

November 1, 2020

Sent registered mail – deliver to addressees – overnight delivery

✓ Amy J Malm, Hearing Examiner  
Office of the Commissioner of Insurance (OCI)  
125 Webster Street  
Madison, WI 53703

Steven J. Junior  
Office of the Commissioner of Insurance (OCI)  
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Madison, WI 53703

2020 NOV -6 PM 12:20  
RECEIVED  
OFFICE OF THE COMMISSIONER  
OF INSURANCE

Re: Notice of Hearing – Case No. 20-C43723 WFLA and NMB

Thank you for your letter advising of the hearing date and telephone access. I do plan to attend.

I am writing now with additional information.

- (1) MERGER IS NOT EQUITABLE to Western Fraternal Life Association;
- (2) Delegates nor members of WFLA were informed of even a contemplated merger until AFTER the merger was approved by both companies;
- (3) Delegate voting irregularities and violations of WFLA Bylaws

WFLA

NMB

- |  |   |
|--|---|
| <ol style="list-style-type: none"><li>1. Loses home office worth approx \$1.6 million</li><li>2. Loses home state of Iowa</li><li>3. Loses most all employees at home office</li><li>4. Loses proximity to Czech Museum</li><li>5. Loses monthly publication</li></ol> | <ol style="list-style-type: none"><li>1. Keeps leased home office</li><li>2. Keeps home state of Wisconsin</li><li>3. Keeps most home office employees</li><li>4. Has no ethnic connection</li><li>5. Publication is twice per year</li></ol> |
|--|---|

I have enclosed pictures of both home offices. WFLA has a large sign in front and WFLA members own it free and clear. The home office was listed for sale by WFLA CEO in August 2020 for \$1.6 million and NMB leases their office, in a building that appears to be apartments and with no sign (absolutely no comparison!) There has been no vote by WFLA Directors approving of putting building up for sale.

At least as early as January 2019 a merger with NMB was started, however, in July 2019 at the WFLA Convention, nothing was mentioned to delegates nor members (why was it being hidden?) if a merger was supposed to be advantageous. There was plenty of time to at least present this at the National Convention! The CEO has not been operating WFLA according to the definition of a “fraternal benefit society” with a representative form of governing.

After WFLA management decided to merge with NMB, the CEO of WFLA indicated to Directors it was “necessary” financially for WFLA and the merger should be approved. This was not true and was an outright misrepresentation to pressure an approval. Illegal?? Absolutely unethical! WFLA members finally found out a merger had been approved via a letter to members dated January 20, 2020 and signed by Van Dyke and Shinnick. WFLA members were never consulted for suggestions for new name – we were just TOLD what it would be. A company was paid for a nondescript NEW name with “fraternal” eliminated. New name is a deterrent to future insurance and annuity sales (I talked with people in my community asking for their honest opinion). It was said they would question buying insurance from a company with this name – Better Life sounded fly-by-night to them! It is hard to believe this new name was paid for!

WFLA Board of Director were told to keep things confidential about the merger from delegates and members. Due to the virus member meetings were canceled so interaction of members with delegates was next to impossible.

In the new company members only talk to a “fraternal board” which will have no authority or voting rights in corporate decisions. IRS could be interested in this fact that members have no authority (through a Bylaw Committee) with corporate and our non-profit status could be in jeopardy. Also there will be no checks and balances on the CEOs and Directors.’s AND Directors without any “member” input to Directors/delegates and the members just advised of the changes. There will be no Bylaw committee operated in the manner as is currently in WFLA. Conflict of interest enters the picture.

After the merger, Bylaws will be changed to reflect the supreme governing body from the National Convention to the Board of Directors! This is not equitable to WFLA and members and delegates did not know this at time of voting. The new company just keeps eliminating member involvement with management! What happened to the “fraternal” in the company. In the new company the Board of Directors and the two CEOs will call all the shots, make all decisions, decide their own salary and on and on – forget members, period! THIS IS NOT A REPRESENTATIVE FORM OF GOVERNING. HOW CAN WISCONSIN OCI APPROVE THIS???

When asked in District 7’s zoom meeting with Van Dyke and Shinnick what other companies were investigated to possibly merge with, WFLA Chairman of the Board Jirik said “none other were investigated and that Van Dyke just told the Directors of NMB.”

Per Craig Van Dyke, Yes Elections voting could only be discussed with him. “After the fact” WFLA CEO smoothed over the Bylaw voting requirement when answering Wisconsin’s

letter and said Chairman of Board waived voting to CEO – WFLA Bylaws do not state any authorization of a waiver. Our current Bylaws state voting will be under Chairman of the Board.

WFLA members tried to get a list of the 177 delegates from home office – they would not supply us that list. The first any member saw details of delegate voting was when Wisconsin OCI published them on their website on October 26, 2020. Of the 18 delegates WFLA said did not submit a ballot, we were subsequently advised two of those 18 were sent in but 4 months later have never been received! How do WFLA members know the other 16 did not send in a ballot unless each delegate is contacted? This has not been done and our members cannot obtain a list to contact them ourselves! Each delegate represents approximately 180 members. These 16 delegates could have voted and their ballots not received either, plus members do not know for certain that all delegates were sent ballots. Delegate voting has been compromised due to Van Dyke and Shinnick stating in their letter to all members, the merger was already approved anyway, and some delegates could have even felt it was useless to even vote. There is no way of knowing unless each delegate is contacted. THIS WAS NOT DONE!

Super majority voting is used for corporate actions that may significantly impact the future of the company and typically 67%-90% approval is required to pass. This is according to the Corporate Finance Institute.  $67\% \times 177 = 118.59$  – 67% is the minimum for serious changes such as a merger. Wikipedia even states that on important items the absence or abstention of an authorized vote is recorded as a NO vote. 110 was the approval number for this merger!

WFLA's CEO has been caught in misrepresentations to the members concerning this merger – an important indication of future management of the new company.

I have lost all faith in the integrity of WFLA management which will be the future new company management. I have been a member for 73 years in a 122 year old company and have never witnessed such blatant actions by management attempting to circumvent Bylaws and not being operated with transparency. The new name does not even hint the new company is a fraternal nonprofit.

I do not see a profitable future for the new company. WFLA members do not want to lose a 122 year old company because Van Dyke kept a merger hush-hush from members until he got approval by his pressured and manipulated Board of Directors. He will of course deny this, however his actions speak volumes.

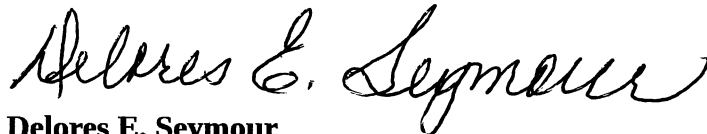
For a matter that affects the future of WFLA members across many states, I see NO advantages for WFLA in this merger. Members have had ZERO input for or against this merger! Members have just been "TOLD" WFLA is merging with NMB, and I would assume NMB members have been treated in a similar manner. The term "fraternal" is not considered by these two CEOs. Had any WFLA members known of this planned merger beforehand, the voting outcome may have been quite different. I do not feel

members are averse to a merger, it just has to be transparent and not attempted to be hidden until it is too late.

In view of these above issues plus other information provided to Wisconsin OIC over the past several months, **OCI MUST DENY THIS MERGER. New company will be changed from a nonprofit due to representative form of governing being eliminated. Wording has been put in to disguise this but in reality, one can read between the lines! I think IRS will do this! I would think this affects both companies!** Management skirting Bylaws and avoiding transparency with its members in a "fraternal nonprofit benefit society" should be looked upon harshly. I am very disappointed that Wisconsin OCI appears they are going to approve the merger, because initially I had felt OCI would be thorough in their investigation of the proposed merger.

Thank you for your extensive time and attention over the past several months.

Sincerely,



Delores E. Seymour  
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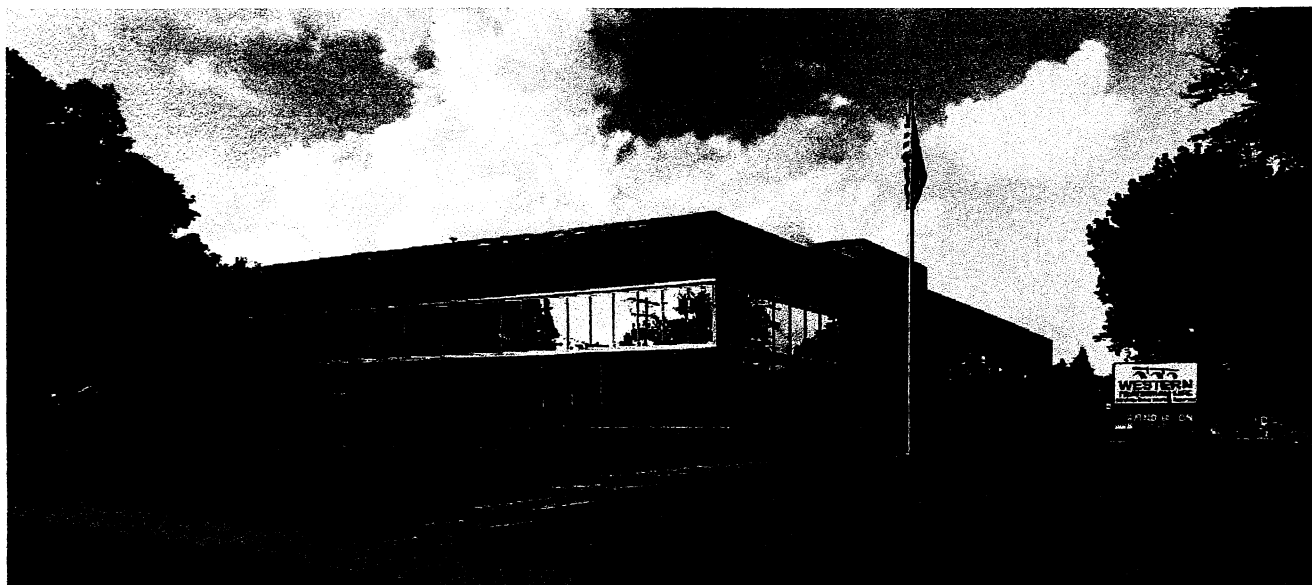
enclosures: 2

cc: Commissioner Doug Ommen  
Iowa Insurance Division  
601 Locust St., 4<sup>th</sup> Floor  
Des Moines, IA 50309



WFLA "owns" this building - Member owned !!!

Directors, delegates, member  
never authorized sale of this building!



sign says  
Western  
Fraternal  
Life

Front picture



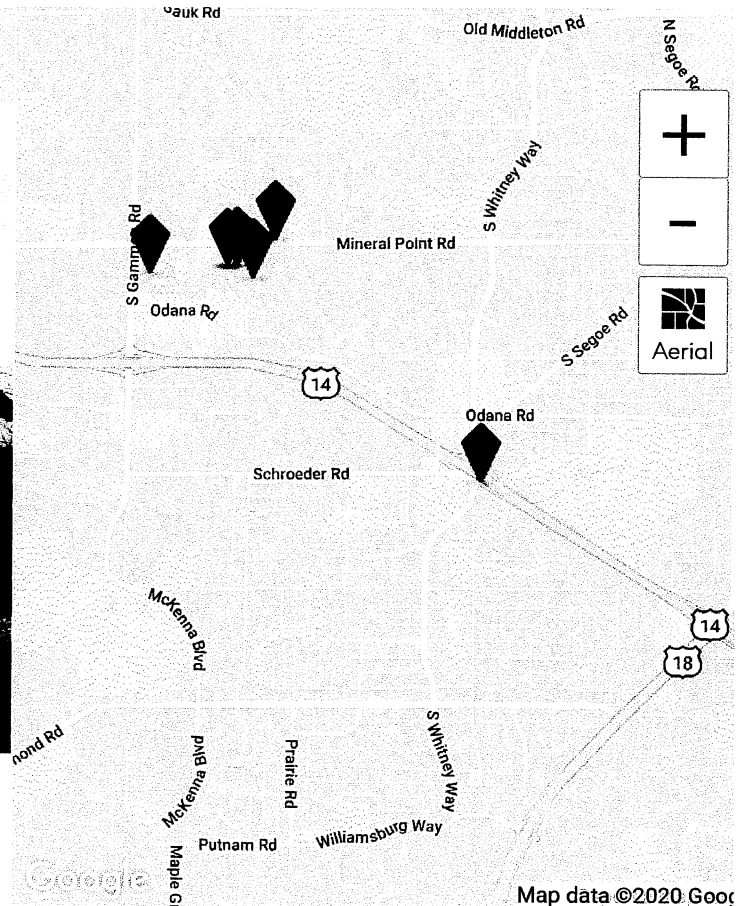
### PROPERTY RECORD

This page contains information about the property located at 6525 Grand Teton Plaza, Madison, WI, 53719. It is currently available for lease.

## 6525 Grand Teton Plaza, Madison, WI 53719



Building Photo



### CURRENT LEASE AVAILABILITIES

6525 Grand Teton Plz, Madison, WI 53719

Office LEASE

Negotiable

[View Listing](#)

### NEARBY LISTINGS FOR SALE OR LEASE