

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

**NATIONAL MUTUAL BENEFIT**

**BY**

**WESTERN FRATERNAL LIFE ASSOCIATION**

Filed with the

**Iowa Insurance Division  
Wisconsin Office of the Commissioner of Insurance**

**Dated: June 17, 2020**

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

Western Fraternal Life Association  
Craig Van Dyke  
President  
1900 First Avenue NE, Cedar Rapids, Iowa 52402

with copies to:  
Todd Martin  
Stinson, LLP  
50 South Sixth St., Suite 2600, Minneapolis, MN 55402

National Mutual Benefit  
Daniel Shinnick  
President and CEO  
6522 Grand Teton Plaza  
Madison, WI 53719

with copies to:  
Noreen Parrett  
Parrett Law, LLC  
10 East Doty Street, Suite 403  
Madison, WI 53703

This Form A Statement ("Statement") is submitted on behalf of Western Fraternal Life Association ("WFLA" or "Applicant"). WFLA is a fraternal benefit society exempt from federal taxation under Section 501(c)(8) of the Internal Revenue Code, founded in 1897, and domiciled in Iowa. WFLA has entered into an Agreement of Merger ("Merger Agreement") with National Mutual Benefit, a fraternal benefit society exempt from federal taxation under Section 501(c)(8) of the Internal Revenue Code, founded in 1902, and domiciled in Wisconsin ("NMB" or "Insurer"). Under the Merger Agreement, NMB will merge with and into WFLA and WFLA will redomesticate to become a Wisconsin-domiciled fraternal benefit society.

WFLA and NMB respectfully request approval from the Iowa Insurance Division under Section 512B.15 of Title XII of the Iowa Code and the Wisconsin Office of the Commissioner of Insurance under Section 614.73 and 611.223 of the Wisconsin Statutes for the Merger and Redomestication described herein.

## **ITEM 1. INSURER AND METHOD OF ACQUISITION**

National Mutual Benefit  
6522 Grand Teton Plaza  
Madison, WI 53719

NMB is a fraternal benefit society exempt from federal taxation under Section 501(c)(8) of the Internal Revenue Code, founded in 1902, and domiciled Wisconsin. The federal identification number of NMB is 39-0494090 and its NAIC number is 56073.

The Agreement of Merger is attached as **Exhibit A**. Representations, warranties and covenants of the parties are attached as **Exhibit B**. The Fraternal Transition Plan of the parties is attached as **Exhibit C**. It is intended that NMB will merge with and into WFLA, with WFLA as the surviving entity (the "Merger"). As a part of the same transaction, WFLA seeks to redomesticate to Wisconsin and become licensed as a nondomestic insurer in Iowa (the "Redomestication"). A certified copy of the current articles and bylaws of NMB are attached as **Exhibit D**.

## **ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT**

### **a. Name and Address of the Applicant**

Western Fraternal Life Association  
1900 First Avenue NE  
Cedar Rapids, IA 52402

The federal identification number of WFLA is 42-0594470, and its NAIC number is \_58017. A certified copy of the current articles and bylaws of WFLA are attached as **Exhibit E**.

### **b. Nature of the Applicant's Business Operations and Future Business**

WFLA is a fraternal benefit society exempt from federal taxation under Section 501(c)(8) of the Internal Revenue Code, founded in 1897, and domiciled in Iowa. NMB and WFLA intend the

Merger to be a "merger of equals" to create a Consolidated Society as described in the Merger Agreement to better serve their collective members, constituencies, and communities.

NMB is currently licensed to do business in the following states:

1. Arizona
2. Colorado
3. Illinois
4. Indiana
5. Iowa
6. Michigan
7. Minnesota
8. Montana
9. Nebraska
10. North Dakota
11. South Dakota
12. Wisconsin
13. Wyoming

WFLA is currently licensed to do business in the following states:

1. California
2. Colorado
3. Illinois
4. Iowa
5. Kansas
6. Louisiana
7. Michigan
8. Minnesota
9. Montana
10. Nebraska
11. North Dakota
12. Ohio
13. Oklahoma
14. Oregon
15. South Dakota
16. Texas
17. Washington
18. Wisconsin

It is intended that the Consolidated Society will continue to do business in all states in which NMB and WFLA do business, except California. WFLA is in negotiations with another fraternal benefit society to acquire WFLA's certificates in California. WFLA has also submitted expansion applications to do business in Arizona, Indiana, and Wyoming, states in which NMB is licensed to do business but WFLA is not.

### **c. Organizational Chart; Court Proceedings**

WFLA owns 100 percent of the outstanding common stock of Western Fraternal Life Wealth Management, Inc. which was incorporated in October, 1996. There are no court proceedings involving WFLA or Western Fraternal Life Wealth Management, Inc.

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

In response to this Item 3, all biographical affidavits will be filed as **Exhibit F** in a sealed envelope marked "Confidential." WFLA and NMB request that (i) the biographical affidavits be afforded confidential treatment, (ii) WFLA and NMB be notified in advance of any proposed disclosure of the information stated in the biographical affidavits by the Iowa Insurance Division or Wisconsin Office of the Commissioner of Insurance, and (iii) WFLA and NMB be given a reasonable opportunity to seek a protective order or take other action to prevent or limit any such disclosure.

Below is a list of the members of the Board of Directors and officers of WFLA and NMB. The business addresses of the directors and officers are stated in the biographical affidavits for such persons, which, as described above, are being filed as **Exhibit F**.

WFLA's Board of Directors currently consists of the following members:

#### **Board of Directors**

1. Michael Hosek
2. Brenda Vrieze
3. Donald Krall
4. Duane Jirik
5. Mary Bradley
6. Karen Ryba
7. Ross Sestak
8. Craig Van Dyke

The day-to-day affairs of WFLA are managed by the following executive officers:

#### **Officers**

1. Craig Van Dyke, President
2. Ann Day Freeman, Senior Vice President and Chief Underwriter
3. Donald Nieland, Vice President, Information Technology and Secretary
4. Jack Minder, Vice President and Treasurer
5. Kevin Simpson, Vice President of Sales and Marketing

NMB's Board of Directors currently consists of the following members:

#### **Board of Directors**

1. Nancy Heykes
2. Maureen O'Hern Hahn
3. John McHugh, Jr.

4. Thomas Johnson
5. Daniel Shinnick

The day-to-day affairs of NMB are managed by the following executive officers:

**Officers**

1. Daniel Shinnick, President & CEO
2. Steven Reindl, Senior Vice President, Finance, Secretary & Treasurer
3. Jenna Dunker, Senior Vice President, Market Development
4. Jared Bruley, Senior Vice President, Member Acquisition & Engagement
5. Michelle Maffet, Vice President, Member Services
6. Nick McCullick, Vice President, Change Champions
7. Anne Rogers, Vice President, Fraternal Services

**ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION**

**a. Nature, Source, and Amount of Funds or Other Consideration**

WFLA and NMB, working together, will (1) deliver greater value through integration of insurance operations and greater economies of scale, (2) pursue growth and increased financial strength through new opportunities provided by a larger fraternal insurance platform, and (3) expand outreach through WFLA Lodges and NMB Branches and increased member engagement in charitable and fraternal programs. No funds will be exchanged. No purchase price is being paid by WFLA or NMB in connection with the proposed transaction.

**b. Criteria to Determine Nature and Amount of Consideration**

In light of the status of the two organizations as not-for-profit fraternal benefit societies, and typical of most such transactions between not-for-profit fraternal benefit societies, there was no purchase price to be negotiated.

**ITEM 5. FUTURE PLANS OF INSURER**

As a part of the Merger transaction, WFLA will redomesticate to Wisconsin. It is also contemplated that the Consolidated Society will change its name to such name as approved by the Boards of Directors of WFLA and NMB in accordance with the procedures described in the Merger Agreement.

The Articles of Incorporation and Bylaws of the Consolidated Society will be as attached as **Exhibit G**. The Board of Directors of the Consolidated Society will be comprised of the 4 current elected directors of NMB and 4 of the current 7 elected directors of WFLA and the CEO and President. The 4 directors of WFLA to serve on the Board of the Consolidated Society will be selected by vote of WFLA Delegates as described in the Merger Agreement. The current President & CEO of NMB, Daniel Shinnick, will serve as CEO of the Consolidated Society and the current President of WFLA, Craig Van Dyke, will serve as President of the Consolidated Society. Other executive officers of the Consolidated Society will be determined by the Consolidated Society as described in the Merger Agreement and Articles and Bylaws of the Consolidated Society.

**ITEM 6. VOTING SECURITIES TO BE ACQUIRED**

This is a merger transaction of not-for-profit fraternal benefit societies. There are no voting securities to be acquired.

**ITEM 7. OWNERSHIP OF VOTING SECURITIES**

Not applicable.

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

Not applicable.

**ITEM 9. RECENT PURCHASES OF VOTING SECURITIES**

Not applicable.

**ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE**

Not applicable.

**ITEM 11. AGREEMENTS WITH BROKER-DEALERS**

Not applicable.

**ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS**

The following is a list of all exhibits, including financial statements, to be filed with this Statement.

Exhibit A - Certified Copy of Agreement and Plan of Merger.

Exhibit B - Certified Copy of Representations, Warranties and Covenants.

Exhibit C- Certified Copy of Fraternal Transition Plan.

Exhibit D- Certified Copy of Current Articles of Incorporation and Bylaws of NMB.

Exhibit E- Certified Copy of Current Articles of Incorporation and Bylaws of WFLA.

Exhibit F- Current Directors and Officers of WFLA and NMB. Biographical Affidavits are included with this Statement but are being sent under separate cover. *Applicant requests confidential treatment with respect to the Biographical Affidavits.*

Exhibit G- Articles of Incorporation and Bylaws of the Consolidated Society.

Exhibit H- Consolidated Society Three-Year Financial Projections. *Applicant requests confidential treatment with respect to the Three-Year Financial Projections.*

Exhibit I- Business Plan for Consolidated Society. *Applicant requests confidential treatment with respect to the Business Plan.*

Exhibit J- Audited Annual Statements for WFLA for years 2015 through 2019.

Exhibit K- Quarterly financial statements for WFLA for 2020.

Exhibit L- Audited Annual Statements for NMB for years 2015 through 2019.

Exhibit M - Quarterly financial statements for NMB for 2020.

Exhibit N- Officer Certification of NMB regarding approval of the Merger by its Board of Directors and Supreme Governing Body.

Exhibit O- Officer Certification of WFLA regarding approval of the Merger by its Board of Directors and Supreme Governing Body.

**ITEM 13. CONSENT TO PROVIDE INFORMATION REGARDING ENTERPRISE RISK**

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

**ITEM 14. SIGNATURE AND CERTIFICATION**

Signature and certification are on the following form:

**WESTERN FRATERNAL LIFE SIGNATURE**

Pursuant to the requirements of under Section 512B.15 of Title XII of the Iowa Code and Section 614.73 and 611.223 of the Wisconsin Statutes, Western Fraternal Life Association has caused this application to be duly signed on its behalf in the City of Cedar Rapids and State of Iowa on the 17th day of June, 2020.

WESTERN FRATERNAL LIFE ASSOCIATION

By:  \_\_\_\_\_

Name: Craig Van Dyke

Title: President

Attest;

 \_\_\_\_\_

Donald Nieland

Secretary



**NATIONAL MUTUAL BENEFIT SIGNATURE**

Pursuant to the requirements of under Section 512B.15 of Title XII of the Iowa Code and Section 614.73 and 611.223 of the Wisconsin Statutes, National Mutual Benefit has caused this application to be duly signed on its behalf in the City of Madison and State of Wisconsin on the 17<sup>th</sup> day of June, 2020.


NATIONAL MUTUAL BENEFIT

By:

  
Name: Daniel Shinnick

Title: President & CEO

Attest:

  
Steven Reindl  
Secretary