

FEATURE —

South Easthope Mutual Insurance Company - 150 years in 2021



Russell Building 1889-1967

By Frank Rider

Between 1838 and 1910 - there were over 125 mutual insurance companies established in Ontario. South Easthope was one of 2 farmer's mutual fire insurance companies established in 1871. It is the 8th oldest of the 37 remaining provincially licensed farm mutuals in Ontario.

The concept was simple but required extreme trust. By mutual agreement, if any one member lost a building by fire, each member would contribute financially toward the cost of rebuilding.

A small group of Tavistock area farmers met on October 6, 1871 in Kaufmann's Hotel at Sebastopol to establish their own company. A Board of Directors was elected to run the company. The first directors were Henry Wettlaufer, John Klein, Werner Yungblut, Henry Roth, John Weichel, John Mueller and Lorenz Arnold.

The name at its founding was "The Mutual Fire Insurance Company of the Township of South Easthope" following the format specified in the Act. It was modified twice in the 1800's to comply with changes to the Act. The current name was adopted in 1990.

At a subsequent meeting on December 28, 1871, 53 landowners from South Easthope, 37 from East Zorra and 2 from West Zorra townships signed up. The first person to sign up was John Klein from South Easthope Township.

29 more members signed up in 1872 including from North Easthope and Wilmot townships. By 1881 members joined from other surrounding townships. Today, the majority of membership is from 8 surrounding counties, although the company does have members across southern Ontario who have moved out of the area.

"Although ownership of the farms has changed over the past 150 years, it is humbling to observe that several of those initial farms have remained with the

company."

Premium commitments at the first meeting totaled \$6,268 and amount of insurance at risk was \$125,375 by the 92 members.

In 1971 at 100 years, the company wrote about \$166,000 in premiums with \$73.5 million property insurance in force. In 1971 there were 3 staff and 6 agents and just under 2,000 members. In 1996 at 125 years, the company wrote \$5.9 million in property and auto premiums. In 1996 there were 13 staff, 6 agents and 6 brokers.

The company now writes over \$20 million in property and auto premiums with property insurance in force of over \$5.6 billion. Membership is just under 7,200 members. Currently there are 28 staff, 13 agents and 6 brokers.

The size of the board was set at 9 Directors which remains unchanged. 88 individuals have served as directors over the past 150 years. The current directors are Glen Blair, Marianne Cook, David Crane, Linda Drost, Paul Heinbuch, John L. Mackay, Jeffrey Schultz, Wayne Tebbutt and Kenneth Yeoman.

The current board Chair in the 150th year is John L. Mackay. By coincidence, John's father, J. Willard Mackay served as board President in the company's 100th year in 1971 and again in its 125th year in 1996.

The company moved to the corner of Woodstock and Jane streets in 1889 when William S. Russell was appointed Secretary-Treasurer. Mr. Russell served for 42 years until his death in 1931. The company purchased the Russell building from his estate.

Edwin Caister, who served as a director since 1894, was appointed Secretary-Treasurer from 1931 to 1942 with the assistance of his daughter Marguerite. After working alongside her father for 10 years, Miss Marguerite Caister was appointed



New Head Office Building 2015

Secretary-Treasurer in 1942 and served for another 31 years until 1973.

"Miss Caister was one of the first women to lead an insurance company. This was quite monumental during a time when most commerce was conducted by men."

Following Miss Caister's retirement in 1973, Beth Hilcox - Kress who worked in the office was appointed Secretary-Treasurer and served in that role until 1982.

Mr. Ed Pellow was hired as Manager on January 1, 1965 and was appointed Manager, Secretary - Treasurer in 1982. He retired on June 30, 2003 after 38 years of service.

He introduced many advancements and innovations during his tenure and actively contributed to the Canadian mutual system. To this day, he remains the only individual to have served as Chair of the Ontario Mutual Insurance Association (OMIA), Chair of the Farm Mutual Reinsurance Plan (FMRP) and the first Chair of the Canadian Association of Mutual Insurance Companies (CAMIC). Ed's replacement, Frank A. Rider was hired on June 16, 2003 and is the current President and CEO.

The head office has been on the corner of Woodstock and Jane streets for 132 years. The Russell building was taken down in 1967 to make way for a new building. A temporary location was set up on Hope Street until the new building was completed in 1968. Additions to this building were made in 1983 and in 1997.

As the business grew, more space was needed. Construction of a new head office commenced in February 2015, just 20 feet from the existing building. The company, with the help of local service clubs moved to the current office on October 31, 2015. An open house was held on June 11, 2016.

The office in Woodstock was opened in 1988 and the Mitchell office opened in

1991. A home office in Milverton was established in 1990. The Listowel office opened in 2006.

The company was an early adopter of computer technology and in the 1980's developed its own software to manage the company more efficiently. In 1996, "SEH Computer Systems Inc." was established and today provides services to mutual companies across Canada.

Member and community needs has always been a priority and the company continually evolved to address these changing needs. In 1838 during the Great Depression, the company issued its first premium refund to members. It was noted that South Easthope was the first Farmers Mutual in Ontario to provide a premium refund. This practice has continued ever since in years when the company has few claims.

Most recently, during the pandemic, with the help of the reinsurer, the company made anonymous donations to several local service clubs which were unable to generate revenue during the pandemic. A member refund was also issued on property policies and for the first time on auto policies, after the Regulator permitted a refund on auto.

While 150 years is something to celebrate, during the COVID-19 pandemic, it would not be responsible to hold any type of event as was done in 1971 for the companies 100th and in 1996 for its 125th anniversary.

The loyalty, good faith and support of the members over the years is the predominant factor for the company's longevity. In appreciation for the support of members, the board has authorized a "member refund" in the amount of \$150 to every member in good standing on October 6, 2021. This refund is as an alternative to a celebration and a way of including and recognizing every member. Like an anniversary gift!!