



General By-Laws 2017



This information is restricted for Board of Directors use only

Contents

GENERAL BY-LAWS OF GRENVILLE MUTUAL INSURANCE COMPANY	4
BY-LAW # 1A	4
ARTICLE 1.0 – Objects, Seal and Registered Office and Membership	5
1.01 OBJECTS	5
1.02 SEAL	6
1.03 REGISTERED OFFICE	6
1.04 MEMBERSHIP	6
ARTICLE 2.0 – Annual Meeting, Notice of General meeting, Quorum, Chairperson and Voting at General Meeting	7
2.01 ANNUAL MEETING	7
2.02 NOTICE OF GENERAL MEETING	7
2.03 QUORUM	8
2.04 VOTING AT GENERAL MEETINGS	8
Article 3.0 – Board of Directors	9
ARTICLE 4.0 – Officers	13
4.1 ELECTION / APPOINTMENT	13
4.2 REMOVAL	13
4.3 CHAIRPERSON	13
4.4 FIRST VICE-CHAIRPERSON	13
4.5 PRESIDENT	14
4.6 SECRETARY	14
4.7 TREASURER	15
4.8 VACANCIES	15
ARTICLE 5.0 – Protection of Officers and Directors	16
5.01 LIMITATION OF LIABILITY	16
5.02 INDEMNITY OF DIRECTORS AND OFFICERS	16
5.03 INSURANCE	16
ARTICLE 6.0 – Executive Committee	17
6.01 EXECUTIVE COMMITTEE	17

ARTICLE 7.0 – Agents/Brokers	17
7.01 AGENTS/BROKERS	17
ARTICLE 8.0 – Execution of Documents	18
8.01 EXECUTION OF DOCUMENTS	18
ARTICLE 9.0 – Minutes	18
9.01 MINUTES	18
ARTICLE 10.0 – Banks and Banking	19
10.01 BANKS AND BANKING	19
ARTICLE 11.0 – Investments.....	19
11.01 INVESTMENTS.....	19
ARTICLE 12.0 – Insurance.....	20
12.01 LIMIT OF LIABILITY	20
12.02 CONTRACTS OF INSURANCE.....	20
12.03 REINSURANCE	20
12.04 UNDERWRITING	20
12.05 ADJUSTMENT AND SETTLEMENT OF CLAIMS	20
ARTICLE 13.0 – Refunds from Surplus	21
13.01 REFUNDS FROM SURPLUS.....	21
ARTICLE 14.0 – Auditors.....	21
14.01 AUDITORS.....	21
ARTICLE 15.0 – Interpretation	22
15.01 INTERPRETATION	22
ARTICLE 16.0 – Amendments to By-Laws	22
16.01 AMENDMENTS TO BY-LAWS	22
ARTICLE 17.0 – Repeal	23
17.01 REPEAL	

GENERAL BY-LAWS OF GRENVILLE MUTUAL INSURANCE COMPANY

BY-LAW # 1A

(Consolidated to include amendments adopted February 28, 2000, March 13, 2006, July 2015, and October 2016)

WHEREAS The Grenville Patron Mutual Fire Insurance Company was organized on the 23rd day of June, 1892 and commenced business on the 29th day of June, 1892 under and pursuant to the provisions of “An act respecting insurance companies”, being Chapter 167 of the *Revised Statutes of Ontario, 1887 - 50 Victoria*):

AND WHEREAS the Corporation is now carrying on business by license issued under the *Insurance Act*, being chapter I.8 of the *Revised Statutes of Ontario, 1990*, as amended, and is subject to the provisions of Part V of the *Corporations Act*, being chapter C.38 of the *Revised Statutes of Ontario, 1990*, as amended:

AND WHEREAS the name of the Corporation was duly changed to the Grenville Mutual Insurance Company: (*Amended March 13, 2006*)

AND WHEREAS the Directors and members of the Grenville Mutual Insurance Company deem it advisable to revise the existing general by-laws of the Corporation, and to enact certain revised and consolidated general by-laws in lieu thereof;

NOW THEREFORE BE IT ENACTED and it is hereby enacted, as follows:

ARTICLE 1.0 – Objects, Seal and Registered Office and Membership

1.01 OBJECTS

Subject to the power granted under the charter, the purpose and business of the Corporation shall be insuring, under any class of insurance for which a Mutual Insurance Company may be licensed in Ontario, as provided under the *Insurance Act* and subject to the provisions of Part V of the *Corporations Act* of Ontario.

In fulfilling these objects it is intended that the following Vision Statement, Mission Statement and Core Values guide the Corporation:

Vision Statement

To be recognized as the standard of excellence for Mutual Insurance in Canada

Mission Statement: (Added January 30, 2008)

Innovation

Motivation

Integrity

Driving Our Unique Relationship with Distribution Partners, Policyholders and the Community

Core Values:

- I. To support policies that ensures the Corporation's long-term financial security and strength for the protection of its Members.
- II. To be a strong corporate partner within Rural Eastern Ontario;
- III. To ensure open access for Members; represent, protect and consider their issues at meetings of the Board of Directors;
- IV. To remain committed to staff development, training, and balance of life;
- V. To stay current with insurance needs of today's agricultural community;
- VI. To be progressive in business practices, products and technologies;
- VII. To remain active in Mutual Associations and assume leadership roles wherever practical;
- VIII. To ensure the Corporation remains consistent and fair in its relationships with distribution and business partners;

1.02 SEAL

The seal, an impression whereof is stamped on the margin hereof, shall be the seal of the Corporation.

1.03 REGISTERED OFFICE

The Registered Office of the Corporation shall be 380 Colonnade Drive, Kemptville, North County of Grenville Ontario, or such place as designated by the Directors, subject to approval at the next Annual Meeting.

1.04 MEMBERSHIP

Any person, trustee, partnership or corporation insured under a policy issued by the Corporation shall, from the date upon which the insurance becomes effective, be deemed a member of the Corporation so long as such insurance remains in force, and shall cease to be a Member when such insurance is terminated or expires. A reinsurance policy issued to any other insurance company shall not qualify it or any representative of it for Membership in the Corporation.

No Member shall be liable in respect of any loss or claim or demand against the Corporation beyond the amount unpaid on a Member's premium, if any.

ARTICLE 2.0 – Annual Meeting, Notice of General meeting, Quorum, Chairperson and Voting at General Meeting

2.01 ANNUAL MEETING

The annual meeting of the members for the election of Directors and the transaction of other business shall be held on such date and at such time and place as the Directors may determine in accordance with the Corporations Act.

Before the election of Directors, the annual statement for the year ending on the previous 31st of December shall be presented and read to the meeting.

If an election of Directors is not made on the day on which it ought to have been made, the Corporation shall not for that cause be dissolved, but the election may be held on a subsequent day at a meeting to be called by the Directors, or as otherwise provided by the by-laws of the Corporation, and in such case the Directors then in office shall continue to hold office until their successors are elected.

2.02 NOTICE OF GENERAL MEETING

Notice of every annual, or special general meeting of the Corporation shall be given to the members of the Corporation in the manner prescribed by the Corporations Act, in the case of an Annual General Meeting at least 21 days before the day of the meeting and in the case of a Special General Meeting, at least 7 days before the day of the meeting.

The members of the Corporation entitled to vote at members meetings may, in accordance with the provisions of the Corporations Act, request the Directors to call a general meeting of the members, by depositing at the head office of the Corporation a requisition signed by at least one-tenth of the voting members, stating the general nature of the business to be presented at the meeting, in which case the Directors shall forthwith call a general meeting of the members.

The Directors shall at least 21 days before the day of each annual meeting, cause the annual statement for the year ending on the previous 31st of December to be delivered, served upon or made available to each member in the manner prescribed from time to time by the Corporations Act, which statements shall be certified by the auditors and be in the form prescribed by the regulations made under the Insurance Act.

2.03 QUORUM

Twelve members present in person shall constitute a quorum for the transaction of business at a general meeting other than a meeting on demutualization, wind up or any other form of dissolution of the corporation.”

The Quorum for a meeting called to vote on the demutualization, wind up or any other form of dissolution (except for the discontinuance of the corporation as a result of its amalgamation with another), shall require a quorum equaling at least fifty percent (50%) of all its members, present in person.

2.04 VOTING AT GENERAL MEETINGS

At any general meeting, unless a poll is demanded, a declaration by the Chairperson that a resolution has been carried, and an entry to that effect in the minutes, shall be *prima facie* evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. If a poll is demanded it shall be taken in such manner as the Chairperson directs consistent with these by-laws.

In the case of an equality of votes at any general meeting of the Corporation the Chairperson shall be entitled to a second or casting vote.

A Member of the Corporation who is not in arrears for any cash payment due by him/her to the Corporation is entitled at all meetings of the Corporation to one vote if the amount of the premium paid by the member annually is in excess of Twenty-Five dollars (\$25.00) and if present in person, and no member is entitled to more than one vote.

Where a policy is made to two or more persons, one only is entitled to vote, and the right of voting belongs to the one first named on the register of policyholders, if the member is present, or, if not present, to the one who stands second, and so on.

Where property is insured by a trustee board, any member of the board or its secretary-treasurer duly appointed in writing pursuant to its resolution may vote on its behalf.

Where property is insured by a partnership or a corporation, any one member of the partnership or any one Director or officer of the corporation who is duly appointed in writing pursuant to a resolution of the partnership or corporation may vote on behalf of the partnership or corporation.

No applicant for insurance is eligible to vote or otherwise take part in the Corporation’s proceedings until his/her application has been accepted by the Corporation.

ARTICLE 3.0 – Board of Directors

1. The affairs of the Corporation shall be managed by a board of directors who may be known and referred to as directors.
2. The board of directors shall consist of nine directors, who, subject to section 4 hereof, shall be Members of the Corporation. One-third of the directors shall retire annually, in rotation, and at every annual meeting one-third of the total number of directors shall be elected for a period of three years to fill the places of retiring directors, who are, subject to this By-law and the *Corporations Act*, eligible for re-election.
3. All nominations for the election of directors shall be received by the Corporate Secretary of the Corporation at least (120) one hundred twenty days prior to the Annual Meeting or Special General Meeting called for the purpose of electing directors. The procedure for nominating persons for election or appointment as directors is set out in the Nominee Criteria Policy, a copy of which will be provided to any interested party on request. Information to be provided by nominees and the procedure for assessing nominees is set out in the Board Qualifications Policy, a copy of which will be provided to any interested party on request.
4. A director shall have such qualifications as may be prescribed from time to time by the *Corporations Act*. In addition:
 - a) No person shall be eligible to be elected or acclaimed as a director after he has attained the age of 75;
 - b) A director shall be a resident of Ontario;
 - c) At any one time, there may be one director who is not a Member of the Corporation, with such person's consent in writing. All other directors shall be Members of the Corporation and remain members of the Corporation for the time that they holds office.
 - d) Where a partnership has the qualifications that would qualify an individual to be a Director of the Corporation, one member of the partnership is eligible to be a Director of the Corporation.
 - e) The President or Director of a member corporation that has the qualifications that would qualify an individual to be a Director is eligible to be a Director of the Corporation.

Consistent with guidelines established from time to time by regulatory authorities, the board of directors may establish additional qualifications and require assessment of a person's suitability and integrity to perform properly the duties of a director before that person may be appointed a director.

5. Notwithstanding any other provision of the By-laws of the Corporation, the following persons are not eligible to be elected as a Director of the Corporation, and shall not interfere in the election of Directors;
 - a) An Insurance Broker or Insurance Agent associated with the Corporation;
 - b) A Director, Officer, shareholder, employee or agent of an Insurance Brokerage or insurance Agency business associated with the Corporation;
 - c) An agent or paid Officer of the Corporation, (subject to the right of the Chairperson and Vice-Chairperson to be compensated as a result of their holding those offices);
 - d) An officer of the Bankers of the Corporation;
 - e) Any employee of the Corporation;
 - f) A Director or Officer of any Insurance Company;
 - g) The President of the Corporation;
 - h) A spouse, child, parent or sibling of any of the persons identified in subsections (a) through (g) inclusive.

6. The office of a director shall automatically be vacated:
 - a) if the director becomes bankrupt or suspends payment of debts generally or compounds with creditors or makes an authorized assignment or is declared insolvent;
 - b) if the director is found to be a mentally incompetent person or becomes of unsound mind;
 - c) if the director by notice in writing to the Corporation resigns his or her office, which resignation shall be effective at the time it is received by the Secretary of the Corporation or at the time specified in the notice, whichever is later;
 - d) if the director ceases to have such qualifications as may be prescribed from time to time by the *Corporations Act or the By-laws*;
 - e) if the director is absent without previous leave of the board of directors from three successive regular meetings of the board of directors;
 - f) if at a special meeting of Members, a resolution is passed by at least two-thirds (2/3) of the votes cast by the Voting Members at the special meeting called for such purpose removing the director before the expiration of the director's term of office; or
 - g) if the director dies.

7. If a vacancy occurs among the directors during the term for which they have been elected and (i) the remaining directors do not constitute a quorum, the vacancy shall be filled until the next annual meeting by any person duly qualified chosen by a majority of the remaining directors as soon as may be after the vacancy occurs or (ii) the remaining directors constitute a quorum, the vacancy may be filled until the next annual meeting by any person duly qualified chosen by a majority of the remaining directors. At the next annual meeting the vacancy shall be filled for the portion of the term still unexpired.

8. The directors shall establish such committees of the board of directors as may be required

under the Insurance Act or under regulations made under the Insurance Act. The directors may establish additional committees of the board of directors as deemed necessary by the directors.

9. Meetings of the board of directors may be held at the Head Office of the Corporation or elsewhere as the directors from time to time determine.
10. A meeting of directors may be requested by the chair of the board, the president, or any two directors at any time. The secretary, when directed or authorized by any such officers or any two directors, shall call a meeting of directors. The Notice of meeting as aforesaid need not specify the purpose or the business to be transacted at the meeting. Notice of any such meeting shall be shall be mailed, delivered, sent by facsimile or e-mail or other electronic transmission to each director not less than two (2) days before the meeting is to take place; provided always that a director may in any manner and at any time waive notice of a meeting of directors and attendance of a director at a meeting of directors shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; provided further that meetings of directors may be held at any time without notice if all the directors are present (except where a director attends a meeting for the express purpose of objecting to the transacting of any business on the grounds that the meeting is not lawfully called) or if all of the absent directors waive notice before or after the date of such meeting.
If the first meeting of the board of directors following the election of directors by the members is held immediately thereafter, then for such meeting or for a meeting of the board of directors at which a director is appointed to fill a vacancy in the board, no notice shall be necessary to the newly elected or appointed directors or director in order to legally constitute the meeting, provided that a quorum of the directors is present.
11. No error or accidental omission in giving notice of any meeting of directors shall invalidate such meeting or make void any proceedings taken at such meeting.
12. Any meeting of directors may be adjourned from time to time by the Chair of the meeting, with the consent of the meeting, to a fixed time and place. Notice of any adjourned meeting is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at the adjourned meeting which was intended to be brought before or dealt with at the original meeting.
13. Any resolution signed by all the directors is as valid and effective as if passed at a meeting

of the directors duly called, constituted and held for that purpose.

14. A majority of the directors constitutes a quorum for the transaction of business. Questions arising at a meeting of the directors shall be decided by a majority of votes. In the case of an equality of votes at any meeting, The Chairperson will cast a deciding vote.
15. If all the directors of the Corporation consent, a meeting of directors may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to hear each other simultaneously and instantaneously, and a director participating in such meeting by such means is deemed to be present at that meeting.
16. The board of directors of the Corporation may administer the affairs of the Corporation in all things and make or cause to be made for the Corporation, in its name, any kind of contract which the Corporation may lawfully enter into and, save as hereinafter provided, generally, may exercise all such other powers and do all such other acts and things as the Corporation is by its Letters Patent or otherwise authorized to exercise and do.
17. The board of directors of the Corporation may from time to time:
 - a) borrow money on the credit of the Corporation;
 - b) issue, sell or pledge debt obligations (including bonds, debentures, debenture stock, notes or other like liabilities whether secured or unsecured) of the Corporation;
 - c) charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any debt obligations or money borrowed, or other debt or liability of the Corporation; and delegate the powers conferred on the board of directors under this paragraph to such officer or officers of the Corporation and to such extent and in such manner as the directors shall determine.

The powers hereby conferred shall be deemed to be in supplement of and not in substitution for any powers to borrow money for the purposes of the Corporation possessed by its directors or officers independently of this By-law.

18. The board of directors may fix the remuneration of directors. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or board committees and for such other out-of-pocket expenses incurred in respect of the performance of their duties as the board may from time to time determine.

ARTICLE 4.0 – Officers

4.1 ELECTION / APPOINTMENT

The Directors shall at their first meeting held after each annual general meeting of the Corporation, elect by ballot from among themselves a Chairperson, a 1st Vice Chairperson, and a 2nd Vice Chairperson. The other Officers of the Corporation, who need not be Directors, shall be, the President, the Corporate Secretary, the Treasurer and such Officers as the Directors may from time to time deem necessary. Such other Officers shall be appointed by the Directors, who shall specify their duties and remuneration and they shall hold office at the pleasure of the Directors. Any one person may hold more than one office.

4.2 REMOVAL

The Directors may remove an officer from office, but only with a 51% vote of all the persons present at the Director's meeting. If it is intended to place a motion before the Board of Directors to remove an officer from office, notice of same shall be tabled at the previous Board meeting together with reasons stated in writing for the intention to remove said officer.

4.3 CHAIRPERSON

The Chairperson shall, if present, preside at all meetings of the Board and at all meetings of members as Chair of such meetings. In addition to performing such other duties as may pertain to the office of the Chairperson, the Chairperson shall:

1. ensure that all decisions of the Board are in keeping with these governance procedures and all written policies of the Board;
2. represent the Board at official functions and where appropriate;
3. assist the Secretary, President or other designated person in the preparation of the agendas of all regular and special meetings of the Board, including the Annual General Meeting; and
4. be a signing officer of the Association.

4.4 FIRST VICE-CHAIRPERSON

In the temporary absence or inability to act of the President, the Vice-Chairperson shall perform the duties of the Chairperson.

4.5 PRESIDENT

The President , if one be appointed, shall be the chief executive officer responsible to the Board of Directors for the overall operation of the Corporation and shall have responsibility for the general management and direction, subject to the authority of the Board and the supervision of the Chairperson, of the Corporation's business and affairs and shall have the authority to appoint and remove any and all officers and employees of the Corporation not elected or appointed directly by the Board and to settle the terms of their employment and remuneration. *(Amended March 13, 2006)*

The relationship between the President and the Board of Directors shall be as follows:

1. The President is accountable to the Board as a whole.
2. Board authority delegated to the staff is delegated through the President. Individual board members shall not direct staff.
3. The Board shall monitor and evaluate the Presidents performance at least annually.

4.6 SECRETARY

The Secretary shall:

- a. give or cause to be given, all notices required to be given to members, Directors, auditors and members of committees;
- b. attend all meetings of the Directors and of the members and shall enter or cause to be entered in books kept for that purpose, minutes of all proceedings at such meetings, which minutes shall be signed by the Secretary and the Chairperson of the meeting;
- c. be the custodian of all books, papers, records, documents and other instruments belonging to the Corporation;
- d. prepare and maintain all records (other than accounting records) referred to in the Corporations Act;
- e. be responsible for correspondence and written communications of the Corporation; and
- f. perform such other duties as may from time to time be prescribed by the Board.

The Secretary of the Board does not need to be a member of the Board.

4.7 TREASURER

The Treasurer shall:

- a. ensure that adequate accounting records are prepared and maintained and shall keep, or cause to be kept, full and accurate books of account in which shall be recorded all receipts and disbursements of the Corporation;
- b. subject to the direction of the Board, shall control the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation;
- c. provide to the Board, whenever required, an account of all transactions of the Corporation and of the financial position of the Corporation; and
- d. perform such other duties as may from time to time be prescribed by the Board.

The Treasurer shall be a signing officer of the Board; the Treasurer does not need to be a member of the Board. The Treasurer may also serve as Secretary and therefore be entitled Secretary/Treasurer.

4.8 VACANCIES

If the office of the Chairperson, Vice-Chairperson, Second Vice-Chairperson, shall be or become vacant by reason of death, resignation, disqualification or otherwise the Directors shall elect from among themselves a person to fill such vacancy. If the office of the Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or any one of such offices, or any other office shall be or become vacant by reason of death, resignation, disqualification or otherwise the Directors by resolution shall in the case of the Secretary and may in the case of any other office appoint a person to fill such vacancy. *(Amended July 2015)*

ARTICLE 5.0 – Protection of Officers and Directors

5.01 LIMITATION OF LIABILITY

No Director or officer shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or employee, or for joining in any receipt or other act of conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the monies of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous acts of any person with whom any of the monies, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his/her part, or for any other loss, damage or misfortune whichever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his/her own wilful neglect or default; provided that nothing herein shall relieve any Director or officer from the duty to act in accordance with the *Corporations Act*, the *Insurance Act*, or any other pertinent legislation affecting the Corporation (hereinafter referred to in this Article as the “Acts”) or from liability for any breach thereof.

5.02 INDEMNITY OF DIRECTORS AND OFFICERS

Except as provided in the Acts, every Director and officer of the Corporation, every former Director or officer of the Corporation or a person who acts or acted at the Corporation’s request as a Director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his heirs and legal representatives shall, from time to time, be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the member in respect of any civil, criminal or administrative action or proceeding to which the member is made a party by reason of being or having been a Director or officer of such corporation or body corporation, if,

- a) the member acted honestly and in good faith with a view to the best interests of the Corporation; and
- b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the member had reasonable grounds for believing that his/her conduct was lawful.

5.03 INSURANCE

Subject to the limitations contained in the Acts, the Corporation may purchase and maintain such insurance for the benefit of its Directors and Officers as such, as the board may from time to time determine.

ARTICLE 6.0 – Executive Committee

6.01 EXECUTIVE COMMITTEE

The Executive Committee is appointed by the Board and consists of at least three directors, including the Committee Chair. Except for extraordinary circumstances, members of the Committee shall also be members of the Nominating Committee.

The Board will designate one member of the Committee as the Committee Chair. Members shall serve at the pleasure of the Board for such term or terms as the Board may determine. The affirmative vote of a majority of the members of the Committee participating in any meeting is necessary for the adoption of any resolution.

The Committee shall, through regular or special meetings, assist the Board in meeting its responsibilities relating to human resource planning; director compensation and performance evaluation; Board and committee performance evaluation; and corporate governance and other matters properly referred to the Committee.

The Committee may address other matters as the Board or Committee deems appropriate.

ARTICLE 7.0 – Agents/Brokers

7.01 AGENTS/BROKERS

Agents/brokers of the Corporation shall be appointed in accordance with and shall be subject to the policies of the Corporation, as set down from time to time by the Directors, and governing legislation. *(Amended July 2015)*

ARTICLE 8.0 – Execution of Documents

8.01 EXECUTION OF DOCUMENTS

Save and except for policies of insurance issued by the Corporation, the Chairperson, Vice-Chairperson or President, together with the Secretary or Treasurer, are hereby authorized and shall have power to execute and deliver all deeds, mortgages, leases or other documents, whatsoever requisite or expedient to be executed on behalf of the Corporation, and to attach the corporate seal of the Corporation to any of such documents which may be required to be executed as aforesaid shall be binding upon the Corporation. If due to the absence or inability to act of the named officers documents cannot be executed and delivered then documents may be signed and delivered by such other persons as are authorized by the Directors from time to time to do so.

Policies of insurance issued by the Corporation shall be signed by such persons and in such manner as are prescribed by the policies of the Corporation as set down from time to time by the Directors. (*Amended March 13, 2006*)

ARTICLE 9.0 – Minutes

9.01 MINUTES

Minutes of all meetings of the Directors, the Executive Committee and all other Board appointed Committees shall be recorded by the Secretary. Such minutes shall be open for inspection by any Director at any time.

ARTICLE 10.0 – Banks and Banking

10.01 BANKS AND BANKING

1. The bank of the Corporation shall be the Bank of Montreal or such other bank as the Directors may from time to time appoint.
2. All monies received by the Treasurer shall be deposited forthwith in the name of the Corporation in the said bank, excepting such amounts as may be expended for small losses, rebates or office expenses, which shall be supported in each case by proper receipts.
3. All monies shall be withdrawn from the bank in such manner and by such persons as are in accordance with the policies of the Corporation as set down from time to time by the Directors.
4. The President or Treasurer together with the Chairperson or vice-Chairperson shall have access to any safety deposit box rented by the corporation.
5. Subject to the foregoing Articles and any applicable legislation, but without limiting the borrowing powers of the Corporation as set forth in the *Corporation Act*, the Directors of the Corporation may, from time to time;
 - i. borrow money on the credit of the Corporation without the authorization of the Members; or,
 - ii. charge, mortgage, hypothecate or pledge any of the real or personal property of the Corporation, including but not limited to book debts, rights, powers, franchises and undertaking, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the Corporation.

ARTICLE 11.0 – Investments

11.01 INVESTMENTS

The Corporation shall invest its funds in any securities in which under the Insurance Act, Mutual Insurance Companies may invest funds. The Directors shall formulate policies, standards and procedures instruction for the investment of the funds of the Corporation, which policies, standards and procedures and shall be reviewed in accordance with the Insurance Act and revised as necessary. Full particulars of all investment transactions shall be reported to the Directors at the next board meeting following said transactions.

ARTICLE 12.0 – Insurance

12.01 LIMIT OF LIABILITY

Subject to the foregoing articles, any applicable legislation and the limitations of the charter and license powers of the Corporation, the directors shall fix the limits of liability which the Corporation may assume under any insurance contract, and may vary and alter the same from time to time, and may determine what risk or classes of risk shall be undertaken or refused by the Corporation.

12.02 CONTRACTS OF INSURANCE

Subject to the foregoing Articles and the applicable legislation, the Directors shall determine the forms, terms, conditions, rates and premiums for all contracts of insurance undertaken by the Corporation.

12.03 REINSURANCE

The reinsurance of any risk by the Corporation or the approval of any reinsurance treaties to which the Corporation is to be party, shall be in accordance with the policies of the Corporation as set down from time to time by the Directors and the applicable legislation.

12.04 UNDERWRITING

Proposals or applications for insurance shall be accepted or refused and policies of insurance may be cancelled by such persons as are authorized by the Directors from time to time and in accordance with the policies of the Corporation relating to underwriting as set down from time to time by the Directors; provided that a policy for any Director may only be cancelled on the instructions of the Board of Directors.

12.05 ADJUSTMENT AND SETTLEMENT OF CLAIMS

Subject to the foregoing Articles, all claims shall be adjusted and settled in accordance with the policies of the Corporation, as set down from time to time by the Directors, and the terms and conditions of the prevailing policy of insurance and governing legislation.

ARTICLE 13.0 – Refunds from Surplus

13.01 REFUNDS FROM SURPLUS

1. The Directors may, subject to the following provisions and the applicable legislation, declare a refund from surplus at the end of a fiscal year:
2. The effective date of the refund shall be the 31st day of December in the current year.
3. The Directors may allocate the refund among such classes of insurance provided that the refund shall apply to all direct policies in force in each such class on the effective date of the refund.
4. The refund on each policy in each class of insurance shall be in the same ratio to the total refund for the class as the annual premium is to the total annual premiums for the class in force on the effective date;
5. Refunds shall be credited or paid only on policies of members insured continuously in the Corporation during the three years preceding the effective date of the refund.

ARTICLE 14.0 – Auditors

14.01 AUDITORS

The Members entitled to vote thereat shall at each annual meeting appoint one or more auditors to hold office until the next annual general meeting and, if an appointment is not so made, the auditor in office shall continue until a successor is appointed.

The remuneration of an auditor or auditors appointed by the Members shall be approved by the Board of Directors.

It shall be the duty of the auditor or auditors to examine all books, vouchers, and accounts of the Corporation, and all documents having reference to the business thereof, at least once in each year.

The auditor or auditors shall make a report to the Members of the accounts examined by him or them, and the balance sheet or other statements shall be in the form prescribed by the Superintendent of Insurance.

The auditor or auditors shall sign a certificate at the foot of the Balance Sheet stating that they have verified the assets and liabilities of the Corporation as at the date thereof; that it is in accordance with the books and information given to them, and that, in their opinion, it sets out truly and correctly the financial position of the Corporation as on the date thereof.

ARTICLE 15.0 – Interpretation

15.01 INTERPRETATION

In this By-law and in all other By-laws of the Corporation hereafter passed, words importing the singular Member or the masculine gender shall, unless the context otherwise requires, include the plural number or the feminine gender, as the case may be, and persons shall include firms and Corporations.

ARTICLE 16.0 – Amendments to By-Laws

16.01 AMENDMENTS TO BY-LAWS

Any by-laws, other than those which are restatements of statutory provisions, may from time to time be repealed, amended, varied or otherwise dealt with in accordance with the Corporations Act.

Any relevant amendment to the *Insurance Act*, RSO 1990, chapter I.8, the *Corporations Act*, RSO 1990, Chapter C.38, enacted after the date on which these By-laws are approved by the Members of the Corporation, shall be amendments to these By-laws on and after the day on which they received Royal Assent.

ARTICLE 17.0 – Repeal

17.01 REPEAL

Upon this By-law being passed by the Board of Directors, it shall be in effect, save and except for such sections hereof which require the approval of the Members before coming into effect, until the next Annual or other meeting of the Members of the Corporation at which it is considered and confirmed by the Members, and if confirmed by the Members all previous general By-laws of the Corporation as amended from time to time are repealed; provided that such repeal shall not affect the previous operation of such By-laws so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under any contract or agreement made pursuant to any such By-law prior to its repeal.

Passed the 9th day of November, 2016 by Directors and adopted by the members of the Grenville Mutual Insurance Company, with amendments passed by the Directors March 6th, 2017.

_____/_____
Print name/signature
Chairperson of the Board

Date

_____/_____
print name/signature
Corporate Secretary

Date

Notice

The Grenville Mutual Insurance Company is incorporated without share capital under the laws of the Province of Ontario. The company is a general P&C Insurer for Property, Casualty and Liability coverage's in the Province of Ontario.

Bonnie Barkley CPA, CGA
Chief Financial Officer

bonnieb@grenvillemutual.com



GRENVILLE Mutual Insurance

A Better Experience. Right Where You Live.