



October 17, 2022

Notice of Special Meeting for Pella Mutual Policyholders

At the recent board meeting for Pella Mutual Insurance Company, the Board of Directors received a proposal to merge with Mutual of Wausau Insurance Corporation, of Wausau, WI. Both the Board of Directors and the board of directors of Mutual of Wausau Insurance Corporation have determined that the merger is fair and equitable to both companies' policyholders. The proposed date of merger would be effective January 1, 2023 subject to the approval of Pella Mutual policyholders.

A special meeting to vote on this proposed merger will be held on Thursday, November 17, 2022, at 9:00 am at the Pella Town Hall: W11021 County Rd D, Marion, WI 54950. Please RSVP to the Pella Mutual office at (715) 754-5039 or office@pellainsurance.net so that we may provide adequate refreshments.

All Pella policyholders have a right to vote on the merger under Section 612.12 of the Wisconsin Statutes. A summary of the Agreement and Plan of Merger entered into by both companies is enclosed for your review. The Agreement and Plan of Merger was filed by both companies with the Office of the Commissioner of Insurance (the "OCI"), which must approve the merger.

A complete copy of the Agreement and Plan of Merger is available for your inspection, if you wish, during business hours at either Pella, W11261 Cty Hwy D, Marion, WI 54950, or Mutual of Wausau, 3910 Stewart Ave, Wausau, WI 54402.

If the decision to merge is approved by the policyholders of Pella Mutual, what can I expect as a current Pella Mutual policyholder?

Pella Mutual Insurance Company would be merged with and into Mutual of Wausau Insurance Corporation, effective January 1, 2023. The name of the company will be Mutual of Wausau Insurance Corporation and all active Pella Mutual policyholders would now be members of Mutual of Wausau Insurance Corporation.

Mutual of Wausau Insurance Corporation would honor existing policies still in force as of the date of the merger through the duration of the policy term. If the merger is approved, a formal legal notice called a Certificate of Assumption, will be sent notifying you of the official next steps.

Importantly, if the companies merge, then as a Pella Mutual policyholder, you will not need to do anything to continue your existing insurance coverage. You will have the same agent with similar coverage and competitive premiums. You simply get a stronger company with all the history and personal service that you have enjoyed at Pella Mutual.

The combined company will be stronger and able to service your needs from both the Pella and Wausau locations.

Here are answers to some of the questions you may have:

- 1. How does this change affect my policy?** *The only change is the name for now. While all premiums and programs remain similar, a stronger company can offer competitive rates, coverages, and services in the long run.*

- 2. What info can you provide about Mutual of Wausau?**
 - ✓ *A "Mutual" company as is Pella meaning they are owned by and report to policyholders.*
 - ✓ *Following the merger, you would be a co-owner of Mutual of Wausau!*
 - ✓ *Created by Wisconsin pioneers and farmers in 1875 just like Pella was in 1876.*
 - ✓ *Insure over 19,000 policyholders throughout Wisconsin.*
 - ✓ *A very strong company with nearly \$20 million in surplus compared to almost \$16 million in annual premium.*
 - ✓ *Insure Homes, Farms, Mobile Homes, Dwellings, Commercial, Inland Marine, and Umbrella.*
 - ✓ *Working to have an Auto Program in the near future.*

- 3. What happens to the Pella staff and the Pella office?** *The Pella office will remain open to serve you and employees are staying on as part of the merged company. Now with more staff, multiple service locations, and state-of-the-art technology, we are creating a new way to deliver you the best insurance coverage possible at affordable rates.*

- 4. Who do I contact for service questions?** *Please continue to contact your agent and if needed, the Pella office for all service questions or claim needs.*

You may also contact your agent if there are any other issues you would like to discuss.

We value your business and invite you to attend the policyholder meeting.

Sincerely,

Jakie Sperberg, PFMM
President & CEO
Pella Mutual Insurance Company

Cc: Todd Lentz, President & CEO
Mutual of Wausau Insurance Corporation