

FORM A
STATEMENT REGARDING THE ACQUISITION OF CONTROL OF OR MERGER
WITH A
DOMESTIC INSURER

Filed with the Office of the Commissioner of Insurance,
State of Wisconsin

Little Black Mutual Insurance Company
Name of Domestic Insurer

By

Farmington Mutual Insurance Company
Name of Acquiring Person ("Applicant")

Filed with the Wisconsin Office of the Insurance Commissioner

Date: August 30, 2018

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

Mike Soldan
General Manager
Farmington Mutual Insurance Company
264 State Road 35
Osceola, WI 54020
Telephone: (715-294-3186)
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Tony Wilke
President
Little Black Mutual Insurance Company
141 South Wisconsin Avenue
P.O. Box 406
Medford, WI 54451
Telephone: (715) 748-6040
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With a copy to:

Noreen J. Parrett
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10 East Doty Street, Suite 615
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INTRODUCTION

Both Farmington Mutual Insurance Company (“Farmington”) and Little Black Mutual Insurance Company (“Little Black”) are Wisconsin domiciled mutual insurance companies governed by Wis. Stat. Chapter 611. Both companies converted in the past from assessable town mutual companies governed by Wis. Stat. Chapter 612. Farmington’s policies are currently nonassessable while Little Black still issues policies with limited assessability. Since the proposed transaction has Farmington as the surviving entity, once the merger becomes effective, all policies will be nonassessable.

Both Farmington and Little Black are financially stable insurance companies and meet the financial requirements under Wisconsin law. As of December 31, 2017, Farmington had \$8,178,000 in admitted assets and \$6,920,000 in capital and surplus. Little Black had \$5,611,000 in admitted assets and \$2,733,000 in capital and surplus as of December 31, 2017.

Both Farmington and Little Black are licensed only in Wisconsin but are licensed statewide. Farmington’s business is concentrated in Polk County and Little Black’s business is concentrated in Taylor County. The territories in which the companies concentrate their writings do not overlap. The policyholder counts for Farmington and Little Black are 1,644 and 4,618 respectively. The merger will expand the writing territory of the surviving entity and spread the risk of loss to a greater geographic area.

Both companies are reinsured by Wisconsin Reinsurance Corporation, which will facilitate the transition from a reinsurance standpoint. The merger will also create a savings in reinsurance costs to the surviving company.

ITEM 1. INSURER AND METHOD OF ACQUISITION

Farmington Mutual Insurance Company
264 State Road 35
Osceola, WI 54020

The proposed transaction is a merger between Farmington and Little Black with Farmington as the surviving entity.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

(a) Name and address of the applicant.

Farmington Mutual Insurance Company
264 State Road 35
Osceola, WI 54020

(b) Nature of its business operations and future business.

Farmington is a nonassessable mutual insurance company governed by Chapter 611. It is licensed to write property and casualty insurance only in the State of Wisconsin. It currently writes primarily farmowners, homeowners and commercial policies.

(c) Organizational chart; court proceedings.

Not applicable. Farmington has no subsidiaries.

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

Board of Directors

Edward Sontag, President
Crop Farmer and Insurance Agent
Somerset, WI

Thomas Stack, Vice President
Insurance Agent
Glenwood City, WI

David Neidermire, Secretary/Treasurer
Dairy Farmer and Insurance Agent
New Richmond, WI

James Klemesrud
Retired Engineer
New Richmond, WI

Richard McCurdy
Accountant and Life & Disability Insurance Agent
Centuria, WI

Craig Gustafson
Manager – Federated Co-operative
Osceola, WI

David Thiel
Retired Machinist
New Richmond, WI

Carol Schiltgen
Office Manager
Amery, WI

Gary Berget
Construction Contractor
New Richmond, WI

Officers

Edward Sontag, President
Thomas Stack, Vice President
Richard McCurdy, Secretary/Treasurer
Mike Soldan, General Manager

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

(a) Nature, source and amount of funds or other considerations used, or to be used, in effecting the merger or other acquisition of control.

The proposed transaction is a merger of mutual insurance companies. There will be no consideration paid.

(b) Criteria used in determining the nature and amount of such consideration.

Not applicable.

ITEM 5. APPLICANT'S FUTURE PLANS FOR THE INSURER (plans to declare an extraordinary dividend, or to liquidate the insurer, to sell the insurer's assets, merge the insurer or any other material change in its business operations, corporate structure or management)

The proposed transaction is a simple merger between two mutual companies, with Farmington the surviving entity. The proposed transaction will result in Little Black being subsumed by merger into Farmington. There will be no dividends declared and no sale of assets. Farmington's

and Little Black's operations will be combined and the combined company (Farmington) will write the same kinds of products as each of the insurers individually and will primarily market and issue policies in the same geographic areas as did the insurers individually. The Articles of Incorporation and Bylaws of the combined company will be Farmington's current Articles of Incorporation until such time as they may be amended by the Board and/or the policyholders. The Amended and Restated Bylaws of Farmington will be the Amended and Restated Bylaws of the combined company. The Bylaws will be amended at Farmington's September Board of Directors meeting to change the maximum number of directors to 16.

The proposed directors of the combined company are the current directors of both Farmington and Little Black. They are listed below.

Mark Peissig	Tom Odeen	Becky Brost
Dave Savone	Mike Kassie	Tom Rasmussen
Gary Berget	Don Boss	Craig Gustafson
David Neidermire	Edward Sontag, Chair	James Klemesrud
Carol Schiltgen	Thomas Stack, Vice Chair	Richard McCurdy
David Thiel		

The proposed officers of the combined company are:

Mike Soldan, Chief Executive Officer
Tony Wilke, Chief Operating Officer/Chief Financial Officer
Richard McCurdy, Secretary/Treasurer

ITEM 6. VOTING SECURITIES TO BE ACQUIRED

Not applicable. The companies are mutual insurers.

ITEM 7. OWNERSHIP OF VOTING SECURITIES

Not applicable. The companies are mutual insurers.

ITEM 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER

Not applicable. The companies are mutual insurers.

ITEM 9. RECENT PURCHASES OF VOTING SECURITIES

Not applicable. The companies are mutual insurers.

ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE

Not applicable. The companies are mutual insurers.

ITEM 11. AGREEMENTS WITH BROKER-DEALERS

None.

ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS

Items (a) – (c): Following is a list of all exhibits, including audited financial statements, to this Statement:

- Exhibit A - Agreement and Plan of Merger between Farmington Mutual Insurance Company and Little Black Mutual Insurance Company.
- Exhibit B - Restated Articles of Incorporation and the Amended and Restated Bylaws of Farmington Mutual Insurance Company, which will become the Restated Articles of Incorporation and Amended and Restated Bylaws of the combined company. There are no changes to the Restated Articles of Incorporation from Farmington's current Articles and a copy is on file with the Office of the Commissioner of Insurance and is incorporated herein. A copy of the proposed Amended and Restated Bylaws of Farmington Mutual Insurance Company is attached as Exhibit B.
- Exhibit C - Farmington's current directors and officers. Biographical Affidavits are already on file with the OCI and have been incorporated herein.
- Exhibit D - Proposed Directors and Principal Officers. Biographical Affidavits not already on file with the OCI will be submitted under separate cover. *Farmington is requesting confidential treatment with respect to the Biographical Affidavits.*
- Exhibit E - Farmington Audited Annual Statements for years 2013 through 2017. Farmington's audited Annual Statements are on file with the Office of the Commissioner of Insurance and are incorporated herein.
- Exhibit F - Combined Company Three-year Financial Projections. *Farmington requests confidential treatment with respect to the financial projections and is filing them under separate cover.*
- Exhibit G - Combined Company Business Plan. *Farmington requests confidential treatment with respect to the business plan and is filing it under separate cover.*

Exhibit H - Board Resolution for Farmington Mutual Insurance Company.

Exhibit I - Board Resolution for Little Black Mutual Insurance Company.

ITEM 13. AGREEMENT REQUIREMENTS FOR ENTERPRISE RISK MANAGEMENT

Applicant agrees to provide, to the best of its knowledge and belief, the information required by Form F within fifteen (15) days after the end of the month in which the acquisition of control occurs.

Not Applicable – neither company is a part of an insurance holding company system and no insurance holding company system will result from the transaction.

(signature page to follows)

ITEM 14. SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

SIGNATURE –

Pursuant to the requirements of ch. Ins 40, Wis. Adm. Code, Edward Sontag has caused this application to be duly signed on its behalf in the city of Osceola and state of Wisconsin on the day of August, 28, 2018.

(SEAL)

Farmington Mutual Insurance Company

By: Edward a Sontag
Name: Edward Sontag
Title: Board President

Attest: Mike Soldan
Mike Soldan, Chief Operation Officer

The undersigned deposes and says that he has duly executed the attached application dated August 28, 2018, for and on behalf of Farmington Mutual Insurance Company; that he is the President of the Board of Directors of such company and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with the instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

Edward a Sontag
Name: Edward Sontag
Title: Board President

Subscribed and sworn to this
28 day of August, 2018.

Judy L Strohbeen
Notary Public

My commission expires on: 8-20-21

