

MINUTES OF THE SEVENTEENTH ANNUAL GENERAL MEETING
Holiday Inn Guelph Hotel & Conference Centre
Trillium Room
601 Scottsdale Dr.
Guelph, ON N1G 3E7
11:00 a.m., March 4, 2020

Chair: Martin Adema

Directors Present: Hubert Schillings, Martin Benjamins, Tom Beischlag, Tim Hutten, Marcel Laviolette

Directors Absent: Carol Leeming

Guests: Jennifer Chowhan, CPA, CA, LPA, Millards Chartered Professional Accountants
Tom Baker, Feather Board Command Centre
Mark Hermann, Group 3 Nominee
Henk van Steenbergen, Group 1 Nominee

Resources: David Bethune, General Manager

Recorder: Renée Beattie, Office Administrator

1. Call to Order

The Chair (Martin Adema) called the meeting to order at 11:03 a.m.

2. Confirmation of Agenda

Martin Adema asked for a motion to approve the agenda as presented.

MOTION: Moved by Marcel Laviolette seconded by John Kapteyn that the agenda be approved as presented as presented. **Carried.**



3. Declaration of Quorum

Mr. Adema informed attendees that a quorum (5 from each group) for the meeting had been established through a combination of subscribers and their proxies, G1 HEP=36, G2 EFO=5, G3 CFO=8 for a total of 49 members of the Poultry Insurance Exchange.

4. Chair's Welcome and Remarks

The Chair welcomed subscribers to the Seventeenth Annual General Meeting.

5. Minutes of March 27, 2019 Annual General Meeting

The Chair noted that the minutes of the March 27, 2019 Annual General Meeting (AGM) had been sent out to all subscribers prior to the meeting. He asked for a motion to waive the reading of these minutes.

MOTION: Moved by Tim Hutten, seconded by Marcel Laviolette that the reading of last year's AGM be waived. **Carried.**

The Chair asked if there were any errors or omissions in the previous minutes. There being none noted, he requested a motion to approve the minutes of the AGM held on March 27, 2019, as presented.

MOTION: Moved by Hubert Schillings, seconded by Tom Beischlag that the minutes of the AGM held on March 27, 2019 be approved as presented. **Carried.**

6. Report of the Chair

Mr. Adema presented the Report of the Chair. This was previously distributed to the subscribers.

He hi-lighted various items:

- 2019 was very successful year.
- First full year of AI (Avian Influenza) coverage.
- First full year of CFO (Group 3) coverage.
- PIE has close to 2000 subscribers distributed across ON, AB, and SK.
- Profit exceeding 3.7 mil. this year, an increase from 1.8 mil. in 2018.
- Claims were lower this year, with 2 small claims from Group 1.
- No claims reported from Group 2 or 3.



- Report of the Actuary and P&C1 have been filed by the due date.
- Surplus reserves are held in low-risk investments.
- PIE has been asked to look at Reo-virus for Group 1 and False Layers syndrome for Group 2. We are looking at the risk profile, it is a process. We hope to have recommendations in the next 6-9 months.
- Request from Group 2 (EFO) to investigate coverage for specialty flocks-Organic and free-run cost factor differentials. There may be an increase in premiums with speciality flocks.
- Investments are held in GICS and Equities. Each group is held in separate silos.
- Management team continues to run efficiently. Increase in workload with the addition of CFO.

7. Auditor's Report

- Presented by Jennifer Chowhan, CPA, CA, LPA, Millards Chartered Professional Accountants
- Millards is governed by IFRS.
- Millard's covering letter must create an opinion. 2019 PIE's results have a clean opinion. There is nothing outstanding.
- Financial statements consist of a Balance Sheet, an Income Statement and a Statement of Cash Flow.
- Board is responsible for overseeing the process

Statement of Financial Position

Cash accrued investments over 20 mil. Bond is amortized cost. Investment in Equities are market cost.

Significant decrease in provision for unpaid claims liability – from \$467,000 to \$27,000

Statement of Guarantee Fund

\$18, 000, 000 at end of 2019

Statement of Operations

Net premiums earned significant increase from last year.

Direct losses incurred -261,000 change in IVNR.

After other operating expenses net underwriting income of \$2.8 mil -a significant increase from last year.

Investment income was up over the year, includes both realized and unrealized income.

Total Net Income and Comprehensive Income for the year \$3.7 mil.



Statement of Cash Flows

Cash flow net income- \$3.7 mil. \$482,000 unrealized gain on investments.
\$2.6 put into investments.
\$870,000 increase in cash equivalents.

In Summary a few highlights:

- Notes 7-21 cover the accounting policies.
- pg. 10 provides summary of investments-money markets, bonds, equities.
- Note 4- insurance contract terms and the costs associated.
- pg. 17-summary of unpaid claims liabilities, impact of decrease of the IVNR
- Note 5 and 6 provide a good summary of operating expenses

Jennifer thanked the management for cooperation and the board of directors for their input.

MOTION: Moved by Martin Benjamins, seconded by Tom Beischlag that the December 31, 2019 Financial Statements be accepted as presented. **Carried.**

MOTION: to appoint Millards as auditors again. Moved by Martin Benjamins, seconded by Marcel Laviolette. **Motion carries**

8. Election of Directors

M. Adema introduced the current PIE Board.

Two positions were open for the hatching egg group and two positions for the egg farmer group and one position for chicken farmers group.

Henk van Steenberg and Tim Hutten were nominated to represent G1 Hatching Egg Producers, and as no other nominations were made, they were declared elected by the Chair.

Hubert Schillings and Marcel Laviolette were nominated to represent G2 Egg Farmers, and as no other nominations were made, they were declared elected by the Chair.

Mark Hermann was nominated to represent G3 Chicken Farmers, and as no other nominations were made, he was declared elected by the Chair.



Martin Benjamins has stepped down. Martin Adema thanked Martin Benjamins for his contribution.

9. Ratification of all Acts and Decisions of Members of the Board of Directors, Officers and Nomination Committee

The Chair requested a motion for the Subscribers to ratify the actions and decision of members of the Board of Directors, Officers and Nominating Committee.

MOTION: Moved by Adrian Rehorst seconded by John Kapteyn to ratify all Acts and Decisions of Members of the Board of Directors, Officers and Nominating Committee of the Exchange for the past year. **Carried.**

There was a round table introductions of the new Board members. Martin Adema thanked David Bethune for serving the Board.

10. Questions from the Floor

The Chair requested questions from the Floor. There were none.

11. Adjournment

There being no further business the Chair called for a motion to adjourn the meeting. **MOTION:** Moved by Martin Benjamins that the meeting be adjourned at 11:26 a.m. **Motion carried**