

**REPORT OF SPECIAL MEETING OF THE MEMBERS  
FOR THE PURPOSE OF VOTING ON THE MERGER OF  
DUPONT MUTUAL INSURANCE COMPANY  
INTO  
MAPLE VALLEY MUTUAL INSURANCE COMPANY**

**December 21, 2023**

Dupont Mutual Insurance Company (“DMIC”) submits to the Office of the Commissioner of Insurance (the “OCI”) pursuant to Wis. Stat. § 612.22(6) this report of the Special Meeting of Members held on December 14, 2023, at 3:00 p.m. at the Dupont Town Hall, N11297 Town Hall Road, Marion, WI (the “Special Meeting”) to discuss and to vote on the proposed merger of DMIC into Maple Valley Mutual Insurance Company (“MVMIC”) (the “Special Meeting”).

On November 14, 2023, the members of DMIC were mailed (i) the Notice of the Special Meeting in the form attached hereto as Exhibit A (the “Member Notice”) and (ii) a summary of the Plan of Merger between DMIC and MVMIC (which was approved by the Board of Directors of DMIC on November 9, 2023 and by the OCI on November 16, 2023), and (iii) a policyholder resolution ballot for members to vote on the resolution authorizing the merger by mail (the “Mail Ballot”) (collectively, the “Merger Materials”). The Member Notice instructed the members to review the Merger Materials and return their Policyholder Resolution Ballot to the address provided in the Member Notice by 3:00 p.m. on December 14, 2023, or to appear at the Special Meeting and vote in person.

At the Special Meeting, after the members of DMIC reviewed the previously disseminated Merger Materials and had the opportunity to ask questions of the respective designated representatives of DMIC relating to the Merger, the following resolution was adopted by the members of DMIC:

**RESOLVED**, that after review of the Summary of the Plan of Merger and/or the Agreement and Plan of Merger with respect to the merger of DMIC with and into MVMIC, and the ability to inquire of the Board of Directors of DMIC regarding the same, the members of DMIC hereby adopt and approve the Merger pursuant to the Agreement and Plan of Merger substantially in the form made available to the members, including the adoption of the Wind and Hail Cosmetic Damage Exclusion Endorsement on all current DMIC policies effective January 1, 2024, and authorize its Board of Directors to take or cause to be taken any remaining actions necessary to effectuate such merger.

1908 members of DMIC were entitled to vote at the Special Meeting. Of the 418 members of DMIC who voted on the resolution, 399 voted in favor of adoption and 19 members voted against adoption. Of the members voting in person at the Special Meeting, 11 voted in favor of adoption and 0 members voted against adoption. Of the members voting by Mail Ballot, 388 voted in favor of adoption and 19 members vote against adoption.

*[Remainder of the page left blank intentionally; Signatures follow]*

Dated this 21 day of December, 2023.

DUPONT MUTUAL INSURANCE COMPANY

By: Greg Hanson  
Greg Hanson, President

Attest:

James L. Jueds  
Name: James Jueds, Secretary and Treasurer

**EXHIBIT A**  
**MEMBER NOTICE**

See attached.

HOMEOWNERS

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FARMOWNERS

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MOBILE

HOMEOWNERS

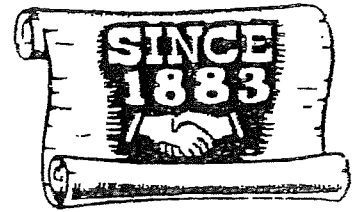
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FIRE

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EXTENDED COVERAGE

# Dupont



## MUTUAL INSURANCE COMPANY

P.O. Box 175, Marion, WI 54950 Ph. 715/754-2525

Fax 715/754-2527

November 14th, 2023

Dear Policyholders,

Dupont Mutual Insurance Company was formed by neighbors helping neighbors in times of need 140 years ago. This philosophy is now being repeated to continue this business model but in a somewhat different form for another 100+ years.

In March of 2023, we were made aware of “storms on the horizon.” The frequency of catastrophic storms and the inflationary increase in repair costs have heavily impacted Wisconsin mutual insurance companies and the property and casualty insurance industry as a whole. News media outlets are reporting that some larger insurance companies are pulling out of certain states completely while others are drastically changing their business model in the areas of the United States they continue to serve.

Dupont started taking steps to prepare and continue into 2024 and beyond. Options were extensively researched to reach the best possible outcome to protect our policyholders. We are presenting for a policyholder vote what we genuinely believe is the best plan of the many we researched to continue a path forward for our insureds, a merger with Maple Valley Mutual Insurance Company of Lena, Wisconsin.

Enclosed with this letter, you will find a notice for a special policyholder meeting to be held on **December 14, 2023, at 3 PM at the Dupont Town Hall** and a summary that describes what you can expect as a Dupont policyholder after the merger and includes a lot of information about the market situation that led us to the proposed merger.

The Board of Directors of Dupont recommends that the policyholders vote “yes” on the proposed merger with Maple Valley Mutual Insurance Company. We think it is very important for you to understand that if the policyholders do not approve this proposed merger, Dupont will likely be subject to additional regulatory orders or enforcement actions by the Wisconsin Office of the Commissioner of Insurance, including potential liquidation, dissolution, and/or cancellation of policies. Therefore, approval of the proposed merger is crucial to maintain your current insurance policies with Dupont in effect beyond December 31, 2023.

We truly believe that with the proposed merger, our policyholders will be serviced by a stronger company that will retain all of the history and personal service you have enjoyed thus far with Dupont. Thank you for your business. Whether your policy is only a couple of months old, or you have trusted Dupont with your business for many years, we appreciate your continued business!

Sincerely,

Dupont Mutual Insurance Company

W. Greg Hanson, President

HOMEOWNERS

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FARMOWNERS

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MOBILE

HOMEOWNERS

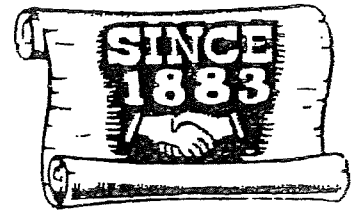
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FIRE

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EXTENDED COVERAGE

# Dupont



## MUTUAL INSURANCE COMPANY

P.O. Box 175, Marion, WI 54950

Ph. 715/754-2525

Fax 715/754-2527

November 14th, 2023

TO: All Policyholders of Dupont Mutual Insurance Company

RE: Notice of Special Policyholder Meeting – December 14, 2023 – Merger with Maple Valley Mutual Insurance Company

**NOTICE IS HEREBY GIVEN THAT** a special meeting of the Dupont Mutual Insurance Company (“DMIC”) policyholders will be held on **December 14, 2023, at 3:00 p.m.** at the Dupont Town Hall, N11297 Town Hall Road, Marion, WI, to discuss and to vote on the proposed merger of DMIC into Maple Valley Mutual Insurance Company (“MVMIC”) through consideration of the following resolution:

**RESOLVED**, that after review of the Summary of the Plan of Merger and/or the Agreement and Plan of Merger with respect to the merger of DMIC with and into MVMIC, and the ability to inquire of the Board of Directors of DMIC regarding the same, the members of DMIC hereby adopt and approve the Merger pursuant to the Agreement and Plan of Merger substantially in the form made available to the members, including the adoption of the Wind and Hail Cosmetic Damage Exclusion Endorsement on all current DMIC policies effective January 1, 2024, and authorize its Board of Directors to take or cause to be taken any remaining actions necessary to effectuate such merger.

Please note, pursuant to the Agreement and Plan of Merger and upon the effective date of the Merger (i.e., January 1, 2024), all current DMIC policies will be endorsed to include the MVMIC *Exclusion for Cosmetic Damage Caused by Wind and Hail to Exterior and Outdoor Property* endorsement. This endorsement is included with this mailing. Policyholders are free to seek alternative coverage from another insurance company and to cancel their current policy at any time. The DMIC Board of Directors has exhausted all other options for limiting disruption to its policyholders and maintaining DMIC’s compliance with applicable law for 2024. Accordingly, the DMIC Board of Directors now recommends that you vote “**YES**” on the policyholder resolution to approve the Agreement and Plan of Merger.

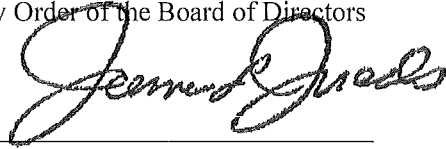
All DMIC policyholders have a right to vote on the Merger pursuant to Wis. Stat. § 612.12. Policyholders must cast their vote in person at the special meeting or by mail. Enclosed with this correspondence is a Summary of the Plan of Merger and Policyholder Resolution Ballot. **Please review these materials and (1) make plans to attend the Special Meeting on December 14, 2023, or (2) return the ballot Mail Ballot included with this notice no later than December 14, 2023 at 3:00 p.m.**

A complete copy of the Agreement and Plan of Merger is available for your inspection, if you wish, during business hours at the office of DMIC or MVMIC. You may also contact us by phone at 715-754-2525 or email at [jamie@dupontmutual.com](mailto:jamie@dupontmutual.com) if you prefer that we email or mail you the meeting materials or a paper copy of the Agreement and Plan of Merger. Please call if you have any questions about the merger or the special meeting.

**Your vote is important and if you plan to vote by mail, please complete and return the enclosed Policyholder Resolution Ballot as soon as possible. Even if you return your vote by mail, we hope to still see you at the special meeting on December 14, 2023, at 3:00 p.m.** at the Dupont Town Hall, N11297 Town Hall Road, Marion, WI. **If you know you plan to attend the special meeting, it would be helpful for our planning purposes if you could RSVP by phone at (715) 754-2525 or email at [destiny@dupontmutual.com](mailto:destiny@dupontmutual.com).**

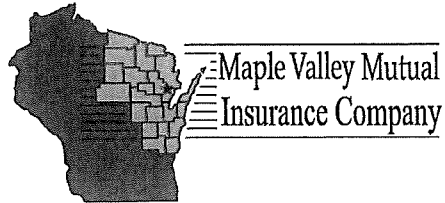
Please note, all mailed ballots must be returned by December 14, 2023 at 3:00 p.m. Please be sure to return your ballot by mail (in the enclosed envelope) or email to [jamie@dupontmutual.com](mailto:jamie@dupontmutual.com). Alternatively, you may also vote in person at the Special Meeting.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read "James Jueds", written in a cursive style. The signature is positioned above a horizontal line.

James Jueds, Secretary and Treasurer

Marion, Wisconsin November 14, 2023



To: All Policyholders of Dupont Mutual Insurance Company

Re: Summary of Proposed Merger of Dupont Mutual Insurance Company with and into Maple Valley Mutual Insurance Company

Date: November 14, 2023

The Boards of Directors of Dupont Mutual Insurance Company (“DMIC”) and Maple Valley Mutual Insurance Company (“MVMIC”) have determined that it would be in the best interests of both companies to merge pursuant to which the companies have entered into an Agreement and Plan of Merger (the “Plan of Merger”).

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

Since receiving the OCI Order, the DMIC Board of Directors explored multiple options to secure reinsurance and continue as a town mutual insurance corporation. Unfortunately, after exhausting all options, DMIC was unable to secure reinsurance for 2024. Therefore, in order to comply with the OCI Order and limit the disruption to the DMIC policyholders, the Board of Directors of DMIC has elected to pursue a merger with MVMIC (the “Merger”).

Advantages to the policyholders of DMIC 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, DMIC policyholders will continue to be insured by a mutual insurance company.

The Board of Directors of each company voted and determined that the Merger is fair and equitable to each company and their respective policyholders, and the companies are now ready to seek policyholder approval. The Board of Directors of DMIC recommends that its members vote to approve the Merger.

**Please note if the policyholders do not approve the Merger and DMIC is unable to comply with the OCI Order, DMIC may be subject to additional regulatory orders or enforcement actions by the OCI, including potential liquidation, dissolution, and/or cancellation of policies. Therefore, approval of the Merger by policyholders is crucial for policyholders of DMIC to**

**maintain their current insurance policies in effect beyond December 31, 2023. Please make plans to vote on the Merger in person at the Special Meeting or by mail.**

Below is a summary of the Plan of Merger and the effect of the Merger which is proposed to be effective on January 1, 2024 (the “Effective Date”). After the Effective Date, the following is proposed to take place:

- DMIC will cease to exist as a separate corporation and its policyholders will become members of MVMIC and each former member of DMIC will be sent a Certificate of Assumption formally confirming that status.
- All of the assets, rights, privileges, and business of DMIC, of every character and description, will become the property of MVMIC and all liabilities of DMIC (including insurance policy liabilities) will become liabilities of MVMIC.
- *Please note*, pursuant to the Plan of Merger and upon the effective date of the Merger (i.e., January 1, 2024), all current DMIC policies will be endorsed to include an endorsement substantially similar to the MVMIC *Exclusion for Cosmetic Damage Caused by Wind and Hail to Exterior and Outdoor Property* endorsement (the “Exclusion Endorsement”) enclosed with this summary as a sample. Policyholders are free to seek alternative coverage from another insurance company and cancel their current policy at any time.
- As a Chapter 611 mutual insurance company, MVMIC may write policies throughout the state of Wisconsin and, after the Effective Date, the merged company will continue to be a Chapter 611 mutual insurance company writing policies throughout Wisconsin.
- The merged company will adopt the policy forms, rates, deductibles, and underwriting guidelines of MVMIC and on the first renewal or anniversary date of each DMIC policy following the Effective Date, policies will be rewritten using MVMIC forms, rates, and underwriting guidelines. No changes to the policies or premiums of DMIC policyholders will occur immediately upon the consummation of the Merger, except with respect to the Exclusion Endorsement which shall modify each DMIC insurance policy as of the Effective Date of January 1, 2024.
- The merged company will continue to be managed by the current directors and officers of MVMIC listed below. At each annual meeting of the policyholders of MVMIC after the Effective Date, the policyholders will elect the directors to fill the positions of the directors whose terms expire, as provided in the merged company’s articles and bylaws. The parties have agreed that after the Effective Date, additional directors from DMIC will be appointed to serve on the board of the merged company.

<u>Name</u>	<u>Term Expires</u>
Adam Dubois	2026
Chad Schuettpeiz	2025
Dana Koutnik	2025
Dale Mohr	2026
Duan Magnin	2024
James Kugel	2026
Linda Sinkula	2024



<u>Name</u>	<u>Position</u>
Chad Schuettpelz	President/Treasurer
Duan Magnin	Chair of the Board
James Kugel	Vice Chair/Secretary

- The merged company will offer MVMIC's current agency agreement to each agent who has an appointment with DMIC prior to the effective date of the merger and who does not already have an agency agreement in force with MVMIC.
- The merged company will offer employment to all employees of DMIC with substantially similar roles and salaries to their roles and salaries immediately prior to the Merger, subject to satisfactory job performance to MVMIC, participation in training relating to MVMIC's business processes and servicing MVMIC's other line(s) of business.
- Business will be transacted from MVMIC's current headquarters in Lena, Wisconsin. The merged company currently intends to continue operations at the current DMIC office located in Marion, Wisconsin. This could change if at some point the Board of Directors of the merged company determines it is no longer necessary to maintain such office, and it is fiscally responsible to close such location.

A complete copy of the Plan of Merger (and related exhibits) is available for your inspection at both the MVMIC and DMIC offices. Please contact the individuals identified below if you have any questions or would like to review a complete copy of the Plan of Merger.

**Maple Valley Mutual Insurance Company**

Chad Schuettpelz, General Manager & President  
304 N Rosera Street  
P.O. Box 59  
Lena, WI 54139  
(920) 373-7322  
chad@maplevalleymutual.com

**Dupont Mutual Insurance Company**

Jamie M. Baierl, Manager  
104 S Main Street  
P.O. Box 175  
Marion, WI 54950  
(715) 754-2525  
jamie@dupointmutual.com

**MERGER OF  
DUPONT MUTUAL INSURANCE COMPANY  
WITH AND INTO  
MAPLE VALLEY MUTUAL INSURANCE COMPANY**

**DECEMBER 14, 2023, SPECIAL POLICYHOLDER MEETING –**

**POLICYHOLDER RESOLUTION MAIL BALLOT**

**WHEREAS**, Dupont Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“DMIC”), desires to effectuate a merger with and into Maple Valley Mutual Insurance Company, a Wisconsin mutual insurance corporation (“MVMIC”), in accordance with Section 612.22 of the Wisconsin Statutes and pursuant to the Agreement and Plan of Merger, by and between DMIC and MVMIC, in the form presented to the members of DMIC in connection with this Special Meeting of the members, whereby the separate existence of DMIC shall cease and MVMIC shall continue as the surviving company.

**RESOLVED**, that after review of the Summary of the Plan of Merger and/or the Agreement and Plan of Merger with respect to the merger of DMIC with and into MVMIC, and the ability to inquire of the Board of Directors of DMIC regarding the same, the members of DMIC hereby adopt and approve the Merger pursuant to the Agreement and Plan of Merger substantially in the form made available to the members, including the adoption of the Wind and Hail Cosmetic Damage Exclusion Endorsement on all current DMIC policies effective January 1, 2024, and authorize its Board of Directors to take or cause to be taken any remaining actions necessary to effectuate such merger.

**Should this policyholder resolution be approved?**

*(Select only one)*

**YES**

**NO**

**I plan to attend the Special Meeting and will vote in person.**

**Questions/Comments:**

Dupont Mutual Insurance Company Policy #: \_\_\_\_\_

Member: \_\_\_\_\_  
(Print Name)

Member's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**NOTE: This ballot must be received by December 14, 2023 at 3:00 p.m., for your vote to be counted. Ballots can be returned via email to [jamie@dupontmutual.com](mailto:jamie@dupontmutual.com) or via mail in the envelope enclosed. You may also attend the meeting and vote in person.**

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## EXCLUSION FOR COSMETIC DAMAGE CAUSED BY WIND AND HAIL TO EXTERIOR AND OUTDOOR PROPERTY

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

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### DEFINITIONS

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In addition to those definitions contained elsewhere in the policy, the following definitions apply to the provisions of this form and, if applicable to this policy, Form HO 2003 12 22:

1. "Cosmetic damage" means physical damage such as marring, scratching, denting, pitting, discoloration, scuffing, or other condition that affects the appearance of property but that does not impair the ability of the property to function in accordance with its intended purpose.
2. "Exterior property" means any portion of any structure that touches the outdoors.
  - a. "Exterior property" includes all associated components, parts, supports, fasteners, covers, and accessories.
  - b. For purposes of this endorsement only, fasciae, drip edges, gutter aprons, and gutters are not considered "exterior property", but only to the extent that said fascia, drip edge, or gutter apron is not installed in direct contact with a gutter.
3. "Outdoor property" means "solar panels", satellite dishes, pools, hot tubs, spas, decks, fences, "standalone mail boxes", children's play sets, wind turbines, outdoor cooking devices, and "portable patio heaters".

"Outdoor property" includes all

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associated components, parts, supports, fasteners, covers, and accessories.

4. "Solar panels" includes any surface designed to absorb the sun's rays as a source of energy for generating electricity or heating, regardless of its size, and regardless of whether and to what property it is attached.
5. "Standalone mail boxes" includes any receptacle intended to comply with section 508.3 of the United States Postal Service Domestic Mail Manual and not attached to another covered structure.
6. "Portable patio heaters" includes any radiant heating appliance intended or actually used outdoors for generating thermal radiation, regardless the fuel source.

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### PROPERTY COVERAGES

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Under **EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**, the following is added as Paragraph k. (in forms HO 0001 09 08, HO 0002 09 08, and HO 0004 09 08) or Paragraph 1.k. (in forms HO 0003 09 08 and HO 0005 09 08):

1. "We" do not pay for "cosmetic damage" to any "exterior property" or "outdoor property" caused by windstorm or hail when the windstorm or hail damage to such "exterior property" or "outdoor property" consists solely of "cosmetic damage".
  - a. For purposes of this exclusion, loss of granules on asphalt shingles constitutes "cosmetic damage" so long as the asphalt shingles are still able to prevent rain, snow, sleet,

hail, ice, sand, dust, and water from entering the structure to which the asphalt shingles are attached.

- b. This exclusion does not apply to any "exterior property" that is the subject of Form HO 2003 12 22 in this policy, but this exclusion continues to apply to any "exterior property" that is not the subject of Form HO 2003 12 22 and to "outdoor property".

SAMPLE