DATE: October 16, 2025

TO: Amy J. Malm
Mark McNabb

FROM: Christopher Martin

SUBJECT: The Proposed Merger of Homestead Mutual Insurance Company with and Into Mutual of Wausau Insurance Corporation

Filing Contact(s)

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Exhibit(s)

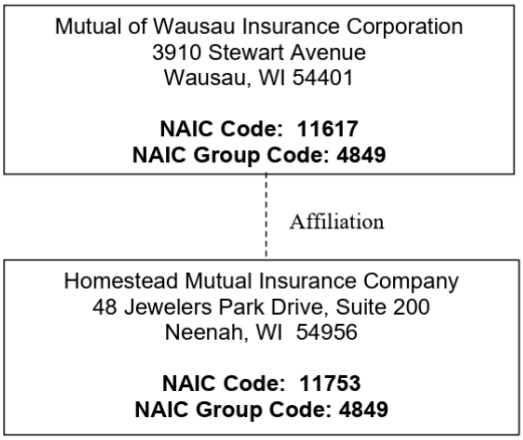
Exhibit:	Description:
Ex. 1	Transmittal Letter
Ex. 2	Form A Filing
Ex. 3	Articles of Incorporation of MWIC
Ex. 4	Amended and Restated Bylaws of MWIC
Ex. 5	Pre Transaction Organizational Chart of the Domestic Insurer
Ex. 6	Pre Transaction Organizational Chart of the Applicant
Ex. 7	Post Transaction Organizational Chart of the Applicant
Ex. 8	Agreement and Plan of Merger
Ex. 9	List of Directors and Officers of the Applicant
Ex. 10	Quarterly Statement of MWIC for the Quarter Ended June 30, 2025
Ex. 11	Annual Statement of MWIC for the Year Ended December 31, 2024
Ex. 12	Annual Statement of MWIC for the Year Ended December 31, 2023
Ex. 13	Annual Statement of MWIC for the Year Ended December 31, 2022
Ex. 14	Annual Statement of MWIC for the Year Ended December 31, 2021
Ex. 15	Annual Statement of MWIC for the Year Ended December 31, 2020
Ex. 16	Quarterly Statement of HMIC for the Quarter Ended June 30, 2025
Ex. 17	Annual Statement of HMIC for the Year Ended December 31, 2024
Ex. 18	Annual Statement of HMIC for the Year Ended December 31, 2023
Ex. 19	Annual Statement of HMIC for the Year Ended December 31, 2022
Ex. 20	Annual Statement of HMIC for the Year Ended December 31, 2021

Ex. 21 Annual Statement of HMIC for the Year Ended December 31, 2020
Ex. 22 Biographical Affidavits of the MWIC Directors and Officers [CONFIDENTIAL]
Ex. 23 Business Plan of MWIC [CONFIDENTIAL]
Ex. 24 Financial Projections of MWIC [CONFIDENTIAL]

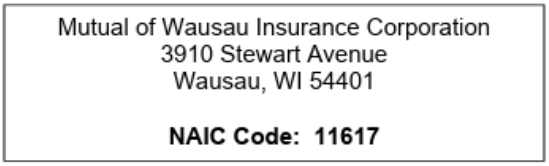
Executive Summary

On September 26, 2025, Mutual of Wausau Insurance Corporation (MWIC, the "Applicant"), submitted a Form A filing regarding the proposed acquisition of control of Homestead Mutual Insurance Company (HMIC, the "Domestic Insurer"). The Applicant intends that the merger would occur pursuant to the agreement and plan of merger dated August 18, 2025. After the merger, HMIC would cease to exist, and the surviving entity would be MWIC.

Organizational Chart of the Domestic Insurer(s) Prior to the Proposed Transaction:



Organizational Chart of the Applicant(s) After the Proposed Transaction:



Note: As the Form A relates to a Merger, the Domestic Insurer would cease to exist, with the Applicant being the surviving entity.

Identity and Background of the Insurer(s)

Identity of the Insurer(s):

Homestead Mutual Insurance Company
48 Jewelers Park Drive, Suite 200
Neenah, Wisconsin 54956

Mutual of Wausau Insurance Corporation
3910 W. Stewart Avenue
Wausau, Wisconsin 54402

Background of the Insurer(s):

Homestead Mutual Insurance Company
HMIC is a Wisconsin domestic mutual insurance company and was incorporated on 06/25/1873. The company is licensed to write (2)(a) Fire, inland marine, and other property insurance, (2)(d) Liability and incidental medical expense insurance (other than automobile), and (2)(e) Automobile and aircraft insurance. As a 611 mutual insurer, HMIC is authorized to do business in all counties.

Mutual of Wausau Insurance Corporation
MWIC is a Wisconsin domestic Ch. 611 mutual insurance company and was incorporated on 01/01/1998. The company is licensed to write (2)(a) Fire, inland marine, and other property insurance, (2)(d) Liability and incidental medical expense insurance (other than automobile), (2)(e) Automobile and aircraft insurance, and (2)(n) Miscellaneous. As a 611 mutual insurer, MWIC is authorized to do business in all counties.

Proposed Executive Officers and Directors of MWIC:

Name	Title
Alfred Nakhla*	Director, Chairman
Todd Toppen*	Director, Vice Chairman
Bruce Bartell*	Director, Secretary/Treasurer
Mark EllenBecker*	Director
Greg Nowicki*	Director
Linda Vollmar*	Director
Tammy Pestka*	Director
Charlie Lang*	Director
Kurt Jochimsen*	Director
Todd Lentz*	President/Chief Executive Officer

Note: * following an individual's name indicates that the biographical affidavit was provided for the individual and there are no outstanding significant concerns after OCI review.

Nature, Source, and Consideration

Pursuant to the agreement and plan of merger dated August 18, 2025, and as described in the Form A statement, HMIC will be merged into MWIC, with the surviving entity being MWIC. As both parties are mutual insurers, no consideration will be transferred as part of the Merger. Subject to the appropriate approvals, the effective date of the transaction is expected to be December 31, 2025. No consideration will be transferred to any party as part of this merger.

The Applicant stated in the Form A that, as the two parties are non stock mutual insurers, it is not applicable and there has not been any recent purchase of any voting securities in the Domestic Insurer in the past 12 months and there have been no other recommendations to purchase voting shares in the past 12 months. The Applicant also stated that the terms of the agreement were determined as the result of arm's length negotiations between the parties.

Future Plans

Besides combining operations and combining assets and liabilities under one structure, the future plans of the surviving entity, MWIC, also include that the members of HMIC will become members of MWIC, the articles of incorporation and bylaws will be those currently of MWIC, and the directors and officers of the surviving company will be those of MWIC. Additionally, there are no current plans to close the principal office of HMIC, until such time as the surviving company's board determines it is no longer necessary to maintain.

As stated in the Form A, the Applicant has no plans to declare an extraordinary dividend, liquidate the Domestic Insurer, sell the Domestic Insurer's assets, or merge it with any person or to make any other material changes in the business operations of the Domestic Insurer, corporate structure, or management other than as described in the Form A.

Financial Highlights

Highlighted Financial Data of the Insurer(s):

MWIC

		Annual Statements				
Financial Highlights	Q2 2025	2024	2023	2022	2021	2020
Total Admitted Assets	41,654,179	40,079,509	39,447,052	33,112,995	33,140,299	30,585,203
Total Liabilities	20,836,249	18,170,488	15,911,814	12,556,075	12,665,700	11,244,077
Total Surplus	20,817,930	21,909,021	23,535,238	20,556,920	20,474,599	19,341,126
Premiums Earned	13,020,197	16,506,687	15,282,477	13,297,091	12,591,330	12,035,427
Net Underwriting Gain	(2,026,231)	(4,023,041)	(2,105,878)	859,768	231,460	(261,831)
Net Investment Gain	459,870	1,554,773	(328,438)	307,762	728,863	396,417
Net Income	(1,287,637)	(1,611,216)	(1,677,138)	973,057	799,353	140,289
Net Cash Provided by Operating Activiti	748,073	(1,547,566)	1,346,036	1,676,400	1,169,036	3,304,399

Financial Projections of the Insurer(s):

MWIC

The financial projections of the Domestic Insurer are confidential. OCI reviews these projections as part of the Form A review process.

Note: MWIC submitted two Form A applications at the same time. One for the proposed merger of HMIC with and into MWIC, and the second for the proposed merger of Green County Mutual Insurance Company (GCMIC) with and into MWIC. Due to the nature of the applications filed, OCI reviewed combined financial projections of MWIC, GCMIC, and HMIC as part of the review process.

Review Standard

Section 611.73 Wis. Stats. incorporates the information gathering requirements of s. 611.20 (the application requirements for a certificate of authority) while directing the Commissioner to answer two broad questions contained in s. 611.73(3)(a).

1. Is the Plan contrary to the law?
2. Is the plan contrary to the interest of the insureds of any participating corporation or the Wisconsin insureds of any participating nondomestic corporation?

Conclusion

It is the OCI's opinion that the plan cannot be said to be contrary to the law because it provides the necessary information required by statute, the surviving entity would be able to satisfy the requirement for a certificate of authority, and the plan would not be contrary to the interest of the insureds or the public. Therefore, the transaction should be approved.