

# Barron Mutual Insurance Company

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**November 21, 2022**

## **Notice of Special Meeting for Barron Mutual Policyholders**

At the recent board meeting for Barron Mutual Insurance Company, the Board of Directors received a proposal to merge with Eagle Point Mutual Insurance Company of Chippewa Falls, Wisconsin. Both the Board of Directors and the board of directors of Eagle Point have determined that the merger is fair and equitable to both companies' policyholders. The proposed date of merger would be effective January 1, 2023, subject to the approval of Barron Mutual policyholders.

***A special meeting to vote on this proposed merger will be held on Thursday December 22<sup>nd</sup>, 2022 at 10:00 AM. The location is Sterling Bank, 234 E. LaSalle Avenue, Barron, Wisconsin. (Lower Level Conference Room) Please RSVP to the Barron Mutual office at (715) 537-5141 or email the office at [ksmith@barronmutual.com](mailto:ksmith@barronmutual.com) so that we may provide adequate seating. Because this will be a brief meeting, no refreshments will be served.***

***All Barron policyholders have a right to vote on the merger under Section 612.12 of the Wisconsin Statutes. A Summary of the Agreement and Plan of Merger entered by both companies is enclosed for your review. The Agreement and Plan of Merger was filed by both companies with the Office of the Commissioner of Insurance (the "OCI"), which must approve the merger.***

***A complete copy of the Agreement and Plan of Merger is available for your inspection, if you wish, during business hours at either Barron, 437 E. Division Street, Barron WI 54812, or Eagle Point Mutual, 23 West Central Street, Chippewa Falls, WI 54729***

### **If the merger is approved, what can I expect as a current Barron Mutual policyholder?**

***Barron Mutual Insurance Company would be merged with and into Eagle Point Mutual Insurance Company, effective January 1, 2023. The name of the company will be Eagle Point Mutual Insurance Company and all active Barron Mutual policyholders would then be members of Eagle Point Mutual Insurance Company.***

***Eagle Point Mutual would honor existing policies still in force as of the date of the merger through the duration of the policy term. If the merger is approved, a formal legal notice called a Certificate of Assumption, will be sent notifying you of the official next steps.***

***Importantly, if the companies merge, the combined company will be stronger and able to service your needs from both the Barron and Chippewa Falls locations. You will have the same agent with similar coverage and competitive premiums. You simply get a stronger company with all the history and personal service that you have enjoyed at Barron Mutual.***

**As a Barron Mutual policyholder, you will not need to do anything to continue your existing insurance coverage.**

**How does this change affect my policy?** *The only change is the name for now. While all premiums and programs remain similar, a stronger company can offer competitive rates, coverages, and services in the long run.*

**What info can you provide about Eagle Point?**

- ✓ *Eagle Point is a "Mutual" company, as is Barron, meaning they are owned by and report to policyholders.*
- ✓ *Created by Wisconsin pioneers and farmers in 1879 just like Barron was in 1891.*
- ✓ *Combined we will insure over 3,600 policyholders throughout Northwest Wisconsin.*
- ✓ *Combined we will have a strong company with nearly \$7 million in surplus compared to \$4.2 million in annual premium.*
- ✓ *Insure Homes, Farms, Mobile Homes, Dwellings, Commercial, Inland Marine, and Umbrella.*
- ✓ *Backed by Grinnell Mutual Reinsurance of Iowa, rated "A" by AM Best.*

**What happens to the Barron staff and the Barron office?** *The Barron office will remain open to serve you and the employees are staying on as part of the merged company. Now with more staff, multiple service locations, and combined technology, we are creating a new way to deliver you the best insurance coverage possible at affordable rates.*

**Who do I contact for service questions?** *Please continue to contact your agent and if needed, the Barron office for all service questions or claim needs.*

We value your business and thank you for your Loyalty to Barron Mutual and your trust in us, along with Eagle Point Mutual, to continue to locally provide and serve your insurance needs.

Sincerely,

**Karen Smith, Company Manager**  
**Barron Mutual Insurance Company**

**Carsten Ellison, Board President**  
**Barron Mutual Insurance Company**

**SUMMARY OF  
AGREEMENT AND PLAN OF MERGER BETWEEN  
EAGLE POINT MUTUAL INSURANCE COMPANY  
AND BARRON MUTUAL INSURANCE COMPANY**

The Boards of Directors of Eagle Point Mutual Insurance Company ("Eagle Point") and Barron Mutual Insurance Company ("Barron") have determined that it would be in the best interests of both companies for Barron to merge with and into Eagle Point Mutual, and the companies have entered into an Agreement and Plan of Merger (the "Plan") to effectuate the same.

Both companies are financially sound, with Eagle Point Mutual year-end 2021 policyholder surplus at \$5,264,756 and Barron 2021 year-end policyholder surplus at \$3,785,317. Advantages to the policyholders include an improved spread of risk, reduced total operating expenses. Also, all insurance companies need reinsurance to operate. Availability of affordable reinsurance for smaller mutual insurance companies like Barron Mutual has been limited. The merger results in a larger local mutual that has more reinsurance options and availability.

The Plan has been submitted for approval to the Commissioner of Insurance, which approval is required before the merger can be consummated. We are now asking for the approval of our policyholders. The Plan is summarized below.

Barron will merge into Eagle Point Mutual (the "Merged Company"), effective January 1, 2023, with Ron Staples as President of the Merged Company. The Merged Company will be authorized to write in all counties of Wisconsin, and it will have its home office at 23 West Central Street, Chippewa Falls, WI 54729. The Barron Staff will remain employed and will work out of the current Barron office in Barron, Wisconsin.

On the effective date of the merger, all property owned by Barron will become the property of the Merged Company and all liabilities of Barron will become liabilities of the Merged Company. All Barron policyholders will automatically become members and policyholders of the Merged Company. Each member of Barron will be sent a Certificate of Assumption formally confirming that status.

As of the effective date of the merger, the Board of Directors of the Merged Company will be nine. At each annual meeting of the policyholders of the Merged Company after the effective date of the merger, the policyholders will elect the directors to fill the positions of the directors whose terms expire.

As soon as possible after the effective date of the merger Barron policies (upon renewal) will be rewritten using the forms, rates, and underwriting guidelines of the Merged Company.

A complete copy of the Agreement and Plan of Merger is available for your inspection at both the Eagle Point Mutual and Barron Offices. Please contact either of the following individuals if you have any questions or if you would like to review a complete copy of the Plan.

**Karen Smith**  
**Barron Mutual Insurance Company**  
437 E. Division Street  
Barron, WI 54812  
Telephone: (715) 537-5141

**Ron Staples**  
**Eagle Point Mutual Insurance Corporation**  
23 West Chippewa Falls  
Chippewa Falls, WI 54729  
Telephone: (715) 723-9333