

**REPORT OF SPECIAL MEETING OF THE MEMBERS  
FOR THE PURPOSE OF VOTING ON THE MERGER OF  
SPRING GROVE MUTUAL INSURANCE COMPANY  
WITH AND INTO  
LA PRAIRIE MUTUAL INSURANCE COMPANY**

**December 15, 2023**

La Prairie Mutual Insurance Company (“LPMIC”) submits to the Office of the Commissioner of Insurance (the “OCI”) pursuant to Wis. Stat. § 612.21(6) this report of the Special Meeting of Members held on December 2, 2023, at 1:00 p.m. at 460 S Randall Avenue, Janesville, Wisconsin to discuss and to vote on the proposed merger of Spring Grove Mutual Insurance Company (“SGMIC”) with and into LPMIC (the “Special Meeting”).

On October 27, 2023, the members of LPMIC were mailed (i) the Notice of the Special Meeting in the form attached hereto as Exhibit A (the “Member Notice”), (ii) a summary of the Plan of Merger between LPMIC and SGMIC (which was approved by the Board of Directors of LPMIC on September 29, 2023 and by the OCI on October 26, 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 by mail to the address provided in the Member Notice or by email to [gweis@laprairieinsurance.com](mailto:gweis@laprairieinsurance.com), and in either case by December 1, 2023, or to appear at the Special Meeting and vote in person.

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

**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 SGMIC with and into LPMIC, and the ability to inquire of the Board of Directors of LPMIC regarding the same, the members of LPMIC hereby adopt and approve the Merger pursuant to the Agreement and Plan of Merger substantially in the form made available to the members and authorize its Board of Directors to take any remaining actions necessary to effectuate such merger.

432 members of LPMIC were entitled to vote at the Special Meeting. Of the 126 members of LPMIC who voted on the resolution, 125 voted in favor of adoption and 1 member voted against adoption. Of the members voting in person, 14 voted in favor of adoption and 0 members voted against adoption. Of the members voting by Mail Ballot, 111 voted in favor of adoption and 1 member voted against adoption.

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

Dated this 13<sup>th</sup> day of December, 2023.

LA PRAIRIE MUTUAL INSURANCE COMPANY

By: James Huisheere  
James V. Huisheere, President

Attest:

Georgia Weis  
Name: Georgia Weis, Secretary/Treasurer

**EXHIBIT A  
MEMBER NOTICE**

See attached.



Dear Policyholders,

In late summer of this year, our Company was approached by Spring Grove Mutual Insurance Company from Brodhead, Wisconsin regarding a merger between and into La Prairie Mutual Insurance Company.

Under Wisconsin Statute 612 all Wisconsin Town Mutual insurance companies are required to maintain certain reinsurance limits for the financial security of their policyholders. In June of 2023, Spring Grove's Reinsurance provider, Wisconsin Reinsurance Company, was placed under rehabilitation by the OCI due to their financial condition. All companies reinsured through WRC were directed to obtain other reinsurance coverage effective January 1, 2024. La Prairie Mutual is not insured with WRC and not impacted by this order. The Board of Spring Grove felt the best plan of action to comply with the order and limit disruption to their policyholders was through a merger with La Prairie Mutual.

The merger was discussed in depth by both Boards. The Board of Directors of each Company voted and determined the Merger is fair and equitable to each Company and their Policyholders. The Plan of Merger was filed with the Wisconsin Office of the Commissioner and approved on October 16, 2023. For this Merger to be complete, it must be approved by both Company's policyholders. As a policyholder, you have the right to cast your vote on the Merger. Our Board of Directors is recommending you approve this Merger and cast a "Yes" vote.

Please read the enclosed documents carefully. They outline the summary of Merger and include your ballot for voting by mail. If you wish to attend the special meeting being held on December 2, 2023, please let us know in advance.

All property insurance companies and reinsurance carriers have been affected in the past several years by catastrophic weather events. The size and magnitude of these events has increased dramatically leading to changes in the insurance industry. It is our hope that by consolidating our two financially stable companies, we will continue to serve you better and more efficiently. La Prairie Mutual celebrated 150 years of business this year and Spring Grove has been in business 148 years. We look forward to serving you for many more years.

If you have any questions regarding this material, please contact us at (608)752-2724.

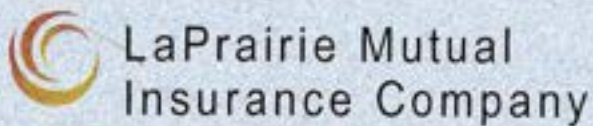
Please remember to return your ballot by December 1, 2023, or let us know you can attend the meeting.

Sincerely,

A handwritten signature in cursive script that reads "Georgia L. Wels".

Georgia L. Wels  
Secretary-Treasurer

460 S Randall Ave  
Janesville, WI. 53545  
Ph: (608)752-2724 Fax: (608)752-3987  
[www.laprairieinsurancejanesville.com](http://www.laprairieinsurancejanesville.com)



October 27, 2023

TO: All Policyholders of La Prairie Mutual Insurance Company

RE: Notice of Special Policyholder Meeting – December 2, 2023 – Merger with Spring Grove Mutual Insurance Company

**NOTICE IS HEREBY GIVEN THAT** a special meeting of the La Prairie Mutual Insurance Company (“LPMIC”) policyholders will be held on December 2, 2023, at 1:00 p.m. at 460 S Randall Avenue, Janesville, Wisconsin, to discuss and to vote on the proposed merger of Spring Grove Mutual Insurance Company (“SGMIC”) with and into LPMIC (the “Merger”) pursuant to the Agreement and Plan of Merger, dated October 12, 2023, by and between SGMIC and LPMIC (the “Agreement and Plan of Merger”) 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 SGMIC with and into LPMIC, and the ability to inquire of the Board of Directors of LPMIC regarding the same, the members of LPMIC hereby adopt and approve the Merger pursuant to the Agreement and Plan of Merger substantially in the form made available to the members and authorize its Board of Directors to take any remaining actions necessary to effectuate such merger.

The Board of Directors of LPMIC recommends that you vote “YES” on the policyholder resolution to approve the Agreement and Plan of Merger. Members will also consider and vote upon any matters as may properly come before the meeting, or any adjournments or postponements thereof.

All LPMIC policyholders have a right to vote on the Merger under Wis. Stat. § 612.12. Policyholders may cast their vote in person at the special meeting or by completing and returning the enclosed Policyholder Resolution Ballot.

Enclosed with this correspondence is a Summary of the Plan of Merger and Policyholder Resolution Ballot. **Please review these materials and return this ballot as instructed below no later than December 1, 2023.**

The Agreement and Plan of Merger was filed by both companies with the Office of the Commissioner of Insurance on October 16, 2023. Pursuant to Wisconsin law, the parties first obtained the Commissioner’s approval of the Agreement and Plan of Merger prior to it being submitted to a vote of the policyholders. The Commissioner approved the merger on October 16, 2023.

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 SGMIC or LPMIC. You may also contact us by phone at 608-752-2724 or email at [gweis@laprairieinsurance.com](mailto:gweis@laprairieinsurance.com) by December 1, 2023, 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.

**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 2, 2023, at 1:00 p.m. at 460 S Randall Avenue, Janesville, Wisconsin.**

**Please note, all mailed ballots must be returned by December 1, 2023. Please be sure to return your ballot by mail (in the enclosed envelope) or by email to [gweis@laprairieinsurance.com](mailto:gweis@laprairieinsurance.com). You may also vote in person at the special meeting.**

460 S Randall Ave  
Janesville, WI, 53545  
Ph: (608)752-2724 Fax: (608)752-3987  
[www.laprairieinsurancejanesville.com](http://www.laprairieinsurancejanesville.com)

**MERGER OF  
SPRING GROVE MUTUAL INSURANCE COMPANY  
WITH AND INTO  
LA PRAIRIE MUTUAL INSURANCE COMPANY**

**DECEMBER 2, 2023, SPECIAL POLICYHOLDER MEETING –  
POLICYHOLDER RESOLUTION MAIL BALLOT**

**WHEREAS**, La Prairie Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“LPMIC”), desires to effectuate a merger with Spring Grove Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“SGMIC”), in accordance with Section 612.21 of the Wisconsin Statutes and pursuant to the Agreement and Plan of Merger, dated October 12, 2023, by and between SGMIC and LPMIC (the “Agreement and Plan of Merger”), substantially in the form made available to the members of LPMIC in connection with this special meeting of the members, whereby the separate existence of SGMIC shall cease and LPMIC shall continue as the surviving company and be renamed “La Prairie Grove Mutual Insurance 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 SGMIC with and into LPMIC, and the ability to inquire of the Board of Directors of LPMIC regarding the same, the members of LPMIC hereby adopt and approve the Merger pursuant to the Agreement and Plan of Merger substantially in the form made available to the members and authorize its Board of Directors to take 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:**

La Prairie Mutual Insurance Company Policy #: \_\_\_\_\_

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

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

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

**NOTE: This ballot must be received by December 1, 2023, for your vote to be counted. Ballots can be returned via email to [gweis@laprairieinsurance.com](mailto:gweis@laprairieinsurance.com) or via mail in the envelope enclosed. Alternatively, you may also attend the meeting and vote in person.**

LaPrairie Mutual Insurance Co.  
460 S Randall Ave  
Janesville, WI. 53545  
Ph: 608-752-2724



Spring Grove Mutual Insurance  
1105 W 2<sup>nd</sup> Ave  
Brodhead, WI 53520  
Ph: 608-897-2148

To: All Policyholders of La Prairie Mutual Insurance Company and Spring Grove Mutual Insurance Company

Re: Summary of Proposed Merger of Spring Grove Mutual Insurance Company with and into La Prairie Mutual Insurance Company

Date: October 27, 2023

The Boards of Directors of Spring Grove Mutual Insurance Company (“SGMIC”) and La Prairie Mutual Insurance Company (“LPMIC”) 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”).

SGMIC’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, SGMIC was issued an order from the Commissioner on June 28, 2023 (the “OCI Order”). The OCI Order directed SGMIC to confirm its plans to obtain reinsurance for 2024 or otherwise maintain its certificate of authority to continue business in 2024.

In order to comply with the OCI Order and limit the disruption to the SGMIC policyholders and members, the Board of Directors of SGMIC has elected to pursue a merger with LPMIC (the “Merger”).

After the Board of Directors of each company voted and determined that the Merger is fair and equitable to each company and their respective policyholders, the Plan of Merger was filed by the companies with the Commissioner, which must approve the Merger prior to it being submitted to a vote of the companies’ policyholders. The Commissioner has approved the merger, and the companies are now ready to seek policyholder approval. The Board of Directors of each company recommends that their respective members vote to approve the Merger.

As further described below, the Merger will result in SGMIC members becoming mutual members of LPMIC, a Chapter 612 town mutual insurance company. We expect that the Surviving Corporation (as defined below) will have reinsurance in 2024, and to be stronger, larger, and more competitive than each company alone, without any impact to the policyholders’ insurance.

Please note if the policyholders do not approve the Merger of a company and SGMIC is unable to comply with the OCI Order, SGMIC 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 SGMIC to maintain their current insurance policies in effect beyond December 31, 2023.

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”):

- SGMIC policyholders will become members of LPMIC, and SGMIC will cease to exist as a separate corporation. LPMIC, as the surviving merged company, shall be renamed La Prairie Grove Mutual Insurance Company (“La Prairie Grove” or the “Surviving Corporation”). The parties recognize each company’s long history of service (approximately 150 years for each company) to their respective communities. To reflect that shared commitment and history, the parties have decided to choose a new name that reflects both of them.
- Each former member of SGMIC will be sent a Certificate of Assumption formally confirming their status as a member and policyholder of La Prairie Grove. Each member of LPMIC will be sent a Name Change Endorsement formally recognizing the company’s new name.
- Your policyholder rights as a member of La Prairie Grove after the Merger will continue to be governed by Chapter 612 of the Wisconsin Statutes (which govern town mutual insurance companies). This means that after the Merger, you will continue to have the right to vote for the Surviving Corporation’s Board of Directors, as well as to vote on “big” corporate decisions, such as future mergers and conversions.
- All of the assets, rights, privileges, and business of SGMIC, of every character and description, including all real property, all policies of insurance, all debts due on whatever account, premiums and assessments payable from members, all rights to bring any suit or action and all and every other interest of, or belonging to or due to SGMIC, shall accrue to, be merged into and become the absolute property of the Surviving Corporation.
- La Prairie Grove, shall assume all liabilities and obligations of SGMIC, including insurance policy liabilities. Each current SGMIC policyholder’s contract rights will be unaffected by the Merger. In other words, current SGMIC policyholders will continue as policyholders of La Prairie Grove, continuing to enjoy all contractual rights as they currently exist under their respective SGMIC insurance policies.
- As a Chapter 612 town mutual insurance company, the Surviving Corporation may only write insurance policies in up to 16 counties. The Surviving Corporation will continue servicing, renewing, and writing new policies in the Wisconsin counties of Dane, Grant, Green, Iowa, Jefferson, Lafayette, Rock and Walworth.

Upon the effective date, the Surviving Corporation will have a board comprised of nine (9) members: six (6) of LPMIC’s current directors will continue to serve on the board of the Surviving Corporation, along with three (3) of SGMIC’s current directors. At each annual meeting of the policyholders of the Surviving Corporation after the Effective Date, the policyholders will elect the directors to fill the positions of the directors whose terms expire, in accordance with the Surviving Corporation’s articles of incorporation and bylaws. Immediately after the Merger, the Board of Directors will be made up of the following individuals (those marked “\*” are former directors of LPMIC prior to the Merger):



<u>Name</u>	<u>Current Affiliation</u>	<u>Term Expires</u>
James V. Huisheere	La Prairie	2024
Michael Doubleday	La Prairie	2024
Patrick Mullooly	La Prairie	2025
David DeLong	La Prairie	2026
Robert Gunn	La Prairie	2026
Julianne Burns	La Prairie	2026
Nikolaus Faessler*	Spring Grove	2025
Glenn Marass*	Spring Grove	2025
Dennis Miller*	Spring Grove	2024

- The officers of La Prairie Grove will be: President James V. Huisheere; Vice President Nikolaus Faessler; and Secretary and Treasurer Robert Gunn. These officers shall serve until the next annual meeting of the Board of Directors of the Surviving Corporation or until their successors shall have been elected and shall qualify for office.
- LPMIC will undergo some staffing changes in connection with the Merger. Georgia Weis, the current Secretary/Treasurer and manager of LPMIC, will become the Chief Executive Officer (CEO) of La Prairie Grove. Laura Shell, the Secretary/Treasurer and manager of SGMIC, will become the Chief Operations Officer (COO) of La Prairie Grove. Brianna Hicks will transition to La Prairie Grove as an administrative assistant and the current employees of LPMIC will continue in their current roles with La Prairie Grove.
- The Surviving Corporation will offer LPMIC's current agency agreement to each agent who has an appointment with SGMIC prior to the effective date of the merger and who does not already have an agency agreement in force with LPMIC.
- Business will be transacted from LPMIC's current headquarters in Janesville, Wisconsin. The Surviving Corporation currently intends to continue operations at the current SGMIC office located in Brodhead, Wisconsin. This could change if at some point if the board of the Surviving Corporation determines it is no longer necessary to maintain such office, and it is fiscally responsible to close that location.
- Various changes to the LPMIC's articles of incorporation and bylaws are also proposed as part of the Plan of Merger, including changes related to the authorized territory of the Surviving Corporation and LPMIC's name change to La Prairie Grove. Copies of the proposed documents and the Plan of Merger are available for your review upon request.
- The Surviving Corporation will adopt the policy forms, rates, deductibles, and underwriting guidelines of LPMIC. No changes to the policies or premiums of SGMIC policyholders will occur immediately upon the consummation of the Merger. However, effective on the first renewal or anniversary date of each SGMIC policy following the Effective Date, policies will be rewritten using LPMIC forms, rates, and underwriting guidelines.

A complete copy of the Plan of Merger (and related exhibits) is available for your inspection at both the LPMIC and SGMIC 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.

**Spring Grove Mutual Insurance Company**

Laura Shell, Secretary/Treasurer  
1105 W. 2<sup>nd</sup> Avenue  
Brodhead, WI 53520  
(608) 897-2148  
info@sgrovermutual.com

**La Prairie Mutual Insurance Company**

Georgia L. Weis, Secretary/Treasurer  
460 S. Randall Avenue  
Janesville, WI 53545  
(608) 752-2724  
gweis@laprairieinsurance.com