

Co-operators General Insurance Company

BY-LAW NO. 1

Section I

1.01 Definition - In this by-law, unless the context otherwise requires:

- (a) "Act" means the Insurance Companies Act [Canada], as amended;
- (b) "Company" means, Co-operators General Insurance Company;

Section II General

2.01 Head Office - The head office of the Company shall be in the City of Guelph, in the Province of Ontario.

Section III Board of Directors

3.01 Number of Directors - There shall be a minimum of seven (7) and a maximum of twenty-five (25) Directors, the number to be fixed by the Directors from time to time.

3.02 Conduct of Meetings of Directors - The Directors shall establish the procedures for the calling and conduct of meetings of the Board and of its Committees.

3.03 Remuneration - The Directors shall not be paid any remuneration by the Company, other than in accordance with a By-law established pursuant to section 208 of the Act.

3.04 Validity of Acts - Unless prohibited by or proscribed by law, all acts done in good faith by a meeting of the directors or by persons acting as directors shall, notwithstanding any discovery afterward that there was some defect in the appointment of any such person or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.

3.05 Indemnity

(1) Except in respect of an action by or on behalf of the Company to procure a judgment in its favour, the Company may indemnify

- (a) a director or an officer of the company,

- (b) a former director or officer of the company, or
- (c) any person who acts or acted at the company's request as a director or an officer of an entity of which the company is or was a shareholder or creditor

against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment reasonably incurred by the person in respect of any civil, criminal or administrative action or proceeding to which the person is made a party by reason of being or having been a person referred to in any of paragraphs (a) to (c), if

- (d) the director, officer or person acted honestly and in good faith with a view to the best interests of the Company, and
- (e) in the case of a criminal or administrative action or proceeding enforced by a monetary penalty, the director, officer or person had reasonable grounds for believing that the impugned conduct was lawful.

(2) The Company may, with the approval of a court, indemnify a person referred to in subsection (1), in respect of an action by or on behalf of the Company or entity to procure a judgment in its favour to which the person is made a party by reason of being or having been a director or an officer of the Company or entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the person in connection with that action if the person fulfils the conditions set out in paragraphs (1)(d) and (e).

(3) Notwithstanding anything in this Section 3.05, a person referred to in subsection (1) is entitled to indemnity from the Company in respect of all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the person in connection with the defence of any civil, criminal or administrative action or proceeding to which the person is made a party by reason of being or having been a director or an officer of the Company or an entity, if the person seeking indemnity

- (a) was substantially successful on the merits in the defence of the action or proceedings; and
- (b) fulfils the conditions set out in paragraphs (1)(d) and (e).

(4) The Company may, to the extent referred to in subsections (1) to (3) in respect of the person, indemnify the heirs or personal representatives of any person the Company may indemnify pursuant to subsections (1) to (3)."

"3.06 Directors' and Officers' Insurance

The Company may purchase and maintain insurance for the benefit of any person referred to in Section 3.05 against any liability incurred by the person

- (a) in the capacity of a director or an officer of the Company, except where the liability relates to a failure to act honestly and in good faith with a view to the best interests of the Company; or
- (b) in the capacity of a director or an officer of another entity where the person acts or acted in that capacity at the Company's request, except where the liability relates to a failure to act honestly and in good faith with a view to the best interests of the entity."

Section IV Meetings of Shareholders or Policyholders

- 4.01 Chairperson - The Chairperson of any meeting of shareholders or policyholders shall be the first mentioned of the following who is present: the Chairperson of the Board, or a Vice-Chairperson of the Board. If no such person is present within fifteen (15) minutes after the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be Chairperson.
- 4.02 Equality of Votes - In the event of an equality of votes on a vote by a show of hands, by secret ballot or poll, the Chairperson of the meeting shall declare the motion lost.
- 4.03 Declaration of Chairperson binding - At any meeting, unless a poll is demanded, a declaration by the Chairperson that a resolution has been carried or carried unanimously or by any particular majority shall be conclusive evidence of that fact.

Section V

- 5.01 Corporate Seal - The Seal of the Company shall be such as the Directors may adopt.
- 5.02 Financial Year - The financial year of the Company shall end on the expiration of the 31st day of December in each year.
- 5.03 Execution of Documents - Documents to be executed by the Company shall be executed in such manner as may be determined by the Board of Directors.

Section VI

- 6.01 Effective Date - This by-law shall come into force at the Special General Meeting of policyholders and shareholders where it is approved.
- 6.02 Repeal and Continuance - All previous by-laws of the Company are repealed when this by-law comes into force, but not so as to affect any act done or any right existing, accruing, accrued or established or any proceeding commenced or undertaken under any of the by-laws of this Company before the coming into force of this by-law, and all matters in effect at the time of the coming into force of the Act, which before that time had to be dealt with by-law but which under the Act need not be dealt with by-law, shall thereafter continue in effect as if they had been validly dealt with under the procedures required by the Act.
- 6.03 Gender Neutrality - In all by-laws, resolutions and policies of the Company, the singular shall include the plural and vice-versa, the word "person" shall include the firms and corporations, and the masculine shall include the feminine, and the feminine the masculine.
- 6.04 Governing Law - The provisions of the Insurance Companies Act [Canada], as amended from time to time, which governs the business and affairs of the Company, shall be deemed to override any provisions of this By-law, or of any policy or resolution of the Company which are inconsistent therewith.