**Refund Responses from Mutuals (Up to April 4th)**

Dumfries – declared by directors with the only criteria being current year underwriting and bottom line profit. Benefits are marketing tool and retention.

Tradition – declared by directors with criteria of premium to surplus ratio of 1.5 to 1 with a low percentage refund and 1.75 to 1 can provide a higher percentage. No more than 25% of underwriting profit and no criteria on what is a low or high percentage.

Bertie & Clinton (BCM) – refunds in 24 out of 28 years. Must be a policyholder at least one full term. No formula and have provided refunds on all lines of business. Received negative reaction from 2020’s refund of only 8%. Previous two years were 12.5% and 15%. Benefit occurs with numerous referrals for about 3 months after refunds sent out.

West Elgin (WE) – underwriting profit in excess of $250,000.

Caradoc Townsend (CTM) – No specific formula and the refund was a COVID based one in 2020. Benefit is the mutual difference. Other benefits are debatable such as it creates positive coffee shop talk and goodwill.

AYR – refunds in 32 of 34 years. Does not use a formula and would not recommend a formula other than underwriting profit is a must. Consider all the factors in determining whether to do a refund such as future growth desires and capital factors. Benefits - “Nothing sets us more apart as truly mutual than sharing the success with your policyholders”.

Howard – only missed two years of the last 32, and that was 2019 and 2020 because of dismal results. They have a formula but it has always been ignored and board has asked CEO to review. A refund is remembered and when they do an increase the policyholder sometimes thinks they may just end up with a bigger refund.

Commonwell – we know they did theirs for COVID. It was even marketed as a “pay it forward” refund.

Lambton – Haven’t done one since 2016. Use a multiple year underwriting profit and surplus to premium ratios in their decision making process. No details provided. Sets us apart from the stock companies but doesn’t believe in annual refunds only sporadic when financial results warrant.