

**MERGER OF**  
**BRISTOL TOWN INSURANCE COMPANY**  
**INTO**  
**FORWARD MUTUAL INSURANCE COMPANY**

**PROPOSED POLICYHOLDER SUMMARY OF MERGER**

**SUBMITTED TO THE WISCONSIN OFFICE OF**  
**THE COMMISSIONER OF INSURANCE**

**August 11, 2023**

**[Joint Logo/Letterhead]**

To: All Policyholders of Bristol Town Insurance Company

Re: Summary of Proposed Merger into Forward Mutual Insurance Company

Date: August [●], 2023

The Boards of Directors of Bristol Town Insurance Company (“Bristol Town”) and Forward Mutual Insurance Company (“Forward Mutual”) have determined that it would be in the best interests of both companies to merge and the companies have entered in an Agreement and Plan of Merger (the “Plan of Merger”).

Bristol Town’s reinsurer, Wisconsin Reinsurance Corporation (“WRC”), was placed into Rehabilitation by the Wisconsin Office of the Commissioner of Insurance (the “Commissioner”) on June 21, 2023. As a town mutual organized under Chapter 612 of Wisconsin Statutes, Bristol Town is required by law to maintain certain reinsurance coverage. As a current reinsurance policyholder of WRC, Bristol Town was issued an order from the Commissioner on June 28, 2023. The Commissioner’s order directed Bristol Town to confirm its plans for obtaining reinsurance for 2024 or otherwise maintaining its certificate of authority to continue in business in 2024.

In order to comply with the order and limit the disruption to the Bristol Town policyholders and members, the Board of Directors of Bristol Town has elected to pursue a merger with Forward Mutual (the “Merger”).

Forward Mutual is a mutual insurance company organized under Chapter 611 of Wisconsin Statutes that currently issues policies throughout Wisconsin. Forward Mutual was formed on December 12, 2009, through the merger of Watertown Mutual Insurance Company (founded in 1872) and Ixonia Mutual Insurance Company (founded in 1875).

Forward Mutual is a financially sound company that maintains reinsurance coverage and has confirmed its ability to maintain reinsurance coverage post-Merger. Advantages to the policyholders of Bristol Town include less dependence on the limited number of reinsurers issuing coverage to Chapter 612 town mutuals, an improved spread of risk throughout the state, access to a broader range of insurance products, and no longer being subject to policyholder assessments. Additionally, Bristol Town policyholders will continue to be insured by a mutual insurance company.

Forward Mutual is Chapter 611 mutual insurance company authorized to write throughout the state of Wisconsin and will be the surviving entity of the Merger. Currently, Forward Mutual has approximately 1445 policyholders in Wisconsin. Bristol Town is currently authorized to write policies in the counties of Columbia, Dane, Dodge, and Jefferson and has approximately 153 policyholders.

The Board of Directors of Bristol Town has determined that the Merger is fair and equitable to the policyholders, and has recommended that Bristol Town members vote to approve the Merger.

The Plan of Merger has been submitted to the State of Wisconsin Office of the Commissioner of Insurance for approval [ , and was approved on August [●]]. We are now asking for the approval of Bristol Town policyholders at the Special Policyholder Meeting scheduled for September 26, 2023 at 6:30 p.m. at the Round Table in Sun Prairie, Wisconsin. The Plan of Merger is summarized below.

Upon the effective date of the Merger, (i) Bristol Town's policyholders will become members of Forward Mutual, (ii) the Bristol Town will cease to exist as a separate corporation, and (iii) Forward Mutual, as the surviving corporation, shall have all the assets and be liable for all of the obligations (including insurance policyholder obligations) of each of the participating corporations. The proposed effective date of the Merger is January 1, 2024.

On the effective date of the merger, all Bristol Town policyholders will automatically become members and policyholders of Forward Mutual. All property owned by Bristol Town will become the property of Forward Mutual and all liabilities of Bristol Town will become liabilities of Forward Mutual. Each former member of Bristol Town will be sent a Certificate of Assumption formally confirming that status.

As a Chapter 611 mutual insurance company, Forward Mutual may write policies throughout the state of Wisconsin; the surviving entity will continue to be a Chapter 611 mutual insurance company writing policies throughout Wisconsin.

Post-merger, Forward Mutual will continue to be managed by the current directors and officers of Forward Mutual. Sarah Mueller will continue to serve as President and CEO of the merged company. Forward Mutual's staff also includes a Chief Operating Officer, Customer Care Manager, and Customer Care Associate. Bruce Krebs, the current manager and agent of Bristol Town will be appointed as an agent of Forward Mutual and continue to serve as the agent for current Bristol Town policyholders.

As of the effective date of the Merger, the Board of Directors of the merged company will continue to be the current board of Forward Mutual. At each annual meeting of the policyholders of Forward Mutual after the Effective Date of the merger, the policyholders will elect the directors to fill the positions of the directors whose terms expire, as provided in Forward Mutual's articles and bylaws.

The articles and bylaws of the merged company will continue to be those of Forward Mutual. No changes to the current Forward Mutual Articles of Incorporation and Bylaws will occur as a result of the Merger. Copies of the proposed documents and the Merger Agreement are available for your review upon request.

No changes to the policies or premiums of Bristol Town policyholders will occur immediately upon the consummation of the Merger. However, effective on the first renewal date of each

Bristol Town policy following the effective date of the Merger, policies will be rewritten using Forward Mutual forms, rates, and underwriting guidelines.

Post-Merger, business will be transacted from Forward Mutual's current headquarters in Ixonia, Wisconsin.

A complete copy of the Agreement and Plan of Merger (and related exhibits) is available for your inspection at both the Bristol Town and Forward Mutual offices. Please contact Bruce Krebs, Bristol Town Manager, at (608) 335-5750 or [bristoltown1875@gmail.com](mailto:bristoltown1875@gmail.com), or Sarah Mueller, Forward Mutual President and CEO, at (920)-261-6616 or [sarah@forwardmutual.com](mailto:sarah@forwardmutual.com) if you have any questions or if you would like to review a complete copy of the Plan of Merger.

**Bristol Town Insurance Company**

Robert E. Rademacher  
President  
6338 Highway VV  
Sun Prairie WI, 53590

**Forward Mutual Insurance Company**

Sarah Mueller  
President & CEO  
W1202 Glenview Avenue  
Ixonia, WI 53036-0326