

**TO:** MEMBERS OF THE FACILITY ASSOCIATION

**ATTENTION:** CHIEF EXECUTIVE OFFICER  
NEW BRUNSWICK RISK SHARING POOL PROJECT MANAGER

**BULLETIN NO.:** F2020 – 029

**DATE:** APRIL 29, 2020

**SUBJECT:** NEW BRUNSWICK RISK SHARING POOL  
– MARCH 2020 OPERATIONAL REPORT

*A copy of this bulletin should be provided to your Chief Financial Officer and Appointed Actuary.*

Please be advised that the March 2020 New Brunswick Risk Sharing Pool Operational Report is available on the Facility Association (FA) Portal at <https://portal.facilityassociation.com>.

### Key Points

- (a) The updated valuation loss ratios do NOT include any incurred impacts or adjustments related to COVID-19; any associated impacts and changes will be initially reflected in our March 31, 2020 valuation which we anticipate will be implemented in the May 2020 Operational Reports;
- (b) The *2020 year-to-date net operating deficit was \$1.5 million*, with a COR of 135.7% on earned premium of \$4.2 million;
- (c) This month's results include the implementation of the 2019 Q4 valuation, resulting in an estimated \$1.2 million unfavourable impact; and
- (d) The *projected 2020 year-end net operating deficit is now \$4.1 million*, with a COR at 121.7% on earned premium of \$18.8 million, (our Outlook for 2020 was \$1.7 million of net operating deficit with a COR of 110.4% on earned premium of \$16.2 million). However, our projections do NOT take into account any specific impacts that might arise due to the COVID-19 pandemic (FA is still in the process of considering impacts which will be reflected in future projections as deemed appropriate).

### New This Month

#### Valuation

A valuation of the New Brunswick Risk Sharing Pool ("RSP") as at December 31, 2019 has been completed since last month's Operational Report and the results of that valuation have been incorporated into this month's Operational Report. The valuation was completed by the Facility Association's internal staff in conjunction with, and reviewed and approved by, the Appointed

Actuary.

The implementation of the new valuation resulted in an estimated overall **\$1.2 million unfavourable** impact on the month's net result from operations, adding an estimated 28.3 points to the year-to-date Combined Operating Ratio (ending at 135.7%). The impact is summarized in the tables below<sup>1</sup>.

NB	unfav / (fav) for the month and ytd						ytd EP 4,170 (actual)					
	IMPACT in \$000s from changes in:						IMPACT unfav / (fav) as % ytd EP from changes in:					
	ults & payout patterns			dsct rate	margins		ults & payout patterns			dsct rate	margins	
	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL
	[1]	[2]	[3]	[4]	[5]	[6]	[1]	[2]	[3]	[4]	[5]	[6]
PAYS	904	106	1,010	(108)	-	902	21.7%	2.5%	24.2%	(2.6%)	-	21.6%
CAY	102	6	108	(14)	-	94	2.4%	0.1%	2.6%	(0.3%)	-	2.3%
Prem Def	197	14	211	(26)	-	185	4.7%	0.3%	5.1%	(0.6%)	-	4.4%
<b>TOTAL</b>	<b>1,203</b>	<b>126</b>	<b>1,329</b>	<b>(148)</b>	<b>-</b>	<b>1,181</b>	<b>28.8%</b>	<b>3.0%</b>	<b>31.9%</b>	<b>(3.5%)</b>	<b>-</b>	<b>28.3%</b>

Please see “Effect of Quarterly Valuation” on page 5 for additional valuation result detail.

### Summary of Financial Results

The calendar year-to-date Operating Result is -\$1.5 million and the incurred loss ratio to the end of 3 months is 97.5% as summarized in the table below.

*NB RSP Summary of Financial Results (for month and year-to-date)*

Amounts in \$000s	March 2020	March 2019	Year to date Mar 2020	Year to Date Mar 2019
Premium Written	1,304	1,407	3,545	3,293
Premium Earned	1,413	1,327	4,170	3,681
Incurred Losses	2,045	1,966	4,066	3,815
Underwriting & Admin Expense	664	588	1,594	1,371
<b>Operating Result</b>	<b>(1,296)</b>	<b>(1,227)</b>	<b>(1,490)</b>	<b>(1,505)</b>
<b>Ratios:</b>				
<b>Loss ratio</b> - Prior Accident Years	60.4%	67.4%	17.2%	23.2%
- Current Accident Year	84.3%	80.8%	80.3%	80.5%
<i>Total</i>	<b>144.7%</b>	<b>148.2%</b>	<b>97.5%</b>	<b>103.7%</b>
<b>Underwriting &amp; Admin Expense</b>	<b>47.0%</b>	<b>44.3%</b>	<b>38.2%</b>	<b>37.2%</b>
<b>Combined Operating Ratio</b>	<b>191.7%</b>	<b>192.5%</b>	<b>135.7%</b>	<b>140.9%</b>

*rounding differences may occur*

These results are discussed in some detail in the “Current Month Results” section. For additional numeric detail, please refer to Exhibit 1 “Summary of Operations for Calendar Year 2020” attached to this bulletin.

<sup>1</sup>In the tables, “ults & payout patterns” refers to the impacts associated with changes in selected ultimates and updated cash flows of claims payments; “dsct rate” refers to the impact of changes in the selected discount rate applied to projected cash flows; and “apv adj.” refers to “actuarial present value adjustments”.

Updated Projection to Year-end 2020

PLEASE NOTE: our projections have NOT been adjusted in any way to reflect COVID-19 pandemic impacts. Such impacts are under investigation and will be reflected in future projections as deemed appropriate.

The projected calendar year Operating Result to December 2020 is -\$4.1 million and the estimated combined operating ratio to December 2020 is 121.7%, as summarized in the table below.

*NB RSP Summary of Projected Year-end Financial Results (current month's projection, prior month's projection, and Outlook posted last fall)*

<b>NB RSP 2020 Yr-end Projection</b> <b>Amounts in \$000s</b>	<b>Current</b> <b>(Mar 2020)</b>	Prior Mth (Feb 2020)	<b>Change</b>	Final 2020 Outlook*
Premium Written	21,575	22,173	(598)	16,178
Premium Earned	18,832	19,375	(543)	16,215
Incurred Losses	15,264	14,343	921	12,004
Underwriting & Admin Expense	7,655	7,552	102	5,896
<b>Net Result from Operations</b>	<b>(4,087)</b>	<b>(2,520)</b>	<b>(1,566)</b>	<b>(1,685)</b>
<b>Ratios:</b>				
<b>Loss ratio</b> - Prior Accident Years	2.7%	(2.0%)	4.7%	(1.7%)
- Current Accident Year	78.4%	76.0%	2.4%	75.7%
<i>Total</i>	<b>81.1%</b>	<b>74.0%</b>	<b>7.1%</b>	<b>74.0%</b>
<b>Underwriting &amp; Admin Expense</b>	<b>40.6%</b>	<b>39.0%</b>	<b>1.6%</b>	<b>36.4%</b>
<b>Combined Operating Ratio</b>	<b>121.7%</b>	<b>113.0%</b>	<b>8.7%</b>	<b>110.4%</b>

rounding differences may occur

\*as posted to FA's website Nov. 5, 2019

This updated projection to the end of the year has deteriorated by \$1.6 million from the projection provided last month (see the second and third columns in the table). The update includes the overall \$1.6 million unfavourable impact of the valuation as at December 31, 2019, as summarized in the table below (see more information under "Effect of Quarterly Valuation" on page 5). Remaining differences were driven by changes in projected premium volumes, and the associated impacts on claims and expense projections.

NB	unfav / (fav) projected for full year						year EP 18,832 (projected this month)					
	IMPACT in \$000s from changes in:						IMPACT unfav / (fav) as % full year EP from changes in:					
	ults & payout patterns			dsct rate	margins		ults & payout patterns			dsct rate	margins	
	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL
	[1]	[2]	[3]	[4]	[5]	[6]	[1]	[2]	[3]	[4]	[5]	[6]
PAYs	904	84	988	(85)	-	903	4.8%	0.4%	5.2%	(0.5%)	-	4.8%
CAY	454	17	471	(53)	-	418	2.4%	0.1%	2.5%	(0.3%)	-	2.2%
Prem Def	299	18	317	(40)	-	277	1.6%	0.1%	1.7%	(0.2%)	-	1.5%
<b>TOTAL</b>	<b>1,657</b>	<b>119</b>	<b>1,776</b>	<b>(178)</b>	<b>-</b>	<b>1,598</b>	<b>8.8%</b>	<b>0.6%</b>	<b>9.4%</b>	<b>(0.9%)</b>	<b>-</b>	<b>8.5%</b>

Current Month Results

The New Brunswick Risk Sharing Pool produced a -\$1.3 million Operating Result in the month of March 2020, a \$0.1 million deterioration compared with the same month last year. This

deterioration is mainly driven by the \$0.1 million decrease in the earned premium at a combined ratio of 192.5%.

This month's results moved the year-to-date combined operating ratio from 107.0% at the end of 2 months to 135.7% at the end of 3 months. The 28.7 percentage point increase is composed of a 22.1 percentage point increase in the Prior Accident Years loss ratio, a 2.1 percentage point increase in the Current Accident Year loss ratio, and a 4.5 percentage point increase in expense ratio.

### Variances from Projections

The table below provides a summary of key components of the operating results as compared to the estimates projected last month.

#### *NB RSP Summary of Actual vs Projected variances*

March 2020	Actual	Projection	Difference	Difference %
Written Premium	1,304	1,901	(597)	(31.4%)
Earned Premium	1,413	1,501	(88)	(5.9%)
Reported Losses				
Paid Losses	732	756	(24)	(3.2%)
Paid Expenses	35	124	(89)	(71.8%)
Change in Outstanding Losses	510	6	504	>999.9%
<b>Total Reported Losses</b>	<b>1,277</b>	<b>886</b>	<b>391</b>	<b>44.1%</b>
Change in IBNR Provision*	768	227	541	
Change in Premium Deficiency (DPAC)*	210	(73)	283	

(Amounts in \$000's)

rounding differences may occur

\*Detailed information is included in [New Brunswick RSP March 2020 Operational Report - Actuarial Highlights](#).

Each month, management reviews the variance between reported premium activity and claims activity (actual reported claims payments and changes in case reserves) and the associated actuarial projections. The projection process involves many assumptions including claims reporting patterns. Actual reporting patterns vary from month-to-month, sometimes considerably. Although variances from our projections are expected, management investigates variances beyond set thresholds and responds as appropriate.

For the month of March 2020, reported losses were \$0.4 million higher than projected. The Current Accident Year had a \$0.1 million favourable variance in reported losses, while the Prior Accident Years had an approximately \$0.5 million unfavourable variance. No single Prior Accident Year had a reported loss variance in excess of \$1.0 million.

The variances for claims activity were beyond the set thresholds for some specific individual Accident Years for the month. Management investigated paid claims activity and is satisfied that the variances are appropriately accounted for in our current booking process. All other variances were within the set thresholds for the month.

**Effect of Quarterly Valuation**

The March 2020 New Brunswick Risk Sharing Pool Operational Report reflects the results of an updated valuation as at December 31, 2019 with the associated impacts in relation to the results for March 2020 summarized in the table below.

NB	unfav / (fav) for the month and ytd						mth EP 1,413 (actual)					
	IMPACT in \$000s from changes in:						IMPACT unfav / (fav) as % mth EP from changes in:					
	ults & payout patterns			dsct rate		margins	ults & payout patterns			dsct rate		margins
	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL	Nominal	apv adj.	sub-tot	apv adj.	apv adj.	TOTAL
	[1]	[2]	[3]	[4]	[5]	[6]	[1]	[2]	[3]	[4]	[5]	[6]
PAYs	904	106	1,010	(108)	-	902	64.0%	7.5%	71.5%	(7.6%)	-	63.8%
CAY	102	6	108	(14)	-	94	7.2%	0.4%	7.6%	(1.0%)	-	6.7%
Prem Def	197	14	211	(26)	-	185	13.9%	1.0%	14.9%	(1.8%)	-	13.1%
<b>TOTAL</b>	<b>1,203</b>	<b>126</b>	<b>1,329</b>	<b>(148)</b>	<b>-</b>	<b>1,181</b>	<b>85.1%</b>	<b>8.9%</b>	<b>94.1%</b>	<b>(10.5%)</b>	<b>-</b>	<b>83.6%</b>

The valuation result is due to changes generated from updated nominal ultimate selections and projected cash flows (generating a \$1.3 million unfavourable impact – see column [3] in the left table above). This was partially offset by the impact due to a 19 basis point increase in the selected discount rate (from 1.43% to 1.62% generating a \$0.1 million favourable impact – see column [4] in the left table above).

There was no change in the margin for adverse deviation in investment yield (25 basis points). As well, the margins for adverse deviation for claims development as selected at the coverage / accident year level were left unchanged with this valuation. Our usual practice is to review / update margins for investment yield and claims development at the June 30 valuations. As a result, column [5] in the left table above shows \$0 impact for margin changes with this valuation.

Management has observed unfavourable total valuation impacts over the last 12 valuation implementations as shown in column [5] of the table at the top of the next page (summarizing the same information as provided in the left table above as relates to the most recent 12 valuation implementations). It should be noted that the impacts in column [3] are largely outside of the control of FA (as being related to macroeconomic factors).

## Bulletin F2020–029

### New Brunswick Risk Sharing Pool – March 2020 Operational Report

RSP: New Brunswick, as at: 2019 Q4		unfavourable / (favourable) Valuation Implementation Impact (\$000s)					\$000s		
Valuation	period implemented	updated LR & exp	APVs @ prior assumptions	updated dsct rate	updated margins	Total Impact	Booked Policy Liabilities	Total Impact as % Book Liabs	Nominal Impact as % Book Liabs
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
						= sum([1] to [4])		= [5] / [6]	= [1] / [6]
2017 Q1	May 2017	(552)	(57)	53	-	(556)	23,168	(2.4%)	(2.4%)
2017 Q2	Aug 2017	(701)	(95)	(129)	(46)	(971)	23,538	(4.1%)	(3.0%)
2017 Q3	Oct 2017	1,415	101	(354)	-	1,162	24,385	4.8%	5.8%
2017 Q4	Mar 2018	55	37	(6)	-	86	23,228	0.4%	0.2%
2018 Q1	May 2018	(320)	(50)	(110)	-	(480)	23,274	(2.1%)	(1.4%)
2018 Q2	Aug 2018	1,463	53	45	(31)	1,530	26,690	5.7%	5.5%
2018 Q3	Oct 2018	(205)	34	(300)	-	(471)	27,694	(1.7%)	(0.7%)
2018 Q4	Mar 2019	814	32	250	-	1,096	28,364	3.9%	2.9%
2019 Q1	May 2019	122	2	369	-	493	30,123	1.6%	0.4%
2019 Q2	Aug 2019	(1,644)	(133)	9	(34)	(1,802)	29,088	(6.2%)	(5.7%)
2019 Q3	Oct 2019	1,030	86	(21)	-	1,095	30,985	3.5%	3.3%
2019 Q4	Mar 2020	1,203	126	(148)	-	1,181	30,178	3.9%	4.0%
12-qtrs	-	2,680	136	(342)	(111)	2,363			
% of total		113.4%	5.8%	(14.5%)	(4.7%)	100.0%			
		7 unfavourable (nominal) valuations						7 impacts were outside of 2.5%	
Averages									
12-qtrs		223	11	(29)	(9)	197	26,726	0.7%	0.8%
2017 Q1 to 2018 Q4		246	7	(69)	(10)	175	25,043	0.7%	1.0%
2019 Q1 to 2019 Q4		178	20	52	(9)	242	30,094	0.8%	0.6%

The FA valuation approach is focused on providing (i) best estimates on a nominal basis (i.e. the longer term average of nominal changes in column [1] should be close-to-zero); (ii) the nominal changes of any one valuation in relation to policy liabilities<sup>2</sup>, should be “small” (less than 2.5%); and (iii) the valuation results should not indicate bias – that is, we generally anticipate approximately 1/3<sup>rd</sup> of nominal valuation impacts will be unfavourable, and 2/3<sup>rds</sup> will be favourable (due to the skewness of the development). On these 3 measures:

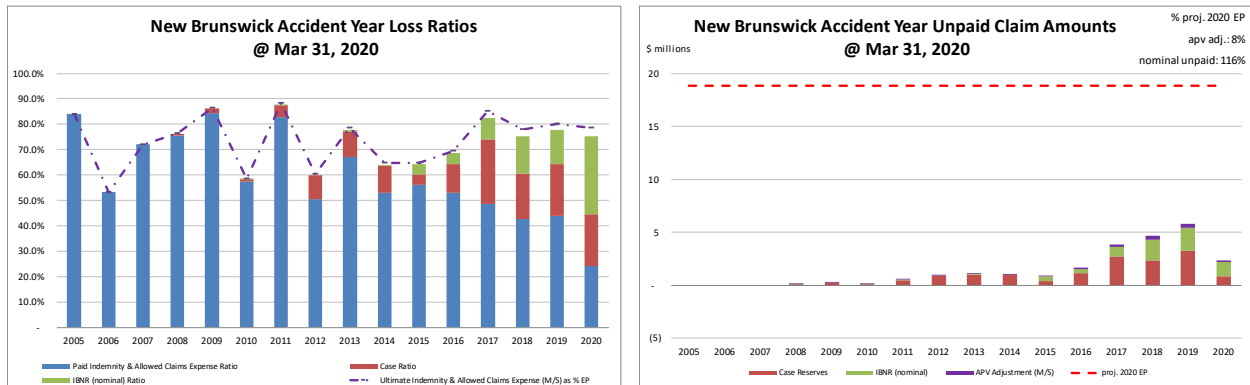
- (i) **Best estimate measurement: This objective has not been met**, as the 12-quarter nominal change in column [1] is \$2.7 million unfavourable. That said, the average unfavourable impact over the 12 quarters at \$223 thousand (nominal only) represents 0.8% of ending policy liabilities per column [8] which we do not view as significant.
- (ii) **Nominal size measurement: This objective has not been met**, with 7 individual valuations showing nominal changes in excess of 2.5% of ending policy liabilities per column [8] in the table above, being higher than our expectation (0). We are initiating a review of the valuation process (including how assumptions are struck, the accuracy of various valuation methodologies, and our default selections). We expect this review to occur over the next 2-5 months.

<sup>2</sup>We also consider changes in nominal estimates relative to beginning claims liabilities, with this metric also ideally being small, but in this case, less than 5.0%. Over time, our view of “small” for each of these metrics may change.

- (iii) **Bias evidence measurement:** This objective has not been met, as 7 of 12 valuations show unfavourable changes (column [1] of the table above), being higher than our expectation (3 to 5 of 12).

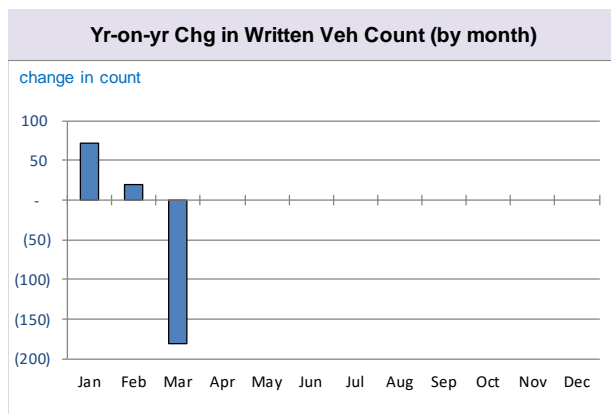
In summary, while challenging as a small RSP, we believe the nominal valuation impacts are moving toward our target impacts (long term zero impact; individual valuation impact of no more than 2.5% of policy liabilities; no bias evident). However, the latest valuation suggests some reflection on our processes is warranted, so we are taking action in response.

The charts below summarize the current view of the historical loss ratios (indemnity and allowed claims adjustment expenses on a nominal basis) and the associated claims liabilities.

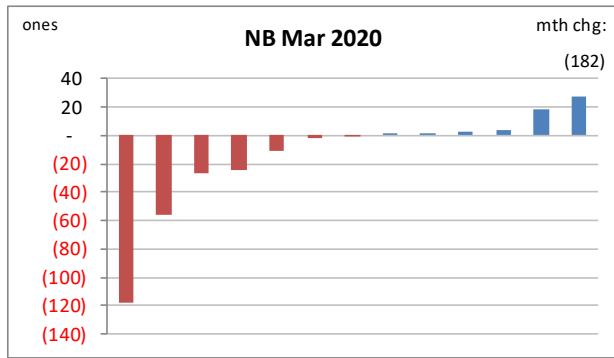


The preceding charts, latest valuation results, and related actuarial present value assumption updates are discussed in more detail in the [New Brunswick RSP March 2020 Operational Report – Actuarial Highlights](#). The Actuarial Quarterly Valuation Highlights for Risk Sharing Pools as at December 31, 2019 is expected to be posted in June 2020. The actuarial valuation will be updated next as at March 31, 2020 and we anticipate the results will be reflected in the May 2020 Operational Report.

**Management Comments**

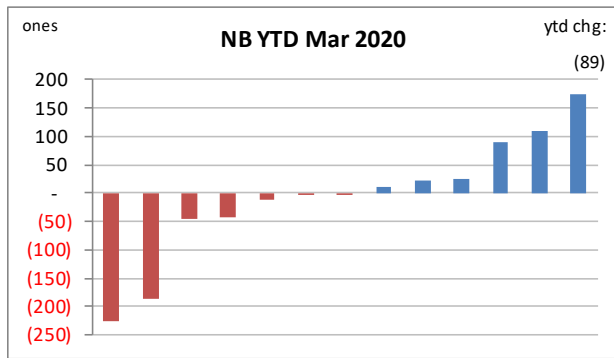


The chart on the left shows the year-on-year change in the vehicles transferred to the RSP by month, with March showing a decrease of 182 vehicles. Our projection last month (in part based on previous projections provided by select member company groups) was for an increase of 337 vehicles, indicating a variance of 519 from the actual transfers. This variance was mainly due to one member company group transferring a lower number of vehicles to the RSP in March than projected.



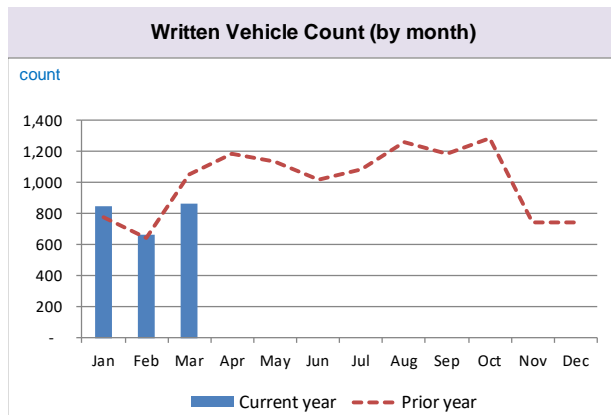
The chart on the left shows the overall change in the **month**, broken down by member company group changes (each blue or red bar represents the change for a single member company group), sorted by magnitude of change. Seven member company groups transferred fewer vehicles to the RSP this month compared with a year ago, while six transferred more. Of the 7 member company groups transferring fewer vehicles, 1 member company

group accounted for 50% of the total transfer decrease for the “decliner” members. Of the 6 member company groups transferring more vehicles, 2 member company groups accounted for 83% of the total transfer increase for the “grower” members.

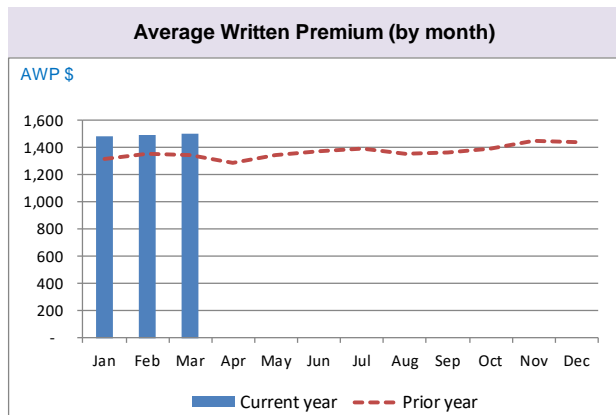


The chart on the left presents the same information as the previous chart, but on a **year-to-date** basis. That is, it shows the overall change in transfer counts year-to-date, broken down by member company group changes (each blue or red bar represents the change for a single member company group), sorted by magnitude of change.

March’s vehicle count transfers to the RSP represent a 17.3% decrease from March 2019, and counts were down 3.6% year-to-date. Average written premium was up 12.1% in March 2020, and was up 11.7% year-to-date (see charts below and at the top of the next page).

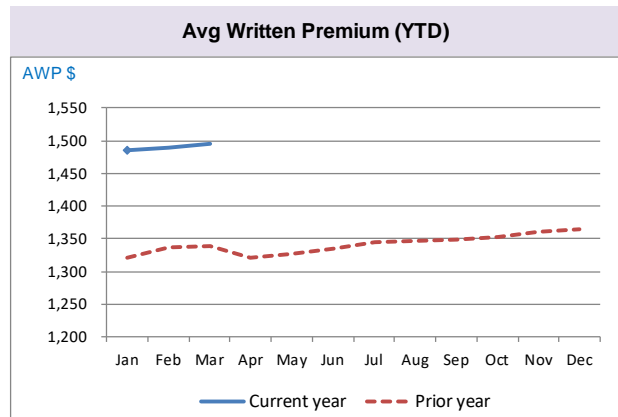
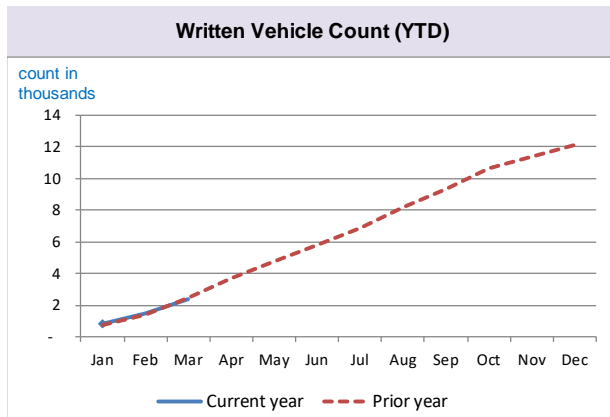


	Mar-20	Mar-19	Amt Chg	% Chg
W. Veh curr mth	868	1,049	(182)	-17.3%



	Mar-20	Mar-19	Amt Chg	% Chg
AWP curr mth	1,503	1,341	162	12.1%

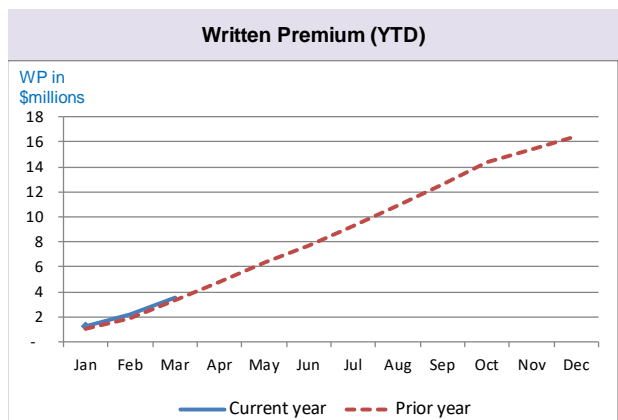
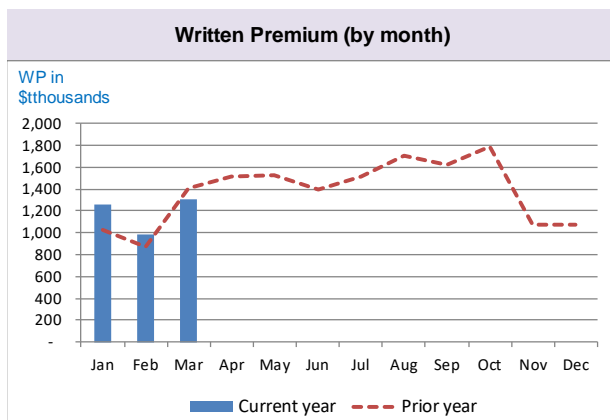




	Mar-20	Mar-19	Amt Chg	% Chg
W. Vehicles YTD	2,372	2,462	(89)	-3.6%

	Mar-20	Mar-19	Amt Chg	% Chg
Avg W. Prem YTD	1,495	1,338	157	11.7%

As a result of the movements in transfer vehicle counts and average written premium, the transferred premium was down 7.3% for the month compared with the 35.1% increase we projected last month, but was up 7.7% year-to-date (see charts below).



	Mar-20	Mar-19	Amt Chg	% Chg
WP (\$000s) curr mth	1,304	1,407	(103)	-7.3%

	Mar-20	Mar-19	Amt Chg	% Chg
WP (\$000s) YTD	3,546	3,293	252	7.7%

Should you require any further information, please call Aidan Chen, AVP Data & Analytics at (416) 863-1750 x4804.

Saskia Matheson  
President & CEO

**Related links:**

[New Brunswick RSP March 2020 Operational Report – Actuarial Highlights](#)

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2020**
**Risk Sharing Pool - New Brunswick**
**Operating Results for the 3 Months Ended March 31, 2020 (Discounted basis)**
**Source: Monthly Operational Report  
(thousands of dollars)**

EXHIBIT 1

	January	February	March	CY2020 YTD	CY2020 12 MONTHS Updated Projection	CY2019 12 MONTHS Actual
<b>Underwriting Revenue:</b>						
Net Premiums Written	\$1,255	\$986	\$1,304	\$3,545	\$21,575	\$16,518
Decrease (Increase) in Unearned Premiums	177	339	109	625	(2,743)	(735)
<b>Net Premiums Earned</b>	<b>\$1,432</b>	<b>\$1,325</b>	<b>\$1,413</b>	<b>\$4,170</b>	<b>\$18,832</b>	<b>\$15,783</b>
<b>Claims Incurred:</b>						
Prior Accident Years:						
Undiscounted	(\$14)	(\$30)	\$878	\$834	\$834	\$435
Effect of Discounting	(31)	(61)	(24)	(116)	(333)	173
Discounted	(\$45)	(\$91)	\$854	\$718	\$501	\$608
Current Accident Year:						
Undiscounted	\$1,057	\$997	\$1,159	\$3,213	\$14,269	\$11,886
Effect of Discounting	58	45	32	135	493	392
Discounted	\$1,115	\$1,042	\$1,191	\$3,348	\$14,762	\$12,278
<b>Claims Incurred</b>	<b>\$1,070</b>	<b>\$951</b>	<b>\$2,045</b>	<b>\$4,066</b>	<b>\$15,263</b>	<b>\$12,886</b>
<b>Underwriting Expenses:</b>						
Expense Allowance	\$379	\$298	\$393	\$1,070	\$6,517	\$4,974
Change in UPDR/DPAC:						
Undiscounted	45	85	229	359	(139)	(309)
Effect of Discounting	(8)	(13)	(19)	(40)	118	144
Discounted	37	72	210	319	(21)	(165)
<b>Underwriting Expenses</b>	<b>\$416</b>	<b>\$370</b>	<b>\$603</b>	<b>\$1,389</b>	<b>\$6,496</b>	<b>\$4,809</b>
<b>Net Underwriting Gain (Loss)</b>	<b>(\$54)</b>	<b>\$4</b>	<b>(\$1,235)</b>	<b>(\$1,285)</b>	<b>(\$2,927)</b>	<b>(\$1,912)</b>
<b>Administrative Expenses</b>	<b>\$59</b>	<b>\$85</b>	<b>\$61</b>	<b>\$205</b>	<b>\$1,159</b>	<b>\$849</b>
<b>Operating Result</b>	<b>(\$113)</b>	<b>(\$81)</b>	<b>(\$1,296)</b>	<b>(\$1,490)</b>	<b>(\$4,086)</b>	<b>(\$2,761)</b>
<b>Ratios:</b>						
<b>Claims &amp; Expenses Incurred (Earned)</b>						
Prior Accident Years	-3.1%	-6.9%	60.4%	17.2%	2.7%	3.9%
Current Accident Year	77.9%	78.6%	84.3%	80.3%	78.4%	77.8%
All Accident Years Combined	74.8%	71.7%	144.7%	97.5%	81.1%	81.7%
Underwriting & Administrative Expenses (Earned)	33.2%	34.3%	47.0%	38.2%	40.6%	35.8%
<b>Combined Operating Ratio</b>	<b>108.0%</b>	<b>106.0%</b>	<b>191.7%</b>	<b>135.7%</b>	<b>121.7%</b>	<b>117.5%</b>

Note: Amounts shown above do not reflect costs incurred directly by member companies e.g. income and premium taxes, health levies, association dues, cost of capital as a result of their compulsory participation in Facility Association and investment income earned on Facility Association premium dollars invested directly by members.

Rounding difference may apply