

March 10, 2021

**Important Update Regarding the Notice of Record Date and Special Meeting Date**

To Record Date Members:

We recently mailed you a packet of materials related to a conversion of NORCAL Mutual Insurance Company from a California domiciled mutual insurance company to a California domiciled stock insurance company (“Conversion”) and its subsequent acquisition by ProAssurance Corporation and PRA Professional Liability Group, Inc. (“Acquisition”). The Conversion and Acquisition are collectively referred to as the “Proposed Transaction” and the referenced packet of materials is referred to as the “Member Information Packet.”

We are writing to let you know about an update to the Proposed Transaction. The record date for NORCAL Mutual members eligible to vote on the Amended and Restated Plan of Conversion (the “Plan”) dated February 10, 2021 and adopted by its Board of Directors has been changed from February 11, 2021 to February 27, 2021. In addition, the Special Meeting of Members has been moved to April 26, 2021. **As a result, the following dates in the Member Information Statement are revised as set forth below:**

	<b>Prior Date</b>	<b>New Date</b>
<b>Record Date</b>	<b>February 11, 2021</b>	<b>February 27, 2021</b>
<b>Proxy Deadline</b>	<b>April 7, 2021</b>	<b>April 21, 2021</b>
<b>Special Meeting</b>	<b>April 12, 2021</b>	<b>April 26, 2021</b>

Therefore, only NORCAL Mutual members with policies in effect as of February 27, 2021, are entitled to vote on the Plan. Only NORCAL Mutual members with policies in effect as of February 18, 2020 and as of the date of the closing of the Proposed Transaction are Eligible Members that are entitled to receive consideration as a result of the Proposed Transaction (“Conversion Consideration”).

You may log in to <http://www.norcalconversion.com> using the credentials sent to you previously to submit your vote on the Plan and, if eligible, election for one of four forms of Conversion Consideration. The period for voting by proxy on the Plan closes April 21, 2021, after which votes may be submitted at the Special Meeting on April 26, 2021. If you wish to attend the Special Meeting of Members in which you can cast your vote, please register as soon as possible by visiting <https://www.norcal-group.com/specialmeeting>. Registered attendees will receive an email invite from Zoom with the meeting link the week of April 19, 2021. Please add no-reply@zoom to your contacts to ensure delivery.

If you do not make an affirmative election as to the form of Conversion Consideration by April 27, 2021, then you will be deemed to have elected to receive Choice 3, a Contribution Certificate. Please see the Member Information Packet for further information on the Proposed Transaction.



**Enclosed you will find a Notice of Special Meeting for April 26, 2021, an updated Notice of Public Hearing, a Proxy Card, and a copy of NORCAL Mutual's Board of Directors Unanimous Written Consent for the February 27, 2021 Record Date (which supplements Annex F to the Member Information Statement).** If you have any questions or need assistance, please contact the Information Agent, Georgeson LLC at (888) 206-5970 from 6:00 a.m. to 8:00 p.m., Pacific Time, Monday through Friday or Saturday from 9:00 a.m. to 3:00 p.m.

## NORCAL MUTUAL INSURANCE COMPANY

575 Market Street, Suite 1000

San Francisco, CA 94105

### NOTICE OF SPECIAL MEETING

#### FOR APPROVAL OF THE AMENDED AND RESTATED PLAN OF CONVERSION

NOTICE IS HEREBY GIVEN THAT a special meeting (“**Special Meeting**”) of Record Date Members of NORCAL Mutual Insurance Company, a mutual insurance company domiciled in the State of California (“**NORCAL Mutual**,” after the conversion, being referred to as “**NIC**,” and both before and after the conversion, being referred to “**NORCAL**”) will be held on April 26, 2021 beginning at 10:00 a.m. Pacific Time, to vote on a proposed Amended and Restated Plan of Conversion of NORCAL dated February 10, 2021 (the “**Plan**”). The Plan provides for the conversion of NORCAL Mutual from a mutual insurance company into an incorporated stock insurance company (the “**Conversion**”). In connection with the Plan, Record Date Members will vote on (1) the proposed Amended and Restated Articles of Incorporation of NIC; (2) Amended and Restated Bylaws of NIC; and (3) a slate of director nominees proposed by PRA (“**Director Nominees**”), all of which will be effective upon completion of the Proposed Transaction. “**Record Date Members**” are Members of NORCAL Mutual who owned policies on February 27, 2021. Immediately after the Conversion and pursuant to an agreement with ProAssurance Corporation (“**ProAssurance**”) and PRA Professional Liability Group, Inc. (“**PRA Professional**” and collectively with ProAssurance, “**PRA**”), PRA will purchase for cash all of the shares of common stock to be issued to NORCAL Mutual’s Eligible Members from the NORCAL Mutual Eligible Members, pursuant to the Plan (the “**Acquisition**”). The Conversion and subsequent Acquisition collectively are referred to as the “**Proposed Transaction**.”

The full text of the Plan, a proxy for casting your vote on the Plan, the Amended and Restated Articles of Incorporation, the Amended and Restated Bylaws of NIC and Director Nominees accompanies this Notice. Your vote may be cast (1) by proxy online using the instructions on the enclosed proxy card, (2) by mailing the enclosed proxy card or (3) virtually at the meeting. If you need instructions regarding voting by proxy, please call us toll free at (888) 206-5970 from 6:00 a.m. to 8:00 p.m. Pacific Time, Monday through Friday, or 9:00 a.m. to 3:00 p.m. Saturday until April 21, 2021. Your proxy may be marked with a vote of either “FOR,” “AGAINST,” or “ABSTAIN” in regards to the approval of the Plan and each of the above-listed proposals. Selections not made will be counted as FOR the proposals.

The NORCAL Mutual Board of Directors (the “**Board**”) has unanimously approved the Plan and recommends that Record Date Members approve it. Following a public hearing, the Commissioner of the Department of Insurance of the State of California (the “**Commissioner**”) may require modifications to the Plan. If the Commissioner requires the Plan to be modified, the date of this special meeting of Record Date Members to vote may change to a later date or be cancelled. If the Commissioner requires modifications to the Plan, NORCAL Mutual would be required to submit an amended Plan for approval by at least two-thirds (2/3) of the Board and the consent of ProAssurance. ProAssurance cannot unreasonably withhold, condition or delay

consent.

Following the public hearing on the Plan, NORCAL Mutual will mail each Record Date Member a written communication indicating that the public hearing has been completed. The communication will disclose any changes to the Plan and/or the Proposed Transaction requested by the Commissioner and approved by the Board and ProAssurance (if applicable). The communication will be mailed to the Record Date Members as promptly as practicable following the public hearing, and will provide notice if the Special Meeting is to be delayed or cancelled. In the event the Special Meeting is delayed and/or the Commissioner requires modifications to the Plan, Record Date Members may revoke any previously submitted proxy at the Special Meeting or before the Special Meeting by mailing or submitting a new proxy online by the fifth (5<sup>th</sup>) day prior to the Special Meeting. A quorum (10% of the Record Date Members) needs to be present virtually or by proxy at the meeting, with at least two-thirds (2/3) of all Record Date Members actually present virtually or by proxy at the Special Meeting voting in the affirmative (either marked “FOR” or unmarked and therefore considered “FOR”) for the Plan to be adopted.

The NORCAL Mutual Board of Directors has also proposed the Amended and Restated Articles of Incorporation and the Amended and Restated Bylaws of NIC for approval by Record Date Members, each of which will be effective upon closing of the Proposed Transaction. The majority of all Record Date Members actually present virtually or by proxy at the Special Meeting must vote “FOR” the Amended and Restated Articles of Incorporation and the Amended and Restated Bylaws to be adopted. The NORCAL Mutual Board of Directors recommends the approval of the Amended and Restated Articles of Incorporation and the Amended and Restated Bylaws.

The NORCAL Mutual Board of Directors recommends the approval of the Director Nominees for election, which election will be effective upon closing. The plurality of all Record Date Members actually present virtually or by proxy at the Special Meeting must vote “FOR” the Director Nominees to be elected. If a candidate is unable or unwilling to serve as a nominee for the office of director at the date of the meeting or any adjournment of the meeting, proxies that voted for that candidate will be voted for a substitute candidate designated by the Board. The Board has no reason to believe that any of the Director Nominees will be unable or unwilling to serve if elected as a director.

**Cast your vote by completing the enclosed proxy or by using the instructions on the enclosed proxy card to submit your vote online. Votes may also be cast virtually at the meeting.**

**Mailed or online proxies must be received by 5:00 p.m. Pacific Time, on April 21, 2021.**

If you wish to attend the Special Meeting of Members, please register as soon as possible by visiting <https://www.norcal-group.com/specialmeeting>. Registered attendees will receive an email invite from Zoom with the meeting link the week of April 19, 2021. Please add [no-reply@zoom.us](mailto:no-reply@zoom.us) to your contacts to ensure delivery.

If your proxy has been lost or damaged, you may request a new one by calling toll free at (888) 206-5970 from 6:00 a.m. to 8:00 p.m. Pacific Time, Monday through Friday, or from 9:00 a.m. to 3:00 p.m. on Saturday until April 21, 2021.

**THIS NOTICE IS INTENDED FOR RECORD DATE MEMBERS ONLY.  
YOU ARE NOT ENTITLED TO VOTE UNLESS YOU ARE A RECORD DATE MEMBER.**



**RICARDO LARA**  
CALIFORNIA INSURANCE COMMISSIONER

**NOTICE OF PUBLIC HEARING REGARDING THE DEMUTUALIZATION OF  
NORCAL MUTUAL INSURANCE COMPANY<sup>1</sup>**

NOTICE IS HEREBY GIVEN that the Insurance Commissioner of the State of California (the "Commissioner") will hold a VIRTUAL public hearing on the plan of NORCAL Mutual Insurance Company ("NORCAL Mutual") to convert from a mutual insurer into a stock insurer. Anyone may attend and ask to speak at the hearing. Anyone may provide written comments or documents to the Commissioner by sending them to the email address listed below. You are not required to attend the hearing in order to provide written comments or documents. NORCAL Mutual members, particularly "Eligible Members," may be especially interested in attending. An Eligible Member is one who: (i) owned a NORCAL Mutual policy that was in effect on February 18, 2020, or the owner of a replacement policy for which the predecessor policy was in effect on February 18, 2020; and (ii) owns a NORCAL Mutual policy on the date of the closing of the Acquisition (defined below). Please refer to the Amended and Restated Plan of Conversion for the detailed definition of "Eligible Member." You are not required to be an Eligible Member to provide oral or written comments.

The hearing will be held as follows:

**April 1, 2021**

10:00 a.m. Pacific Daylight Time (PDT)

California Department of Insurance

**VIRTUAL PARTICIPATION ONLY: VIA WEBEX AND TELEPHONE\***

**WebEx: <https://mb.webex.com/mb/onstage/g.php?MTID=ea4656f1495aaed386287c8abfa8649bc>\*\***

**Toll-Free Telephone: 1(844)992-4726, Access code: 187 916 7726**

The hearing will continue on the date noted above until 5:00 p.m., or as soon as all those wishing to speak have done so, whichever is earlier.

**CONVERSION AND PURCHASE**

The Commissioner scheduled this public hearing pursuant to California Insurance Code ("CIC") §4097.06 to consider the Amended and Restated Plan of Conversion (the "Plan") adopted by the Board of Directors of NORCAL Mutual Insurance Company, a mutual insurance company domiciled in the State of California. After the conversion, the name of the company will be changed to NORCAL Insurance Company ("NIC").

The Plan provides for:

- (1) the conversion of NORCAL Mutual, pursuant to CIC §4097 *et seq.*, from a mutual insurance company into an incorporated stock insurance company, and
- (2) the sale and purchase of at least eighty percent (80%) of the newly-issued shares of common stock of NIC to PRA Professional Liability Group, Inc., a Delaware corporation ("PRA Professional"), a wholly-owned subsidiary of ProAssurance Corporation, a Delaware corporation ("ProAssurance" and together with PRA Professional, collectively, the "Sponsor") pursuant to an Agreement and Plan of Acquisition, by and between NORCAL Mutual and the Sponsor, dated February 20, 2020 (the "Acquisition").

NORCAL Mutual is providing the Plan to "Record Date Members" with this notice. Record Date Members are Members of NORCAL Mutual who owned policies on February 27, 2021. Please refer to the Amended and Restated Plan of

CALIFORNIA DEPARTMENT OF INSURANCE  
PROTECT • PREVENT • PRESERVE  
1901 Harrison Street, 6<sup>th</sup> Floor  
Oakland, California 94612

<sup>1</sup> This Notice replaces a Notice dated February 25, 2021, which the Commissioner previously issued on this matter.



**SECRETARY'S CERTIFICATE**

The undersigned, being the Secretary of the NORCAL Mutual Insurance Company (NORCAL), HEREBY CERTIFIES that attached hereto as Exhibit A is a true and correct copy of the resolutions adopted by the NORCAL Board of Directors via Unanimous Written Consent dated February 27, 2021.

IN WITNESS WHEREOF, the undersigned has hereunto set her hand and affixed the corporate seal of NORCAL this 28<sup>th</sup> day of February 2021.



*Kellie N. Sorenson*

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Kellie N. Sorenson, SVP, Chief Legal Officer,  
Corporate Secretary and Chief Compliance Officer

Attachment

**NORCAL MUTUAL INSURANCE COMPANY**

**BOARD OF DIRECTORS**

**ACTION BY UNANIMOUS WRITTEN CONSENT OF DIRECTORS  
IN LIEU OF MEETING**

**RESOLUTION**

**February 27, 2021**

The following actions are being taken by unanimous written consent of all of the members of the board of directors (the "Board") of NORCAL Mutual Insurance Company (the "Company") pursuant to California Corporations Code Section 307 without a meeting.

WHEREAS, on February 10, 2021, the Board declared February 11, 2021 to be the record date of the April 12, 2021 Special Meeting (the "Record Date"), and

WHEREAS, the election agent responsible for mailing the Notice of Special Meeting, Member Information Statement, Proxy Card, and other documentation was unable to timely complete the mailing in compliance with the notice requirements in Section 4097.07 of the California Insurance Code and the Section 5.2 of the Amended and Restated Plan of Conversion.

NOW, THEREFORE, BE IT:

RESOLVED, pursuant to Section 8 of Article III of the Bylaws of the Company, that the Board hereby declares February 27, 2021 to be the revised record date of the Special Meeting (the "Record Date"), and that the Record Date shall be used by the Company to determine the members entitled to notice of and to vote at the Special Meeting,

FURTHER RESOLVED, that the Secretary of the Board is directed to send to the members of the Company a revised notice of the Special Meeting as required by the Bylaws of the Company, for a meeting to be held virtually on Monday, April 26, 2021, and

FURTHER RESOLVED, that the Secretary of the Board is directed to send to each member a revised Proxy Card to be solicited on behalf of the Board, and the Proxy Card submitted to the Special Meeting is approved, subject to any changes as may be approved by the Chief Executive Officer and President of the Company or any other duly authorized officer of the Company and the Secretary of the Board.

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent of the Board of Directors as of the date first written above.

*Sandra Beretta*

Sandra L. Beretta  
Feb 27, 2021 8:10 PM PST

*Diane Koken*

M. Diane Koken  
Feb 28, 2021 12:38 AM EST

*Fabiola Cobarrubias*

Fabiola Cobarrubias  
Feb 27, 2021 8:32 PM PST

*Steven J. Packer*

Steven Packer  
Feb 27, 2021 10:59 PM PST

*Scott Diener*

Scott Diener  
Feb 27, 2021 8:10 PM PST

*RJ Patchin*

Rebecca J. Patchin  
Feb 27, 2021 8:46 PM PST

*Alice Gannon*

Alice H. Gannon  
Feb 27, 2021 10:01 PM CST

*Scott Syphax*

Scott C. Syphax  
Feb 27, 2021 8:15 PM PST

*Rm Hayashi*

Roger M. Hayashi  
Feb 27, 2021 10:04 PM MST

**EVERY MEMBER'S VOTE IS IMPORTANT  
PROXY CARD**

**VOTING OPTIONS:**



**VOTE ON THE INTERNET**  
Log on to:  
[www.norcalconversion.com](http://www.norcalconversion.com)  
Follow the on-screen instructions  
*available 24 hours*



**VOTE BY MAIL**  
Vote, sign and date this Proxy  
Card and return in the  
postage-paid envelope

**Please detach at perforation before mailing.**

**NORCAL GROUP<sup>®</sup> NORCAL MUTUAL INSURANCE COMPANY ("NORCAL MUTUAL")**  
**PROXY FOR THE SPECIAL MEETING OF MEMBERS**  
**TO BE HELD ON APRIL 26, 2021**

The NORCAL Mutual Board of Directors recommends voting FOR the approval of the Amended and Restated Plan of Conversion, the approval of the Amended and Restated Articles of Incorporation of NIC, the approval of the Amended and Restated Bylaws of NIC, and the approval of the slate of Director Nominees.

This Proxy is solicited on behalf of the NORCAL Mutual Board of Directors and is only valid when signed and dated. By completing and submitting this Proxy Card, you are authorizing Sandra L. Beretta, MD and/or Steven Packer, MD to represent you and to cast all of the votes you are entitled to vote at the special meeting as selected on the reverse side at the special meeting or any adjournment of the meeting. This Proxy Card should be read in conjunction with the accompanying Member Information Statement, Notice of Record Date Member Vote for Approval of the Amended and Restated Plan of Conversion and the Tender Offer Statement.

This Proxy is to be marked with a vote of either "FOR" approval of the Amended and Restated Plan of Conversion, the Amended and Restated Articles of Incorporation of NIC, the Amended and Restated Bylaws of NIC and the slate of Director Nominees or "AGAINST" approval of the Amended and Restated Plan of Conversion, the Amended and Restated Articles of Incorporation of NIC, the Amended and Restated Bylaws of NIC and the slate of Director Nominees. You also may "ABSTAIN" from voting on the approval of the Amended and Restated Plan of Conversion, the Amended and Restated Articles of Incorporation of NIC, the Amended and Restated Bylaws of NIC and the slate of Director Nominees. An abstention will be counted as a vote present virtually or represented by proxy at the Special Meeting and entitled to vote on the proposals and will have the same effect as a vote "AGAINST" these proposals. An unmarked proxy will be deemed voted as FOR the proposals.

**Vote by checking ONE box for each proposal and each director nominee. The proposals represented by this Proxy will be voted by the specified proxyholders as directed or as "FOR" proposals 1, 2, 3 and 4 if selections are not made.**

NOR\_31917\_030321

**PLEASE SIGN, DATE ON THE REVERSE SIDE AND RETURN THE PROXY PROMPTLY USING THE ENCLOSED ENVELOPE**

# EVERY MEMBER'S VOTE IS IMPORTANT PROXY CARD

## Important Notice Regarding the Availability of Proxy Materials for the NORCAL Mutual Insurance Company

Special Meeting of Members to be held April 26, 2021.

The Member Information Statement, Notice of Record Date Member Vote for Approval of the Plan of Conversion, the Tender Offer Statement and the Proxy Card for this meeting are available at:

<https://www.norcalconversion.com>

Please detach at perforation before mailing.

TO VOTE MARK BLOCKS BELOW IN BLUE OR BLACK INK AS SHOWN IN THIS EXAMPLE:

The NORCAL Mutual Board of Directors recommends you vote FOR each of the following proposals, including each of the director nominees.

### A Proposals

- |   |   |   |
|---|---|---|
| <p>1. A proposal to approve the conversion of NORCAL Mutual from a mutual insurance company to a stock insurance company according to the Amended and Restated Plan of Conversion.<br/><i>See Member Information Statement Annexes A (Amended and Restated Plan of Conversion) and B (Acquisition Agreement).</i></p> <p>2. A proposal to approve the amended and restated articles of incorporation of NIC.<br/><i>See Member Information Statement Annex A, Exhibit C.</i><br/><i>*The existing articles of incorporation and bylaws will remain in place if the Proposed Transaction is not completed.</i></p> <p>3. A proposal to approve the amended and restated bylaws of NIC.<br/><i>See Member Information Statement Annex A, Exhibit D.</i><br/><i>*The existing articles of incorporation and bylaws will remain in place if the Proposed Transaction is not completed.</i></p> <p>4. A proposal to approve the slate of Director Nominees proposed by PRA.<br/><i>See Member Information Statement, page 39 at "The Election of Directors". *The Election will be effective when the Proposed Transaction is complete. If the Proposed Transaction is not completed, the existing Board members will remain in place.</i></p> | <p>FOR<br/><input type="checkbox"/></p> <p>AGAINST<br/><input type="checkbox"/></p> <p>ABSTAIN<br/><input type="checkbox"/></p> <p>FOR<br/><input type="checkbox"/></p> <p>AGAINST<br/><input type="checkbox"/></p> <p>ABSTAIN<br/><input type="checkbox"/></p> <p>FOR<br/><input type="checkbox"/></p> <p>AGAINST<br/><input type="checkbox"/></p> <p>ABSTAIN<br/><input type="checkbox"/></p> | <p>FOR<br/><input type="checkbox"/></p> <p>AGAINST<br/><input type="checkbox"/></p> <p>ABSTAIN<br/><input type="checkbox"/></p> <p>FOR<br/><input type="checkbox"/></p> <p>AGAINST<br/><input type="checkbox"/></p> <p>ABSTAIN<br/><input type="checkbox"/></p> |
|---|---|---|
- |                        |                                 |                                     |                                     |                         |                                 |                                     |                                     |                       |                                 |                                     |                                     |
|------------------------|---------------------------------|-------------------------------------|-------------------------------------|-------------------------|---------------------------------|-------------------------------------|-------------------------------------|-----------------------|---------------------------------|-------------------------------------|-------------------------------------|
| 01. Michael L. Boguski | FOR<br><input type="checkbox"/> | AGAINST<br><input type="checkbox"/> | ABSTAIN<br><input type="checkbox"/> | 02. Robert D. Francis   | FOR<br><input type="checkbox"/> | AGAINST<br><input type="checkbox"/> | ABSTAIN<br><input type="checkbox"/> | 03. Dana S. Hendricks | FOR<br><input type="checkbox"/> | AGAINST<br><input type="checkbox"/> | ABSTAIN<br><input type="checkbox"/> |
| 04. Jeffrey P. Lisenby | FOR<br><input type="checkbox"/> | AGAINST<br><input type="checkbox"/> | ABSTAIN<br><input type="checkbox"/> | 05. Edward L. Rand, Jr. | FOR<br><input type="checkbox"/> | AGAINST<br><input type="checkbox"/> | ABSTAIN<br><input type="checkbox"/> |                       |                                 |                                     |                                     |

### B Authorized Signature — This section must be completed for your vote to be counted.— Sign and Date Below

**Note:** Date and sign your name exactly as it appears on the declarations page on your policy. If the Proxy is in the name of a corporation or partnership, an authorized officer or partner must sign their name on behalf of the name of the corporation or partnership.

Date (mm/dd/yyyy) — Please print date below

/ /

Signature 1 — Please keep signature within the box

Signature 2 — Please keep signature within the box