

November 2, 2023

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, 2nd Floor
Madison, WI 53703

Re: Confidential Supplement to the filing of the joint conversion of Ashland County Town Insurance Company, Darlington Mutual Insurance Company, Liberty Mutual Fire Insurance Company, Price County Town Mutual Insurance Company, River Falls Mutual Insurance Company and Stockholm Town Mutual Insurance Company with and into River Valley Mutual Insurance Company, a Chapter 612 town mutual insurance company, which shall convert to a Chapter 611 mutual insurance company

Dear Commissioner Houdek:

This letter constitutes a confidential supplement (this “Confidential Supplement”) to the conversion filing for the joint conversion of River Valley Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“River Valley”), Ashland County Town Insurance Company, a Wisconsin town mutual insurance corporation (“Ashland County”), Darlington Mutual Insurance Company (“Darlington”), Liberty Mutual Fire Insurance Company (“Liberty Mutual”), Price County Town Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“Price County”), River Falls Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“River Falls”) and Stockholm Town Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“Stockholm Town Mutual”, together with River Valley, Ashland County, Darlington, Liberty Mutual, Price County and River Falls are collectively referred to herein as the “Constituent Corporations”) pursuant to which the Constituent Corporations will combine into a single mutual insurance corporation organized under Chapter 611 of the Wisconsin Statutes whereby the separate existence of Ashland County, Darlington, Liberty Mutual, Price County, River Falls, and Stockholm Town Mutual shall thereupon cease and River Valley shall continue as the surviving company under Chapter 611 of the Wisconsin Statutes (the “Conversion”).

Specifically, enclosed we are providing the following documents as part of this Confidential Supplement (collectively referred to as the “Confidential Materials”):

- Attachment 8. Unredacted Agreement and Plan of Conversion
 - Exhibit A – Projected Surplus
 - Exhibit B – Business Plan

- Attachments 8(b), 10(b), 11(b), 12(b), 13(b), 14(b), 15(b) and 16(b). The interim financial statements of the Constituent Corporations (the “Interim Financial Statements”).
- Attachment 17. Biographical affidavits of River Valley's proposed directors and officers after the effective time of the Conversion.
- Attachment 19. Financial projections of River Valley after the Conversion.

The Confidential Materials contain confidential and/or proprietary information, including, without limitation, business plans and strategies that are trade secrets of the Constituent Corporations and are not otherwise available to the public and that, if disclosed, could cause substantial injury to the competitive position of the Constituent Corporations. The Confidential Materials constitute privileged information that is required to be filed with the OCI pursuant to Wis. Stat. § 601.42, and therefore, the Commissioner may withhold this information from public disclosure in accordance with Wis. Stat. § 601.465(1m)(a) and Wis. Admin. Code § INS 6.13(2). Moreover, notwithstanding the Wisconsin public records law (Wis. Stat. §§ 19.31-.39), because the Confidential Materials contain information that is not public, such information is presumed to be proprietary and confidential under Wis. Stat. § 601.465(1n)(a), and, thus, the potential for harm and competitive disadvantage to the Constituent Corporations if such information is it is made public by the OCI outweighs the public interest in the disclosure of the information.

Accordingly, the Constituent Corporations respectfully request that the Confidential Materials be afforded confidential treatment and be exempt 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.

The Confidential Materials include “trade secrets” as defined under Wis. Stat. § 134.90(1)(c) because the 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 Wisconsin public records law, Wis. Stat. § 19.36(5) and Wis. Admin. Code § INS 6.13(2). Accordingly, the Constituent Corporations respectfully request that the Commissioner afford the Confidential Materials confidential treatment and exempt them from disclosure pursuant to this authority.

The NAIC biographical affidavits provided in Attachment 17 of the Confidential Materials 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 Constituent Corporations understand that 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, however, records containing the home information and/or the social security number of an individual are given certain protections from disclosure under

Wisconsin public records law, Id. at p. 23, citing Wis. Stat. § 19.36(10)(a). Therefore, the NAIC biographical affidavits provided in Attachment 17 of the Confidential Materials will be provided with the understanding that the confidentiality of such information contained therein will be safeguarded, and such individuals submitting NAIC 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 Constituent Corporations also request that the River Valley be notified in advance of any requesting party seeking to rebut the presumption of confidentiality for nonpublic documents and information in the Confidential Materials under Wis. Stat. § 601.465(1n)(b) or any proposed disclosure of any portion of the Confidential Materials 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.

Thank you for your assistance on this matter. Should you have any questions or require additional information, please do not hesitate to contact either of us, Zach Bemis at (608) 284-2224 or by email at zbemis@gklaw.com, or Ashley Smith at (414) 287-9423 or by email at asmith@gklaw.com.

Sincerely,

GODFREY & KAHN, S.C.



Zachary P. Bemis



Ashley A. Smith

Enclosures

cc: Mr. Chris Martin, OCI (via email)
Ms. Elena Vetrina, OCI (via email)
Ms. Kristin Forsberg, OCI (via email)
Paul Rosenow, River Valley (via email)
Linda Smart, Ashland County (via email)
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