



MUTUALLY YOURS



THE INSURANCE MARKET OF CHOICE
FOR EVANGELICAL CHRISTIANS IN ALBERTA





OUR BOARD

Left to right: Abe Thiessen, Edmonton, Willy Goertzen (Treasurer) Grande Prairie, Lorne Siebert (Secretary) Calgary, John Hubert, Bow Island, Ken Ritchie (General Manager & CEO) Chestermere, Kevin Neufeldt (Chairman) Coaldale, Gordon Baergen (Vice Chairman) Sherwood Park, Corney Driedger, La Crete

The MMI board held its June meeting at the company's beautiful new branch office in Grande Prairie, AB, on Saturday, June 2, 2018. On the evening before the meeting they enjoyed a time of fellowship and good food with local MMI Treasurers, Adjusters and staff at the home of Willy and Margaret Goertzen.

With great regret we note the recent resignations of Ed Dick (Calgary) and Gary Sawatzky (Calgary) from the board, in both cases for personal reasons. We thank both Ed and Gary for their years of service to MMI and wish them God's blessings in the coming days. The board has recently welcomed back Abe Thiessen who had retired from board service in 2017. Abe brings a wealth of experience and enthusiasm to the board. The Nominating Committee has also been working and we expect to be able to announce new recruits to the MMI board in our Winter 2018 Newsletter.

HOW INSURANCE WORKS

Insurers use a pool of many premiums to pay for the home, auto and business losses of Canadians unfortunate enough to experience a loss. You are covered for losses outlined in your contract only, not for predictable events.

4 STEPS IN THE INSURANCE PROCESS

1. Your insurance company estimates an annual cost or premium to accept the risk of covering your home, business or car. Premiums are based on how much money insurance companies think they will need to pay for the coming year's claims.
2. On a monthly or annual basis, you pay a premium to your insurer for assuming this risk on your behalf.
3. Your insurance company puts all premiums into one large pool. Your insurance is an annual contract, so the pool operates for only one year at a time.
4. Your insurance company uses the pool of many premiums to pay for the losses of the few who make claims in that year.

WHAT HAPPENS AFTER A MAJOR LOSS?

Insurance companies manage the pool of premiums to ensure there is sufficient funding available in the event of a large claims situation.

An example of this could be multiple claims after a natural disaster such as the massive 2013 flooding in Southern

Alberta, the 2011 Slave Lake fire or the frequent hail storms we saw throughout Alberta in 2017.

WHAT WILL BE COVERED?

Insurance pays for only the insured losses described in your contract. It is very important that you read your policy and/or talk with your insurance advisor about what you are covered for and what you're not. Insurance will not pay for every problem that you may encounter, nor is it meant to cover regular home maintenance. Insurance is generally intended – and priced accordingly – to help you cope with the financial consequences of unpredictable events that are sudden and accidental. If, for example, you live on a floodplain by a river, flooding of your property in the spring is not sudden or accidental; it is inevitable and, therefore, potentially uninsurable. Learn more about insurance options for your home, vehicle or business.





SUMMER SAFETY TIPS

At MMI we understand first-hand that if you love the idea of summer, you also undoubtedly love the idea of protecting your home and auto with the right safety measures and insurance.

What follows are summer tips for home and auto insurance, which include much to do with safety.

YOUR AUTO

Beginning with your vehicle, ensuring auto safety and security comes down to proper vehicle maintenance and defensive driving. Keep in mind that the summer is the busiest season on the road. Many roads that are seldom used in the fall and winter months will now have active traffic. There will also be road crews, construction and other drivers to watch out for, therefore:

- Prior to heading out on your road trip, have your vehicle inspected. Brakes and tires need to be in optimum condition, and so do the transmission and suspension. Oil and other fluids should be changed or checked. Make sure your A/C system is topped up and working properly.
- During your travels, don't keep contents or valuables out in plain sight. When parked, leave your vehicle in busy and easily accessible, well-lit areas to avoid the risks of theft and vandalism.
- Pack your vehicle smartly and safely. Don't allow anything to interfere with your vision or the safe operation of your vehicle.

- Make sure you and your vehicle's occupants are always safely buckled up.
- Never drink and drive. Alberta has harsh penalties that can leave you with a fine or a suspended licence, or you could even have your vehicle impounded by the roadside.
- Obey speed limits and the rules of the road. Drive defensively and with safety in mind. Alberta drivers can still be charged with careless driving even if they are not involved in an accident — a charge that can lead to fines, demerit points to your licence and increased insurance premiums.

YOUR HOME

Whenever you travel for extended lengths of time, you need to keep your home safely secured and monitored. On this note, do the following:

- Have your lights set on timers, and keep your drapes just slightly open to give the appearance of someone still living on the premises.
- Have someone you know and trust cut your lawn and periodically check on the property.
- Have your mail collected, every day if possible, or at least every other day.
- Turn off your air conditioning and your water supply if not needed while you're away.
- Consider exterior cameras linked to your mobile device, for viewing 24 hours a day.

You can never be too careful when it comes to the safety of your home and auto, or your family and travelling companions. Always be vigilant and attentive, and enjoy your summer! Safe Travels!



PROTECTING YOUR HOME FROM WILDFIRE

If you live in a forested area you need to be aware of actions you can take to protect

your home. As developments continue to extend into forested areas, we are further exposed to the dangers posed by wildfire. While not possible to eliminate the risk of your home being consumed by wildfire, there are steps you can take to reduce the risk — however, these prevention steps must be done ahead of time and require ongoing maintenance. If there is an active wildfire, you may not have time to implement these prevention steps. Planning for the unknown may protect your biggest investment.

is key.

- How can metal screening protect my home?
- Firewood piles next to a home are a major fire hazard.
- How close are trees to your home? What type of trees are they? How close are the trees to each other?
- Wildfires burn faster uphill. Is your home located at the top of a hill?
- Did you know that pruning low-lying branches can prevent the spread of fire?

If you would like to get answers to these questions and learn more about how to protect your home, contact Blake Nadeau, our Loss Control Specialist, to request a detailed brochure:

bnadeau@mmiab.ca.

Alternatively, you can follow this link:

http://www.firesmartcanada.ca/images/uploads/resources/Laura_Stewart_-_FS_HomeownersManual_Booklet-Jul2017.pdf

Points to Ponder:

- 50% of homes burned by wildfire are started due to embers and sparks, so eliminating small combustible material/debris

To stay up to date on all emergencies in Alberta or your specific region, go to the app store for your device and search "Alberta Emergency Alert," and look for the icon at left.



MMI SPRING CONFERENCE, APRIL 13 – 14, 2018

Every spring, Mennonite Mutual holds a Spring Conference during which we provide training to and recognize the service of the volunteers from our member churches. It allows us to strengthen the ties with our churches, to report on the financial results of the past year and to conduct the official business of the company (including the election of board members) during the Annual General Meeting. The 2018 Spring Conference was held at the Jasper Park Lodge and was attended by almost 200 people.

Following a successful year in 2017, which saw us achieve our planned profit target, we were able to donate \$85,000 to MCC Alberta, which was presented during the Spring

Conference banquet to new MCC Executive Director, Thomas Coldwell. Thomas shared greetings from MCC and brought news about the work of MCC around the world.

This year, Spring Conference included a keynote speaker: Laurie Skreslet, the first Canadian to reach the summit of Mount Everest. Laurie shared his experiences as a member of a highly motivated team that faced extreme challenges, risks and sacrifices. His message was inspirational and we enjoyed having Laurie present throughout the conference and he even led a number of us on a hike at the end of the conference.

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PROTECTING YOUR DATA ONLINE

What is privacy breach? Simply it is the intentional and unintentional release of confidential personal information. A privacy breach can happen by information held on a computer/electronic device, information in a file folder, or even from a conversation. Privacy breaches do not have to come only from loss of data from a computer/electronic file.

What is personal information? It basically means information about an individual, and can include things like the following

- 1) SIN
- 2) Drivers license
- 3) Financial information (including credit card information)

How does a breach of this data occur? Breaches do not have to be intentional or criminal in nature, but they can be. Some of the ways these can happen include:

- 1) Employee or contractor negligence
- 2) Lost or stolen devices (i.e. smartphone)
- 3) Procedural mistakes
- 4) Lost or stolen records
- 5) Malicious or criminal insiders
- 6) Malware or hacking

WHAT ARE THE CONSEQUENCES OF STOLEN INFORMATION?

Stolen identities can be falsely used to secure fraudulent loans or commit a crime. Identities can be stolen, and credit may suffer as a result. To fix these takes time and (potentially) money to correct the problems created by a privacy breach.

IF YOU SUSPECT THAT YOUR ORGANIZATION / BUSINESS HAS HAD A BREACH

There are four steps to consider when responding to a breach:

- 1) Contain the breach and do a preliminary assessment
- 2) Evaluate the risks associated with each breach
- 3) Send notification
- 4) Prevent future breaches

Did you know that there is coverage available to help you with your privacy breach? We can offer coverage that covers costs of notifying those affected and includes valuable professional help to respond promptly and properly to preserve business relationships and reputation. Contact your commercial insurance advisor to ask about adding privacy breach coverage to your commercial policy.



FINANCIAL REPORT

2017 was another strong financial year for MMI; our fourth profitable year in a row.

BACKGROUND

Mennonite Mutual Insurance (MMI) records the results from its business from January 1 to December 31. There are three main activities in the business of MMI:

Insurance – the selling of insurance policies, collecting premiums for those policies and paying claims related to the policies sold.

Mennonite Insurance Agency (MIAL) – selling automobile insurance on behalf of insurance companies other than MMI. MIAL receives a commission for each policy sold.

Investments (Savings) – the Superintendent of Insurance of Alberta (the government regulator) requires MMI to keep a certain level of savings. This protects policyholders by ensuring that MMI will continue to operate and will be there to pay claims of its policyholders and have sufficient funds to do so.

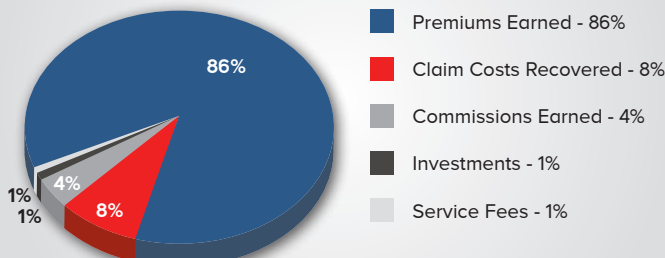
WHERE DID OUR MONEY COME FROM?

- Our total revenue for 2017 was \$12,869,000.
- We earned \$11,027,000 in premiums from policies.
- Our reinsurance policy with the Farm Mutual Re allowed us to recover \$987,000 of the claims we paid.
- Our brokerage, MIAL, earned \$580,000 in commissions.
- The investments we hold earned \$162,000, net of investment management fees.
- Lastly, we collected \$113,000 in service fees.

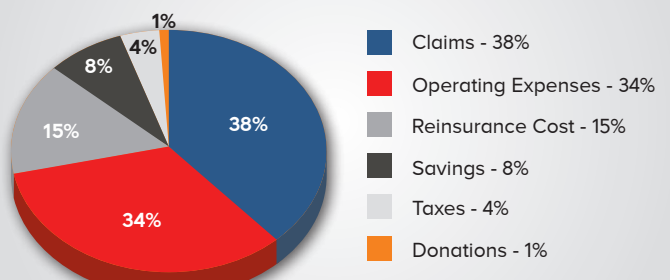
HOW DID WE SPEND OUR MONEY?

- We spent our revenue of \$12,869,000 in the following areas.
- Claims are our largest expense annually. In 2017, we paid \$4,873,000 to our policyholders related to claims they made.
- We spent \$4,346,000 to pay for the costs of running our company.
- The premiums we paid to our reinsurer, Farm Mutual Re were \$2,004,000.
- Our Net Income was \$988,000. We added this to our savings and were able to increase our capital to \$10,384,000.
- As with all insurance companies, we are required to pay taxes. We paid \$500,000 related to Alberta insurance premium taxes, the Alberta Health Cost Recovery levy and corporate income taxes.
- MMI made total donations of \$128,000, primarily to the Compassion Fund and to Mennonite Central Committee of Alberta.
- We paid \$30,000 to agents that helped sell our insurance.

REVENUES



EXPENDITURES





THE IMPORTANCE OF BUSINESS INTERRUPTION INSURANCE

Many companies understand the importance of business insurance when it comes to repairing damage to a building or replacing equipment, but having some protection in place to keep an operation afloat if it's unable to resume business as usual can be just as vital.

Some losses can cause downtime to your business, making it impossible to get back to work immediately. Some losses even have the potential of shutting a business down for an extended period of time. In those situations, business interruption insurance can be invaluable.

GIVING YOURSELF TIME TO RECOVER

Imagine a fire destroys important business assets. Having business insurance in place means you can depend on replacing these assets. However, while you're contending with that process, you may find your operations are restricted or completely unable to function. This in turn will lead to a loss of profit and is the definition of business interruption.

Depending on how serious the damage is, you could find that your business suffers far beyond just losing valuable assets. Loss of cash flow could lead to falling behind on bills or even having to close your business completely.

Business interruption insurance makes it possible to stay afloat while you regain your full strength. Having this financial protection in place will allow you to continue paying staff, take care of debts and cover the costs that come with getting your business back on track.

COVERING ALL YOUR BASES

Sometimes damage that affects your business may not even take place on your premises. For instance, if a storm leads to problems with suppliers or utility companies, it could leave your business unable to perform. Causes of business interruption can be far reaching.

WHY YOUR COMPANY SHOULD HAVE BUSINESS INTERRUPTION INSURANCE

Business interruption insurance policies can provide the financial protection you need to deal with these complications and keep you on solid economic footing.

The key is understanding that a successful business depends on more than just a physical location and various assets - it also requires time and the chance to operate.



PEACE HILLS INSURANCE

We are pleased to announce that our subsidiary company, Mennonite Insurance Agency, has entered into a broker/company partnership with Peace Hills Insurance. Peace Hills is owned by the Samson Cree Nation and just like Mennonite Mutual, is an Alberta-based, community-owned insurer, with a commitment to serving the insurance needs of consumers in Western Canada, and especially Alberta.

The Head Office of Peace Hills is in Edmonton and we are pleased to offer their insurance products through our MMI

offices in Calgary, Edmonton, Grande Prairie and La Crete.

With the addition of Peace Hills, we now have committed business partnerships with three major insurers: Economical Insurance, RSA Canada and Peace Hills Insurance.

For more information about Peace Hills Insurance, please contact any one of our MMI Insurance offices, or refer to the Peace Hills website:

www.peacehillsinsurance.com.



APPLE & CABBAGE COLESLAW

This is a quick and easy salad to put together and tasty enough for everyday or serving company. A bag of coleslaw mix is the secret.

- 1 bag of coleslaw mix
- 1/4 cup of finely chopped red onion
- 1/2 cup of plumped raisins (soaked in hot water and drained)
- 1 large apple chopped with the peel left on
- 1/2 cup of toasted slivered almonds
- 3/4 cup of light mayonnaise
- 1/4 cup of sugar
- 2-3 tablespoons of vinegar

1. Combine the coleslaw mix with the onion, apples and raisins.
2. Combine the mayonnaise, sugar, vinegar.
3. Pour over coleslaw mixture, and sprinkle with almonds.

Recipe taken from: www.mennonitegirlscancook.ca



GOING GREEN

Request your copy of the newsletter by emailing media@mniab.ca



VEHICLE REGISTRATION RENEWAL REMINDER

Renewal Dates	Family / Company Name Begins With:
July renewals	Av, Be, L, Sz, V, Z
August renewals	E, Gr, R
September renewals	F, Po, T
October renewals	S
November renewals	K, P
December renewals	Me, O, W

Since April 1 2016, Albertans no longer receive mailed renewal notices for vehicle registrations and driver licenses. It's best to renew in person if you are 10 days or less away from your expiry date.

Wondering when to renew your vehicle registration or your driver license each year?

Sign up for a free email or text reminder at www.e-registry.ca.



DID YOU KNOW?

AFTER HOURS EMERGENCY CLAIM SERVICE: 1-866-556-7079

PUT YOUR WORRIES BEHIND YOU

WE SELL AUTOMOBILE INSURANCE!

Two weeks before your next automobile insurance policy renewal, call or visit MMI. We have agents in Calgary, Edmonton, Grande Prairie and La Crete. Our friendly, licensed insurance professionals are ready to help you.

WE ARE PROUD TO BE YOUR AUTO INSURANCE PROVIDER. GIVE US THE OPPORTUNITY TO QUOTE YOUR NEW AND RENEWING AUTO POLICIES.



MEETING NEEDS TOGETHER

BRANCH OFFICES:

CALGARY
1-866-222-6996
(Head Office)

LA CRETE
780-928-3711

EDMONTON
780-232-2924

GRANDE PRAIRIE
780-296-4339

www.mmiab.ca