

March 19, 2024

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 53702

Re: Merger of Heartland Mutual Insurance Company with and into Arlington Mutual Insurance Company.

Dear Commissioner Houdek:

The Boards of Directors of Heartland Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“Heartland”) and Arlington Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“Arlington”), have approved the merger of Heartland with and into Arlington (the “Merger”). Pursuant to Wis. Stat. § 612.21, we are submitting for your review the documents and exhibits set forth below, and respectfully request your approval of the Merger.

Please find enclosed the following documentation:

<u>Attachment</u>	<u>Description</u>
1.	A certified resolution of the Heartland Board of Directors approving the Merger and establishing a date for the special meeting of policyholders.
2.	A certified resolution of the Arlington Board of Directors approving the Merger.
3.	The executed Agreement and Plan of Merger, including the following exhibits: <u>Exhibit A:</u> The proposed Second Amended and Restated Articles of Incorporation of Arlington which will be the articles of incorporation of the surviving entity, as amended and restated. <u>Exhibit B:</u> The current bylaws of Arlington which will be the bylaws of the surviving entity.

Exhibit C: The form of Certificate of Assumption and Endorsement which Arlington proposes to send to all Heartland policyholders after the effective time of the Merger.

Exhibit D-1: “Interior Water Damage Limitation” Form Exclusion Endorsement

Exhibit D-2: “Roof Limitation” Form Exclusion Endorsement

Exhibit D-3: “\$2,500 Policy Deductible” Form Exclusion Endorsement

Exhibit E: A listing of the proposed directors and officers of the surviving entity.

4. A proposed summary of the Merger to be sent to Arlington policyholders and Heartland policyholders with each of Heartland’s and Arlington’s Notice of Special Policyholder Meeting.
5. The following Heartland-related documents:
 - (a) The most recent year-end annual statement for Heartland.
 - (b) The most recent monthly unaudited financial statements for Heartland. ***Submitted under separate cover; confidential treatment requested.***
 - (c) A proposed Notice of Special Policyholder Meeting to be sent to Heartland policyholders.
 - (d) The proposed policyholder resolution ballot to be presented in person at the special meeting.
 - (e) The proposed report of policyholder votes to be submitted to the OCI following the special meeting.
6. The following Arlington-related documents:
 - (a) The most recent year-end annual statement for Arlington.
 - (b) The most recent monthly unaudited income statement for Arlington. ***Submitted under separate cover; confidential treatment requested.***
 - (c) A proposed Notice of Special Policyholder Meeting to be sent to the Arlington policyholders.
 - (d) The proposed policyholder resolution ballots to be presented to the policyholders via mail pursuant to Wis. Stat. § 612.12(4)(c).

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- (e) The proposed report of policyholder votes to be submitted to the OCI following the special meeting.

Please note that in light of the urgency of this matter, Heartland has tentatively scheduled an emergency special meeting for its policyholders on May 18, 2024, and Arlington has scheduled an emergency special meeting for its policyholders on May 17, 2024. Upon the filing of this application, the parties intend to begin preparation of the policyholder mailings.

Thank you for your attention to 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 Isabella Cafaro at (414) 287-9311 or by email at icafaro@gklaw.com.

Sincerely,

GODFREY & KAHN, S.C.



Zachary P. Bemis



Isabella T. Cafaro

Enclosures

cc: Mr. Chris Martin, OCI (via email)
Ms. Kristin Forsberg, OCI (via email)
Teri Krysa, Arlington (via email)
Lorraine Bowen, Heartland (via email)