Bay of Quinte Mutual
INSURANCE CO.
PO Box 6050, 13379 Loyalist Parkway
Picton, Ontario, K0K 2T0
P 613-476-2145 TF 1-800-267-2126
info@bayofquintemutual.com | www.bayofquintemutual.com

September 16, 2026

BOARD LETTER TO MEMBERS

Re: Special Meeting on Amalgamation

Dear Member,

As you know, Bay of Quinte is a mutual insurance company, where each Policyholder / Member holds an undivided ownership interest.

As a Member, your continued support and trust have enabled our company to grow and evolve throughout its 150-year history. The time is now right for our Mutual to secure its future.

To that end, the Boards of Bay of Quinte and our neighbouring Mutual, L&A, have agreed to amalgamate, and join as one company. The newly selected name for this joined company will be **Great Waterways Mutual Insurance Company**.

Together, both Boards have given this move careful consideration. With a shared legacy spanning a combined 300 years, L&A and Bay of Quinte have consistently and successfully delivered dependable insurance solutions to their communities. This decision creates a powerful opportunity for two organizations with shared values, aligned goals, and deep mutual respect to combine strengths and, together, deliver greater impact to our Members.

Every Member of a Mutual is also a Policyholder. On **October 20, 2026**, a special meeting of Members will be held for each company to vote on the proposed amalgamation of your Mutual with L&A Mutual.

The Members of both companies must vote to approve the amalgamation for it to move forward. As a Policyholder and Member, you will be asked to vote on two motions:

1. To **Amalgamate** L&A Mutual and Bay of Quinte Mutual by approving the proposed *Amalgamation Agreement.*
2. To approve new **Bylaws** for **Great Waterways Mutual Insurance Company**.

A copy of the *Amalgamation Agreement* and proposed *Bylaws* are available on the company's website (bayofquintemutual.com). Paper copies will be available at our head office located at 13379 Loyalist Pkwy, Picton, ON. If you prefer us to mail you these documents, please contact us at info@bayofquintemutual.com or call 1-800-267-2126.

To help you with your voting decision, we have enclosed the following documents to explain the amalgamation:

- Notice of the Special Policyholder Meeting
- *Frequently Asked Questions* with answers to the most important questions

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You are requested to attend the Special Meeting on **October 20, 2026.** This meeting will begin at 10:00am and will be hosted at Highline Hall at the Wellington & District Community Centre located at 111 Belleville Street, Wellington, ON.

To attend in person:

We ask that you register by emailing info@bayofquintemutual.com or calling 1-800-267-2126. Members attending the meeting in person will be required to identify themselves to confirm eligibility to vote.

If you cannot attend:

We have enclosed a *Proxy Form* that will allow you to appoint a proxy to cast your vote for approval of this important decision. Your proxy must be received by 5:00 PM on October 16, 2026.

The same information that is in this packet will also be on a special page of the Bay of Quinte website created for your convenience, bayofquintemutual.com.

We urge you to carefully review the information provided. If you have questions, please contact our President, Jeffery Howell by calling 1-800-267-2126 or by email to jeff@bayofquintemutual.com.

Bay of Quinte sincerely thanks you for the trust you have placed in us to help protect your family, your business, and your property.

Respectfully yours,

Connie Robinson
Chair of the Board

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Background

Special Meeting of Members on Amalgamation Vote

Bay of Quinte Mutual Insurance Co. and L&A Mutual Insurance Company

Why am I being notified of this Meeting?

As you know, L&A Mutual and Bay of Quinte Mutual are mutual insurance companies, whereby each Policyholder / Member holds an undivided ownership interest.

Why are Bay of Quinte Mutual and L&A Mutual amalgamating?

This is a strategic, values-aligned move that strengthens both organizations. These two organizations are combining to create a single new entity, bringing together their unique strengths and capabilities.

Both Boards recognize that the cultures, values, and commitment to community are closely matched: it is a natural fit. This ensures that any integration will preserve what matters most to employees, Policyholders, Brokers, and other partners. It's a decision that will create a powerful opportunity for two organizations with deep mutual respect to combine strengths and deliver greater impact as a single entity.

The amalgamation will allow the combined company to better serve its Policyholders and other stakeholders, and to respond to boarder challenges in the marketplace.

Why is amalgamation being proposed?

Both Mutuals share similar values, community commitments, and long-standing histories. Amalgamation is being proposed to strengthen long-term stability, improve operational efficiency, and ensure continued strong service to Policyholders.

What are the risks to amalgamation?

Important decisions such as this, do not come without risk. The amalgamated company will inherit all liabilities of each company. The Boards of both companies undertook a rigorous due diligence process: legal, financial, and operational. The review did not identify any issues that would impede the two companies from successfully coming together.

In addition, the amalgamation comes with the challenge of integrating the two companies and discovering ways to best work as one.

While the amalgamated company will remain geographically concentrated, the amalgamation will reduce the relative risk of significant weather events.

The Boards have carefully considered this decision and are confident it is in the best interest of both companies.

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Will my insurance coverage change because of this vote?

No. Your coverage, service, and claims process remain unchanged. Any future changes will be communicated well in advance and would follow normal regulatory requirements.

Will amalgamation increase my premiums?

Premiums will not increase as a direct result of amalgamation. However, the amalgamated company will not be immune to general market pressures, such as inflation. Both companies are committed to providing coverage at competitive rates and the amalgamated company will work to align rates following amalgamation.

Who do I contact about my insurance policy? Will I deal with the same people?

As a Policyholder, you will continue to deal with the same Agent or Broker as your primary point of contact. However, as the companies integrate their operations, you may deal with staff from either location.

If I have an outstanding claim with either company, will the amalgamation affect my claim or the stage I'm currently at in the claims process?

Amalgamation will not impact any outstanding claim. You will continue to deal with the same adjuster.

Why is this meeting being held?

Each company is owned by its Policyholders or "Policyholders / Members," who must approve the amalgamation.

What exactly are Members voting on?

You will be asked to vote on two motions:

1. Amalgamation: to amalgamate the two Mutuals as one company.
2. Bylaws: the new company will operate under a new, single set of Bylaws. Both Boards have approved these Bylaws, which are intended to take effect upon amalgamation on January 1, 2027. But before they can be finalized, they require your approval.

The amalgamation requires approval of two-thirds of those voting, while the Bylaws requires a majority vote.

What happens if Members vote in favour?

If Members of *both* Mutuals approve the amalgamation, the proposal moves forward to the next regulatory steps, including the final approval of the Financial Services Regulatory Authority of Ontario. The final decision will be made once all regulatory approvals are complete.

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What happens if the vote does not pass? What if the vote passes at only one company?

If either Mutual's Members vote against amalgamation, the two companies will continue operating independently.

What if I cannot attend the meeting?

A *Proxy Form* is included with this package. You may complete and sign it and return to the address on the form. A *Proxy Form* lets you name another Member to vote on your behalf. Your proxy must be received by 5:00 PM on October 16, 2026, and the person you select for your proxy must be in attendance at the meeting.

How can I object to the amalgamation?

If you wish to object to the amalgamation, you can vote against it. If the vote passes at both companies, the amalgamation will proceed.

Where can I learn more about the proposed amalgamation?

If you still have questions, please refer to the "Special Meeting" page on bayofquintemutual.com or contact Jeffery Howell by calling 1-800-267-2126 or by email to jeff@bayofquintemutual.com.

Meeting Details Date: October 20, 2026, **Time:** 10:00 a.m. **Location:** Highline Hall at the Wellington & District Community Centre located at 111 Belleville Street, Wellington, ON.

To attend, please register by emailing info@bayofquintemutual.com or calling 1-800-267-2126. Identification will be required at the meeting. If you need any assistance or alternative communication formats, please contact our office.

September 16, 2026