



LAMBTON MUTUAL
INSURANCE COMPANY

September 2, 2022

Financial Services Regulatory Authority of Ontario
25 Sheppard Ave W, Suite 100
Toronto, ON
M2N 6S6

Dear FSRA Officials,

RE: 2022-008 PC0045APP – Insurance Prudential Supervisory Framework

Lambton Mutual Insurance Company, formed in 1875, has been part of the development and growth of the Sarnia-Lambton area since its humble beginnings. Our mission is to provide community-based insurance with personal service to our policyholders being paramount. Lambton Mutual writes gross written premiums of \$31 million annually and distributes its products through a network of professional agents and brokers.

We remain steadfast in our commitment to the Mutual system – we believe in the concept of ‘Neighbours helping Neighbours’ not only when it comes to our policyholders, but also to our fellow mutuals. We are stronger when we work together. As a member of the Fire Mutuals Guarantee Fund (FMGF), we pledge our assets to each other, creating one of the most financially stable networks in the world. Due to this commitment, we do not take self-monitoring and reporting lightly. We address any solvency issues early and take any necessary remedial action to protect policyholders. There is a cost to the additional regulatory burden placed upon smaller companies – our long-standing history is evidence of our willingness to always come up with innovative solutions – self-monitoring being one of them. We believe financial monitoring can be done most effectively by the ones who stand to lose the most, if we are bereft of our duty to our policyholders.



ontario mutuals™

Respectfully, we firmly believe that the proposed "Approach" in the aforementioned supervisory framework would be the undoing of extensive work and effort over many years; completed in partnership with the provincial regulator of the day.

We are a unique system; we represent a different business model; and we perhaps don't fit the regulatory mould. However, the practical and very hands-on approach to financial oversight that we undertake as a group presently, is the best solution in proportionality for smaller companies. It is transparent, accountable and effective.

Thank you for the opportunity to provide input into the proposed supervisory framework. It is our hope that it can be reviewed with a view to scaling it as appropriate for the Ontario Mutuals who are part of the FMGF, under the umbrella of the Ontario Mutual Insurance Association.

With much thanks and kind regards,

A handwritten signature in cursive script that reads "Deborah A. Van Eyk". The signature is written in black ink and is positioned above the typed name.

Deborah A. Van Eyk, CIP
President, CEO