



**MutualONE Insurance Company
ANNUAL GENERAL MEETING, MINUTES
March 26, 2024 – 7:00 p.m.
Kirkton-Woodham Community Centre**

Welcome & Call to Order, Mr. Paul Vandenbosch, Board Chair

Mr. Vandenbosch welcomed everyone, thanked them for attending and called the meeting to order at 7:03 pm.

Mr. Vandenbosch provided a brief introduction of his history with legacy company Middlesex Mutual. He noted proper notice of the Annual General Meeting (“AGM”) was given as prescribed by the Company By-Law, confirmed a quorum, and declared the AGM of MutualONE Insurance Company (“MutualONE”) duly constituted.

Mr. Vandenbosch reminded attendees that they must be a policyholder to move, second or vote on a motion. An opportunity for any questions outside of the regular business of the AGM will be provided at the end of the meeting.

APPROVAL of the Agenda of March 26, 2024:

A Motion was MOVED by Mr. Hildebrand, SECONDED by Mr. McGavin, THAT the Agenda for the March 26, 2024 AGM be APPROVED as written and CARRIED.

In Memory of – Moment of Silence:

A moment of silence was held for past Directors/employees of both legacy companies, who passed away since our last AGMs.

Board Chair’s Report, Mr. Paul Vandenbosch:

Mr. Vandenbosch noted that MutualONE office staff and agents have been busy integrating operations over the last several months. The MutualONE Board has been working on their Governance structure and roles and responsibilities, keeping in mind the increasing insurance regulations, requirements and contact with our regulator the Financial Services Regulatory Authority of Ontario (“FSRA”). In the near future, the Board will also be working on Strategic Planning and Direction.

APPROVAL of the Minutes of Legacy Companies:

There were two (2) sets of minutes to be approved by each legacy company for their prior AGM meetings held in March of 2023, and Special General Meetings (“SGM”) held in September of 2023.

APPROVAL of McKillop Mutual’s 2022 AGM Minutes held March 8, 2023:

A Motion was MOVED by Mr. Goertz, SECONDED by Mr. Ryan, THAT the Minutes for the McKillop Mutual 2022 AGM held March 8, 2023 be APPROVED as written and CARRIED.

APPROVAL of Middlesex Mutual’s 2022 AGM Minutes held March 28, 2023:

A Motion was MOVED by Mr. Parkinson, SECONDED by Ms. Cook, THAT the Minutes for the Middlesex Mutual 2022 AGM held March 28, 2023 be APPROVED as written and CARRIED.



APPROVAL of McKillop Mutual's 2023 SGM Minutes held September 5, 2023:

A Motion was MOVED by Ms. Snow, SECONDED by Ms. Campbell, THAT the Minutes for the McKillop Mutual 2023 SGM held September 5, 2023 be APPROVED as written and CARRIED.

APPROVAL of Middlesex Mutual's 2023 SGM Minutes held September 5, 2023:

A Motion was MOVED by Ms. Bodkin, SECONDED by Mr. Smith, THAT the Minutes for the Middlesex Mutual 2023 SGM held September 5, 2023 be APPROVED as written and CARRIED.

President & CEO's Report, Mr. Rob Moorehead:

Mr. Moorehead provided a brief introduction of his insurance career to date. He touched on 2023 experience for both legacy companies, including investment income, underwriting income, premiums, surplus and claims experience combined. He provided an overview of the amalgamation progress to date and through the remainder of the year. The overview touched on items such as regulatory obligations, year-end activities, Board governance, and harmonization. Harmonization includes accounting and finance practices, claims handling practices, administration practices, underwriting practices, including risk appetite, products, and rates. Mr. Moorehead touched on not just harmonization of practices but improving practices as well.

Financial Reports:

Review of Legacy Companies 2023 Financial Results, Ms. Christina Gummerson:

Ms. Gummerson provided an overview of the 2023 Year End Financial Statements.

Starting with legacy McKillop Mutual: Gross written premium growth was \$1.2 million, a growth of 7.6%. Insurance service expense included gross claims incurred expenses of \$11.9 million. Claims costs were impacted by several total loss fires. Property claims represented 69% of the total Gross claims costs. Other expenses, which include administrative and operating expenses not directly attributable to the servicing of insurance contracts and claims, were \$1.3 million. Net Loss ratio was 72% and expense ratio was 33%. Net underwriting loss for the year was (\$703) thousand. Investments were positively impacted by increases in market values. Investment income overall was \$1.9 million. Total comprehensive income after taxes was \$1 million. Total Assets at the end of 2023 were \$33.5 million, net outstanding claims were \$7.7 million and total Members' Surplus was just over \$20 million.

Moving to legacy Middlesex Mutual: Gross written premium growth was \$1.9 million, a growth of 13%. Insurance service expense included gross claims incurred expenses of \$10.7 million. Claims costs for Middlesex were also impacted by several total loss fires. Property claims represented 76% of the total Gross claims costs. Other expenses, which include administrative and operating expenses not directly attributable to the servicing of insurance contracts and claims, were \$1.3 million. Net Loss ratio was 62% and expense ratio was 36%. Net underwriting income for the year was \$ 247 thousand. Investments were positively impacted by increases in market values. Investment income overall was \$2.7 million. Total comprehensive income after taxes was \$2.2 million. Total Assets at the end of 2023 were \$43.9 million, net outstanding claims were \$6.3 million and total Members' Surplus was just under \$32 million.

APPROVAL to waive the requirement to read the full audited 2023 financial statements of McKillop Mutual:

A Motion was MOVED by Mr. Filson, SECONDED by Mr. Goertz, THAT the requirement to read the full audited financial statements of McKillop Mutual for the year ending December 31, 2023 be WAIVED and CARRIED.

Auditor's Report for the 2023 Year End Financial Statements of McKillop Mutual, Mr. Paul Seebach, Partner, Seebach & Company:

Mr. Seebach reviewed the Independent Auditor's Report for the 2023 Year End Financial Statements. In Seebach & Company's opinion, the financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2023. Mr. Seebach touched on the Auditor's Basis for Opinion and Responsibilities as indicated in the Audit Report.

ACCEPT the Auditor's Report of Seebach & Company:

A Motion was MOVED by Mr. McGavin, SECONDED by Mr. Hildebrand, THAT the Seebach & Company Auditor's Report to the members be ACCEPTED as written and CARRIED.

APPROVAL of the 2023 McKillop Mutual Financial Statements:

A Motion was MOVED by Ms. Medd, SECONDED by Ms. Snow, THAT the McKillop Mutual Financial Statements for the year ended December 31, 2023 be APPROVED as written and CARRIED.

APPROVAL to waive the requirement to read the full audited 2023 financial statements of Middlesex Mutual:

A Motion was MOVED by Mr. Filson, SECONDED by Ms. Bodkin, THAT the requirement to read the full audited financial statements of Middlesex Mutual for the year ending December 31, 2023 be WAIVED and CARRIED.

Auditor's Report for the 2023 Year End Financial Statements of Middlesex Mutual, Mr. Jeff Sawyer, Partner, BDO Canada LLP:

Mr. Sawyer reviewed the Independent Auditor's Report for the 2023 Year End Financial Statements. In BDO's opinion, the financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2023. Mr. Sawyer touched on the Auditor's Basis for Opinion and Responsibilities as indicated in the Audit Report.

ACCEPT the Auditor's Report of BDO Canada LLP:

A Motion was MOVED by Mr. Moir, SECONDED by Mr. Goertz, THAT the BDO Canada LLP Auditor's Report to the members be ACCEPTED as written and CARRIED.

APPROVAL of the 2023 Middlesex Mutual Financial Statements:

A Motion was MOVED by Mr. Dickenson, SECONDED by Mr. Parkinson, THAT the Middlesex Mutual Financial Statements for the year ended December 31, 2023 be APPROVED as written and CARRIED.

Appointment of Auditors for the 2024 Year:

Mr. Vandenbosch noted that the Board recommends Seebach & Company as the Auditor for the 2024 Year.

A Motion was MOVED by Ms. Medd, SECONDED by Mr. Hildebrand, THAT Seebach & Company be appointed as auditors for the 2024 year and CARRIED.

No Election of Directors

Mr. Vandenbosch noted that the Board, as approved at the legacy companies SGMs, is fixed for the next year, therefore there is no election at this AGM. He noted that three (3) directors each will serve 1-year, 2-year and



3-year terms. The Corporations Act has been amended to allow for a Board of no less than 6 and no more than 15 Directors, not requiring multiples of three (3), therefore the total number of Directors could change in the future.

Q&A:

A brief Q&A session was held to address any policyholder questions. There was discussion on payment methods, including credit card vs cash or cheque, MutualONE's "rank" within various metrics of the Mutuals (i.e.. Surplus, Assets, Risk ratio), refund of surplus, rate increases and climate change, and legacy company surplus.

Meeting Adjournment:

Mr. Vandenbosch thanked everyone again for attending and adjourned the meeting at 7:51 pm.

Paul Vandenbosch, Board Chair

Christina Gummerson, CFO/CRO & Corporate Secretary

Date

Date

Rob Moorehead, President & CEO

Date