

**REPORT OF SPECIAL MEETING OF THE MEMBERS
FOR THE PURPOSE OF VOTING ON THE MERGER OF
KENOSHA COUNTY MUTUAL INSURANCE COMPANY
INTO
MT. MORRIS MUTUAL INSURANCE COMPANY**

October 26, 2023

Kenosha County Mutual Insurance Company (“KCMIC”) submits to the Office of the Commissioner of Insurance (the “OCI”) pursuant to Wis. Stat. § 612.22(6) this report of the Special Meeting of Members held on October 26, 2023, at 7:00 p.m. at Village of Bristol, 19801 83rd Street, Bristol, Wisconsin to discuss and to vote on the proposed merger (the “Merger”) of KCMIC with and into Mt. Morris Mutual Insurance Company (“MMIC”) (the “Special Meeting”).

On September 20, 2023, the members of KCMIC were mailed (i) the Notice of the Special Meeting in the form attached hereto as Exhibit A (the “Member Notice”), (ii) a summary of the Plan of Merger between KCMIC and MMIC (which was approved by the Board of Directors of KCMIC on August 24, 2023 and by the OCI on September 22, 2023), and (iii) a policyholder resolution ballot for members to vote on the resolution authorizing the Merger by mail (the “Mail Ballot”), (collectively, the “Merger Materials”). The Member Notice instructed the members to review the Merger Materials and return their Policyholder Resolution Ballot to the address provided in the Member Notice by 7:00 p.m. on October 26, 2023, or to appear at the Special Meeting and vote in person.

At the Special Meeting, the members of KCMIC reviewed the Merger Materials and had the opportunity to ask questions of the respective designated representatives of KCMIC relating to the Merger, the following resolution was adopted by the members of KCMIC:

RESOLVED, that after review of the Summary of the Plan of Merger and/or the Agreement and Plan of Merger of KCMIC with and into MMIC, and the ability to inquire of the Board of Directors regarding the same, the members of KCMIC hereby adopt and approve in all material respects the Merger pursuant to the Agreement and Plan of Merger and authorize its Board of Directors to take any remaining actions necessary to effectuate the Merger.

460 members of KCMIC were entitled to vote at the Special Meeting. Of the 129 members of KCMIC who voted on the resolution, 127 voted in favor of adoption and 2 members vote against adoption. Of the members voting in person, 9 voted in favor of adoption and 0 members vote against adoption. Of the members voting by Mail Ballot, 118 voted in favor of adoption and 2 members vote against adoption.

[Remainder of the page left blank intentionally; Signatures follow]

Dated this 26 day of Oct., 2023.

KENOSHA COUNTY MUTUAL INSURANCE
COMPANY

By: 
Myron Daniels, President

Attest:


Name: Janet A. Elfering, Secretary

EXHIBIT A
MEMBER NOTICE

See attached.

Kenosha County Mutual Insurance Company

PO Box 115 Bristol, WI 53104

Phone : 262-857-2876 Fax: 262-857-2876

www.kenoshacountymutualinsurance.com

Email: kenoshacomutualins@earthlink.net

September 22, 2023

TO: All Policyholders of Kenosha County Mutual Insurance Company

RE: Notice of Special Policyholder Meeting – October 26, 2023 – Merger with Mt. Morris Mutual Insurance Company

NOTICE IS HEREBY GIVEN THAT a Special Meeting of the Kenosha County Mutual Insurance Company (“KCMIC”) policyholders will be held on **October 26, 2023, at 7 p.m.** at Village of Bristol, 19801 83rd Street, Bristol, Wisconsin, to discuss and to vote on the proposed merger of KCMIC into Mt. Morris Mutual Insurance Company (“MMIC”) (the “Merger”) through consideration of the following resolution:

RESOLVED, that after review and discussion of the Agreement and Plan of Merger of Kenosha County Mutual Insurance Company into Mt. Morris Mutual Insurance Company, the members of Kenosha County Mutual Insurance Company hereby adopt and approve the Agreement and Plan of Merger and authorize its Board of Directors to take any remaining actions necessary to effectuate such merger.

The Board of Directors of KCMIC recommends that you vote “YES” on the policyholder resolution to approve the Agreement and Plan of Merger. Members will also consider and vote upon any matters as may properly come before the Meeting, or any adjournments or postponements thereof.

All KCMIC policyholders have a right to vote on the Merger under Wis. Stat. § 612.12. Policyholders may cast their vote in person at the Special Meeting or by completing and returning the enclosed Policyholder Resolution Ballot.

Enclosed with this correspondence is a Summary of the Plan of Merger and Policyholder Resolution Ballot. **Please review these materials and return this ballot as instructed below no later than October 21, 2023.**

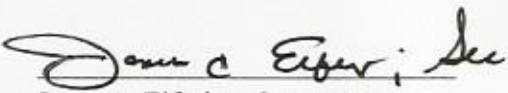
The Agreement and Plan of Merger was filed by both companies with the Office of the Commissioner of Insurance on September 6, 2023. **The Commissioner approved the merger on September 21, 2023. / Pursuant to Wisconsin law, the parties will obtain the Commissioner’s approval of the Agreement and Plan of Merger prior to it being submitted to a vote of the KCMIC policyholders.]**

A complete copy of the Agreement and Plan of Merger is available for your inspection, if you wish, during business hours at the office of KCMIC or MMIC. You may also contact us by phone at 262-857-2876, or email at kenoshacomutualins@earthlink.net by October 21, 2023, if you prefer that we email or mail you the meeting materials or a paper copy of the Agreement and Plan of Merger. Please call if you have any questions about the merger or the special meeting.

Your vote is important. Even if you plan to attend the Special Meeting, please complete and return the enclosed Policyholder Resolution Ballot as soon as possible. We hope to see you on October 26, 2023] at 7 pm at Village of Bristol, 19801 83rd Street, Bristol, WI

Please note, all mailed ballots must be returned by October 21, 2023, at 5 p.m. Please be sure to return your ballot by mail (in the enclosed envelope) or email to kenoshacomutualins@earthlink.net. You may also vote in person at the Special Meeting.

By Order of the Board of Directors


Janet A. Elfering, Secretary

Bristol, Wisconsin September 22, 2023



Kenosha County Mutual Insurance Company

PO Box 115 Bristol, WI 53104
Phone : 262-857-2876 Fax: 262-857-2876
www.kenoshacountymutualinsurance.com
Email: kenoshacomutualins@earthlink.net



Mt. Morris Mutual Insurance Company

N1211 County Road B
Coloma, WI 54930
Telephone: 715-228-5541
Fax: 715-228-5543 * Claims Fax: 715-228-5548
www.mtmorrisins.com

To: All Policyholders of Kenosha County Mutual Insurance Company

Re: Summary of Proposed Merger into Mt. Morris Mutual Insurance Company

Date: September 22, 2023

The Boards of Directors of Kenosha County Mutual Insurance Company (“KCMIC”) and Mt. Morris Mutual Insurance Company (“Mt. Morris 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 of Merger”).

KCMIC’s reinsurer, Wisconsin Reinsurance Corporation (“WRC”), was placed into Rehabilitation by the Wisconsin Office of the Commissioner of Insurance (the “Commissioner”) on June 21, 2023. As a town mutual organized under Chapter 612 of Wisconsin Statute, KCMIC is required by law to maintain certain reinsurance coverage. Based in part on the uncertainty surrounding the ability of WRC to reinsure KCMIC in 2024, the Board of Directors of KCMIC has elected to pursue a merger with Mt. Morris Mutual (the “Merger”).

Mt. Morris Mutual is a mutual insurance company organized under Chapter 611 of Wisconsin Statutes that currently issues policies throughout Wisconsin. Founded in 1875 as a town mutual insurance company named “Mt. Morris Norwegian Mutual Fire Insurance Company”, the company completed a series of mergers with other town mutual insurance companies in the 1980s and 1990s. In 1997, Mt. Morris Mutual reorganized as a Chapter 611 mutual insurance company and began writing business statewide.

Mt. Morris Mutual is a financially sound company that maintains reinsurance coverage and has confirmed its ability to maintain reinsurance coverage post-merger. Advantages to the policyholders of KCMIC include less dependence on the limited number of reinsurers issuing coverage to Chapter 612 town mutuals, an improved spread of risk throughout the state, having access to a broader range of insurance products (including personal and commercial auto insurance), and no longer being potentially subject to policyholder assessments. Additionally, KCMIC policyholders will continue to be insured by a mutual insurance company.

The Boards of Directors have determined that the Merger is fair and equitable to the policyholders of KCMIC and Mt. Morris Mutual and has recommended that KCMIC members vote to approve the Merger.

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

Mt. Morris Mutual is larger than KCMIC and will be the surviving entity of the Merger. KCMIC will merge into Mt. Morris Mutual, effective on the closing date. The anticipated closing date of the Merger is, January 1, 2024. KCMIC is currently authorized to write policies in the counties of Kenosha, Racine, Walworth, Jefferson, Waukesha, Dane, Iowa and Richland. As a Chapter 611 mutual insurance company, Mt. Morris Mutual may write policies throughout the state of Wisconsin; the surviving entity will continue to be a Chapter 611 mutual insurance company writing policies throughout Wisconsin.

Upon the effective date, the merged company will have a Board comprised of ten (10) members: MMIC's current Directors will continue to serve on the Board of the merged Company, along with Mr. Chris Leker of KCMIC. Janet Elfering, the current Manager of KCMIC, will be offered employment with Mt. Morris Mutual with job duties relating to servicing the assumed policies of former members of KCMIC.

At each annual meeting of the policyholders of Mt. Morris Mutual after the effective date of the merger, the policyholders will elect the directors to fill the positions of the directors whose terms expire, as provided in Mt. Morris Mutual's current articles and bylaws.

The articles and bylaws of the merged company will continue to be those of Mt. Morris Mutual. No changes to the Mt. Morris Mutual Articles of Incorporation and Bylaws as a result of the Merger. Copies of the proposed documents and the Merger Agreement are available for your review.

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

No changes to the policies or premiums of KCMIC policyholders will occur immediately upon the consummation of the Merger. However, effective on the first renewal date of each KCMIC policy following the effective date of the Merger, KCMIC policies will be rewritten using Mt. Morris Mutual forms, rates, and underwriting guidelines.

Business will be transacted from Mt. Morris Mutual's current office space in Coloma, Wisconsin.

A complete copy of the Agreement and Plan of Merger (and related exhibits) is available for your inspection at both the KCMIC and Mt. Morris Mutual offices. Please contact Janet Elfering, KCMIC Manager, at (262) 857-2876 or kenoshacomutualins@earthlink.net if you have any questions or if you would like to review a complete copy of the Plan of Merger.

Kenosha County Mutual Insurance Company

Myron Daniels
President
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Bristol, WI 53104
(262) 857-2876
kenoshacomutualins@earthlink.net

Mt. Morris Mutual Insurance Company

Daniel Fenske
President & CEO
N1211 County Road B
Coloma, WI 54930
(715) 228-5541
agdan@mtmorrisins.com

**MERGER OF
KENOSHA COUNTY MUTUAL INSURANCE COMPANY
WITH AND INTO
MT. MORRIS MUTUAL INSURANCE COMPANY**

**OCTOBER 26, 2023, SPECIAL POLICYHOLDER MEETING –
POLICYHOLDER RESOLUTION MAIL BALLOT**

WHEREAS, Kenosha County Mutual Insurance Company, a Wisconsin town mutual insurance corporation (“KCMIC”), desires to effectuate a merger (the “Merger”) with and into Mt. Morris Mutual Insurance Company, a Wisconsin mutual insurance corporation (“MMIC”), in accordance with Section 612.22 of the Wisconsin Statutes and pursuant to the Agreement and Plan of Merger, by and between KCMIC and MMIC (the “Agreement and Plan of Merger”), in the form made available to the members of KCMIC in connection with the special meeting of the members, whereby the separate existence of KCMIC shall cease and MMIC shall continue as the surviving company.

RESOLVED, that after review of the Summary of the Plan of Merger and/or the Agreement and Plan of Merger of KCMIC with and into MMIC, and the ability to inquire of the Board of Directors regarding the same, the members of KCMIC hereby adopt and approve in all material respects the Merger pursuant to the Agreement and Plan of Merger and authorize its Board of Directors to take any remaining actions necessary to effectuate the Merger.

Should this policyholder resolution be approved?

(Select only one)

YES

NO

I plan to attend the Special Meeting and will vote in person.

Questions/Comments:

Kenosha County Mutual Insurance Company Policy #: _____

Member: _____
(Print Name)

Member’s Signature: _____

Date: _____

NOTE: This ballot must be received by 7:00 p.m. on October 26, 2023, for your vote to be counted. Ballots can be returned via email to kenoshacomutualins@earthlink.net or via mail in the envelope enclosed. You may also attend the meeting and vote in person.