



Minutes of the Grenville Mutual Insurance Company's
126th Policyholders' Annual General Meeting held in the
Company's Spencerville Community Room on March 12, 2018
commencing at 1:30pm

1. Call to Order

The meeting was called to order by the Board Chair, Ian Wade at 1:30pm stating that this meeting is being governed by "Call to Order" and declared that there are sufficient members in attendance to constitute a quorum.

2. Approval of the Agenda

It was **Moved** by Ruth Lockett and **Seconded** by Ron Greaves that the agenda be approved as presented. Motion was **Carried**.

No conflict of interest was declared.

3. Chair's Remarks

Ian Wade welcomed everyone to Grenville Mutual's 126th Annual General Meeting and on behalf of the Board of Directors and staff, thanked the Brokers and Policyholders for attending the meeting. He commented that a day like this provides the opportunity to meet the people who benefits from this company's complex and at time difficult work, as well as providing the opportunity for us to publicly share the contributions Grenville is so proud to make to the communities where we do business. I. Wade continued saying the Board of Directors have been very active this year with a number of pivotal projects, each one designed to keep this company on an even keel; strong, focused and able to position it to meet future challenges. In performing its role, the Board also makes major policy decisions and then delegates implementation to the CEO. I. Wade spoke on the way Grenville supports the community by offering the Spencerville Community room to 35 different business, agriculture and not-for-profit groups in 2017 to use at no cost for meetings and workshops. As well last year, the company gave back to the community in celebration of our 125th anniversary, by allowing staff to select a local charity of choice to receive a donation as part of a company-wide giving project. There were 33 organizations that benefited from these gifts to enhance the lives of people. In closing, Ian Wade commented that Grenville is a humble pillar of leadership and personally acknowledged that it is a pleasure to serve with some very good people.

The Board of Directors and Officers of the Company were introduced.



4. Approval of the Previous Minutes

Seeing no errors or omissions in the minutes dated March 6, 2017, it is **Moved** by George Robinson and **Seconded** by Steve Wilson, that the minutes of that date be approved as written. Motion was **Carried**.

5. President's Remarks

Ross Lincoln opened his remarks by extending his own welcome to all those that took the time to attend the AGM today. He continued providing a view of how this company is performing stating that Grenville is a purposeful organization lead by passionate people. Ross reviewed the business issues surrounding the company's 2017 financial results and spoke on Grenville Mutual's initiatives for 2018. R. Lincoln continued saying, the world is indeed changing, and Grenville has begun work to remain in front of this curve. This company writes primarily in the rural agricultural marketplace which is considered "high risk" business however Grenville is very committed to this very important market as Agriculture is the backbone of our country; so we must do it well. R. Lincoln spoke on the detailed actuarial review of our business which has occurred over the past 2-3 years stating Grenville is very aware of which lines of business need attention; both on how we access the risks and what rate we apply to that risk. This is important as we look ahead to meet and anticipate the growing needs of our Policyholders. In closing, to our brokers; we need to collaborate to ensure our mutual clients are taken care of by keeping our customers front and center. To our staff; you are valued and at the forefront of all the decisions which is rewarding for those who are committed to doing the right things for the right reasons.

The staffing changes for 2017 were highlighted with Ginny Merriman, Claims Administrative Assistant being introduced.

6. Financial Report

Ian Wade advised that the Corporations Act requires that prior to the election of Directors the annual statement shall be presented and read. The Company's Annual Report including audited financial statements for the year ended December 31, 2017 is available to members in accordance with the Corporation Act. The Board has approved the financial statements for the year ended December 31, 2017 at the February 2018 meeting of the Board of Directors.



Minutes of the Grenville Mutual Insurance Company's
126th Policyholders' Annual General Meeting held in the
Company's Spencerville Community Room on March 12, 2018
commencing at 1:30pm

The Financial Statement for the year ending December 31, 2017 was presented by Bonnie Barkley, Chief Financial Officer.

7. Auditor's Report

Sheldon Dunn from KPMG presented the Auditor's Report for the year ending December 31, 2017.

8. Appointment of Auditor

On the recommendation of the Audit Committee to the full Board of Directors on February 14, 2018, it is **Moved** by Greg Beach and **Seconded** by Hubert Ferguson that the firm of KPMG, Chartered Professional Accountants be appointed as Auditors of the company for the financial year commencing January 1, 2018 and ending December 31, 2018 and to hold office until the next Annual General Meeting of the Policyholders. Motion was **Carried**.

9. Election of Directors

Ross Lincoln stated that the Company's by-laws provide that the Board of Directors shall consist of nine Directors. 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. All nominations for election of Directors shall be received by the Corporate Secretary at least 120 days prior to the Annual General Meeting or Special General Meeting called for the purpose of electing Directors.

A candidate for nomination for election to a position on the Board of Directors must meet eligibility requirements under the Corporations Act and the Insurance Act. Company by-laws specify that no person may be elected or acclaimed as a Director upon reaching the age of 75 Years.

Messrs. Ron Greaves, Ivan Petersen and Ian Wade, whose terms of office expires with effect at the conclusion of the March 12, 2018 Annual General meeting are eligible to be nominated to stand for election for another three-year term.



Minutes of the Grenville Mutual Insurance Company's
126th Policyholders' Annual General Meeting held in the
Company's Spencerville Community Room on March 12, 2018
commencing at 1:30pm

The Board Nominating Committee determined that each of the persons nominated for election to a position on the Board of Directors meets the eligibility requirements under the Corporations Act and the Insurance Act and meets the eligibility requirements under Company by-laws. In addition, the Board Nominating Committee completed an assessment of each person's suitability and integrity to perform properly the duties of a Director in accordance with the Company's Assessment Policy and found no matters of potential concern.

As the number of individuals nominated equals the number of vacancies on the Board of Directors and there being no further nominations as permitted by Company by-laws, it is **MOVED** by Paul Henderson and **SECONDED** by Greg Beach that the Corporate Secretary be instructed to cast a single ballot in favour of each of the nominated persons for election as a Director for a three-year term. Motion was **Carried**.

Each elected Director thanked the Board and staff for their support and look forward to serving the Policyholders for another three-year term as a Director on the Grenville Mutual Board.

10. Claims Report

Jennifer Moulton, Claims Manager began her report speaking on the water losses in 2017; damages caused by flood, surface waters, ground water, the backup or escape of water from a sewer, septic system, sump pit or drain excluding losses from a burst pipe or water escape from an appliance. J. Moulton reported that in August of 2016, Grenville launched our new Water Protection Endorsement and 2017 was the first full year of the expanded water coverage. This type of comprehensive coverage was launched by all major insurers in the industry. However, in review of the claims from 2017, the vast majority of the losses would have been covered by the previous more restrictive water wording, which was known as sump and sewer coverage and as such, the new Water Protection Endorsement did not significantly change our water results for the year. Details were provided. J. Moulton continued saying we will continue to see more claims with higher values, as people do more and more with their basement space however there are things that we can do as homeowners to protect our property such as a battery back-up sump pump, a water alarm that alerts you through your smart phone, a backflow valve and/or a hard-wired generator that will switch on when the power goes out. All of these will help us to decrease the chances of having a water loss that will disrupt our lives. Jennifer concluded saying that as weather patterns continue to change, and the severity of storms increase, we all need to be aware of what we can do to prevent the loss of our time and property.



Minutes of the Grenville Mutual Insurance Company's
126th Policyholders' Annual General Meeting held in the
Company's Spencerville Community Room on March 12, 2018
commencing at 1:30pm

11. Special Presentation

Ross Lincoln presented a special award to Diane Minkhorst in recognition of her 20 years of dedicated service with Grenville Mutual.

12. General Discussion

The Chairman declared the meeting open for general discussion and comments from the floor. In response to a policyholder's question regarding policyholder rebates as a reward for being claims free over a specific period of time, R. Lincoln acknowledged that the company must reach an overall underwriting profit to consider rebates and that claims free policyholders are rewarded with premium discounts.

13. Adjournment

As all business on the agenda had been concluded, the Chair declared the meeting adjourned.

The door prize was won by Mark Colin.

14. Guest Speaker

The guest speaker was Paul Durand, a retired RCMP officer with 34 years of service; 31 of those years were dedicated to drug enforcement both national and international. His career began by investigating commercial stills and counterfeit currency in Canada, was then involved in all types of drug investigations and drug interdictions throughout USA and Canada, the establishment of a RCMP Drug Liaison office based out of the DEA Miami Field office, participated in the research, development and implementation of four national drug training programs and much more. Paul retired as Staff Sergeant in charge of the RCMP national undercover program.



Minutes of the Grenville Mutual Insurance Company's
126th Policyholders' Annual General Meeting held in the
Company's Spencerville Community Room on March 12, 2018
commencing at 1:30pm

15. Singing of O'Canada

Hubert Ferguson lead in the singing of O'Canada and refreshments were served.

Certified to be a True Copy of the Minutes of this date

Chair

Secretary