**, that any officer of JMIC is authorized and directed in the name and on behalf of JMIC, to: (a) take or cause to be taken all such further actions and to prepare, execute and deliver or cause to be prepared, executed and delivered, and where necessary or appropriate, file or cause to be filed, all such other instruments and documents, including, but not limited to, all certificates, contracts, bonds, agreements, documents, instruments, receipts or other papers; and (b) engage such persons as such officer shall in his or her judgment determine to be necessary or appropriate to carry out fully the intent and purposes of the foregoing resolutions and each of the transactions contemplated thereby.

**RESOLVED**, that any and all actions heretofore or hereafter taken or caused to be taken by JMIC's officers, agents, and representatives in preparing and effecting the MHC Plan and the Restructuring, consistent with the tenor and purport of the foregoing resolutions, are hereby ratified, confirmed, and approved in all respects.