

**CERTIFIED EXTRACT OF MINUTES  
OF THE MEETING OF THE  
BOARD OF DIRECTORS OF  
TOWNSEND MUTUAL INSURANCE COMPANY**

**January 25, 2017**

Re: Proposed Amalgamation with Caradoc Delaware Mutual Insurance Company:

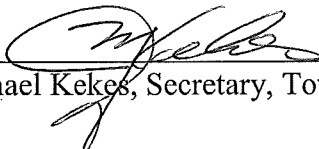
It was moved and seconded that:

1. The draft Amalgamation Agreement between the Corporation and Caradoc Delaware Mutual Insurance Company and By-law 1-2018 for the Amalgamated Company, as amended to reflect the new proposed effective date of January 1, 2018, be approved, subject to such amendments as may be required to be made to the Amalgamation Agreement and By-law by FSCO, or as are deemed appropriate by the Board and the Board of Townsend Mutual Insurance Company.
2. Upon the permission of the Superintendent of the Financial Services Commission of Ontario being granted, the Chair and President be authorized to execute on behalf of the Corporation the Amalgamation Agreement.
3. At such time as it is necessary to sign other documents in connection with the amalgamation, the Chair and President be authorized to do so on behalf of the Corporation.

The Motion was carried unanimously.

I, Michael Kekes, Secretary of Townsend Mutual Insurance Company, hereby certify that the foregoing to be a true excerpt of Minutes of a Meeting of the Board of Directors of Townsend Mutual Insurance Company held on the 25<sup>th</sup> day of January, 2017.

Dated at Waterford, Ontario, 26 day of January, 2017.

  
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Michael Kekes, Secretary, Townsend Mutual Insurance Company c/s

DECLARATION

In the matter of: The proposed amalgamation of Caradoc Delaware Mutual Insurance Company and Townsend Mutual Insurance Company

I, Neil Shay, of the Municipality of Norfolk County in the Province of Ontario, President of Townsend Mutual Insurance Company,

DO SOLEMNLY DECLARE THAT:

- 1. Pending the amalgamation of Caradoc Delaware Mutual Insurance Company and Townsend Mutual Insurance Company no distribution of surplus of Townsend Mutual Insurance Company has taken place to date in this fiscal year, no payment has been made or has been committed to be made to any person in consideration of their approval of the amalgamation, and no transaction is occurring which is prohibited by the Insurance Act or which is outside of the normal course of business of Townsend Mutual Insurance Company other than the pure amalgamation of these two Corporations with all of their assets and liabilities as at the effective date of January 1, 2018.
2. Pending the amalgamation, no payments of any of the nature aforesaid are proposed or contemplated for the post amalgamation period by the Amalgamated Corporation.
3. Since January 1, 2017 Townsend Mutual Insurance Company has carried on business in the ordinary course and will continue to carry on business in the ordinary course up to and including the amalgamation.
4. Pending the amalgamation, Townsend Mutual Insurance Company will exercise continuing due diligence through the regular meetings, communications and consultations conducted by the joint steering committee and the Board of Directors.

AND I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED before me at the at the WATERFORD, NORFOLK COUNTY, ONTARIO this 6 day of JUNE, 2017. A Notary Public for the Province of Ontario or Commissioner for Taking Affidavits, etc.

Neil Shay (with signature)

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