



Nodak completes conversion to stock company

March 15, 2017

Fargo, N.D., March 15, 2017 - Nodak Mutual Insurance Company has completed its conversion from a mutual to stock insurance company and the formation of a mutual holding company Nodak Mutual Group, Inc. and an intermediate stock holding company NI Holdings, Inc. NI Holdings common stock is expected to commence trading March 16, 2017 on the Nasdaq Capital Market as (NASDAQ: NODK).

Along with the completion of the mutual to stock conversion, NI Holdings completed a sale of 10,350,000 shares of its common stock at \$10 per share in a stock offering to policyholders, an employee stock ownership plan, directors, officers and employees of the company and the general public. The offering was significantly over-subscribed. NI Holdings received orders for approximately \$250 million. The appraisal range of the offering was \$76.5 million to \$103.5 million. The offering was closed at \$103.5 million. Nodak Mutual Group owns 55% of NI Holdings.

Griffin Financial Group, LLC acted as placement agent for the offering. Stevens and Lee and Dorsey Whitney acted as counsel for Nodak Mutual.

Policyholders of Nodak Mutual had the option of exercising subscription rights to purchase NI Holdings stock or redeem their subscription rights for cash. Each policyholder was allocated 322 subscription rights that had a value of \$0.67 per right as determined by an independent appraiser. Accordingly, each policyholder who redeemed his or her rights will receive a cash distribution of \$215.74. Approximately 700 policyholders subscribed to purchase stock and approximately 26,000 policyholders will have their subscription rights redeemed. The aggregate distribution payable to policyholders is approximately \$5.6 million.

Gross proceeds of the offering are \$103.5 million. Net proceeds to NI Holdings after payment of transaction expenses and the redemption amount payable to non-subscribing policyholders is approximately \$90 million.

As a result of the conversion, Nodak Mutual Insurance Company has changed its name to Nodak Insurance Company and is now a wholly owned subsidiary of NI Holdings, Inc.

About Nodak Insurance Company

Nodak Insurance Company, rated A (Excellent) by A.M. Best, is the largest domestic property/casualty insurer in the state of North Dakota. It has a statewide force of 70 agents and serves more than 26,000 North Dakota policyholders.

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