

**THE HAND-IN-HAND MUTUAL FIRE INSURANCE COMPANY
LIMITED AND SUBSIDIARIES**

NOTICE OF MEETING

The One Hundred and Forty third Annual General Meeting of Members of the abovementioned Company will be held at the Company's Offices, Lots 1,2,3 & 4, Avenue of the Republic, Georgetown, on Tuesday, January 27, 2009, at 9:30 a.m for the following purposes:-

AGENDA

1. To receive the Report of the Directors and the Accounts for the year ended 2008-06-30 and the Report of the Auditors thereon.
2. Declaration of the profits available for distribution amongst Members.
3. Election of Directors.
4. Election of Auditors.
5. To fix the remuneration of the Directors.
6. To fix the remuneration of the Auditors.
7. To consider and (if thought fit) pass the following special resolution: -
"That the Financial year end of the Company be changed from June 30 to December 31 for the financial year 2008-2009 and each financial year thereafter"
8. Any other business which may properly be brought before the meeting.

BY ORDER OF THE BOARD

Shaheed Essack

Company Secretary/ Finance Controller (ag).

1,2,3 & 4 Avenue of the Republic
Georgetown, Guyana

December 30, 2008

N.B. The right to vote by proxy may only be exercised if the member resides outside the city of Georgetown.

The person appointed by proxy must be a member of the Company and qualified to vote on his own behalf.

Proxies must be deposited at the Office of the Company not less than 24 hours before the time appointed for holding the meeting.

**THE HAND-IN-HAND MUTUAL FIRE INSURANCE COMPANY LIMITED AND
SUBSIDIARIES**

HEAD OFFICE

1,2,3 & 4 Avenue of the Republic
Georgetown, Guyana.

Email: info@hihgy.com

Website: www.hihgy.com

Telephone: 225-1865-7

Fax: 225-7519

P.O. Box: 10188

DIRECTORS

C.A.F. HUGHES, *S.C., L.L.B. (Hons) (Lond)* - Chairman

J.G. CARPENTER, *B.Sc.* - Vice-Chairman

W.A. LEE, *A.A., B.Sc., B.S.P., B.Soc.Sc., Dip.M., M.C.I.M*

C.R. QUINTIN

I.A. McDONALD, *A.A., M.A. (Hons) Cantab., F.R.S.L., HON. D.LITT.UWI*

P.A. CHAN-A-SUE, *A.A., F.C.A.*

T.A. PARRIS, *B.A. (Econs.), M.A. (Econs. & Ed.)*

K. EVELYN, B.A. (Hons.) *Sheff. Hallam*, B.Sc. *UMIST.*, M.B.A., *Liv.*,
F.C.I.I., A.C.I.B. - *Chartered Insurer*

H. COX, *A.C.I.I.*, *Chartered Insurer*

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MANAGEMENT:

Chief Executive Officer	-	Keith Evelyn, B.A. (Hons.) <i>Sheff. Hallam</i> , B.Sc. <i>UMIST.</i> , M.B.A., <i>Liv.</i> , F.C.I.I., A.C.I.B. - <i>Chartered Insurer</i>
Manager	-	Howard Cox, A.C.I.I. Chartered Insurer
Assistant Manager	-	Mary Nagasar
Company Secretary/ Finance Controller	-	Shaheed Essack, M.A.A.T., A.C.I.S., M.C.M.I.
Accountant	-	Compton Ramnaraine, M.A.A.T, A.I.C.B.
Human Resource Manager-	Zaida	Joaquin, Dip. P.M., F.L.M.I., A.C.S., A.I.R.C., A.I.A.A., A.R.A.
Sales Manager	-	Colin Welcome
Manager - Berbice Operations	-	Shafeek Persaud

Internal Auditor

-

Omadatt Singh, M.B.A., F.C.C.A., C.G.A., B.Sc. (Hons.)

AUDITORS:

Deloitte & Touche
Chartered Accountants

ATTORNEYS-AT-LAW:

Cameron & Shepherd
Hughes, Fields & Stoby

BANKERS:

Republic Bank (Guyana) Limited
Guyana Bank for Trade & Industry Ltd
Bank of Nova Scotia
Citizens Bank (Guyana) Inc.
Demerara Bank Ltd
Lloyds Private Banking Ltd, England
RBC Dominion Securities, Canada

BRANCH OFFICES:

BERBICE: 1) New Amsterdam

Lots 15 & 16B New Street,
New Amsterdam, Berbice.

2) Corriverton

Lot 14 Section 'B' No. 78 Village (Springlands)
Corriverton, Berbice.

3) D'Edward Village

Lot 11 Section 'A' D'Edward Village,
West Bank Berbice.

4) Rosehall

45'A' Public Road, Rosehall Town, Corentyne.

LINDEN:

23 Republic Avenue,
Linden, Demerara River.

VREED-EN-HOOP:

Lot 4 New Road, Vreed-en-Hoop,
West Coast. Demerara.

PARIKA:

Upper floor, Citizens Bank Building
Parika, East Bank Essequibo

AREA REPRESENTATIVE:

Sammy Rampersaud
Mainstay, Essequibo Coast.

THE HAND-IN-HAND MUTUAL FIRE INSURANCE COMPANY
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GLOSSARY

MUTUAL FIRE INSURANCE COMPANY

The Hand-in-Hand operates for the benefit of its profit policyholders and their beneficiaries and has no stockholders. All profit policyholders are entitled to share in the profits of the Company. Every person who holds a profit sharing policy is a member of the Company.

TRIENNIAL CASH PROFIT

This is that portion of the "profits of the Company" which is returnable to members in cash at the end of a triennial period in respect of and in proportion to their premium contributions pursuant to the By-laws of the Company.

REVENUE ACCOUNT

This account shows the result of the business operations for the financial year. Revenue represents income from all sources whatsoever and includes premiums for all types of business - profit and non-profit, fire, accident, motor and marine; while investment income is interest and dividends earned from the Company's investments.

Expenditure includes Management Expenses, Claims net of reinsurance recoveries, Triennial Cash Profit (TCP) paid in current year and provided for in the previous year's accounts and Taxation.

Taxation for the Mutual Company is based on a special formula which caters for Reserves for Unexpired Risks; TCP provided for in the previous year and paid in the current year, Claims and Management Expenses.

PROFIT AND LOSS (ANNUAL) ACCOUNT

This account as its name indicates is prepared annually. Premiums as shown in this account represent those that were earned on both profit and non-profit policies. Figures for the other income heads are the same as those for the Revenue Account except other income.

Deductions for this account under the various heads are for Fire and Accident businesses. The balance of this account is transferred to the several triennial period premium accounts in proportion to the amount of premiums in the accounts.

PROFIT AND LOSS (TRIENNIAL) ACCOUNT

At the beginning of each financial year, a separate Triennial Premium Account is opened in which premiums received in respect of profits sharing policies issued or renewed during that year and not accounted for in any current triennial account are credited during the next three years. This account shows transaction for the triennium ended 2008-06-30.

CONSOLIDATION

The Consolidated Financial Statements incorporate the Financial Statements of GCIS Inc. and HHH Trust Corporation Inc, in which Hand-in-Hand owns 66.7% and 65% respectively of the Issued Share Capital.

THE HAND-IN-HAND MUTUAL FIRE INSURANCE COMPANY LIMITED AND SUBSIDIARIES

POLICIES ISSUED AND EXPIRED

	No. of Policies	Sum Insured (G\$M)	Annual Premiums (G\$M)
In force as at 2007-07-01	10,579	80,538	319

Issued during the year	<u>1,355</u>	<u>18,368</u>	<u>62</u>
	11,934	98,906	381
Expired during the year	<u>995</u>	<u>10,058</u>	<u>36</u>
In force as at 2008-06-30	<u>10,939</u>	<u>88,848</u>	<u>345</u>

**THE HAND-IN-HAND MUTUAL FIRE INSURANCE COMPANY LIMITED AND
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REPORT OF THE DIRECTORS

The Directors have pleasure in submitting for the information of Members and Policyholders their Annual Report and Audited Financial Statements for the year ended June 30, 2008.

1. **Principal Activities**

The Company provides a comprehensive range of services among which is Property, Motor, Marine, Bond and Accident insurances.

2. **Operational Results**

The Company's funds increased by \$90.1m for the year as compared with an increase in funds of \$56.1m for the year ended June 30, 2007.

3. **Fire Business**

During the year the Company issued 1,355 Fire policies insuring \$18.4B yielding annual premiums of \$62m. At the close of the year, there were 10,939 policies in force insuring \$88.8B with annualised premiums of \$345m. At the close of the previous year, there were 10,579 policies in force insuring \$81B with annualised premiums of \$319.5m. A statement of Fire policies Issued and Expired during the year is shown on page 9 of this report.

4. **Motor Business**

During the year 4,362 policies were issued insuring 4,664 vehicles with annualised premiums of \$126.9m. Previous year figures were 3,867 policies insuring 4,171 vehicles with annualised premiums of \$111.5m.

5. **Investments**

Investments at the end of the year stood at \$495.7m as against \$493.7m the previous year. Certificates for securities held by the Company and those lodged with the Company's Bankers as collateral for overdraft and loan facilities have been examined by our Auditors.

6. **Triennial Cash Profit**

The Directors recommend a Cash Profit return of 15% in respect of those policies entitled to earn profit for the triennial period ended June 30, 2008, after deduction of the reserve for the unexpired period. This will result in a cash payout of \$5.4m. For year ended June 30, 2007, a 15% Cash Profit was declared which resulted in a payout of \$6m.

7. **Employee Relations**

Relations with employees throughout the year were cordial. Training is provided at all levels for technical and personal development.

8. **Directorate**

The following Directors retired under Bye-Law 61 & 65 and being eligible, offer themselves for re-election:

Messrs.:	C.R. Quintin
	W.A. Lee
	I. McDonald

The outgoing Chairman Mr. C.A.F. Hughes has retired and does not offer himself for re-election.

9. **Insurance Act of 1998**

Section 27 of regulation 14 of 2007, made under the Insurance Act of 1998 states that "for the purposes of those regulations, the financial year of an insurer shall end on the expiration of the thirty-first day of December each year".

The Group has decided to change their financial year end to coincide with the requirement of the Act.

10. **Corporate Governance**

The Directors apply principles of good governance by adopting policies and procedures for the better management of the Company.

The Board meets monthly and has adopted a structure of mandates granted to committees whilst retaining specific matters for its decisions.

All of the Board members are considered independent and bring wide knowledge, experience and professionalism to the deliberations of the Board.

The committees established by the Board and their Chairpersons are:

1.	Finance and Audit Committee	-	Mr. P.A. Chan-A-Sue
2.	Sales and Marketing Committee	-	Mr. W.A. Lee
3.	Human Resources Committee	-	Mr. C.R. Quintin
4.	Buildings Committee	-	Mr. J.G. Carpenter

11. **Auditors**

The Auditors, Messrs. Deloitte & Touche, retire and have indicated their willingness to be re-appointed.

By Order of the Board
Shaheed Essack
Company Secretary