

September 9, 2023

**CONFIDENTIAL**

VIA EMAIL: amy.malm@wisconsin.gov

Commissioner Nathan Houdek  
Office of the Commissioner of Insurance  
State of Wisconsin  
Attention: Amy Malm, Division of Financial Regulation  
Office of the Commissioner of Insurance  
125 S. Webster Street, 2<sup>nd</sup> Floor  
Madison, WI 53702

**RE: Mt. Pleasant-Perry Middleton Mutual Insurance Company Application  
to Convert to a Chapter 611 insurance company to facilitate an  
affiliation**

By this letter Mt. Pleasant-Perry Middleton Mutual Insurance Company (“Company”), a Wisconsin chartered Chapter 612 town mutual insurance company, hereby requests approval to convert to a Chapter 611 mutual insurance company pursuant to 612.23, Wis. Stat for purposes of affiliating with Mt. Morris Mutual Insurance Company, a Wisconsin domestic mutual insurance corporation. Mt. Morris is separately filing a Form A Application for approval from OCI of the affiliation/change in control.

The proposed date, time and location of the policyholder meeting to vote on the conversion of the Company is October 25, 2023 at 7:00 p.m. at Edelweiss Chalet Country Club, W4764 Edelweiss Road, New Glarus WI 53574. The proposed closing date for conversion and affiliation is January 1, 2024.

As directed by OCI, with this letter are the following Exhibits:

1. Conversion Plan that was duly approved by the Company’s board on August 29, 2023. The Plan was unanimously approved and is signed by all directors. The Plan includes all of the following:
  - a. The reasons for and the purpose of the conversion
  - b. The proposed terms, conditions, and procedures and estimated expenses of implementing the conversion
  - c. The proposed name of the corporation

- d. The proposed amended and restated articles of incorporation and bylaws
2. CONFIDENTIAL List of Directors and Officers – including the name, title, end of term (month and year), along with copies of Biographical Affidavits for Directors and Officers, completed no greater than six months prior to the filing date of this Application. The original Affidavits are being submitted by Mt. Morris with its Form A Application.
3. CONFIDENTIAL Copies of the Affiliation Agreements with Mt. Morris (signed Affiliation Agreement, and form of Management Agreement, form of Reinsurance Pooling Agreement and form of Reinsurance Allocation Agreement).
4. CONFIDENTIAL The proposed compensation of directors and officers.
5. CONFIDENTIAL Business plan – presented in a narrative format and addressing the applicable questions in the <https://content.naic.org/sites/default/files/ucaa-industry-questionnaire-primary-expansion.pdf>.
6. CONFIDENTIAL Financial Projections for three years using the OCI projections template for converting town mutual insurers. The projections include a calculation of compulsory and security surplus.
7. Board Resolution Adopting the Conversion Plan.
8. Summary of Conversion Plan.
9. Policyholder Meeting Announcement with a minimum of 30-days notice.
10. Proposed Policyholder Resolution.
11. Proposed Report of Policyholder Vote, including the following:
  - a. Number of members entitled to vote
  - b. Number of members who voted
  - c. Number of votes cast in person and number of votes cast by mail.
12. Most Recent Year-End Financial Statements for the Company.
13. Most Recent Quarterly Financial Statements for the Company.

After OCI Approval letter is sent to the Company, we will submit the official Report of Policyholder Vote. After the conversion is completed, we will submit the Certification Confirmation Letter via email stating the effective date of the conversion.

**Request for Confidential Treatment:**

We request confidential treatment of the Confidential Exhibits 2-6 (each of which is marked “Confidential” and submitted separately under confidential cover as part of the Confidential Exhibits submitted with this Application). The Confidential Exhibits, together with any items that may be submitted separately as amendments or supplements hereto, contains confidential and/or proprietary information, business plans and strategies that are trade secrets and are not otherwise available to the public and that, if disclosed, could cause substantial injury to the competitive position of the Company. Such information is required pursuant to Wis. Stat. § 601.42; therefore, the Commissioner may withhold this information from public disclosure pursuant to Wis. Stat. § 601.465(1m)(a) and Wis. Admin. Code § Ins 6.13(2). Moreover, because the information is not public, it is presumed under Wis. Stat. § 601.465(1n)(a), notwithstanding Wisconsin public records law (Wis. Stat. §§ 19.31-39), that the information is proprietary and confidential and that the potential for harm and competitive disadvantage if it is made public by the Commissioner outweighs the public interest in the disclosure of the information.

Accordingly, the Company respectfully requests that these Confidential Exhibits be afforded confidential treatment and be excepted from disclosure pursuant to all applicable provisions of law, including as specified below. All such information is provided with the express understanding that the confidentiality of such information will be safeguarded.

Specifically, the Business Plan, Financial Projections and Affiliate Agreements include “trade secrets” as defined under Wis. Stat. § 134.90(1)(c) because information in these exhibits “derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use [and] is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.” Trade secrets are exempt from disclosure under the public records law under Wis. Stat. § 19.36(5) and Wis. Admin. Code § INS 6.13(2). Accordingly, the Company respectfully requests that the Commissioner afford these documents confidential treatment and except them from disclosure pursuant to this authority.

The NAIC Biographical Affidavits include information that is not otherwise available to the public, is subject to financial privacy and individual privacy protections, and is

presumed confidential and should be afforded confidential treatment pursuant to Wis. Stat. § 601.465(1m)(d). The public value of this personal information is outweighed by the privacy interests of persons submitting these affidavits and by the public interest in encouraging qualified people to serve in these capacities, see the Wisconsin Attorney General's March 2018 Wisconsin Public Records Law Compliance Guide, pp. 36-39, and, in particular, home information and the social security number of an employee provided by an employer are exempt from the public records law. *Id.* at p. 23, citing Wis. Stat. § 19.36(10)(a). Therefore, the Biographical Affidavits will be provided with the understanding that the confidentiality of such information contained therein will be safeguarded and such individuals submitting Biographical Affidavits will be protected from unwarranted invasions of personal privacy pursuant to all provisions of law including, but not limited to, the referenced authority and any other applicable statutory or regulatory authority available to the Commissioner.

The Company also requests that it be notified in advance of any requesting party seeking to rebut the presumption of confidentiality for nonpublic documents and information in this Form A under Wis. Stat. § 601.465(1n)(b), or any proposed disclosure of any portion of this Form A designated as confidential, so that it has a reasonable opportunity to seek a protective order or take any other action to prevent or limit such disclosure.

Please let me know if you have questions or require additional information in connection with this application. Thank you.

Sincerely,

BOARDMAN & CLARK LLP

*Electronically signed by Kirsten E. Spira*

Kirsten E. Spira

KES/km

Cc: Mr. Chris Martin, OCI (via email)(christopherj.martin@wisconsin.gov)