



DATE: August 20, 2025

TO: Amy J. Malm
Mark McNabb

FROM: Christopher Martin

SUBJECT: The Proposed Merger of Riverside Mutual Insurance Company with and into Central Wisconsin Mutual Insurance Company

The purpose of this memo is to summarize the results of OCI's analysis with respect to the above-referenced filing performed in accordance with the competitive standard criterion set-forth in ch. 612, Wis. Stat. and Ins. 40.02 Wis. Adm. Code.

Form A Filing Contact(s)

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Exhibit(s)

<u>Exhibit:</u>	<u>Description:</u>
Ex. 1	Transmittal Letter
Ex. 2	A certified resolution of the Riverside Board of Directors approving the Merger
Ex. 3	A certified resolution of the Central Wisconsin Board of Directors approving the Merger
Ex. 4	The executed Agreement and Plan of Merger, including the following exhibits:
Ex. 4a	The current Third Amended and Restated Articles of Incorporation of Central Wisconsin which will be the articles of incorporation of the surviving entity.
Ex. 4b	The current Amended and Restated Bylaws of Central Wisconsin which will be the bylaws of the surviving entity.
Ex. 4c	The current directors of Central Wisconsin which will be the directors of the surviving entity.
Ex. 4d	The current officers of Central Wisconsin which will be the officers of the surviving entity.
Ex. 4e	The form of Certificate of Assumption and Endorsement which Central Wisconsin proposes to send to all Riverside policyholders after the effective time of the Merger.
Ex. 4f	"Actual Cash Value Loss Settlement Terms for Roof and Exterior Surfacing" Endorsement.
Ex. 5	A propose summary of the Merger to be sent to Riverside policyholders with Riverside's Notice of Special Policyholder Meeting.

- Ex. 6 The following Riverside related documents
- Ex. 6a The most recent year end annual statement for Riverside
- Ex. 6b The June 2025 monthly unaudited financial statements for Riverside.
- Ex. 6c A proposed Notice of Special Policyholder Meeting to be sent to Riverside policyholders
- Ex. 6d The proposed policyholder resolution ballot to be presented in person at the special meeting.
- Ex. 6e The proposed policyholder resolution ballots to be presented to the policyholders via mail pursuant to Wis. Stat. s. 612.12(4)(c).
- Ex. 6f The proposed report of policyholder votes to be submitted to the OCI following the special meeting.
- Ex. 7 The following Central Wisconsin related documents:
- Ex. 7a The most recent year end annual statement for Central Wisconsin
- Ex. 7b The most recent quarterly statement for Central Wisconsin

Executive Summary

On August 15, 2025, Isabella Jarosz, external legal counsel, filed a statement on behalf of the Applicant Central Wisconsin Mutual Insurance Company (Central Wisconsin), a 611 mutual insurer. Central Wisconsin, along with Riverside Mutual Insurance Company (Riverside), a 612 town mutual insurer, intend that Riverside will merge with and into Central Wisconsin. After the merger, in accordance with the Agreement and Plan of Merger, Riverside will cease to exist, and the surviving entity would be Central Wisconsin.

Identity and Background of the Domestic Insurers

Identity of the Insurer(s):

Riverside Mutual Insurance Company

146 West Jefferson Street
Spring Green, WI 53588

Central Wisconsin Mutual Insurance Company

918 W. Main Street
Waupun, WI 53963

Background of the Insurer(s):

Riverside Mutual Insurance Company

Riverside is a Wisconsin domestic town mutual insurance company and was incorporated on 01/16/1877. The company is licensed to write Property and Nonproperty insurance and is currently authorized to do business in Monroe, Richland, Sauk, Vernon, Lafayette, Columbia, Crawford, Dane, Grant, Green, Iowa, Juneau, Adams, Walworth, Jefferson, and Rock County.

Central Wisconsin Mutual Insurance Company

Central Wisconsin is a Wisconsin domestic Ch. 611 mutual insurance company and was incorporated on 06/01/1874. The company is licensed to write (2)(e) Automobile, (2)(a) Fire, Inland Marine and Other Property Insurance, and (2)(d) Liability and Incidental Medical Expense Insurance (other than automobile) business in all counties.

Proposed Executive Officers and Directors of Central Wisconsin:

<u>Name</u>	<u>Title</u>	<u>Term</u>
Kevin Beske	Director	2027
Tom Alsum	Director	2026

Heather Tessmann	Director , Secretary	2026
Brian Floeter	Director, Treasurer	2027
Shelly Wiersma	Director	2027
Anthony Brossard	Director	2026
Carlton Kastorff	Director	2028
Nathan Pollnow	Director, Vice Chairperson	2028
David Zabel	Director	2028
Gerald Berg	Director, Chairperson	2028
Denis Fuerstenberg	President/CEO	

Nature, Source, and Consideration

Pursuant to the Agreement and Plan of Merger, between Riverside and Central Wisconsin, Riverside will be merged into Central Wisconsin, with the surviving entity being Central Wisconsin. Subject to the appropriate approvals and a vote held by the members of Riverside, the effective date of the transaction is expected to be January 1, 2026. In the event that the merger is unsuccessful, the two insurers will split the cost equally. No consideration will be transferred to any party as part of this merger.

Future Plans

Besides combining operations and combining assets and liabilities under one structure, the future plans of the surviving entity, Central Wisconsin, also include that all employees of Riverside will become employees of Central Wisconsin on the effective date. The current manager of Riverside will become the Vice President of Underwriting and Marketing of Central Wisconsin on the effective date. Additionally, Riverside and Central Wisconsin will mutually agree on which agents in good standing will become appointed agents of Central Wisconsin as of the effective date. Articles and Bylaws of the surviving corporation will be those current Articles and Bylaws of Central Wisconsin as provided with the application.

The s. 612.22 Wis. Stats. Standard

Section 612.22 Wis. Stats. incorporates the information gathering requirements of s. 612.02(4) (the application requirements for a certificate of authority) while directing the Commissioner to answer three broad questions contained in s. 612.22(3).

1. Is the Plan contrary to the law; or,
2. That the surviving or new corporation would not satisfy the requires for a certificate of authority under s. 612.02 (6); or
3. That the plan would be contrary to the interest of the insureds or the public.

Conclusion

After reviewing the information provided by the Applicants, the OCI believes that approving this merger is in the best interest of the policyholders of Riverside and Central Wisconsin. 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.

After the transaction closes the surviving entity, Central Wisconsin Mutual Insurance Company, will continue to be authorized in all counties throughout the state.