

AMOUNT AND SOURCE OF FUNDS AVAILABLE

(Wis. Stat. § 644.07(4)(b)(3))

An explanation of the amount and sources of the funds available for organization expenses and initial operating expenses.

Under the proposed MHC Plan, West Bend Mutual Holding Company (“WB MHC”) will own 100% of the stock of WBM Corporation (“WBMC”) and will thereby indirectly own 100% of the stock of West Bend Insurance Company (“WBIC”), the converted West Bend Mutual Insurance Company. WB MHC will conduct no business operations other than those associated with its role as the sole shareholder of WBMC and as the ultimate parent of the affiliated group of companies. It is expected that WB MHC will incur only minimal expenses, primarily for organizational, corporate governance, and legal/regulatory purposes. WB MHC may receive ordinary dividends from WBMC, and indirectly WBIC, in order to cover these operating expenses.

WB MHC will also enter into a Professional and Administrative Services Agreement with WBIC and other affiliates, submitted with this filing for the OCI’s review and approval, pursuant to which each party (including WB MHC) will pay the expenses incurred by WBIC in providing intercompany services in the ordinary course of business.