

PROPOSED SUMMARY OF MERGER

**MERGER OF
HOLLAND MUTUAL FIRE INSURANCE COMPANY
INTO
THERESA MUTUAL INSURANCE COMPANY**

[Letterhead/logos of Companies]

To: All Policyholders of Theresa Mutual Insurance Company & Holland Mutual Fire Insurance Company

Re: Summary of Proposed Merger of Holland Mutual Fire Insurance Company into Theresa Mutual Insurance Company

Date: [DATE]

The Boards of Directors of Theresa Mutual Insurance Company (“Theresa Mutual”) and Holland Mutual Fire Insurance Company (“Holland Mutual”) have determined that it would be in the best interests of both companies to merge and the companies have entered in an Agreement and Plan of Merger (the “Plan”).

Holland Mutual was recently placed under an order limiting operations by the Wisconsin Office of the Commissioner of Insurance (the “Commissioner”) based on the expiration (effective December 31, 2022) of the company’s reinsurance policy required under Wisconsin law. Theresa Mutual is a financially sound company that maintains the required reinsurance coverage and has confirmed its ability to maintain reinsurance coverage post-merger.

Advantages to the policyholders of both companies include an improved spread of risk, reduced total operating expenses, and less dependence on reinsurance since larger premium volume will allow higher retentions. Advantages to the current policyholders of Holland Mutual include the continued to availability of coverage through a town mutual insurer.

The Plan has been approved by the Commissioner of Insurance. We are now asking for the approval of our policyholders. The Plan is summarized below.

Theresa Mutual is larger than Holland Mutual. Holland Mutual will merge into Theresa Mutual, effective January 1, 2023. Holland Mutual is currently authorized to write policies in four counties that overlap with Theresa Mutual’s authorized territory (Fond du Lac, Ozaukee, Sheboygan, and Washington Counties) and two counties in which Theresa is not currently authorized (Calumet and Manitowoc Counties). Following the merger, Theresa Mutual will continue to operate in Columbia, Dodge, Fond du Lac, Green Lake, Manitowoc, Marquette, Ozaukee, Sheboygan, Washington and Winnebago Counties.

Robert Belling, the current Manager of Theresa Mutual will continue to serve in that capacity. Ernie Commons, the current Manager of Holland Mutual, will be offered employment with Theresa Mutual with job duties relating to servicing the assumed policies of former members of

Holland Mutual. Tracy Kinyon will continue to serve as President of the merged company. The Board of Directors will be expanded to include eleven directors, including two directors who currently serve on the Holland Mutual Board of Directors.

As of the effective date of the merger, the Board of Directors of the merged company will be Tracy Kinyon, Rodney Justman, Robert Belling, Ralph Pribnow, Jerome Feucht, Steven Ries, Archie Serwe, Pete Bonack, Gary Zastrow, Stanley Lammers and Kari De Smith. At each annual meeting of the policyholders of Theresa Mutual after the effective date of the merger, the policyholders will elect the directors to fill the positions of the directors whose terms expire.

Business will be transacted from Theresa Mutual's current office space in Theresa, Wisconsin. The merged company anticipates that it will continue to maintain an office at 265 S. Main Street in Cedar Grove.

On the effective date of the merger, all property owned by Holland Mutual will become the property of Theresa Mutual and all liabilities of Holland Mutual will become liabilities of Theresa Mutual. All Holland Mutual policyholders will automatically become members and policyholders of Theresa Mutual. Each member of Holland Mutual will be sent a Certificate of Assumption formally confirming that status.

Effective on the first renewal date of each Holland Mutual policy following the effective date of the merger, Holland Mutual policies will be rewritten using Theresa Mutual forms, rates, and underwriting guidelines.

A complete copy of the Agreement and Plan of Merger is available for your inspection at both the Theresa Mutual and Holland Mutual Offices. Please contact either of the following individuals if you have any questions or if you would like to review a complete copy of the Plan.

Theresa Mutual Insurance Company

Robert T. Belling
Board Secretary and Manager
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Theresa, WI 53091
Telephone: [PHONE]

Holland Mutual Fire Insurance Company

Stanley Lammers
Board President
265 S Main Street
Cedar Grove, WI 53013
Telephone: [PHONE]