

**PLAN OF REORGANIZATION  
OF  
GRINNELL MUTUAL REINSURANCE COMPANY  
Pursuant to Iowa Code § 521A.14**

**SUMMARY**

Grinnell Mutual Reinsurance Company (“the Company”), in order to enhance its strategic goals of financial flexibility and diversity of operations, and to have the ability to access capital markets, intends to create a mutual insurance holding company pursuant to Iowa Code § 521A.14.

The Company will reorganize into three corporations: Grinnell Mutual Holding Company (the “MHC”) (a mutual insurance holding company), Grinnell Holdings, Inc. (the “IHC”) (an intermediate stock holding company) and Grinnell Mutual Reinsurance Company SI (“Grinnell”) (a mutual insurance company converted into a stock insurance company). Grinnell and the IHC will be organized under Iowa Code Chapter 490, and the MHC will be organized under Iowa Code Chapter 491. See Iowa Code §§ 490.201, 491.1, and 521A.14(3). Grinnell will be licensed as a non-life insurer pursuant to Iowa Code Chapter 515.

The MHC will be governed by a Board of Directors elected by the policyholders of Grinnell, who will have rights as members of the MHC, and the MHC will own the stock of the IHC which will own the stock of Grinnell.

All the policies of the Company shall continue as policies of Grinnell, and all policies, contracts or membership rights shall not be altered by adoption of this Plan of Reorganization.

All persons who are policyholders of the Company on the effective date of the Plan of Reorganization or who thereafter become policyholders of Grinnell shall have membership rights as set forth in the Articles of Incorporation of the MHC.

The Board of Directors has approved the Plan of Reorganization as being in the best interests of the members and directed that it be submitted to the members for a vote at a Special Meeting on September 18, 2024.

#### LIMITED PLAN OF REORGANIZATION

1. On the effective date, the Company shall be reorganized, pursuant to Iowa Code § 521A.14, by the formation of a mutual insurance holding company and continuing the corporate existence of the Company, without interruption, as a stock, non-life insurer.
2. On the effective date, the Company will cause the incorporation of a mutual insurance holding company, Grinnell Mutual Holding Company (the “MHC”), under Iowa Code Chapter 491, as a mutual, non-stock corporation. The present policyholder-members of the Company will become members of the MHC with membership rights, and their contract rights will remain in the reorganized stock non-life insurer, Grinnell Mutual Reinsurance Company, SI (“Grinnell”). The membership rights of members in the Company will terminate on the effective date. The Articles of Incorporation of the MHC shall be as set forth in Exhibit 1, attached hereto, and its initial By-Laws shall be as set forth in Exhibit 2, attached hereto.
3. On the effective date, the Company will cause the incorporation of Grinnell Holdings, Inc., (the “IHC”) under Iowa Code Chapter 490, as a stock corporation. All the stock of the IHC will be owned by the MHC. The Articles of Incorporation of the IHC shall be set forth as Exhibit 3, attached hereto, and its initial By-Laws shall be as set forth in Exhibit 4, attached hereto.
4. On the effective date, the Company will be reorganized pursuant to Iowa Code Chapters 490 and 521A as a stock corporation and licensed as a non-life (property & casualty) insurer. Its name will be changed to Grinnell Mutual Reinsurance Company, SI. All the

stock of Grinnell will ultimately be owned by the IHC, and all of the stock of the IHC will be owned by the MHC.

5. In order to accomplish the reorganization, it will be necessary for Grinnell to declare a stock dividend of 100% of its issued stock to the IHC. This dividend is considered an extraordinary dividend under Iowa Code § 521A.5(3)(b), and it requires the approval of the Iowa Insurance Commissioner. All persons who on the effective date were policyholders of the Company or who thereafter become policyholders of Grinnell shall automatically become members of the MHC.
6. Although there are no present plans to sell stock, the Board of Directors of Grinnell Mutual Reinsurance Company SI is authorized, without further policyholder approval, to issue and sell upon such terms and at such time as they see fit, shares of stock. The issuance and sale of the stock will be subject to the prior approval of the Iowa Insurance Commissioner.
7. The corporate existence of the Company, as it exists on or before the effective date, and all of its rights, duties, powers and privileges, licenses and obligations, shall remain and continue unaffected by reorganization.
8. On the effective date, the Company shall adopt Restated Articles of Incorporation and Restated By-Laws, copies of which are attached as Exhibits 5 and 6 respectively.
9. As required by IAC r. 191-46.3(2)g, attached as Exhibits 7-10 are copies of the Articles of Incorporation and Bylaws for Grinnell Select Insurance Company and Grinnell Compass, Inc, two stock insurance subsidiaries of the Company.
10. After the reorganization, every existing policy issued by the Company on or before the effective date shall continue as a policy of Grinnell, and, subject to Paragraph 2 above, all policy rights shall remain as they existed on the effective date.

11. The present Board of Directors and officers of the Company will become the Board of Directors and officers of the MHC, IHC, and Grinnell.
12. If the Board of Directors of the MHC determines that the accumulation of earnings is in excess of that which it deems necessary, the Board of Directors may cause all or a part of such excess to be returned to members or it may waive any dividends or distributions from the reorganized insurance company on the condition that such amounts will be applied for the benefit of policyholder members.
13. Form A, as required by IAC r. 191-46.3(2)h, is submitted contemporaneously herewith and, by this reference, incorporated herein.
14. The Plan of Reorganization will be submitted to the Company's policyholders for a vote at a Special Meeting on September 18, 2024. Pursuant to Article VI (Membership) of the Amended and Substituted Articles of Incorporation of the Company, all policyholders of the Company must be present in person to vote, each policyholder will be entitled to one vote regardless of the number of policies owned, and there shall be no voting by proxy. A quorum being present, a two-thirds majority of those policyholders voting shall be necessary to approve the Plan of Reorganization and action therein contemplated, including the adoption of Articles of Incorporation of the MHC, as provided in Article XIII (Amendments) of the Amended and Substituted Articles of Incorporation of the Company. Notice of the Special Meeting will be mailed to all the Company's policyholders at least thirty days prior to the Special Meeting, in compliance with Article VI (Membership) of the Amended and Substituted Articles of Incorporation of the Company. Only persons who were policyholders on July 1, 2024, (the record date) shall be eligible to vote. The Company's records as to the identity of policyholders on the record date shall be conclusive.

15. A Limited Application including the Plan of Reorganization and other required documents will be submitted to the Iowa Insurance Commissioner for approval after a public hearing. Notice of such hearing will be mailed to all policyholders as of the record date. The content of the Notice and the time of mailing shall be subject to the approval of the Iowa Insurance Commissioner.
16. At any time prior to the effective date, the Company may, in its unfettered discretion, amend or terminate the Plan of Reorganization. However, no amendment made after the Special Meeting of the Policyholders shall be effective unless first approved by the Commissioner of Insurance and upon such terms as she or he may require.
17. The effective date of the Plan of Reorganization shall be the last occurring of (i) the approval of the policyholders of the Company, or (ii) the date of the Order of Approval by the Commissioner of Insurance, or (iii) January 1, 2025.

DATED this 15 day of Aug, 2024.

GRINNELL MUTUAL REINSURANCE  
COMPANY

By Jeff R. Menary  
Jeff Menary  
CEO

By Dave M. Wingert  
Dave Wingert  
President