

**Financial Services
Commission
of Ontario**

Automobile Insurance Division
5160 Yonge Street, 17th Floor, Box 85
North York ON M2N 6L9

Telephone: (416) 250-7250
Toll Free: 1-800-668-0128
Facsimile: (416) 590-7265

**Commission des
services financiers
de l'Ontario**

Division d'assurance-automobile
5160, rue Yonge, 17^e étage, boîte 85
North York ON M2N 6L9

Téléphone: (416) 250-7250
Sans frais: 1-800-668-0128
Télécopieur: (416) 590-7265



Direct Line: (416) 590-7109
E-mail: dchan@fSCO.gov.on.ca

MEMORANDUM

TO: All Ontario Incorporated Property and Casualty Insurance Companies and Reciprocal Insurance Exchanges

FROM: Dennis Chan, Chief Actuary (Insurance)
Actuarial Services

DATE: December 24, 2008

RE: **2008 MEMORANDUM FOR ACTUARIAL REPORT ON
PROPERTY AND CASUALTY INSURANCE BUSINESS**

We have updated the Memorandum for Actuarial Report on Property and Casualty Insurance Business (Instructions). The Actuarial Report, pursuant to subsection 121.13(1) of the *Insurance Act*, must be submitted with the Annual Statements filed under subsection 102(1) of the *Insurance Act*.

With the exception of mutual insurance corporations that are members of the Fire Mutuals Guarantee Fund, all property and casualty insurance companies and reciprocals are required to submit an actuarial valuation report with their annual statements.

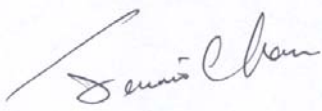
This Memorandum describes the actuarial requirements of the Financial Services Commission of Ontario (FSCO) with respect to Appointed Actuary's Report (AAR) on Property and Casualty insurance business. Instructions that deserve special attention are highlighted in bold.

The 2008 P&C Memorandum and other relevant documents can be found on our website at <http://www.fSCO.gov.on.ca>.

Companies are required to provide both the discounted and undiscounted unpaid claims information in Appendix II – Unpaid Claims and Loss Ratio Analysis Exhibit. This comparison should facilitate further reviews of the changes in the ultimate claims estimates on discounted basis in future actuarial reports. Although an electronic filing of this exhibit is not required, companies may submit the electronic filing of the exhibit using the commercially available software that produces the P&C-1. Instructions for completing the electronic filing can be found on the OSFI website.

Please send along two (2) paper copies of the Report of the Actuary with your annual filing return to the address in the FSCO annual filing instruction letter. For companies who are required to submit the Dynamic Capital Asset Testing report (DCAT), they should also send two (2) paper copies of the report to the same address no later than September 30, 2009. Companies can send an additional electronic copy to FSCO in addition to the two (2) paper copies of the filings.

Please ensure that the Appointed Actuary of your company is provided with a copy of the Memorandum. Should you have any questions or comments, please contact Vivien Chiang, Senior Actuarial Associate, at (416) 590-2054.

A handwritten signature in black ink, appearing to read "Dennis Chan", is positioned above the typed name and title.

Dennis Chan
Chief Actuary, Insurance
Actuarial Services
Automobile Insurance Division