

PUB (MPI) 2-1

Reference:

PUB/MPI 1-1

a) Please file the Corporation's Board of Directors and Audit Committee meeting minutes for 2011/12 that relate to:

- (i) IT Optimization;
- (ii) Compliance with prior Board Orders;
- (iii) Approval of the 2013 GRA;
- (iv) Approval of the 2011/12 audited financial statements; and
- (v) Approval of the external actuary.

b) Please file the minutes from the quarterly meetings of the Investment Committee.

RESPONSE:

a) (i) See attached.

(ii) There are no minutes specifically regarding compliance to Board Orders. The annual General Rate Application Order is received in early December and a subsequent Board Order shortly thereafter approving rates. A request is then submitted for the Lieutenant Governor in Council to approve amendments to the Automobile Insurance Certificates and Rates Regulation. The approval of the Board of Directors is not required.

(iii) Approval of the 2013 General Rate Application occurred at the May 31, 2012 Board of Directors meeting, which is after the requested 2011/12 date. The minute is, nonetheless, attached.

(iv) Similarly, the approval of the 2011/12 audited financial statements occurred after the requested 2011/12 date. The minute is, nonetheless, attached.

(v) See attached.

b) See PUB (MPI) 1-1.

September 10, 2012

PUB (MPI) 2-1(a)(i) Attachment

Minutes of the Three Hundred and Ninety-Fourth Meeting
March 24, 2011
Page 2

Budgeting &
Operations
Committee
Report – IT
Business
Partner

11-070

Moved by Mr. Paterson and seconded by Mr. Reid that Members ratify the decision of the Budgeting & Operations Committee approving the Corporation enter into a Master Services Agreement with a second vendor, IBM Canada Ltd., to augment the one currently being negotiated with HP Enterprise Services.

CARRIED

Minutes of the Three Hundred and Ninety-Eight Meeting
 July 7, 2011
 Page 2

Budgeting & Operations Committee Report - Hewlett Packard IT Business Partner - Master Services Agreement

11-159

Moved by Mr. Paterson and seconded by Mr. Bittner that Members ratify the decision of the Budgeting & Operations Committee approving the Corporation enter into a Master Services Agreement with Hewlett Packard (Canada) Co. for a period of six years with an option to renew for another five years.

CARRIED

Budgeting & Operations Committee Report - Business Transformation Office - RFP Approvals

11-160

Moved by Mr. Paterson and seconded by Ms. Mintz that Members ratify the decision of the Budgeting & Operations Committee

- Authorizing Management to enter into contracts with the lowest bidder from the RFP or if not the lowest bidder, authorization to proceed with a letter of intent for the following request for proposals:
 - o IT Optimization: Data Centre Network
 - o Call Centre: Unified IP
 - o Broker Equipment Refresh

and

- Authorizing Management to award contracts up to the following limits:

RFP #	Initiative	Amount
2259	IT Optimization: Data Centre Network	\$8 Million
2260	Call Centre: Unified IP	\$3.5 Million
2258	Broker Equipment Refresh	\$5 Million

CARRIED

September 10, 2012

PUB (MPI) 2-1(a)(i) Attachment

Minutes of the Three Hundred and Ninety-Ninth Meeting
October 7, 2011
Page 5

Inter-Data
Centre
Network –
RFP 2272

11-208

Mr. Guimond presented Agenda Item 4.5 "Inter-Data Centre Network – RFP 2272".

Moved by Mr. Paterson and seconded by Mr. Reid that Members approve the award of the Inter-Data Centre Network – RFP 2272 to MTS Allstream Inc., a wholly owned subsidiary of Manitoba Telecom Services Inc., in the amount of \$576,000, not including taxes.

CARRIED

Minutes of the Four Hundredth Meeting
November 25, 2011
Page 3

Desktop and
Laptop
Equipment
Refresh –
RFP
Approval

11-221

Mr. Guimond presented Agenda Item 4.2 "Desktop and Laptop Equipment Refresh – RFP Approval".

Moved by Ms. Johnson and seconded by Ms. Mintz that Members:

- Authorize Management to enter into contracts with the lowest bidder from the RFP or if not the lowest bidder, authorization to proceed with a letter of intent for the following request for proposals:
 - Desktop and Laptop Equipment Refresh
- Authorize Management to award contracts up to the following limits:

RFP#	Initiative	Amount \$
TBD	Desktop and Laptop Equipment Refresh	\$3.5M

CARRIED

September 10, 2012

PUB (MPI) 2-1(a)(i) Attachment

Minutes of the Four Hundred and First Meeting
January 6, 2012
Page 4

Data Centre
Solution

12-018

Mr. Guimond presented Agenda Item 5.3 "Data Centre Solution" to create a refreshed and robust data centre designed to meet the data storage and business continuity requirements for the long term. Options considered include (1) outsourcing both data centres and (2) renovating Building B at Plessis Road with the Performance Optimized Data Centre and renovating cityplace. A more detailed analysis and due diligence is required. Following discussion, Members received the report as information.

Minutes of the Four Hundred and Second Meeting
February 3, 2012
Page 5

Budgeting &
Operations
Committee
Report –
IBM Master
Services
Agreement

12-047

Moved by Mr. Paterson and seconded by Ms. Mintz that Members ratify the decision of the Budgeting & Operations Committee approving a Master Services Agreement with IBM Canada for a period of five years with an option to renew for another five years.

CARRIED

Budgeting &
Operations
Committee
Report –
Dominion
Consulting
Contract

12-048

Moved by Mr. Paterson and seconded by Ms. Johnson that Members ratify the decision of the Budgeting & Operations Committee authorizing the Corporation to:

- a) Enter into a contract with Dominion Consulting for an amount not to exceed \$900,000 to provide IT consulting services for the 2012/13 fiscal year.
- b) Redirect approved HP consulting funds to Dominion Consulting in circumstances when HP and/or IBM is unable to provide the required resources.

CARRIED

Budgeting &
Operations
Committee
Report –
Approval of
Corporate
Strategic
Initiatives –
Fiscal
2012/13

12-056

Moved by Mr. Paterson and seconded by Ms. Maloney that Members ratify the decision of the Budgeting & Operations Committee approving:

- The Corporate Strategic Initiatives for fiscal 2012/13
- Funding of up to \$25 million in fiscal 2012/13 to be distributed amongst the HP/IBM Master Service Agreements as Management deems appropriate, in order to achieve the business objectives associated with the Corporate Strategic Initiatives.

CARRIED

September 10, 2012

PUB (MPI) 2-1(a)(i) Attachment

MINUTES OF THE FOUR HUNDRED AND FOURTH MEETING OF THE DIRECTORS OF THE MANITOBA PUBLIC INSURANCE CORPORATION HELD ON THE 5TH DAY OF APRIL, 2012 AT 11:05 A.M. IN THE MPIC BOARDROOM AT 234 DONALD STREET, WINNIPEG.

Audit
Committee
Report –
Retained
Earnings
Recommendations

12-080

Moved by Mr. Bittner and seconded by Mr. Paterson that Members ratify the decision of the Audit Committee approving, effective February 29, 2012, the transfer back of \$65.0 million to Basic Retained Earnings and \$10.0 million to Extension Retained Earnings, from the IT Optimization Fund that was established in the 2010/11 fiscal year for \$75.0 million

CARRIED

Minutes of the Four Hundred and Sixth Meeting
May 31, 2012
Page 4

IBM Data
Centre
Solution

12-154

Mr. Guimond presented Agenda Item 4.4 "IBM Data Centre Solution". The terms and conditions of the Data Centre documentation were explored, as was pricing and due diligence. The risk management and mitigation was addressed, in addition to the roles and responsibilities of both the Corporation and IBM.

Moved by Ms. Mintz and seconded by Mr. Paterson that the Members authorize Management to enter into an agreement with IBM Canada Ltd. to provide the Data Centre Optimization services through the IBM Master Service Agreement via a Data Centre Optimization Statement of Work and a Transition and Migration Statement of Work:

- The Transition and Migration Statement of Work is for a fixed amount of \$12.9 million, and
- The Data Centre Statement of Work is for a projected amount of \$86.56 million. The charges are a fixed annual service charge for a defined baseline volume and a detailed provision to cover increases and decreases in the volumes of resource units and includes an inflation factor based on Conference Board of Canada indicia:
 - For five years not to exceed \$37.32 million (in 2012 dollars)
 - With an option to renew for up to another five years not to exceed \$49.24 million (in 2012 dollars).

CARRIED

Minutes of the Four Hundred and Fifth Meeting
May 4, 2012
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Preliminary
Discussion
of the
2013/2014
Basic
Autopac
General
Rate
Application

12-135

Mr. Johnston presented Agenda Item 5.1 "Preliminary Discussion of the 2013/2014 Basic Autopac General Rate Application". The claims and revenue forecasts were presented, along with details of the rate application. The Basic Retained Earnings and Rate Stabilization Reserve were discussed, including preliminary results of the Dynamic Capital Adequacy Test.

Moved by Mr. Paterson and seconded by Mr. Bittner that the Members approve the overall rate indicator for the Public Utilities Board Application for 2013/2014 rates for the Basic Autopac Program as set out below:

1. A 0% overall change to average rates for Basic Autopac written premiums.
2. An increase in driver licence premiums for Driver Safety Rating levels -1 to -20 to a maximum of \$2,500 as presented to the Public Utilities Board in the 2009 DSR Application.

CARRIED

Minutes of the Four Hundred and Sixth Meeting
May 31, 2012
Page 3

2013/14
Basic
Autopac
Program
and Rates

12-152

Mr. Johnston presented Agenda Item 4.2 "2013/14 Basic Autopac Program and Rates".

Moved by Mr. Bittner and seconded by Ms. Mintz that Members approve:

A. RATE CHANGES

The application to the Public Utilities Board for 2013/14 rates for the Basic Autopac Program as set out below:

1. Classification and experience rate adjustments which result in an overall 0% change to average rates for Basic Autopac written premiums. Rates for individual risk classifications will be adjusted based on statistically determined experience indicators. Classification changes are implemented on a revenue neutral basis.

B. CLASSIFICATION CHANGES

The following classification changes to the Basic Autopac program as of March 1, 2013:

1. Vehicle Rating Factors

- Revisions to the relationship between rates and rate group (rate line) for passenger vehicles, light trucks, motor homes, motorcycles, heavy trucks and trailers (over \$2,500).
- Adjustments to passenger vehicle and light truck rate groups based on the Canadian Loss Experience Automobile Rating (CLEAR) indicators, as provided by the Insurance Bureau of Canada (IBC). Adjustments will consist of an increase of one rate group for vehicles requiring an increase, and a decrease to the required CLEAR indicator for vehicles requiring a decrease.
- Revisions to the CLEAR injury rating matrix to accommodate the expansion of the IBC injury rating recommendations from a range of 27 to 40 to a range of 24 to 43.
- Vintaging heavy trucks one rate group down.

CARRIED

Minutes of the Four Hundred and Sixth Meeting
May 31, 2012
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| <p>Audit
Committee
Report –
2011/2012
Annual
Financial
Statements
(Including
Notes)</p> | <p>12-145</p> | <p>Moved by Mr. Bittner and seconded by Mr. Paterson that Members ratify the decision of the Audit Committee approving the 2011/2012 Annual Financial Statements (including notes).

CARRIED</p> |
| <p>Audit
Committee
Report –
2011/2012
Universal
Compulsory
Automobile
Insurance
Annual
Financial
Statement</p> | <p>12-146</p> | <p>Moved by Mr. Bittner and seconded by Ms. Johnson that Members ratify the decision of the Audit Committee approving the 2011/2012 Universal Compulsory Automobile Insurance Annual Financial Statement.

CARRIED</p> |
| <p>2011/2012
Annual
Report
Signing
Resolution</p> | <p>12-151</p> | <p>Ms. Kallinowsky presented Agenda Item 4.1 "2011/2012 Annual Report Signing Resolution".

Moved by Ms. Johnson and seconded by Ms. Mintz that the Chairperson and Vice-Chairperson of the Board be authorized to sign the annual report on behalf of the Corporation.

CARRIED</p> |

September 10, 2012

PUB (MPI) 2-1(a)(v) Attachment

Minutes of the Three Hundred and Ninety-Ninth Meeting
October 7, 2011
Page 2

Audit
Committee
Report –
Appointment
of External
Actuary –
Request for
Proposal
Update

11-186

Moved by Mr. Paterson and seconded by Ms. Maloney that Members ratify the decision of the Audit Committee approving the appointment of Joe Cheng FCAS, FCIA of J.S. Cheng Partners Inc. as appointed actuary for the two years ending February 29, 2012 and February 28, 2013, and a possible extension for another three years. This appointment is subject to a satisfactory due diligence, including a meeting with Mr. Cheng, by Mr. Palmer, Ms. McLaren and Mr. Johnston.

CARRIED