

MERGER OF
KENOSHA COUNTY MUTUAL INSURANCE COMPANY
WITH AND INTO
MT. MORRIS MUTUAL INSURANCE COMPANY

RESOLUTIONS OF THE BOARD OF DIRECTORS OF KCMIC

Filed with the Wisconsin Office of the Commissioner of Insurance

September 6, 2023

**RESOLUTIONS OF THE
BOARD OF DIRECTORS OF
KENOSHA COUNTY MUTUAL INSURANCE COMPANY**

The following resolutions were passed at a meeting of the Board of Directors (the “Board”) of Kenosha County Mutual Insurance Company, a Wisconsin town mutual insurance corporation (the “Company”), held on August 24, 2023:

WHEREAS, the Company presently maintains statutorily and administratively required reinsurance coverage pursuant to Wis. Stat. § 612.33 and Wis. Admin. Code § INS 13.09 from Wisconsin Reinsurance Corporation, a property and casualty reinsurance company (“WRC”). On June 21, 2023, the Wisconsin Office of the Commissioner of Insurance (the “Commissioner”) placed WRC into rehabilitation.

WHEREAS, On June 28, 2023, as a result of the WRC rehabilitation and the Company’s status as a WRC policyholder for 2023, the Commissioner issued an order to the Company notifying the Company that it must find alternative reinsurance coverage for 2024 or take other action to maintain its certificate of authority and compliance with Wisconsin law including, without limitation, merging with another company.

WHEREAS, the Board desires to approve a merger of the Company with and into Mt. Morris Mutual Insurance Company, a Wisconsin mutual insurance corporation (“MMIC”), in accordance with Section 612.22 of the Wisconsin Statutes and pursuant to that certain Agreement and Plan of Merger, by and between the Company and MMIC (the “Agreement”), that is substantially consistent with the form submitted to the Company and the Board, whereby the separate existence of the Company shall cease and MMIC shall continue as the surviving company (the “Merger”);

WHEREAS, the Board has determined that the Merger will result in the greater financial strength of the surviving company and provide greater security to its members by combining the assets and reserves of the companies, spreading the risk of loss, reducing the costs of operation, and ensuring the continued availability of reinsurance;

WHEREAS, the Board has determined that it is in the best interest of the Company and its members to authorize the execution, delivery, and performance of the Agreement pursuant to which: (i) the Company’s policyholders will become members of MMIC and (ii) the Company will cease to exist as a separate corporation, and (iii) the articles of incorporation and bylaws attached to the Agreement (collectively, the “Surviving Company Organizational Documents”) will be the governing documents of the surviving company after the Merger;

WHEREAS, the Board has determined that the Merger will increase public confidence and confidence of lending institutions, reinsurers, and insurance regulators in the financial stability of the surviving company; and

WHEREAS, the Board has reviewed the Agreement and has determined that the Agreement is reasonable, fair and equitable to the members of the Company and deems it advisable for the Company to enter into the Agreement and effectuate the transactions contemplated therein.

NOW, THEREFORE, BE IT RESOLVED, that the Company be, and it hereby is, authorized and directed to enter into, and consummate the Merger and such other transactions contemplated by the Agreement;

BE IT FURTHER RESOLVED, the Board hereby establishes that (i) the Special Meeting of the members of the Company to approve the Merger, shall be held on October 26, 2023, at 7:00 p.m. at Village of Bristol, 19801 83rd Street, Bristol, Wisconsin or such other date, time, and location as designated by the President, (ii) the record date to determine the policyholders entitled to notice of and to vote at the Special Meeting shall be determined by the President, and (iii) members shall be permitted to vote on the resolutions presented at the Special Meeting by mail ballot as permitted under applicable law;

BE IT FURTHER RESOLVED, that the Board hereby (i) approves the (1) Notice of Special Policyholder Meeting, (2) Summary of Merger, (3) Policyholder Resolution Ballot and (4) Mail Vote Policyholder Resolution Ballot, each in substantially the form hereby presented to the Board and (ii) authorizes and directs the officers of the Company to finalize the foregoing materials with such revisions deemed necessary or advisable by the officers of the Company consistent with these resolutions, and directs that such materials be sent to the policyholders as soon as possible, but not less than 30 days prior to the date of the Special Meeting, and (iii) recommends that the members of the Company approve the Merger, the Agreement, and the Surviving Company Organizational Documents;

BE IT FURTHER RESOLVED, that, the officers of the Company be, and each of them hereby is, authorized and directed to execute and deliver the Agreement in the name and on behalf of the Company substantially in the form authorized by the Board, and any additional certificates, agreements, instruments or documents contemplated, required, necessary or appropriate for the effectuation of the transactions contemplated by the Agreement (such other certificates, agreements, instruments and documents are referred to collectively with the Agreement as the “Transaction Documents”), with such changes therein and additions thereto as the officers who shall execute the Transaction Documents shall approve, subject to the notice and consent of the Board, and to deliver counterparts of the Transaction Documents, so executed, to MMIC against delivery to the Company of one or more counterparts to the Transaction Documents executed on behalf of MMIC;

BE IT FURTHER RESOLVED, that the officers of the Company be, and each of them hereby is authorized and empowered to do such other things and execute and deliver all documents, agreements, certificates and instruments as may be necessary or proper to fully carry out and implement the Agreement, including obtaining all necessary regulatory approvals; and

BE IT FURTHER RESOLVED, that all actions of any kind heretofore taken by the officers of the Company in connection with the transactions and matters contemplated by the foregoing resolutions are hereby adopted, confirmed, ratified and approved in all respects as the acts and deeds of the Company.

CERTIFICATION OF RESOLUTION

The undersigned hereby certifies that he or she is the duly elected and qualified Secretary of Kenosha County Mutual Insurance Company and the keeper of the Company's records; the attached is a true and correct copy of the resolution adopted at a meeting of the Board of the Company held in accordance with the Company's Bylaws on the 24th day of August, 2023; and that the resolution is now in full force and effect.

Dated this 24th day of August, 2023.

KENOSHA COUNTY MUTUAL INSURANCE
COMPANY

By:  _____

Name: Janet A. Elfering

Title: Secretary