



Usborne & Hibbert Mutual Fire Insurance Company

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September 9, 2022

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

Dear Sir/Madame,

Re: **2022-008 PC0045APP – Insurance Prudential Supervisory Framework**

I welcome the opportunity to provide input on the proposed framework recently published by FSRA.

Usborne & Hibbert Mutual Fire Insurance Company was formed in 1876 and is located in Exeter, Ontario. The company is governed by a six person board of directors and insures over forty-seven hundred policyholders with gross written premiums of \$13 million. Usborne and Hibbert underwrites standard general insurance products primarily in the counties of Huron, Perth, Middlesex, Wellington North and Bruce. Farm property encompasses over sixty percent of the portfolio.

Our mission statement is to provide competitive insurance solutions that protect our policyholders and gives them peace of mind. At every level of the organization the focus at Usborne & Hibbert Mutual is to serve our policyholders and to safeguard the solvency of the organization.

The Ontario farm mutual insurance system currently has a strong internal structure with the Fire Mutual Guarantee Fund, the Financial Review Committee and the Ontario Mutual Insurance Association. It is these organizations and the grassroots governance that provides framework that allows each of the mutual insurance companies to operate independently and yet together we represent one of the strongest, most secure, financial networks in the world.



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The proposed framework is alarming and the burden the framework will place internally on the mutual insurance system and at the individual company level will be more than a challenge. Regulatory oversight is necessary, however the oversight needs to be balanced. The focus at the company level currently is on serving the policyholder in all areas and departments. I fear that this new approach will shift the organization's direction from the policyholder to one of undue regulatory and financial burden.

I am hopeful that further dialogue and consultation will continue and that together a more objective approach will be created.

Sincerely,

S. Cleary

Shelagh E. Cleary, BA, FCIP
President & CEO

CC: OMIA