

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

October 27, 2023

Tri-County Mutual Town Insurance Company (“TCMTIC”) 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 27, 2023 at 2:00 p.m. at the Company’s office located at 7865 US HWY 2 Iron River, WI 54847 to discuss and to vote on the proposed merger (the “Merger”)of TCMTIC with and into Mt. Morris Mutual Insurance Company (“MMIC”) (the “Special Meeting”).

On September 25, 2023, the members of TCMTIC 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 TCMTIC and MMIC (which was approved by the Board of Directors of TCMTIC 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 2:00 p.m. on October 27, 2023, or to appear at the Special Meeting and vote in person.

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

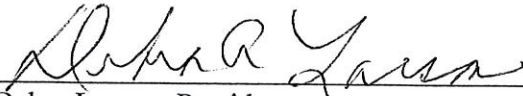
RESOLVED, that after review of the Summary of the Plan of Merger and/or the Agreement and Plan of Merger of TCMTIC with and into MMIC, and the ability to inquire of the Board of Directors regarding the same, the members of TCMTIC hereby adopt and approve in all material respects the Merger pursuant to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

404 members of TCMTIC were entitled to vote at the Special Meeting. Of the 119 members of TCMTIC who voted on the resolution, 119 voted in favor of adoption and 0 members vote against adoption. Of the members voting in person, 0 voted in favor of adoption and 0 members vote against adoption. Of the members voting by Mail Ballot, 119 voted in favor of adoption and 0 members vote against adoption.

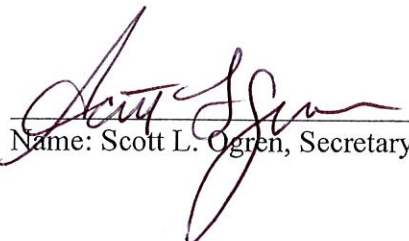
[Remainder of the page left blank intentionally; Signatures follow]

Dated this 27 day of October, 2023.

TRI-COUNTY MUTUAL TOWN INSURANCE
COMPANY

By: 
Debra Larson, President

Attest:


Name: Scott L. Ogren, Secretary

**EXHIBIT A
MEMBER NOTICE**

See attached.

TRI-COUNTY MUTUAL TOWN INSURANCE COMPANY
OF ASHLAND, BAYFIELD AND DOUGLAS COUNTIES

OFFICE OF SECRETARY

715-372-8577

BOX 157, IRON RIVER, WI 54847

September 25, 2023

Dear Policyholders,

Over the past couple years, the insurance industry has seen an increased activity in catastrophe losses, and with the higher costs of construction, it has put a great deal of pressure on the industry. As a result, the Wisconsin Reinsurance Corporation Group (WRC Group) unfortunately, was one of these companies that have been hit extremely hard over the last years and were put into rehabilitation by the State of Wisconsin in May. Like many other Mutual Insurance companies in the state, Tri-County currently gets their reinsurance from the WRC Group and because of their rehabilitation status, they are unable to provide Tri-County reinsurance for the upcoming year.

With all reinsurance companies having difficult claims experience and Tri-County being a small insurance company, Tri-County Mutual Town Insurance Company is unable to switch to a new reinsurance company for 2024. Thankfully, Tri-County was able to find a partner in Mt. Morris Mutual Insurance Company that will be able to continue the same types of coverage and products that you are accustomed to plus more. Enclosed with this letter, you will find further information on the merger along with a ballot to vote. **Tri-County and its Board of Directors have determined that a merger with Mt. Morris would be the best move for all and are recommending and asking you to vote yes to this merger.**

On behalf of myself and the Board of Directors for Tri-County Mutual, we would like to Thank You for your loyalty and for allowing us to provide insurance for you.

Debra Larson
President



TRI-COUNTY MUTUAL TOWN INSURANCE COMPANY
OF ASHLAND, BAYFIELD AND DOUGLAS COUNTIES
OFFICE OF SECRETARY 715-372-8577 BOX 157, IRON RIVER, WI 54847



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 Tri-County Mutual Town Insurance Company
Re: Summary of Proposed Merger with Mt. Morris Mutual Insurance Company
Date: September 25, 2023

The Boards of Directors of Tri-County Mutual Town Insurance Company (TCMTIC) and Mt. Morris Mutual Insurance Company (MMIC) have determined that it would be in the best interests of the Policyholders and both Companies to merge and recommends Policyholders vote to approve the Merger.

Please be advised, TCMTIC'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. Town mutuals are required by law to maintain certain reinsurance coverage. Because TCMTIC reinsurance company is WRC, they were issued an order from the Commissioner to confirm plans for obtaining reinsurance for 2024.

In order to comply with the order and limit the disruption to the TCMTIC policyholders, the Board of Directors of TCMTIC has elected to pursue a merger with MMIC (the Merger). The Commissioner has approved the merger of the two Companies, and they are now ready to seek Policyholder approval.

MMIC is a mutual insurance company that currently issues policies throughout Wisconsin. Mt. Morris Mutual had reinsurance coverage through companies other than WRC and will continue to have coverage post-merger, i.e., 2024. Additional benefits to Policyholders by merging with MMIC are access to a broader range of insurance products, including Business insurance, Personal and Commercial auto, and the ability to submit claims and pay insurance premiums online and other website/online advantages. In addition, if your policy qualifies, broader policy coverages will be available, such as an all-risk policy (HO-3) instead of a named peril policy (HO-2). Also, Policyholders will no longer be subject to possible future policyholder assessments. All this and policyholders will continue to be insured by a mutual insurance company. Feel free to visit MMIC's website, www.mtmorrisins.com.

Below is a summary of the Plan of Merger and the effect of the Merger which is proposed to be on January 1, 2024:

- MMIC currently may write policies throughout the state of Wisconsin and now as a merged company, will continue to offer policies throughout Wisconsin.
- MMIC will have a board of ten (10) members divided into three (3) classes. At each annual meeting of the policyholders of MMIC after the Merger effective date, the policyholders will elect directors as provided in MMIC's Articles of Incorporation and Bylaws.
- MMIC will provide an agency agreement to each agent who has an appointment with TCMTIC prior to the effective date of the merger.
- No changes to the policies or premiums of TCMTIC policyholders will occur immediately upon the consummation of the Merger. However, effective on the first renewal date of each TCMTIC policy following the effective date of the Merger, policies will be rewritten using MMIC forms, rates, and underwriting guidelines thereby allowing the possibility of offering additional/broadening coverage if your property qualifies.
- TCMTIC policyholders will automatically become policyholders of MMIC. All property owned by TCMTIC will become the property of MMIC, and all liabilities, including insurance policy liabilities of TCMTIC, will become liabilities of MMIC.

A complete copy of the Agreement, Plan of Merger and related exhibits is available for your inspection and review at both the TCMTIC and MMIC offices. Please contact the individuals identified below at either of the companies if you have any questions.

Tri-County Mutual Town Insurance Company

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7865 US Hwy 2
P.O. Box 157
Iron River, WI 54847
715 372 8577
tricounty1@cheqnet.net

Mt. Morris Mutual Insurance Company

Daniel Fenske
President & CEO
N 12 11 Cty Rd B
Coloma, WI 54930
715 228 5541
agdan@mtmorrisins.com

**MERGER OF
TRI-COUNTY MUTUAL TOWN INSURANCE COMPANY
WITH AND INTO
MT. MORRIS MUTUAL INSURANCE COMPANY**

**OCTOBER 27, 2023, SPECIAL POLICYHOLDER MEETING –
POLICYHOLDER RESOLUTION MAIL BALLOT**

WHEREAS, Tri-County Mutual Town Insurance Company, a Wisconsin town mutual insurance corporation (“TCMTIC”), 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 TCMTIC and MMIC (the “Agreement and Plan of Merger”), in the form presented to the members of TCMTIC in connection with this special meeting of the members, whereby the separate existence of TCMTIC 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 TCMTIC with and into MMIC, and the ability to inquire of the Board of Directors regarding the same, the members of TCMTIC 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:

Tri-County Mutual Town Insurance Company Policy #: _____

Member: _____

(Print Name)

Member's Signature: _____

Date: _____

NOTE: This ballot must be received by 2:00 p.m. on October 27, 2023, for your vote to be counted. Ballots can be returned via email to tricity1@cheqnet.net or via mail in the envelope enclosed. You may also attend the meeting and vote in person.