

BY-LAW NO. 1A

WHEREAS The North Blenheim Mutual Insurance Company was organized on the 2nd day of June, 1861 and commenced business on the 15th day of August, 1861, under and pursuant to the provisions of "An Act Respecting Mutual Insurance Companies" being Chapter 52 of the Consolidated Statutes of Upper Canada;

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 (the "Act");

AND WHEREAS the directors and members of the North Blenheim 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:

OBJECT

1. 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 Company may be licensed in Ontario, as provided in Part V of the Corporations Act of Ontario.

SEAL

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

HEAD OFFICE

3. The Head Office of the Corporation shall be located in the Village of Bright, Ontario.

MEMBERSHIP

4. Any person 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.

5. Any member, ~~with the consent of the Directors,~~ may withdraw from the Corporation ~~upon such terms as the Directors may lawfully prescribe,~~ subject to the provisions of the Insurance Act.
6. **Members' Liability.** No member shall be liable in respect of any loss or claim or demand against the Corporation, beyond the amount of the member's ~~his~~ unpaid premiums ~~or the amount unpaid on his premium note,~~ if any.

ANNUAL MEETING

7. A meeting of the members for the election of directors and the transaction of other business shall be held within the 1st 3 months of each year, the date, time, and location to be determined by the directors.
8. 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.
9. 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.

NOTICE OF MEMBERS MEETING

10. Notice of every annual general meeting of the corporation shall be given to the members in the manner prescribed by the Act. ~~must be: a) sent by mail to every member of the corporation at least 21 days before the day of the meeting, or b) published at least 21 days before the day of the meeting in a newspaper published at or near the place where the Head Office of the corporation is located. (See the Corporations Act S.161(1))~~
11. The Directors shall make available to members the annual statement for the year ending on the previous December 31 in the manner and within the time prescribed by the Act. ~~by doing one or more of the following at least 21 days before the day of the annual~~

~~general meeting at which the annual statement will be considered: i) sending a copy of the annual statement to the members by mail; ii) publishing the annual statement in a newspaper published at or near the place where the corporation's head office is located; iii) publishing the annual statement on the corporation's website.~~

12. (A) If the corporation publishes its annual statement on its website, the notice of the annual general meeting must state that the annual statement is available on the corporation's website and that a member may obtain a copy by sending a written request to the corporation's head office at least 14 days before the annual meeting.
- (B) The corporation shall send mail a copy of the annual statement to a member who makes a written request under subsection 12A.

13. The annual statement must be certified by the corporation's auditors and prepared in accordance with the Insurance Act and the regulations made under that Act.

14. (A) The Directors may call a special general meeting of the Corporation at any time.
- (B) One-tenth of the members of the Corporation entitled to vote at members meetings may 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.

15. Notice of every special general meeting of the corporation shall be given to the members in the manner prescribed by the Act. must be, A) sent by mail to every member of the corporation at least seven days before the day of the meeting; or B) published at least seven days before the day of the meeting in a newspaper published at or near the place where the corporation's head office is located.

16. A meeting of Members may be held entirely by one or more telephonic or electronic means or by any combination of in-person attendance and telephonic or electronic means, provided:

- (A) the Corporation makes available means for the holding of such meetings that permit Members to communicate adequately with each other during the meeting and to reasonably participate; and

(B) if there is to be an election of directors at such meeting, the Corporation has implemented a process by which votes may be verified as having been made by Members entitled to vote and the Corporation is not able to identify how each Member voted.

Any member who participates in the meeting by telephonic or electronic means or votes shall be deemed to be present in person at the meeting.

QUORUM

16-17. Four (4) members present in person shall constitute a quorum for the transaction of business at a general meeting other than a meeting to vote on demutualization, wind up or any other form of dissolution of the corporation. The quorum for a meeting called to vote on demutualization, wind up or any other form of dissolution (except for the discontinuance of the corporation as a result of its amalgamation with another mutual), shall require a quorum equaling at least fifty one percent (51%) of all of the Corporation's members, present in person.

VOTING AT GENERAL MEETINGS

17-18. At any general meeting, unless a poll is demanded, a declaration by the Chair~~man~~ 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 favor of or against such resolution. If a poll is demanded, it shall be taken in such manner as the Chair~~man~~ directs consistent with these by-laws.

Subject to the other provisions of this By-law, a vote may be conducted entirely by one or more telephonic or electronic means or by a combination of one or more telephonic or electronic means and voting in person.

18-19. In case of an equality of votes at any general meeting of the Corporation, the Chair~~man~~ shall be entitled to a second or casting vote.

19-20. A member of the Corporation (as defined in Article 4 hereof) who is not in arrears for any cash payment due by the member- him to the Corporation is entitled at all meetings of the Corporation to one vote if the amount of the premium paid by the member him annually is in excess of \$25.00, and no member is entitled to more than one vote.

- 20-21. (A) 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 present, or, if not present, to the one who stands second, and so on.
- (B) 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.
- (C) Where property is insured by a Partnership or a Corporation any one member of the Partnership or any one director of the Corporation who is duly appointed and authorized in writing pursuant to a resolution of the Partnership or Corporation may vote on behalf of the Partnership or Corporation.

21-22. No applicant for insurance is eligible to vote or otherwise take part in the Corporation's proceedings until the applicant's his application has been accepted by the Directors.

DIRECTORS

22-23. **Number of Directors.** The business of the Corporation shall be conducted by six (6) Directors. The number of directors may be changed from time to time in accordance with the Act.

23-24. **Qualifications of Directors.**

- (A) A director shall be eighteen (18) or more years of age, and be a resident of the Province of Ontario;
- (B) No person shall be eligible for election or re-election as a director after having attained their his 70th birthday;
- (C) No person is eligible to be or shall act as a director unless they are he is a member of the Corporation and insured therein for the time they he holds office and are is entitled to vote ;
- (D) Notwithstanding any other provisions in the by-laws of the Corporation, no person shall be eligible for election, ~~or~~ re-election or appointment as a director unless they he have has been a member of the Corporation and insured therein for a minimum period of ~~three~~ two (2) consecutive years prior to the time they he seeks office;
- (E) No undischarged bankrupt shall be a director, and if a director becomes bankrupt they he shall thereupon cease to be a director;

~~(F) Any person wishing to seek election or re-election as a Director must file their intention to stand for election in writing specifying their intention to run for a 3 year term or a partial term if there is a vacancy with the Secretary of the Corporation before 4:30pm, at least thirty (30) days in advance of an Annual Meeting or Special General Meeting called for the purpose of electing Directors;~~

24.25. (A) 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 ~~(See the Corporations Act S.164(4));~~

(B) The Chair~~man~~ 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.

25.26. 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 agent or paid officer ~~(subject to the right of the Chairman and Vice-chairman to be compensated as a result of their holding these offices, as is referred to in Article 37(b) hereof);~~

(B) an officer of the bankers of the Corporation;

(C) an employee or a person who was an employee in the two years prior to the meeting at which directors are to be elected;

(D) an Insurance Broker or Insurance Agent associated with the Corporation, or anyone having a financial interest in an insurance brokerage or insurance agency associated with the Corporation;

(E) a Director, Officer, shareholder, employee or agent of an insurance brokerage or insurance agency business associated with the Corporation;

(F) a Director or Officer of another Insurance Company which competes with or sells the same or similar insurance as the Corporation, other than an insurance company which is a subsidiary or affiliate of the Corporation or the Farm Mutual Reinsurance Plan Inc.;

(G) a relative of any of the persons identified in subsections (a) through (c) inclusive. (for the purposes hereof, relative means a spouse (as defined in the Act), child, step-child, child-in-law, parent, step-parent, parent-in-law, sibling, step-sibling, sibling-in-law, or the spouse of a child, step-child, child-in-law, parent, step-parent, parent-in-law, sibling, step-sibling, or sibling-in-law, grandparent, grandchild, or the spouse of any of them);

(H) a relative (as defined in the previous subsection (G) of a current Director of the Corporation.

~~26. No agent or paid officer (subject to the right of the Chairman and Vice-chairman to be compensated as a result of their holding these offices, as is referred to in Article 37(b) hereof), or officer of the bankers of the Corporation, or person in the employment of the Corporation, is eligible to be elected as a Director, or shall interfere in the election of directors. No person shall at the same time be a director and Agent of the Corporation. (See the Corporations Act S.170)~~

~~27. The President of the Corporation, although he may have the qualifications to be a director, shall not be a director of the Corporation. (See the Corporations Act S.169)~~

27. Director Nomination Procedure

(A) There shall be a Nomination Committee consisting of no less than three Members, all of whom need not be directors. The mandate of the Committee will be to compile each year a list of nominees for election to the Board from those persons who have filed notice of their intention to seek election in accordance with subsection (B) and persons identified by the Committee as potential nominees, having regard to the Board's skill set requirements and needs.

(B) Any person wishing to seek election or re-election as a Director must file his/her intention in writing with the Chair of the Committee prior to the 1st day of October preceding the Annual General Meeting at which election or re-election as a director is sought.

(C) The Committee shall consider all persons who have filed notice of their intention to seek election, including incumbent directors who have filed a notice as well as any other persons identified by the Committee as potential nominees. In considering such persons the Committee:

(i) shall confirm each person's qualification to be elected as a director;

(ii) shall assess each person's personal and professional integrity and commitment to promote the long term interests of the Corporation, and his or her commitment to devote adequate time to service as a Board member;

(iii) may interview any person.

A majority of the Committee Members shall approve each nominee.

(D) The Committee shall present to the Board the names of the nominees for election to the Board, in any given year. The names of those persons recommended by the Nomination Committee who are then approved by the

Board shall be submitted to the Members with the notice of the annual general meeting.

(E) Any nominee who filed notice of intention to seek election under subsection (B) and who is not recommended by the Nomination Committee may still seek election as a director provided that such person gives notice of his or her intention to Corporation no less than 45 days prior to the annual general meeting at which the election is to be held.

27-28. Retirement of Directors in Rotation. One-third or if the number of Directors is changed in accordance with the Act to a number that is not divisible by three, as close to one-third as is mathematically possible, of the directors shall retire annually in rotation.

28-29. Annual Election to Fill Vacancies. At every annual general meeting one-third of the total number of directors shall be elected for a period of three (3) years to fill the places of the retiring directors, Retiring directors who are, subject to the other provisions of this By-law, eligible for re-election. In the event the number of directors is changed to a number that is not divisible by three, the number whose terms expire in any given year shall not exceed by more than one the number whose terms expire in any other year.

30. Election of Directors. The election of Directors shall be held and made by such members as attend for that purpose in person, or in the case of a Corporation, partnership, or trustee board (as referred to in Article ~~20~~ 21 hereof) by a director, officer, or member authorized in writing to represent it.

29-31. Removal of a Director. A Director may be removed from office and shall thereupon cease to be a Director of the Corporation upon a resolution being passed to remove the Director by at least 2/3 of the votes cast at a general meeting of which notice specifying the intention to pass such a resolution was properly given.

30-32. The Election shall be by ballot.

31-33. If two or more members have an equal number of votes, so that less than the whole number to be elected appear to have been chosen directors by a majority of votes, the members present shall proceed to ballot until it is determined which of the persons so having an equal number of votes shall be the director, or directors.

~~32-34.~~ 34. If a vacancy occurs among the directors, during the term for which they have been elected, by death, resignation, ceasing to have the prescribed qualification, insolvency or by absence without previous leave of the directors from three successive regular meetings, which shall ipso facto create such vacancy, and a quorum of directors remains, or as a result of the removal of a director in accordance with section 31, the vacancy shall be filled until the next annual general meeting by any person duly qualified chosen by a majority of the remaining directors as soon as may be after the vacancy occurs; and at the next annual general meeting the vacancy shall be filled for the portion of the term still unexpired. An election separate from the election referred to in Article ~~29~~ 28 hereof shall be held to fill the vacancy so created, immediately following the election of directors for the 3 year term and the provisions of this by-law relating to the qualifications of a Director and the conduct of a Director elections shall apply with necessary modification to any election to be held for the purpose of filling such vacancies. If no quorum of director's remains as a result of the vacancy on the Board created as is herein referred to, a general meeting of the members shall be called to fill the vacancies.

~~33-35.~~ 35. **Meetings.** All meetings of the Directors shall be held at the call of the Chair or according to the adjournment of the previous meeting held at the Head Office of the Corporation, or at such other place in or outside Ontario as the directors may determine. The first meeting of the Directors shall be held immediately after the annual general meeting. Regular meetings of the Directors shall be held at such time and place as the Board may determine from time to time. A Special meeting of the Directors may be called at any time by the Chair, and shall be called at any time when required by three (3) Directors. Notice of all meetings shall be given to each director no later than the seventh day before the meeting. B) If all the directors present at or participating in the meeting consent, a meeting of directors or of a committee of directors may be held by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in the meeting by those means is deemed to be present at the meeting.

The directors may determine that any meeting be held entirely by telephonic or electronic means.

If Directors are permitted to attend and participate by telephonic or electronic means, the notice of the meeting must include instructions for attending and participating in the meeting by the telephonic or electronic means that will be made available for the

meeting, including, if applicable, instructions for voting by such means at the meeting.

34.36. Quorum. A majority of the directors shall constitute a quorum for the transaction of business, and in the case of an equality of votes at any meeting the questions passes in the negative.

35.37. A director Directors disagreeing with the majority at a meeting may have their ~~his~~ dissent recorded with their ~~his~~ reasons therefore.

36.38. Remuneration. Each Director of the Corporation shall be entitled to:

(A) An amount determined by the Board of Directors from time to time for attending meetings of the Board, Committees of the Board or Members at which their attendance is required by these by-laws or the Chair of the Corporation and for fulfilling their duties as Board Members;

(B) A travel allowance for necessary travel in attending such meetings and fulfilling their duties as Directors, at the rate as set from time to time by the Board, using as a benchmark, the travel allowance paid to employees of the Federal Government;

(C) Such sums in respect of their out-of-pocket expenses incurred in attending such meetings or in the performance by them of their duties as the Board may from time to time approve; and

(D) Benefits, as may be approved by the Directors from time to time.

~~In addition, the Officers and Directors may be paid an honorarium for acting as such in such amount as the Board of Directors may from time to time determine. The remuneration to be paid to the Directors of the Corporation shall be such amount or amounts as may be approved by the members at the Annual General Meeting. In addition, Directors shall be paid such sums in respect of their out-of-pocket expenses received in attending board, committee or member meetings, or otherwise in respect of the performance of them or their duties as the board may from time to time determine.~~

OFFICERS

37.39. Chair~~man~~ and Vice-Chair~~man~~. A) The Directors shall at their first meeting held after each annual general meeting of the Corporation, elect by ballot from among themselves a Chair~~man~~ and Vice-Chair~~man~~, and the Secretary shall preside at such elections. They shall hold the office for one year, or until their successors are elected. The Chair~~man~~ shall preside at all meetings of the Directors and Members, and shall

perform other duties as may pertain to the office of Chair~~man~~. In the temporary absence or inability to act of the Chair~~man~~, the Vice-Chair~~man~~ shall perform the duties of the Chair~~man~~. In the event a vacancy occurs in the office of the Chairman due to any of those causes referred to in Article ~~34~~ ~~32~~ hereof, the remaining Directors shall elect from among themselves a replacement Chair~~man~~;

B) The remuneration, if any, to be paid to the Chair~~man~~ and/or the Vice-Chair~~man~~ as a result of ~~his~~/their holding that office, shall be such amount or amounts as the Board of Directors may from time to time determine.

~~38.40.~~ **Other Officers.** The other officers of the Corporation shall be the President, the Secretary, the Treasurer and such officers as the Directors may from time to time deem necessary. The President shall be the chief executive officer responsible to the Board of Directors for the overall operation of the Corporation.

~~39.41.~~ **Appointment.** Such other officers of the Corporation shall be appointed by the Directors, who shall specify their duties and remuneration and they shall hold office at the pleasure of the Directors.

~~40.42.~~ **Duties May be Delegated.** Subject to Article ~~39~~ ~~37~~ hereof, in the case of the absence or inability to act of the Vice-Chair~~man~~, or any other officer of the Corporation, a majority of the remaining directors may delegate the powers and duties of such officers to any other officer or to any director for the time being.

~~41.43.~~ The security given by the treasurer or other officer having charge of the money of the corporation shall not be less than \$10,000.00 or such greater amount as may be required by the Superintendent.

COMMITTEES

~~42.44.~~ **EXECUTIVE COMMITTEE.** ~~The Board may establish an Executive Committee, consisting of the The-Chair~~man~~ and Vice-Chair~~man~~ and Past Chair one other director elected by the Directors at their first meeting following each annual general meeting of the members shall constitute the Executive Committee of the Corporation, The Executive Committee -and shall meet at the call of the Chair~~man~~ to advise and assist the President, the Secretary, or the Treasurer in dealing with emergency business during the intervals between meetings of the Directors, or to dispose of the routine business in accordance with instructions of the Directors. During the absence or inability of a~~

member of the Executive Committee, some other director shall be invited to act on the Executive Committee in their ~~his~~ place.

43.45. **AUDIT REVIEW COMMITTEE.** There shall be an Audit Review Committee. The ~~This~~ committee must have at least three directors. The majority of this committee must not be “affiliated” with the Corporation. ~~The This~~ committee will meet at least once a year to review the annual financial statement before being approved by the Board and to fulfill such other requirements prescribed by the Insurance Act. The committee will review transactions identified by the auditors and make recommendations to the Board with respect to internal financial control procedures.

44.46. **CONDUCT REVIEW COMMITTEE.** There shall be a Conduct Review Committee. ~~The This~~ committee must have at least three directors. The majority of this committee must not be “affiliated” with the Corporation. ~~The This~~ committee must meet at least once a year to identify all transactions with “Related Parties” that may have a material effect on the stability of the Corporation and to fulfill such other requirements prescribed by the Insurance Act. The Committee shall also monitor the application of the procedures established by the Board from time to time to resolve conflicts of interest and for identifying of potential conflicts of interest and the results of the application of those procedures.

45.47. **INVESTMENT COMMITTEE.** There shall be an Investment Committee. ~~The This~~ committee must have at least three directors. There may be other people appointed to this committee such as the President or Treasurer of the Corporation. ~~The This~~ committee must meet at least once a year to review that the investment transactions are being followed in accordance with the Corporation’s Investment Policy Statement.

46.48. **OTHER COMMITTEES.** The Board shall constitute such other Committees as may be required from time to time by the Act, the Insurance Act, the By-laws of the Corporation, or as may be deemed expedient by the Board. Subject to the applicable legislation, the terms of reference of such other Committees shall be as determined from time to time by the Board. Such Committees shall meet at the call of the Chair of the Corporation or the chair of the Committees.

PROTECTION OF DIRECTORS AND OFFICERS

47.49. 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 for conformity, or for any loss, damage or expense happening to 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 tortious 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 ~~their~~ ~~his~~ part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of ~~their~~ ~~his~~ office or in relation thereto, unless the same are occasioned by his own willful 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.

48.50. 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 ~~their~~ ~~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 ~~by the director or officer~~ ~~him~~ in respect of any civil, criminal or administrative action or proceeding to which ~~they are~~ ~~he is~~ made a party by reason of being or having been a director or officer of such corporation or body corporate if, a) ~~they~~ ~~he~~ 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, ~~he~~ ~~they~~ had reasonable grounds for believing that ~~their~~ ~~his~~ conduct was lawful.

49.51. 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.

EXECUTION OF DOCUMENTS

52. Such person or persons as are designated by the Board from time to time shall be authorized and shall have power to execute and deliver all policies of insurance, deeds, mortgages, leases, or other documents whatsoever requisite or expedient to be executed on behalf of the Corporation, and these shall be binding upon the Corporation. Subject to the execution of those specific documents referred to in Article 51 hereof, the Chairman or the Vice-Chairman together with the Secretary are hereby authorized and shall have the power to execute and deliver 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 such documents as executed aforesaid and these shall be binding upon the Corporation. In the event of the absence or inability to act of any two (2) of the above-named officers, then all of the said documents shall be signed by such of the Directors as may be appointed by the Directors to act for such a purpose. All other documents not requiring the seal of the Corporation may be signed by such person or persons as the Directors may from time to time designate, and any such documents so executed shall be binding on the Corporation.

MINUTES

50.53. The Secretary shall be responsible to ensure that minutes Minutes of all the meetings of the Directors, and of the Committees of the Board and members are recorded. Such minutes shall be open for inspection by any director. shall be recorded by the Secretary or such other person as is appointed by the Board from time to time.

BANK AND BANKING

- 51.54. (A) The bank of the Corporation shall be a registered Canadian bank as the Directors may from time to time appoint;
- (B) All monies received by the Corporation shall be deposited forthwith in the name of the Corporation in the said bank, excepting such amounts as may be expended for small losses, or rebates of office expenses, which shall be supported in each case by proper receipts;
- (C) All cheques, drafts, withdrawals from the Corporation's bank account(s) and orders for payments of money, and all notes and acceptances and bills of exchange, shall be signed or authorized by such person or persons and in such manner as the Directors may from time to time designate;

- (D) All cheques and post office money orders in favor of the Corporation shall be received for or endorsed for deposit to the credit of the Corporation by such person or persons as are authorized by the Directors;
- (E) Such person or persons as may from time to time be authorized by the Directors to do so, on behalf of the Corporation, may grant receipts for the payment of interest or rents due;
- (F) The Treasurer, President or Secretary together with the Chair~~man~~ or Vice-Chair~~man~~, shall have access to any safety deposit box rented by the Corporation;
- (G) Subject to the foregoing Articles and any applicable legislation, but without limiting the borrowing powers of the Corporation as set forth in the Corporations Act, the Directors of the Corporation may, from to time:
 - (i) borrow money on the credit of the company without the authorization of the members; or
 - (ii) issue, sell or pledge securities of the company, without the authorization of the members; or
 - (iii) with the authorization of the members, charge, mortgage, hypothecate or pledge all or any of the real or personal property of the company, including book debts and unpaid calls, rights, powers, franchises and undertakings, to secure any securities or any money borrowed, or other debt, or any other obligation or liability of the company.

INVESTMENTS

~~52.55.~~ The Corporation shall invest its funds in any securities or investments in which, under the Insurance Act, ~~insurers trustees~~ may invest funds. The Investment Committee shall formulate instructions for the investment of the funds of the Corporation, and shall no less than annually ~~may from time to time~~ consider and revise same as deemed appropriate. Full particulars of all purchases, sales and transfer of securities shall be reported to the next meeting of the Directors.

~~53.56.~~ The Chair~~man~~ or Vice-Chair~~man~~ together with the Secretary or Treasurer, may give, on behalf of the Corporation, and on payment of the money at maturity, a legal discharge of any security for money held by the Corporation.

INSURANCE

- ~~54. **Limit of Liability.** The Corporation shall not undertake any risk which is subject to the hazard of a single fire for any amount greater than that permitted by the Insurance Act S.166.~~
- ~~55. A risk subject to the hazard of a single fire shall be deemed to include, in the case of agriculture property, other than brick, stone or concrete dwellings, the total amount at risk on barns, outbuildings, contents, machinery, and all other items in connection therewith except livestock or a dwelling distant more than 80 feet from any other insured farm building, and in all other cases the total amount at risk on buildings or their contents where the buildings are distant less than 80 feet from each other. (See the Insurance Act S.166(2))~~
- ~~56. The practice and regulations of the Corporation with respect to cash payments or installments thereof, be governed by Section 156 of the Insurance Act.~~
- ~~57. **Contracts of Insurance.** Subject to the foregoing Articles, and any applicable legislation, the Directors shall determine the forms, terms, conditions, rates, and premium for all contracts of insurance undertaken by the Corporation.~~
- ~~58. Subject to the foregoing Articles and the limitations of the charter and licence powers of the Corporation, the Directors shall fix the limits of liability which the Corporation may assume under any insurance contract, and may vary alter the same from time to time, and may determine what risk or classes of risk shall be undertaken or refused by the Corporation. (See Articles 1, 54, 55 supra)~~
- ~~59. **Reinsurance.** The Directors may reinsure any risk subject to the approval of the Superintendent of Insurance. (See the Insurance Act S.165-166)~~
- ~~60. **Underwriting Duties of President.** Notwithstanding the foregoing Articles, the President, acting under the instructions of the Directors, shall accept or refuse all proposals or applications for insurance, and the President, or any person designated by him and approved by the Directors, shall be authorized to execute on behalf of and issue in the name of the Corporation all policies of insurance; provided that where any risk is unsatisfactory in respect to either hazard or rate, the President shall have the authority to cancel the policy, but he shall not cancel the policy for any Director without instructions from the other Directors. The President shall report all cancellations to the next meeting of the Directors when the cancelled policies may be revived or not, as the case may be at the discretion of the Directors. The consent of the Corporation to transfers or assignments of the policies, other insurance, and comparable matters shall be given by the President over his signature.~~
- ~~61. **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.~~

~~62. **Payment of Claims.** The President acting under the instructions of the Directors shall have full power and authority to discharge all claims arising from any policies of insurance granted by the Corporation, upon such evidence of the claims and rights of the claimants as to the Directors may appear sufficient; and may pay, allow, contest, compromise or reject any such claims as in accordance with the policies of, and in the discretion of the Directors may appear just and reasonable.~~

57. **Contracts of Insurance.** Subject to the foregoing Articles, and the requirements of applicable legislation, the forms, terms, conditions, rates and premiums for all contracts of insurance undertaken by the Corporation shall be determined by the Board of Directors or those authorized by the Board of Directors from time to time.

58. **Limits of Liability.** Subject to the foregoing Articles and the limitations of the charter and license powers of the Corporation and any applicable legislation, 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.

59. **Underwriting and Claims.** Subject to the foregoing articles and applicable legislation, proposals or applications for insurance shall be accepted or refused, policies of insurance shall be issued and may be cancelled, and claims shall be adjusted, settled and paid, in accordance with the policies of the Corporation, as set down from time to time by the Board of Directors.

60. **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 determined from time to time by the Directors, and the terms and conditions of the prevailing policy of insurance and governing legislation.

REFUNDS FROM SURPLUS

- 63-61. (A) The Directors may declare a refund from surplus at the end of a fiscal year:
- (i) if, except as hereinafter provided, the refund applies on all direct policies in force on the effective date thereof, in such classes of businesses as designated by the Board of Directors, and

- (ii) if the refund on each policy is in the same ratio to the total refund as the annual premium is to the total annual premiums in force on the effective date;
- (B) the effective date of the refund shall be the 31st day of December in the current year;
- (C) The refund shall be paid by cheque, or as a credit on the premium or installment thereof next due in each policy or renewal thereof, except that in the case of cancellation or non-renewal of the policy it shall be paid by cheque;
- (D) Refunds shall be credited or paid only on policies of members insured continuously in the Corporation during the one (1) year preceding the effective date of the refund.

~~DUTIES OF PRESIDENT~~

~~64. In addition to the authority and power of the President as is hereinbefore referred to, the President acting under the instructions of the Directors, shall engage such clerical staff and shall order and provide such equipment, records, stationary, supplies, etc. as may be necessary for the ordinary business of the Corporation.~~

AUDITORS

~~65-62.~~ 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 in office until a successor is appointed. The remuneration of an auditor or auditors so appointed by the members shall be fixed by the Directors. It shall be the duty of the auditor or auditors to examine all books, vouchers, and accounts for 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 ~~them~~ ~~him~~ or they, and the balance sheet and other statements shall be in the form prescribed by the Superintendent of Insurance. The auditor or auditors shall sign a Certificate to be included in their report to the members stating that ~~he~~/they have conducted ~~his~~/their audit in accordance with generally accepted auditing standards applied on a basis consistent with that for the preceding year, and whether in ~~his~~/their opinion the statements referred to in ~~his~~/their report present fairly the financial position of the corporation as of the date thereof.

INTERPRETATION

~~66-63.~~ 63. In this By-law and in all other By-laws of the Corporation hereafter passed, words importing the singular number ~~or the masculine gender~~ shall, unless the context otherwise requires, include the plural number ~~of the feminine gender~~, as the case may be, and persons shall include firms and corporations.

AMENDMENTS OF BY-LAWS

~~67-64.~~ 64. Any By-laws, other than these which are restatements of statutory provisions, may from time to time be repealed, amended, varied or otherwise dealt with in accordance with the Act. at a special general meeting of the Corporation, called by the Chairman for the purpose, or at an annual general meeting, if notice in writing of the intention to purpose such repeal, amendments or variations at such meeting is given to the Secretary at least one month before the holding of the meeting. Where such notice has been given to the Secretary, particulars of such proposal shall be stated in the notice of the meeting. Any relevant amendment to the Insurance Act, R.S.O. 1990, Chapter I.8 or the Corporations Act, R.S.O. 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.

~~68. Upon this by-law coming into force, By-Law Number 1 of the Corporation as amended from time to time is repealed provided that such repeal shall not affect the previous operation of such by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under the validity of any contract or agreement made pursuant to any such by-law prior to its repeal.~~

The foregoing amendments being passed by the Board of Directors on the 21st day of December, 2023.


Chair


Secretary – Terry Knight

