



FREQUENTLY ASKED QUESTIONS

Below are brief answers to frequently asked questions about the proposed Plan of Merger of United Mutual Insurance Company (“UMIC”) with Ohio Mutual Insurance Group, Inc. (“OMIG”). You should carefully review the more detailed discussion about the proposed Plan of Merger that follows in the Member Information Statement, which qualifies all the information presented in these answers and should be considered authoritative if there is any apparent contradiction between content in this document and the Information Statement.

1. What is the transaction that is being proposed?

UMIC and OMIG have agreed to a merger of UMIC into the OMIG mutual holding company system. To facilitate the merger, UMIC will (1) re-domesticate from Wisconsin to Ohio and (2) reorganize into a stock insurance company with the existing UMIC policyholder membership interests in UMIC transferred to OMIG, a mutual holding company (MHC). This reorganization and merger is subject to member approval and regulatory approvals, including approval from the Ohio Department of Insurance as described below.

2. What do I need to know about Ohio Mutual?

Similar in many ways to United Mutual, Ohio Mutual is a \$300M mutual property & casualty insurance company founded in 1901 and headquartered in Bucyrus, OH. Its products are sold exclusively through a network of 400+ independent agents throughout seven states: CT, IN, ME, NH, OH, RI and VT. Ohio Mutual currently employs about 250 associates. Ohio Mutual has maintained a rating of “A / Stable” from A.M. Best Co. for 30 consecutive years, and has been honored as one of the top 50 insurance companies in the nation (Ward’s 50) nine times since 2009. Additional company information is available at omig.com.

3. What is a mutual insurance holding company?

A mutual insurance holding company is a legal entity organized under state law to serve as the corporate parent (i.e., the controlling shareholder) of an insurance company that has been converted from a mutual company to a stock company.

By reorganizing and merging into a mutual holding company, UMIC policyholders’ contractual rights and insurance policies will remain with UMIC, but their mutual ownership interests in UMIC will become membership interests in OMIG. After the Reorganization and Merger, UMIC will be a stock subsidiary of OMIG. As a mutual holding company, OMIG is a mutual organization, operated for the benefit of its members. Numerous other property and casualty mutual insurance companies in Wisconsin, Ohio and other states have converted and are operating under the mutual holding company structure – some for decades.

4. Does UMIC's Board of Directors have a recommendation for policyholders on voting?

After careful consideration and thorough deliberation, the UMIC Board of Directors has approved the Reorganization and Plan of Merger and the transactions contemplated thereby. Accordingly, the UMIC Board of Directors recommends that policyholders vote FOR the Plan of Merger at the Special Meeting.

5. Did United Mutual's Board consider any alternatives to this Merger?

The UMIC's Board spent significant time considering other merger opportunities, and other alternatives as well as remaining independent. UMIC's Board determined the opportunities provided by partnering with OMIG were the best option to achieve its strategic goals and to benefit its policyholders. The UMIC Board of Directors strongly believes in the benefits of mutuality and in enhancing the overall strength and stability of UMIC by ensuring its long-term financial success and stability through its Merger with OMIG.

6. Why did United Mutual agree to the reorganization and merger with Ohio Mutual?

UMIC's interest in merging with OMIG was based on several factors, including:

- UMIC will be able to significantly lower the risks associated with the spread of risk by executing territorial and line of business expansion.
- UMIC will be able to substantially expand its Wisconsin footprint, serving as OMIG's Wisconsin operational branch.
- UMIC be able to dramatically increase the speed to market for product enhancements and technology implementation by leveraging the capabilities of OMIG while achieving economies of scale.
- UMIC will be able to access a stable and cost-effective reinsurance program.
- Over time, there will be opportunities to lower expense ratios through thoughtful and judicious strategic and operational planning, as well as efficiencies gained through the combined entity.

7. Why does Ohio Mutual want to bring United Mutual into its organization?

OMIG's interest in merging with UMIC was based on several factors including, but not limited to:

- OMIG will gain access to the Wisconsin market through UMIC.
- Over time, OMIG will gain geographic and weather pattern exposure diversification with the addition of UMIC's policy and premium growth.
- UMIC's Policyholder Surplus will be combined with OMIG's Policyholder Surplus.
- OMIG will benefit from the talent of the UMIC associates and knowledge of the Wisconsin market.
- Over time, OMIG may be able to reduce the expense ratio of the combined enterprise through combined business functions and other economies of scale.

8. Are there any regulatory approvals that must be obtained?

Yes. To complete the Merger, UMIC will need to engage in the transactional steps noted below. Each of these transactions requires regulatory approval in whole or in part by the Ohio Department of Insurance (ODI). While each of these steps require separate regulatory approval, we expect each step and related approval to occur substantially simultaneously.

- Step 1 – Redomestication – UMIC will re-domesticate its state of domicile to Ohio from Wisconsin and become an Ohio mutual insurance company.
- Step 2 – Reorganization - UMIC will reorganize from a mutual insurance company to a stock mutual insurance company, with policyholders' membership interests transferring to OMIG and contractual rights under their policies remaining with UMIC.
- Step 3 – Merger – The Reorganization will be accomplished through a merger of UMIC into Gopack, Inc. (a wholly owned subsidiary of OMIG), with UMIC continuing as the surviving organization.

9. When is the Merger expected to be completed?

The Merger is expected to close in the third quarter of 2023.

10. Are there any potential disadvantages or risks associated with the Merger?

There are potential disadvantages and risks associated with the Merger including, without limitation, the challenges of combining two companies, the uncertainty of retaining key employees and marketing relationships, the costs and distractions of completing the Merger, and the possibility that the anticipated benefits of the Merger may not materialize.

11. How will the Merger affect the financial strength of the companies?

UMIC's AM Best rating is currently "NR-5" Not Formally Followed. With the Merger, it will benefit from OMIG's financial strength rating of "A" Excellent with a Stable Outlook.

12. Will the Merger result in the relocation of any company headquarters?

No. UMIC's headquarters are not expected to be closed or relocated as a result of the Merger. OMIG intends to utilize the current headquarters as the Group's Wisconsin Branch. OMIG's headquarters will remain in Bucyrus, OH.

13. What will happen to the United Mutual brand?

Reorganized UMIC will continue offering products and services under its existing brand after the Merger.

14. How will the Merger affect policyholders' surplus?

The policyholders' surplus of the Reorganized UMIC will become surplus of OMIG. Post-merger, UMIC will be protected by the surplus of the entire Group.

15. Will there be any changes to the rights and benefits of policyholders under insurance policies previously issued by United Mutual or Ohio Mutual?

No. The merger will not result in any changes to current insurance policies.

16. Will there be any significant management changes as a result of the Merger?

Upon consummation of the Reorganization and Merger the directors and officers of OMIG will become the directors and officers of UMIC. The current officers and management of UMIC will be offered employment with OMIG in a variety of positions focused on the Wisconsin market.

17. Do any of UMIC's directors or officers have interests in the Merger that may differ from or be in addition to the interests of the members?

Yes. The current President and CEO will continue employment as the Manager of Wisconsin Operations. The current Vice President and Claims Manager will continue employment as a Claims manager. The UMIC board will convert to an advisory board and will eventually disband on December 31, 2024.

18. What are my current rights as a policyholder of United Mutual and how would the proposed MHC Conversion and Plan of Merger affect those rights?

As a policyholder of UMIC, you have two types of interests in UMIC: (1) contract rights arising from your insurance policy with UMIC; and (2) membership rights arising from your status as a member of UMIC.

Contract Rights: Your contractual rights will not be affected in any way by the proposed Reorganization and Merger. Your insurance policy with UMIC will remain a contractual obligation of Converted UMIC and there will be no changes to your insurance coverage, claims payments, premiums, or benefits as a result of the Reorganization and Merger.

Membership Rights: On the effective date of the Reorganization and Merger, you will cease being a member of UMIC and you will instead become a member of OMIG, the mutual insurance holding company. On the effective date of the Merger, UMIC will become a subsidiary of OMIG.

19. Is there an intention to issue stock following the Plan of Merger?

No. The Board of OMIG does not have any plans to issue stock in any entity after the proposed Plan of Merger is completed. All of the stock of Converted UMIC will be held by OMIG within its mutual holding company structure.

20. Do I have to attend the Special Meeting to vote?

No, you have received a proxy package with instructions on how to vote and how to reach us regarding the election should you have questions. You may cast your proxy by mail, email or online. Results will be announced at the Special Meeting and online at unitedmutualinsurance.com.

21. How can I vote on the Plan of Merger?

UMIC policyholders are being asked to vote on the Plan of Merger by completing a proxy online, submitting a proxy via email to united@unitedmutualinsurance.com, by mail, or in person at the Special Meeting to be held at 10:00 am (local time) on July 12, 2023 at 5872 33rd Avenue, Eau Claire, WI 54703. Proxies must be received no later than 4:00 pm on July 10, 2023, in order to be counted at the Special Meeting.

22. What should I do if I have other questions about the proposed Plan of Merger?

If your question is not answered in these Frequently Asked Questions, we invite you to contact us at 715.748.6040 or email united@unitedmutualinsurance.com.