



Thursday, September 12, 2024

Please use the enclosed Proxy form to vote on our Plan of Reorganization of Hospitality Mutual Insurance Holding Company.

Dear Policyholder of Hospitality Mutual Insurance Company:

It is our privilege to write to you about an important matter.

Hospitality Mutual Insurance Company ("HMIC") is proposing to reorganize into mutual insurance holding company (the "Reorganization") and asks that you, as an HMIC policyholder, vote in favor of this change.

As you know, HMIC is a mutual insurance company, one in which each of its policyholders has an undivided ownership interest while a policyholder.

The reason for this proposal is HMIC's Board of Directors firmly believes that to meet industry challenges and be successful in the future, HMIC must reorganize and change its corporate structure from a mutual insurance company to a stock company, with a new mutual insurance holding company as its ultimate controller.

This mutual insurance holding company structure that we propose to you will enable HMIC to build on our legacy of superior service and performance in support of our policyholders and will better position HMIC to compete in today's marketplace. The mutual insurance holding company structure will place HMIC in a more flexible position to expeditiously take advantage of opportunities as they present themselves and increase the company's competitiveness by enhancing the efficiency, management, and financial flexibility of HMIC's insurance operations. It will also permit HMIC to better serve you while maintaining the mutuality that has benefited the company and its policyholders for so many years. The mutual insurance holding company structure is also a more effective strategy for addressing HMIC's challenges than alternatives such as demutualization.

HMIC's Board of Directors has carefully considered the reorganization and its prospective benefits, risks and effects, and has unanimously voted to approve the Plan of Reorganization.

HMIC recently filed a Plan of Reorganization, which was approved by HMIC's board of directors, with the Massachusetts Commissioner of Insurance (the "Commissioner") to form a mutual insurance holding company (the "Plan"). Under the Plan, HMIC seeks the Commissioner's approval to reorganize from a mutual to a stock insurance company and to create a mutual insurance holding company to become the ultimate parent of the

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converted insurance company. All of HMIC's current policyholders will become members of Hospitality Group Mutual Insurance Holding Company and will have the same mutual rights in the holding company they now have in HMIC.

The Plan is subject to approval by the Commissioner as HMIC's primary regulator, and by HMIC's policyholders. To provide you with information you need to make your voting decision, we included a Policyholder Information packet that describes the Plan in detail and explains among other things, the benefits, risks, and the ramifications of the Plan. Sections of the Policyholder Information Booklet include:

- Notice of a public hearing regarding the Plan that will be held by the Commissioner beginning at 11:00 a.m. on November 12, 2024. The hearing will be conducted in a virtual format. Notice of how to participate will be posted on HMIC's website when available.
- Notice of the Policyholders Meeting to be held at HMIC's office, at which policyholders will have the opportunity to vote on the Plan. The Notice of the Policyholders Meeting includes proxy information and voting instructions.
- Frequently Asked Questions and answers about the mutual insurance holding company process.
- Policyholder Information Statement, which addresses the Plan in more detail, including the expected benefits, risks, and ramifications of the restructuring, special voting considerations, and other information.
- Information regarding the ten (10) nominees to the Board of Directors of Hospitality Group Mutual Insurance Company, each to serve a three (3) year term.
- A description of a proposed transaction immediately after the Reorganization occurs whereby Mutual Capital Investment Fund and certain of its affiliates will invest \$5.5 million in the reorganized HMIC.

The same information in this packet also can be found here for convenience on our website at <https://hmic.com>.

We encourage you to carefully review the information in this booklet or online. If you have any questions once you have reviewed the information, please call us at 877-366-1140.

The Board of Directors recommends that members vote **FOR** the Plan, and **FOR** each of the nominated directors. A vote in favor of the Plan will help ensure that the company continues to provide innovative products and deliver superior services to the membership far into the future.

Finally, we enclose a Proxy form that will allow you to appoint a proxy to cast your vote for approval of this important reorganization decision. In lieu of voting by proxy, you may

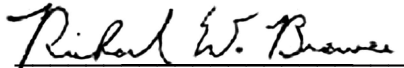
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attend the Policyholder Meeting on December 13, 2024, at 10:00 am, at HMIC's headquarters at 106 Southville Road, Southborough, MA 01772.

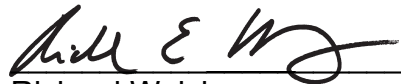
Your vote is very important. Please take the time to vote, whether by proxy or by attending and voting at the meeting.

Thank you for trusting HMIC to meet your insurance needs. A vote in favor of HMIC's Mutual Holding Company Plan will help ensure HMIC continues to provide innovative products, superior services, and quality protection far into the future.

Sincerely,



Richard Brewer
Chairman of the Board
Hospitality Mutual Insurance Company



Richard Welch
President and CEO
Hospitality Mutual Insurance Company

