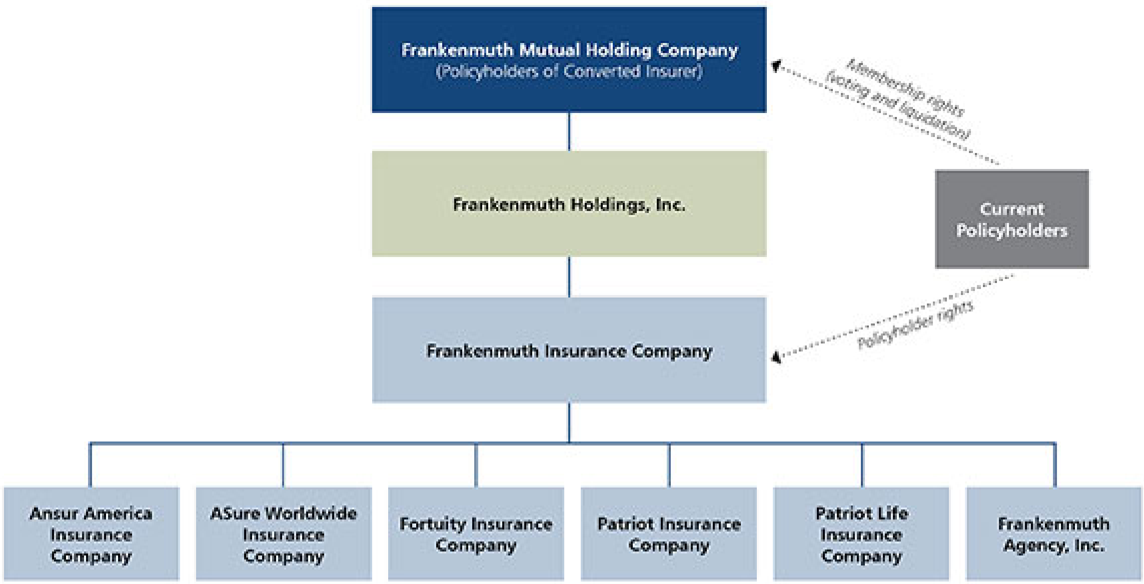
Frankenmuth Insurance Mutual Holding Company Restructuring Plan

We want to inform you of a proposed corporate restructuring plan that will soon be presented to eligible policyholders for voting and approval.

Pursuant to the plan, the new structure includes the following:

- Formation of a mutual holding company called Frankenmuth Mutual Holding Company, which allows Frankenmuth Mutual Insurance Company to maintain its status as a mutual entity.
- Formation of a stock intermediate holding company called Frankenmuth Holdings, Inc., which will allow the company to raise capital through the issuance of new shares of stock or debt securities to third parties. Michigan law requires the mutual holding company to hold at least 51% of the intermediate holding company's voting stock.
- Conversion of Frankenmuth Mutual Insurance Company to a stock insurance company called Frankenmuth Insurance Company (Frankenmuth Insurance), which is wholly owned by Frankenmuth Holdings, Inc.



Eligible policyholders who had voting rights under Frankenmuth Mutual Insurance Company's current Articles of Association and Bylaws on April 5, 2022, need to approve the restructure and will be mailed a Special Meeting Notice and Policyholder Information Statement along with a proxy card beginning today, July 13, 2022. For those electing to vote in person, a Special Meeting for policyholders will be held on October 13, 2022, at 2 p.m. at our corporate headquarters in Frankenmuth, Michigan. Following policyholder approval, the restructure will become effective on January 1, 2023.

Frankly speaking, the proposed restructuring is simply a proactive measure to better position our company for the future. A mutual holding company structure improves our ability to raise capital to (i) respond quickly and decisively to changes in the marketplace; (ii) grow or solidify our business operations through acquisition activity and/or the investment of our surplus; and (iii) raise capital, particularly in response to significant catastrophic events. The mutual holding company structure also allows us to maintain our status as a mutual entity that focuses on the interests and benefits of your customers.

For your agency, the restructuring will not result in any changes to our partnership or how we do business. Further, the change will not impact your customers’ policies, and we have no plans to raise capital in the immediate future. This restructuring simply positions the company to do so should there be a future need.

For more information, click here to view our mutual holding company plan FAQ.