
In the Matter of the Merger of National Mutual Benefit
with and into Western Fraternal Life Association by
National Mutual Benefit and Western Fraternal Life Association,

Petitioners

Case No. 20-C43723

OBJECTION TO PROPOSED DECISION

National Mutual Benefit (“NMB”) and Western Fraternal Life Association (“WFL”), the parties to the Form A Statement filed on June 19, 2020 requesting approval of the Office of the Commissioner of Insurance (the “OCI”) for the merger of National Mutual Benefit into Western Fraternal Life Association and the redomestication of Western Fraternal Life Association to Wisconsin, file this objection to the Proposed Decision of the OCI dated November 30, 2020. WFL’s and NMB’s objections relate only to Paragraph (14) c) of the Proposed Decision; they otherwise have no objection to the Proposed Decision. Paragraph (14) c) reads:

Western Fraternal Life Association, as survivor of the merger under the new name of BetterLife, shall give the Office of the Commissioner of Insurance at least 90 days’ prior written notice of any plans or proposals to sell any lodge properties before placing any such properties for sale.

The parties object to Paragraph (14) c) for the following reasons:

1. Paragraph (14) c) provides that WFL must notify the OCI prior to selling any lodge properties, but WFL cannot legally sell lodge properties because the property does not belong to WFL. There are approximately thirty WFL lodges that own real estate. Each of the lodges is a separate entity from WFL itself. WFL does not hold title to any of the lodges’ property; rather, the lodges hold the titles in their own names. Any sale of lodge property would require the

action of the lodge property owners, i.e., the lodges, to be conducted in accordance with local real estate law. The only circumstance in which WFL could sell a lodge building would be in the event of a dissolution of a lodge. In that case, WFL would be required to ensure that the lodge property is handled in accordance with the procedures of WFL and applicable local real estate law. WFL has specific procedures for handling any assets of a dissolved lodge, requiring these assets to be equitably distributed to one or more successor lodges or, if that is not possible, to direct the assets for use solely for other lodge, charitable or fraternal purposes.

2. Paragraph (14) c) of the OCI's Proposed Decision may require the lodges holding title to real property to document the titles with the appropriate authorities in the state or county of the property so that anyone seeking to purchase any of the properties will be on notice that there is a precondition to sale. The parties believe that this is an unnecessary administrative and legal burden without concomitant benefit because WFL cannot sell lodge buildings owned by separate entities in any event.

The parties suggest the deletion of Paragraph (14) c) and the inclusion of language in Findings of Fact Paragraph (9) which recognizes that lodges own and control their own buildings (suggested additions in bold):

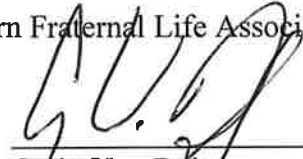
(9) During the hearing, in response to a specific question from the Hearing Examiner, Mr. Craig Van Dyke, President and Chief Executive Officer, stated that there were no plans for Western Fraternal Life Association, as the survivor of the merger, to merge or sell any lodge buildings. **The merger documents recognize that the fraternal lodges are separate entities from the survivor of the merger, that lodges are not merged by operation of the merger, and that buildings and other property owned by a lodge will continue to be owned by the lodge following the merger.**

The parties believe that the above-proposed clarification to Paragraph (9) of the Findings of Fact, along with merger agreements themselves, clearly establish that WFL cannot legally, and does not intend to, sell lodge property.

Respectfully submitted,

Western Fraternal Life Association

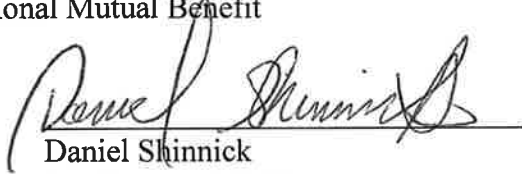
By:



Craig Van Dyke
President and CEO

National Mutual Benefit

By:



Daniel Shinnick
President and CEO

