

Frequently Asked Questions

1. Why is the special election happening now instead of at the upcoming convention?

The proposed amendments address urgent governance reforms to protect Gleaner's members and ensure regulatory compliance. Delaying these changes until the convention would risk further regulatory action and harm Gleaner's ability to regain its A- rating from AM Best. Acting now is critical to stabilizing our governance and securing our financial strength.

2. Is using mail-in ballots for this vote allowed under Gleaner's Constitution and Bylaws?

Yes. Article 3, Section 4 of Gleaner's Constitution and Bylaws explicitly permits the Supreme Arbor (which includes delegates) to act on matters via mail-in ballots when not in regular session. This process is fully compliant with our governing documents and Michigan law.

3. What is the cost of this special election?

The cost of administering the vote is \$3,521.34, plus postage for mailing 175 ballots. Claims of significantly higher costs are incorrect. This modest investment is essential to implementing governance reforms and safeguarding Gleaner's future.

4. Are the proposed amendments giving the board more power over candidate selection?

No. The proposed amendments remove the board's ability to select or disqualify candidates for elections. Instead, an independent third party will evaluate candidates to ensure a fair, unbiased, and transparent process. This reform directly addresses past concerns about candidate disqualification and promotes member-driven governance.

5. How do these amendments align with regulatory expectations?

The proposed amendments ensure Gleaner's long-term stability and member protection aligning Gleaner with modern governance standards and avoiding potential regulatory intervention.

6. Why did AM Best lower Gleaner's rating?

AM Best's downgrades were directly tied to governance failures under the previous board, not current leadership. The second downgrade occurred in part because prior amendments, which received over two-thirds support, did not pass due to a quorum issue. Passing these reforms is a critical step to restoring our A- rating and demonstrating improved governance and risk management.

7. Is Gleaner planning to borrow money?

No. Gleaner remains financially stable with a \$1.2 billion balance sheet and has no plans to acquire debt. Any claims to the contrary are false and misleading.

8. Why is the age restriction for board candidates being removed?

Removing the age restriction encourages broader participation in leadership while maintaining rigorous qualifications for candidates. This aligns Gleaner with best practices in governance and ensures that qualified individuals are not excluded based solely on age. It should also be noted that the amendments also include a provision for term limits which leads to broader participation over time. These items can be voted on separately on your ballot.

9. How can I ensure the information I receive is accurate?

If you have questions about the proposed amendments or the voting process, please refer to official communications from Gleaner Life Insurance Society or contact President and CEO Todd Warner directly at twarner@gleanerlife.org. Misinformation from external groups can be confusing, and we are here to provide you with clear and accurate answers.

10. When we propose the "one member, one vote" model, are we eliminating the delegates?

No, we are expanding representation. All qualifying members of the Society will now serve as delegates. Additionally, each Arbor will still send representatives to the Convention, allowing for a weekend of recognition and celebration.

11. When is the next Convention?

Happy to announce that the Convention will return in October 2025 at The Radisson in Kalamazoo, Michigan.

12. How many representatives can an Arbor send to the Convention?

Each Arbor established the year prior to the Convention may send three representatives. Arbors founded in the same year as the Convention will be entitled to send one representative.

13. How will the Convention change if these proposals are approved?

The Convention will shift its focus entirely to celebrating Arbor members and recognizing their contributions over the past two years. The business meeting will no longer include voting on director elections or constitutional changes.

14. Does the Board of Directors have complete control of running the Society if the proposed changes pass?

No, the Board of Directors will not have complete control of running the Society if these proposals pass. The Board will continue to have the responsibilities outlined in the Constitution and By-Laws, but key decisions will still involve member engagement through arbor representatives, voting members, and adhere to regulatory requirements. The Board's role remains one of governance and oversight, ensuring that the Society's operations align with its mission and values, while day-to-day management will continue to be handled by the executive team.

15. Does the Society currently face any legal actions?

No, the Society is currently facing no active legal cases. Gleaner has legally been removed from the case brought by Todd Warner.

16. What if these changes are not approved?

If these changes are not passed, the Society will continue to operate under the current Constitution and By-Laws. However, some of the proposed updates are designed to modernize and improve governance, efficiency, and alignment with current best practices. Without these changes, the Society may face challenges in adapting to evolving regulatory, operational, and member needs. Additionally, the opportunity to enhance transparency, streamline processes, and strengthen member representation may be delayed or missed.

17. Is the Society searching for a new CEO and President?

No. Todd Warner was named President and CEO on December 10, 2024. The board undertook a vigorous candidate search process utilizing an outside executive search firm specializing in the insurance industry. Jacobson was the same firm used to hire former President and CEO Kevin Marti.

18. What is the status of starting new Arbors?

The Community Engagement team is actively engaged in discussions about starting new Arbors. Some of the proposed changes will positively impact the process, particularly by removing delegate requirements, which will make it easier to establish new Arbors. This will also help us avoid drawing members away from existing Arbors, especially in areas with multiple Arbors.

19. What is the status of the auditing firm that conducted the Society's 2023 audit?

MarksNelson was engaged to perform the Society's 2023 audit. They have since declined to continue their engagement. The Society has re-engaged with our former independent audit firm Strohm Ballweg. Strohm Ballweg specializes in the insurance industry.

20. What will be the process for future votes if the “Voting Rights and Representation” proposal passes?

If the "Voting Rights and Representation" proposal passes, future votes will be deemed successful if a majority of returned ballots are in favor. For example, if 10,000 ballots are returned, at least 5,001 must indicate approval for the measure to pass.

21. Will there be periodic reviews of the Constitution and By-Laws after these proposed changes?

Of course! As the world is always evolving, so will these documents. They will need to be reviewed periodically to ensure that they continue to support the Society's growth and governance as well as continue to meet any regulations and standards set forth by the State of Michigan.

22. What does the current Constitution say about making changes?

The current Constitution and By-Laws outline the required procedures for proposing amendments. These proposals adhere to the established standards and processes for constitutional changes set forth today.

23. How do these changes negate a repeat of the past two years?

These changes are designed to prevent a repeat of the past two years by strengthening governance, accountability, and transparency within the Society. Key revisions aim to clarify the roles and responsibilities of the Board of Directors and management, ensuring better checks and balances. The proposed updates also include measures that enhance member engagement, reduce the potential for internal conflicts, and introduce safeguards against actions that could lead to instability or mismanagement. By modernizing the Society's governing structure, these changes create a more resilient framework to address future challenges and protect the interests of all members. How will the members be able to hold the Board of Directors accountable?

If these changes pass, members will have direct control over holding the Board accountable through voting in Board elections, replacing the delegate system. This eliminates the conflict of interest that existed under the current Constitution's nominating process. Members will directly influence leadership decisions, ensuring transparency and accountability, while the Board remains required to comply with regulations and be answerable to the membership.

24. Why is there no representation from every state featured for the Board of Directors where arbors are located?

Currently, board members are elected by delegates, not by all members directly. However, the proposed changes to the Constitution will change significantly. Under the new Constitution, **all Benefit Members, regardless of the state they live in, will be able to vote for board members.** This shift inherently provides a fairer and more inclusive representation for members across all states, including Ohio, Indiana, Illinois, and Florida, ensuring that the future governance of the Society is influenced by voices from every region.

In this new model, no matter where you live, your vote will count, allowing all members to help shape the future leadership of Gleaner Life Insurance Society. This broader voting base will give more members a say in who serves on the board, rather than leaving that responsibility to only the delegates.

While we understand your thoughts on increasing the number of board members, we believe this change in the voting process will naturally lead to a board that better reflects the diversity of our membership across all states. The focus will be on selecting the best-qualified candidates, ensuring the strongest leadership for our organization.