

By-Law No. 1 – 2025

A By-Law relating generally to the transaction
of the business and affairs of

THE INTEGRATED MUTUAL INSURANCE GROUP

WHEREAS The Integrated Mutual Insurance Group (the "Corporation") will begin business July 1, 2025 as a result of the amalgamation of mutual insurance companies carrying on business in Ontario, by license issued under the *Insurance Act* as amended, and be subject to the provisions of Part V of the *Corporation Act*;

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

OBJECTS

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 Mutual Insurance Company may be licensed in Ontario as provided in Part V of the *Corporations Act* (the "Act") and the carrying on of or involvement in any business or activity which a mutual insurance company is permitted to carry on or be involved in.

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 Shelburne, Ontario. The Corporation will operate under a divisional model that will maintain a presence for each amalgamating company in their communities, permit autonomous insurance operations in divisional offices, and preserve the brands of amalgamating companies as part of its divisional strategy.

MEMBERSHIP

4. Any person insured under a policy issued by the Corporation shall from the date upon which the insurance is 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 on the cash plan shall

not qualify it or any representative of it for membership in the Corporation.

5. Any member may withdraw from the Corporation, subject to the provisions of the Insurance Act.
6. Members' liability. No member shall be liable in respect of any claim or demand against the Corporation beyond the amount unpaid upon their premium.

ANNUAL MEETING

7. 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 Act.
8. Before the election the annual statement for the year ending on the previous 31st day of December shall be presented and read to the meeting.
9. If an election of Directors is not held 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 GENERAL MEETING

10. 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 Act.
11. The Directors may call a special general meeting of the Corporation at any time.
12. The Directors shall, prior to 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 Act, which statements shall be certified by the auditors and be in the form prescribed by the regulations made under the Insurance Act.

QUORUM

13. Six (6) members present in person shall constitute a quorum for the transaction of business at any general meeting other than a meeting to vote on demutualization, windup or any other form of dissolution of the Corporation.

14. The quorum for a meeting called to vote on demutualization, windup 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 (50) percent of all of its members present in person.

VOTING AT GENERAL MEETINGS

15. At any general meeting, unless a poll is demanded, a declaration by the Chairman 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 or against such resolution. If a poll is demanded it shall be taken in such manner as the Chairman directs consistent with these by-laws.
16. In the case of an equality of votes at any general meeting of the Corporation, the Chairman not having a vote, the resolution is defeated.
17. A member of this Corporation who is not in arrears for payment due by the member to the Corporation is entitled at all meetings of the Corporation to one vote, if the amount of premium paid by the member annually is in excess of \$25.00, and no member is entitled to more than one vote.
18. 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.
19. Where property is insured by a trustee board, a partnership or a corporation, any member of the board or the partnership or the corporation who is duly appointed and authorized in writing pursuant to its resolution may vote on its behalf.
20. No applicant for insurance is competent to vote or otherwise take part in the Corporation's proceedings until his application has been accepted by the Directors.
21. Subject to section 23 hereof, 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.

MEETING CHAIR

22. The Chair of the Board, or in their absence the Vice-Chair (or First Vice-Chair if there is more than one), shall act as Chair at meetings of the Members.

ELECTRONIC MEETINGS

23. The Board may determine that any meeting of Members may be held entirely in person, by one or more telephonic or electronic means or by any combination of in-person attendance and telephonic or electronic means, provided that if members are permitted to attend or participate by electronic means:
- (a) the Corporation shall make available means 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.

CORPORATION DIVISION OFFICES

24. It is intended that the Corporation will maintain an office in each community in which a mutual insurance company that amalgamated to become or hereafter amalgamates with the Corporation (a “Division Office”) with each office to continue to provide insurance services to policyholders in accordance with the policies set by the Board of Directors.

DIRECTORS

25. Number of Directors. The affairs of the Corporation shall be managed by a Board of Directors consisting of no less than six (6) and no more than fifteen (15) Directors. Until changed in accordance with the Act, there shall be eight (8) Directors. The number of directors may from time to time be increased or decreased by special resolution.
26. Qualifications of Directors:
- (a) A Director shall be eighteen (18) or more years of age and a resident of the Province of Ontario
 - (b) No person is eligible to be or shall act as director unless the person is a member of the Corporation and insured therein for the time the person holds office, and is entitled to vote, or he becomes a member of the Corporation within one year of being elected or appointed as a director and consents in writing to be a director and upon becoming a member is insured therein for the time he holds office and is entitled to

vote.

- (c) No undischarged bankrupt shall be a Director, and if the Director becomes bankrupt, the person thereupon ceases to be a Director.
 - (d) Once elected or appointed, directors shall fulfill such educational requirements as are set by the Board, failing which they shall not be eligible for re-election.
 - (e) No person shall be eligible for re-election as a director after having served five full three year terms as a director, unless at the time of reaching their twelfth year as a director they are then a director or trustee of an association or corporation in which the Corporation is a member or investor such as, without limitation the Farm Mutual Reinsurance Plan Inc., the Ontario Mutual Insurance Association or the Fire Mutuals Guarantee Fund and in order to remain eligible to finish their term as such they must be a director of a Mutual Insurance Company, in which case they shall remain eligible for re-election for such further number of terms as is necessary while they continue to be a director or trustee thereof; provided always that the number of terms of each director who was a director of a company prior to its amalgamation into the Corporation shall not be taken into account.
 - (f) No person shall be eligible for election or appointment as a director after having attained their 75th birthday.
27. Where a partnership or trustee board has the qualifications that would qualify an individual to be a Director of the Corporation, one Member of the partnership, or trustee board that has the qualifications that would qualify an individual to be a Director is eligible to be a Director of the Corporation.
28. A director or officer 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.
29. Nomination:

The Board shall annually appoint a Nomination / Governance Committee consisting of not less than three (3) members, all of whom need not be directors. The mandate of the Committee will each year compile a list of recommended nominees for election to the Board, having regard to the Board's skill set requirements and needs, and the geographical diversity of the communities that the Corporation serves.

Any person wishing to seek election or re-election as a Director must file notice of their intention in writing with the Chair of the Nomination Committee, care of the Head Office of the Corporation, no less than 150 days in advance of the meeting at which directors are to be elected.

The Nomination Committee shall consider all persons who have filed notice of their intention to seek election, including incumbent directors who have filed notice of their intention to seek re-election, having regard to the provisions of this By-law and the Terms of Reference of the Committee as set by the Board from time to time. In considering such persons the Nomination 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 each person's commitment to devote adequate time to service as a Board member;
- (iii) may interview any person.

No less than 60 days in advance of the meeting at which directors are to be elected the Nomination Committee shall present to the Board the names of those persons it recommends for election as directors. 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 meeting. Nominations:

30. 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, or anyone having a financial interest in an insurance brokerage or insurance agency 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 a director who is an officer, such as Chair or Vice Chair to be compensated as a result of holding such office);
 - (d) An officer of the Bankers of the Corporation;
 - (e) An employee of the Corporation including the President of 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 spouse as defined in the Act, parent or child of any of the persons identified in subsections (a) through (f) inclusive.
 - (h) A relative (as defined in the previous subsection (g)) of a current Director of the Corporation.
- 31. 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.
 - 32. At every annual general meeting one-third of the total number of the Directors shall be elected for a period of three years to fill the places of the retiring Directors, who, if otherwise qualified, are 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. Elections shall be conducted in accordance with the procedures adopted by the Board of Directors from time to time.
 - 33. 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, or partnership, or a trustee board, by a member thereof authorized in writing to represent it.
 - 34. The election shall be by ballot.
 - 35. 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.
 - 36. A Director may be removed from office and shall thereupon cease to be a Director of the Company, 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.
 - 37. If a vacancy occurs among the Directors during the term for which they have been elected, by death, resignation, ceasing to have the prescribed qualifications, insolvency, being removed from office by a resolution passed pursuant to section 36, or by absence without previous leave of the Directors from three successive regular meetings which shall ipso facto create such vacancy, the vacancy may 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 33 hereof shall be held prior to the election referred to in Article 33, to fill the vacancy so created, and the provisions of this by-law relating to the qualifications of a

Director and the conduct of Director elections shall apply mutatis mutandis to any election to be held for the purpose of filling such vacancies. If no quorum of directors 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.

38. Meetings.

- (a) Meetings of the Directors shall be held at the head office of the Corporation, or such other place as designated by the directors. Directors shall meet immediately after the annual general meeting. Regular meetings may be scheduled for such day and time and place as the Board of Directors may determine. Special meetings of the Directors may be called at any time at the call of the Chair at a location as determined by the Chair or at any time when required at the call of a minimum of three directors.
- (b) No notice need be given for regularly scheduled meetings of the Board. Notice of all other meetings shall be given to each director no later than the third day before the meeting, in the following manner:
 - (i) delivered personally, in which case it shall be deemed to have been given when so delivered; or
 - (ii) mailed, at the recorded address by prepaid ordinary mail, in which case it shall be deemed to have been given on the fifth day after it is deposited in a post office box; or
 - (iii) sent by any means of facsimile or electronic transmission, in which case it shall be deemed to have been given the first business day after the facsimile or electronic transmission.
- (c) If all the directors present at or participating in the meeting consent, a director may participate in a meeting of directors or of a committee of directors by such telephone, electronic or other communication 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.
- (d) 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.

- (e) 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 question passes in the negative.
39. The President and such other persons as the Board may from time to time designate shall be entitled to notice of and to attend meetings of the Board, subject always to the right of the Board to request that any such person or persons absent themselves himself from any meeting or part of a meeting of the Board. Such person or persons shall not be entitled to a vote.
40. A Director disagreeing with the majority at a meeting may have their dissent recorded with the reasons therefor.
41. **Remuneration.** The remuneration to be paid to the Directors of the Corporation, shall be such allowance as the Board of Directors may from time to time determine. The said Board may also by resolution award special remuneration to any Director undertaking special services on behalf of the Corporation. Each Director shall also:
- (a) be paid a mileage allowance at a rate agreed upon by the majority of Directors for necessary mileage in attending meetings;
 - (b) be paid such sums in respect of their out-of-pocket expenses received in attending board, committee or members meetings, or otherwise in respect of the performance by them of their duties as the board may from time to time determine;
 - (c) be entitled to such benefits as are provided by the Corporation from time to time.
42. **Directors' and Officers' Liability**
- No Director or Officer or past Director or Officer of the Corporation 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 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 tortious acts or 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 part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of their office or in relation thereto, unless the same are occasioned by their own willful neglect or default; but that nothing herein shall relieve any Director or Officer from the duty to act in accordance with the Act, the Insurance Act or any other pertinent legislation affecting the Corporation or from liability for any breach thereof.

Subject to the Act every Director, Officer and past Director and past Officer of the Corporation and their heirs, executors, administrators and other legal personal representatives shall, from time to time and at all times, be indemnified and saved harmless by the Corporation from and against:

- (a) Any liability and all costs, charges and expenses that they sustain or incur in respect of any action, suit or proceeding that is proposed or commenced against them or in respect of anything done or permitted by them in respect of the execution of the duties of their office; and
- (b) All other costs, charges and expenses that they sustain or incur in respect of the affairs of the Corporation;

if they acted honestly and in good faith with a view to the best interests of the Corporation in respect of the execution of the office, and in the case of a criminal or administration action or proceeding as enforced by monetary penalty, they had reasonable grounds for believing that their conduct was lawful.

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

OFFICERS

- 43. **Chair and Vice-Chairs.** The Directors shall at their first meeting held after each annual general meeting of the Corporation, elect by ballot from among themselves a Chair of the Board, (referred to herein as the “Chair”), and one or more Vice-Chairs, and the Secretary shall preside at such elections. They shall hold office for one year or until their successors are elected. The Chair shall preside at all meetings of the Directors and Members and shall perform other duties as may pertain to the Office of the Chair. In the absence of the Chair, the Vice-Chair, or the first Vice-Chair if there are more than one, shall perform the duties of the Chair. In the event a vacancy occurs in the office of the Chair due to any of those causes referred to in Article 36 hereof, the remaining Directors shall elect from among themselves a replacement Chair.
- 44. **Other Officers.** The other officers of the Corporation shall be:
 - (a) the President, who shall be the Chief Executive Officer of the Corporation, responsible for the general management and direction of a Division Office of the Corporation, and for general management and direction of the Corporation subject to the authority of the Board of Directors, to whom the President shall be accountable;
 - (b) one or more Vice-Presidents;

- (c) the Secretary;
- (d) the Treasurer;
- (e) such other officers as the Directors deem necessary.

Save and except for the Treasurer and the Secretary, who may, but need not, be a Director, the other officers so appointed, including the President and Vice-President(s), shall not be directors. One person may hold more than one of these offices.

Such officers, including the President, Secretary and Treasurer 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.

45. Subject to Article 44 hereof, in the case of the absence or inability to act of a Vice-Chair, 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.

COMMITTEES OF THE BOARD

46. **Executive Committee:** The Board may from time to time establish an Executive Committee, consisting of the Past Chair if then a director, Chair, Vice-Chair(s) and one other director elected by the Directors from time to time. If established, the Executive Committee and shall meet at the call of the Chair to advise and assist the President, Vice-President(s), Secretary, or Treasurer in dealing with such matters as are properly delegated to the Committee by the Board.
47. **Other Committees:** The Board shall constitute as the following as standing committees of the Board:
- (a) Audit & Finance Committee;
 - (b) Governance, Conduct Review & Nominating Committee;
 - (c) Risk Review Committee;
 - (d) Investment Committee;

the terms of reference of which shall be as prescribed by the Insurance Act and the Board from time to time. The Board shall also designate one of the Standing Committees as the committee responsible to monitor the application of procedures established by the Board for identifying potential conflicts of interest and resolving conflicts of interest that may arise, or

establish as an additional standing committee. The Board may constitute such other standing and ad hoc committees of the Board as may be required from time to time by the Act or deemed expedient by the Board. Subject to the Act or the Insurance Act, the terms of reference of such other Committees shall be as determined from time to time by the Board. Committees shall meet at the call of the Chair of the Corporation or the Chair of the Committees.

EXECUTION OF DOCUMENTS

48. Such person or persons as are designated by the Board from time to time are hereby 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 to attach the Corporate Seal of the Corporation to any of such documents as executed aforesaid and these shall be binding upon the Corporation.

MINUTES

49. Minutes of all meetings of the Directors and of all Committees shall be recorded by the Secretary or such other person as may be designated from time to time by the Board or Committee. Such minutes shall be open for inspection by any Director.

BANKS AND BANKING

50. (a) The Banks of the Corporation shall be such banks as the Directors may from time to time appoint by resolution.
- (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 payment 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 or money orders in favour of the Corporation shall be receipted 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) Such person or persons as may from time to time be authorized by the Directors to do so on behalf of the Corporation, shall have access to any safety deposit box rented by the Corporation;
51. Subject to the foregoing Articles and any applicable legislation, without limiting the borrowing powers of the Corporation as set forth in the Corporations Act, the Directors of the Corporation may, from time to time, without the authorization of the members:
- (a) borrow money on the credit of the Corporation;
 - (b) charge, mortgage, hypothecate or pledge or otherwise create a security interest in all or any of the real or personal property of the Corporation, including book debts, rights, powers, franchises and undertakings, to secure any present or future indebtedness, liabilities or other obligations of the Corporation.

INVESTMENTS

52. The Corporation shall invest its funds in any securities or investments in which, under the *Insurance Act*, insurers may invest funds. The Directors shall formulate and approve policies for the investments of the funds of the Corporation, which policies shall be reviewed by the Directors no less than annually and revised as deemed appropriate by the Directors.

AUDITORS

53. 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 unless previously removed by a resolution of the members in a general meeting, and if an appointment is not so made, the auditor in office shall continue in office until a successor is appointed. If so authorized by the members, the remuneration of the auditors shall be fixed by the Directors.

The auditors shall make a report to the members on the accounts examined by them, and the balance sheet and other statements shall be in the form prescribed by the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario. The 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 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.

INTERPRETATION

54. In this by-law and in all other by-laws of the Corporation hereafter passed, words imparting the singular number include the plural number and “person” shall include firms and corporations.

AMENDMENTS TO BY-LAWS

55. This By-law and any other by laws of the Corporation, other than those which are restatements of statutory provisions, may from time to time be amended, repealed, varied or otherwise dealt with in accordance with the provisions of the Act.

Any relevant amendment to *the Insurance Act* or the Act, 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.

EFFECTIVE DATE

56. This by-law shall come into force when enacted by the directors, subject to the provisions of the Act.

Enacted by the Boards of Directors of the amalgamating Corporations on the date shown.

Algoma Mutual Insurance Company

Chair: Secretary: Cameron Ross Date: _____

Dufferin Mutual Insurance Company

Chair: Secretary: Ed Forbes Date: _____

Confirmed by the Members of the Amalgamating Corporations _____, 2025

Algoma Mutual Insurance Company

Chair: Secretary: Cameron Ross Date: _____

Dufferin Mutual Insurance Company

Chair: Secretary: Ed Forbes Date: _____