



TO: MEMBERS OF THE FACILITY ASSOCIATION

ATTENTION: CHIEF EXECUTIVE OFFICER

BULLETIN NO.: F2020 – 082

DATE: NOVEMBER 18, 2020

**SUBJECT: RSPs FINAL OUTLOOK FOR CALENDAR YEAR 2021
(BASED ON SEPTEMBER 2020 RSP OPERATIONAL REPORTS)**

To assist member companies in planning for their share of Risk Sharing Pools' (RSP) results for the next calendar year, Facility Association prepares RSP "Outlook" projections of Net Results from Operations. The Outlook presentation format (Exhibits B1 – B6) is very similar to that of the "Summary of Operations – Calendar Year" exhibits of the monthly Operational Reports Member Bulletins ("Bulletins").

The attached is the *final* calendar year 2021 RSP Outlook based on actual results as found in the September 2020 Operational Reports.

Key Takeaways

- All 6 RSPs are projected to have **continued growth in written premium** (16% overall);
- Across all 6 RSPs, we are projecting **written premium** of \$837 million for 2020, increasing to **\$968 million for 2021**, with a **COR** of 108.8% for 2020 (favourably impacted by COVID-19 pandemic on CAY and the 2020 Q2 valuation update on PAYs), increasing to **140.4% for 2021** – these CORs do NOT include all expenses at the member level (for example, excludes premium taxes); and
- We are projecting the 6 RSPs to generate an **operating cash outflow¹ of \$50 million in 2021**, down slightly from a projected outflow of \$51 million for 2020 (both projections are lower than cash outflows in calendar years 2019 and 2018 at \$104 million and \$164 million respectively).

¹An operating cash outflow is generated when premium submitted to / collected for an RSP is less than the RSP's disbursements for claims and all expenses. Operating cash outflows are funded by the FA membership via monthly cash settlements with members.

Bulletin F2020 – 082

RISK SHARING POOL FINAL OUTLOOK FOR CALENDAR YEAR 2021

BASED ON SEPTEMBER 2020 OPERATIONAL REPORTS

Updated projections will be made throughout 2021 and included in the Bulletins and the corresponding Calendar Year Summary of Operations. This will provide members with the most up-to-date projection for the full current calendar year.

The attached *final* 2021 RSP Outlook is derived through a projection process that attempts to model future outcomes based on a set of simplifying assumptions. As with any such process of projecting future outcomes, inherent uncertainty exists. For example, RSP premium volumes have in the past varied in ways that are difficult to model or project (charts showing the history of premium volumes can be found at the “Provincial Profiles” section of our website). RSP Outlook volume projections are based on projections provided by larger users of the RSPs. Divergence of actual cessions from the company projections will in turn result in divergence from the overall projections.

Future loss cost trend estimates and assumptions related to industry rate level changes are primary influences in our projections. On loss cost trend estimates, our projections leveraged our analyses of industry private passenger, resulting in future loss cost trend estimates as summarized below.

Future LC trend estimates	Ontario	Alberta	New Brunswick	Nova Scotia
data basis:	2019-12	2019-12	2019-12	2019-12
	PPV	PPV	PPV	PPV
mandatory only	4.7%	5.6%	3.7%	6.8%
all coverages	5.6%	4.7%	4.7%	6.5%

With respect to rate level changes, as per our usual practice for the RSPs, we have assumed rate increases aligned with, but lagging, loss cost trends.

With this as background, we have provided below summaries of our projections for calendar year 2021 and 2020, along with actual results for calendar year 2019 (by RSP). The results are from the perspective of the RSPs, and therefore **do not include all revenue or expenses that may be associated with the underwriting operations at the member level**. For example, premium taxes, health levies for which members are responsible in relation to their share of the result of RSP operations are not included, nor is any investment income earned by member companies on RSP funds held until final claims settlement occurs. **We also wish to stress that it is important to recognize that future Operating Results may deviate from these projections by material amounts**, in particular with the COVID-19 environment impacting the 2020 calendar year results resulting in an increased level of uncertainty (in both premium and loss ratio projections).

RISK SHARING POOL FINAL OUTLOOK FOR CALENDAR YEAR 2021 BASED ON SEPTEMBER 2020 OPERATIONAL REPORTS

Executive Summaries – Calendar Year 2021 – Key Amounts (\$000s) and Key Ratios

Actual and Projected Calendar Year Results						
Ontario RSP		2021	2020	Change (to 2021 from 2020)		2019
Written	Premium (\$000s)	497,186	441,859	55,327	12.5%	419,790
	Vehicle Count	218,272	206,165	12,107	5.9%	209,278
Earned	Premium (\$000s)	480,127	433,376	46,751	10.8%	359,754
Net Operating Result (\$000s)		(259,084)	(8,075)	(251,009)	3,108.4%	(176,799)
	COR	153.9%	101.8%	52.1%	51.2%	149.1%
Prior Accident Years' incurred claims (\$000s)		(31,248)	(131,278)	100,030	(76.2%)	(94,927)

Actual and Projected Calendar Year Results						
Alberta Grid RSP		2021	2020	Change (to 2021 from 2020)		2019
Written	Premium (\$000s)	226,211	188,797	37,414	19.8%	207,218
	Vehicle Count	78,882	68,805	10,077	14.6%	80,752
Earned	Premium (\$000s)	215,472	196,501	18,971	9.7%	180,326
Net Operating Result (\$000s)		(32,577)	(1,227)	(31,350)	2,554.4%	(19,611)
	COR	115.1%	100.6%	14.5%	14.4%	110.9%
Prior Accident Years' incurred claims (\$000s)		(9,962)	(17,347)	7,385	(42.6%)	(29,788)

Actual and Projected Calendar Year Results						
Alberta Non-Grid RSP		2021	2020	Change (to 2021 from 2020)		2019
Written	Premium (\$000s)	158,767	143,320	15,447	10.8%	122,353
	Vehicle Count	84,491	80,010	4,481	5.6%	73,119
Earned	Premium (\$000s)	161,091	126,177	34,914	27.7%	115,756
Net Operating Result (\$000s)		(55,796)	(47,296)	(8,500)	18.0%	(27,321)
	COR	134.6%	137.5%	(2.9%)	(2.1%)	123.6%
Prior Accident Years' incurred claims (\$000s)		(5,801)	(5,471)	(330)	6.0%	(24,889)

Actual and Projected Calendar Year Results						
New Brunswick RSP		2021	2020	Change (to 2021 from 2020)		2019
Written	Premium (\$000s)	21,771	19,325	2,446	12.7%	16,518
	Vehicle Count	14,099	13,039	1,060	8.1%	12,107
Earned	Premium (\$000s)	20,891	18,110	2,781	15.4%	15,784
Net Operating Result (\$000s)		(3,192)	(3,145)	(47)	1.5%	(2,760)
	COR	115.2%	117.3%	(2.1%)	(1.8%)	117.6%
Prior Accident Years' incurred claims (\$000s)		(617)	1,501	(2,118)	(141.1%)	608

Actual and Projected Calendar Year Results						
Nova Scotia RSP		2021	2020	Change (to 2021 from 2020)		2019
Written	Premium (\$000s)	54,582	43,948	10,634	24.2%	33,046
	Vehicle Count	26,201	23,849	2,352	9.9%	19,854
Earned	Premium (\$000s)	49,597	37,074	12,523	33.8%	30,264
Net Operating Result (\$000s)		(22,685)	(11,885)	(10,800)	90.9%	(13,235)
	COR	145.7%	132.0%	13.7%	10.4%	143.7%
Prior Accident Years' incurred claims (\$000s)		(1,471)	(2,859)	1,388	(48.5%)	356

Bulletin F2020 – 082**RISK SHARING POOL FINAL OUTLOOK FOR CALENDAR YEAR 2021****BASED ON SEPTEMBER 2020 OPERATIONAL REPORTS**

Actual and Projected Calendar Year Results						
Newfoundland & Labrador RSP		2021	2020	Change (to 2021 from 2020)		2019
Written	Premium (\$000s)	8,994	117	8,877	7,587.2%	-
	Vehicle Count	8,352	116	8,236	7,114.6%	-
Earned	Premium (\$000s)	6,035	34	6,001	17,650.0%	-
Net Operating Result (\$000s)		(3,858)	(172)	(3,686)	2,144.8%	-
	COR	164.0%	605.5%	(441.5%)	(72.9%)	-
Prior Accident Years' incurred claims (\$000s)		-	-	-	-	-

Questions regarding the Outlook should be directed to Philippe Gosselin, VP Actuarial at Facility Association, 416-863-1750 x 4968 or PGosselin@facilityassociation.com.

Saskia Matheson,
President & CEO

Attach.

Please forward a copy of this bulletin to your Chief Financial Officer.



CALENDAR YEAR 2021 FINAL RSP OUTLOOK

(RISK SHARING POOLS)

NOVEMBER 2020

BASED ON SEPTEMBER 2020 OPERATIONAL REPORTS

For your convenience, bookmarks have been added to this document. To view them, please click on the BOOKMARK tab at the left.

Should you require any further information, please call:

Philippe Gosselin, FCIA, FCAS
VP Actuarial

CALENDAR YEAR 2021 FINAL RSPS OUTLOOK

RISK SHARING POOLS (RSPs)

NOVEMBER 2020

BASED ON SEPTEMBER 2020 OPERATIONAL REPORTS

TABLE OF CONTENTS

1.	EXECUTIVE SUMMARY	3
2.	INTRODUCTION.....	6
	2.1 Introductory Comments	6
	2.2 Projected Calendar Year 2021 Operating Results	7
	2.3 Updated Projections for Calendar Year 2020	19
	2.4 Outlook Purpose and Projection Uncertainty, Historical AvsP Variances	23
	2.5 Definitions and Presentation	29
3.	BASIS FOR PROJECTIONS	31
	3.1 Premiums	31
	3.2 Claims Amounts (Indemnity & Allowed Claims Expenses)	37
	3.3 Simulated 2020 Accident Year Nominal Loss Ratio... Error! Bookmark not defined.	
	3.4 Non-Claims Expenses.....	39
	3.5 Operating Cash Flows.....	41
	3.6 Distributed (Charged) to Member Accounts.....	44
4.	EXHIBITS	50

LIST OF EXHIBITS

EXHIBIT A Key Assumptions (counts, premium, loss ratios)

- A-1 Ontario
- A-2 Alberta Grid
- A-3 Alberta Non-Grid
- A-4 New Brunswick
- A-5 Nova Scotia
- A-6 Newfoundland & Labrador

Continued...

EXHIBIT B RSP Outlook – Summary of Operations

- B-1 Ontario
- B-2 Alberta Grid
- B-3 Alberta Non-Grid
- B-4 New Brunswick
- B-5 Nova Scotia
- B-6 Newfoundland & Labrador

EXHIBIT C RSP Outlook – Projected Policy Liabilities

- C-1 Ontario
- C-2 Alberta Grid
- C-3 Alberta Non-Grid
- C-4 New Brunswick
- C-5 Nova Scotia
- C-6 Newfoundland & Labrador

EXHIBIT D Actual vs Projected based on Final Outlooks (by RSP)

LINKS TO SPECIFIC REFERENCED DOCUMENTS

Actuarial Highlights - Monthly Operational – September 2020

[Ontario RSP September 2020 Operational Report - Actuarial Highlights](#)

[Alberta Grid RSP September 2020 Operational Report - Actuarial Highlights](#)

[Alberta Non-Grid RSP September 2020 Operational Report - Actuarial Highlights](#)

[New Brunswick RSP September 2020 Operational Report - Actuarial Highlights](#)

[Nova Scotia RSP September 2020 Operational Report - Actuarial Highlights](#)

Outlook

[Risk Sharing Pools' Final Outlook for Calendar Year 2020](#)

1. Executive Summary

This “**Final RSP Outlook**” is a projection of Facility Association Risk Sharing Pools (“RSP”) Operating Results for a future complete calendar year using actual experience available up to a specific point in time, and based on assumptions developed for this specific purpose. Consideration has been given to recent RSP experience, to the results of the June 30, 2020 valuation of the RSP policy liabilities, and to monthly premium projections developed for RSP Monthly Member Operational Reports.

Key Takeaways

- **All 6 RSPs** are projected to have **continued growth in written premium** (16% overall)
- Across **all 6 RSPs**, we are projecting **written premium** of \$837 million for 2020, increasing to **\$968 million for 2021**, with a **COR** of 108.8% for 2020 (favourably impacted by COVID-19 pandemic on CAY and the 2020 Q2 valuation update on PAYs), increasing to **140.4% for 2021** – these CORs do NOT include all expenses at the member level (for example, excludes premium taxes); and
- We are projecting the **6 RSPs** to generate an **operating cash outflow¹ of \$50 million in 2021**, down slightly from a projected outflow of \$51 million for 2020 (both projections are lower than cash outflows in calendar years 2019 and 2018 at \$104 million and \$164 million respectively).

The tables that follow provide a high-level summary of key metrics projected for Calendar Years 2021 and 2020, with actuals for 2019 provided for reference. Supporting details related to the projections are provided in the body of this report.

¹An operating cash outflow is generated when premium submitted to / collected for an RSP is less than the RSP’s disbursements for claims and all expenses. Operating cash outflows are funded by the FA membership via monthly cash settlements with members.

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Earned	Premium (\$000s)	6,035	34	6,001	17,650.0%	-
Net Operating Result (\$000s)		(3,858)	(172)	(3,686)	2,144.8%	-
	COR	164.0%	605.5%	(441.5%)	(72.9%)	-
Prior Accident Years' incurred claims (\$000s)		-	-	-	-	-

This Outlook is a projection of future events based on models and assumptions believed to be realistic simplifications of the real world, but as simplifications, inherent uncertainty exists in relation to how actual events will unfold relative to these projections. In particular, with the COVID-19 environment impacting the 2020 calendar year results resulting in an increased level of uncertainty (in both premium and loss ratio projections), **the user of this Outlook should recognize that future Operating Results may deviate from these projections by material² amounts.**

In general, each year two RSP Outlooks are released for members, being “Preliminary” and “Final” versions in relation to the next calendar year. The former is released earlier in the current year to allow members to consider the projected results early on in their planning process, but necessarily includes significant projection error, as almost two full calendar years require projecting. The latter is released in the fall of the current year. Due to resource constraints, the **Preliminary RSP Outlook for Calendar Year 2021 was NOT released** earlier this year. This release is the **Final RSP Outlook for Calendar Year 2021** based on the actual results as found in the September 2020 Operational Reports.

Updated projections will be made throughout 2021 and included in the Bulletins and the corresponding Calendar Year Summary of Operations included with the Bulletins. This will provide members with the most up-to-date projection for the full current calendar year.

Even though the 2021 Outlook does not provide projections for 2022, it is important to be reminded that RSP Harmonization will be effective January 1st, 2022. Please refer to Bulletin [F2020-063 Plan of Operation Amendments – Risk Sharing Pools Harmonization](#) for additional information.

Readers are reminded that RSP operating results do not include all expenses incurred by members to support this business – for example, premium taxes and health levies are applied at member companies based on their share of RSP written premium or vehicle counts as applicable – these expenses are not included here. As such, the Combined Operating Ratio may not be comparable to a member’s own such ratio. Similarly, investment income is not included in these results – that is, any investment income earned by members on RSP related funds held by members is not included in these results.

Readers are also reminded that, while we work hard to ensure the projections are based on assumptions we feel are reasonable and appropriate given our current information, **there is significant uncertainty related to these projections.** As usual, our projected vehicle counts and projected written premium is largely provided by significant RSP users. Projection updates are requested quarterly from the larger users. FA management follows-up for confirmation of projected amounts where significant changes in a member’s projections occur (FA does not ask for, nor receive, information on the “why” of a member projection, as this is viewed as confidential – management simply asks for confirmation that

²Materiality is a relative concept. As used here, material deviations are those that could reasonably be expected to influence decisions by users of this Outlook.

the member themselves believe the projection to be reasonable).

2. Introduction

2.1 Introductory Comments

This “Final RSP Outlook” is a projection of Facility Association (FA) Risk Sharing Pools (RSPs) Operating Results for a future complete calendar year using actual experience available up to a specific point in time, and based on assumptions developed for this specific purpose. Consideration has been given to recent RSP experience, to the results of the June 30, 2020 valuation of the RSP policy liabilities, and to monthly premium projections developed for RSP Monthly Member Operational Reports.

The following table summarizes the Calendar Year 2021 projection by RSP – greater detail is provided in section 2.2 and 3.

Projection Summary – Calendar Year 2021 – Amounts (\$000s)

Calendar Year 2021 Projections (\$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	TOTAL
Written Premium	497,186	226,211	158,767	21,771	54,582	8,994	967,511
Earned Premium	480,127	215,472	161,091	20,891	49,597	6,035	933,213
Prior Accident Years (PAYs)	(31,248)	(9,962)	(5,801)	(617)	(1,471)	-	(49,099)
Current Accident Year (CAY)	606,523	185,084	169,960	17,006	53,227	6,509	1,038,309
Total Claims Incurred	575,275	175,122	164,159	16,389	51,756	6,509	989,210
Expense Allowance	147,167	68,768	48,265	6,575	17,303	2,679	290,757
Change in Prem. Def / (DPAC)	14,677	2,667	2,842	(3)	1,717	348	22,248
Underwriting Expenses	161,844	71,435	51,107	6,572	19,020	3,027	313,005
	-	-	-	-	-	-	-
Net U/Wing gain / (loss)	(256,992)	(31,085)	(54,175)	(2,070)	(21,179)	(3,501)	(369,002)
Administrative Expense	2,092	1,492	1,621	1,122	1,506	357	8,190
2021 Operating Result	(259,084)	(32,577)	(55,796)	(3,192)	(22,685)	(3,858)	(377,192)
attributed to PAYs:	31,248	9,962	5,801	617	1,471	-	49,099
attributed to CAY:	(290,332)	(42,539)	(61,597)	(3,809)	(24,156)	(3,858)	(426,291)

As noted in section 2.2, there are differences between the overall operating result projected for Calendar Year **2021** in this Final Outlook and two comparable projections for Calendar Year **2020**, being our calendar year projection posted on November 5, 2019 (*Nov. 5, 2019 Outlook*) and our current projection (*Sep 30 2020 Projections*). These differences are mainly due to current accident year impacts due to changes in premium volume.

Like our *Nov. 5, 2019 Outlook* for Calendar Year **2020**, this Outlook’s projection for Calendar Year **2021** assumes no nominal changes to our estimates of ultimate for prior accident years³, whereas the current projection for Calendar Year **2020** (*Sep 30, 2020 Projections*) includes nominal prior accident year changes as booked during the first nine months of **2020**. Given the importance of accident year

³In our projections, we assume that our liabilities are “best estimates” and therefore project no changes in nominal terms. However, there are prior accident year impacts related to actuarial present value adjustments. Over time, the “discount” adjustment to reflect the time value of money will unwind and provisions for adverse deviations will be released with liability / obligation settlement.

impacts, we have separated the Operating Results summary to show prior accident years (PAYs) from the current accident year (CAY).

Our projections of the number of vehicles transferred to the RSPs are based on feedback provided by large users of the RSPs. Some of the RSPs have specific limits to the number of risks that can be transferred in a given period. For example, the transfer limit of the Ontario RSP is 5% of exposures written in the prior year at the member company group level (that is, within a group under common management or ownership, a single member can transfer the entire transfer limit for the group). System programming prevents member groups from exceeding their transfer limits. However, member groups can transfer their entire limit for a given year at any time throughout the year including, for example, the last day of that year. As a result, volumes may change dramatically from those projected here. In fact, we find at times significant variations in member projections and our roll-up of those projections, over time and against actual. As an example, we've summarized some Ontario RSP projections across various Outlooks in the following table.

Ontario RSP Calendar Year Written Premium Projections (millions) over time

Calendar Year	Final 2019 Outlook	Preliminary 2020 Outlook	Final 2020 Outlook	Preliminary 2021 Outlook	Final 2021 Outlook
2019	\$424.8	\$347.8	\$370.3	N/A	\$419.8
2020	not projected	\$411.1	\$416.1	N/A	\$441.9
2021	not projected	not projected	not projected	N/A	\$497.2

Source: FA Outlooks. Preliminary Outlooks are based on data as at May of the preceding year, whereas the Final Outlook is based on August/September data from the preceding year. For example, the Preliminary and Final 2020 Outlooks were based on actual and projected results as at May 2019 and August 2019 respectively.

Projected volumes are discussed in section 3.1.

2.2 Projected Calendar Year 2021 Operating Results

The projected Calendar Year **2021** Operating Results are summarized in the following table. Policy liabilities and associated changes are presented on an actuarial present value basis as found in the Operational Reports (that is, “Total Claims Incurred” and “Change in Prem. Def / (DPAC)” include actuarial present value adjustments, commonly described as “discounted”). We have included at the bottom of the table the projected Operating Results for Calendar Year **2020** as per the *Nov. 5, 2019 Outlook* and with the *Sep 30, 2020 Projections*⁴.

⁴The *Sep 30 2020 Projections* for Calendar Year 2020 and this Outlook’s projections for Calendar Year 2021 were derived at the same time, using consistent assumptions.

Projection Summary – Calendar Year 2021 – Amounts (\$000s)

Calendar Year 2021 Projections (\$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	TOTAL
Written Premium	497,186	226,211	158,767	21,771	54,582	8,994	967,511
Earned Premium	480,127	215,472	161,091	20,891	49,597	6,035	933,213
Prior Accident Years (PAYs)	(31,248)	(9,962)	(5,801)	(617)	(1,471)	-	(49,099)
Current Accident Year (CAY)	606,523	185,084	169,960	17,006	53,227	6,509	1,038,309
Total Claims Incurred	575,275	175,122	164,159	16,389	51,756	6,509	989,210
Expense Allowance	147,167	68,768	48,265	6,575	17,303	2,679	290,757
Change in Prem. Def / (DPAC)	14,677	2,667	2,842	(3)	1,717	348	22,248
Underwriting Expenses	161,844	71,435	51,107	6,572	19,020	3,027	313,005
	-	-	-	-	-	-	-
Net U/Wing gain / (loss)	(256,992)	(31,085)	(54,175)	(2,070)	(21,179)	(3,501)	(369,002)
Administrative Expense	2,092	1,492	1,621	1,122	1,506	357	8,190
2021 Operating Result	(259,084)	(32,577)	(55,796)	(3,192)	(22,685)	(3,858)	(377,192)
attributed to PAYs:	31,248	9,962	5,801	617	1,471	-	49,099
attributed to CAY:	(290,332)	(42,539)	(61,597)	(3,809)	(24,156)	(3,858)	(426,291)
2020 Operating Result							
Nov. 5, 2019 Outlook	(261,363)	(59,268)	(66,435)	(1,685)	(14,526)	-	(403,277)
attributed to PAYs:	23,839	6,293	3,914	277	765	-	35,088
attributed to CAY:	(285,202)	(65,561)	(70,349)	(1,962)	(15,291)	-	(438,365)
Sep 30, 2020 Projection	(8,075)	(1,227)	(47,296)	(3,145)	(11,885)	(172)	(71,800)
attributed to PAYs:	131,278	17,347	5,471	(1,501)	2,859	-	155,454
attributed to CAY:	(139,353)	(18,574)	(52,767)	(1,644)	(14,744)	(172)	(227,254)

In comparing the Calendar Year 2021 operating result projection against the most recent projection for Calendar Years 2020 as at September 30, 2020, 2021 has a significant increase in projected operating deficit resulting from the following:

- **Lower overall projected operating deficit for Calendar Year 2020**, largely driven by **COVID-19 pandemic impact on CAY claims activity**. With the significant decreases in reported CAY claims since March 2020, the valuation assumptions have been updated to include a review and assessment of the incurred impacts associated with the COVID-19 pandemic; which were used by the Sep 30, 2020 projection. This is further impacted by a large **favourable PAY impact from the 2020 Q2 valuation update** (see associated Bulletins and Actuarial Highlights for August 2020 for additional details), and
- **Increase in Calendar Year 2021 projected premium volume**, with the current projections showing an increase of 15.5% in written premium and 15.0% in earned premium (see the following table). Since the RSPs generally operate on a loss basis, an increase in written premium would lower operating result.

Projection comparisons related to the operating result attributed to current accident year is better achieved through key ratio comparisons and will be discussed later in this section.

Projection Summary – Calendar Year 2021 – Premium Comparisons (Amounts \$000s)

Calendar Year 2021 Premium Comparisons (Amounts in \$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	TOTAL
2021 Written Premium	497,186	226,211	158,767	21,771	54,582	8,994	967,511
Change from 2020	55,327	37,414	15,447	2,446	10,634	8,877	130,145
% Change from 2020	12.5%	19.8%	10.8%	12.7%	24.2%	7,587.2%	15.5%
2021 Earned Premium	480,127	215,472	161,091	20,891	49,597	6,035	933,213
Change from 2020	46,751	18,971	34,914	2,781	12,523	6,001	121,941
% Change from 2020	10.8%	9.7%	27.7%	15.4%	33.8%	17,650.0%	15.0%

The preceding shows variations in the current written premium projections for Calendar Years **2021** vs **2020**, with **all RSPs showing increases**. The written changes also generate changes for earned premium, expenses, and the current accident year claims. However, volume changes do not impact differences in prior accident years (both projections assume no nominal changes). While we believe our claims liabilities estimates are “best estimates”, potential variances are discussed below.

The components of the projection for **2021** compared with the same components for the two projections for **2020** show a higher level of similarity with the **Nov. 5, 2019 Outlook** in relation to both the “attributed to PAYs” and the “attributed to CAY” at the RSP level, and this alignment is expected,

- The PAYs component for 2021 has the same base assumption as what was used in the **Nov 5, 2019 Outlook** (i.e. no nominal changes in claims liabilities, so the PAYs’ impact is driven by releases of actuarial present value adjustments as claims are settled), whereas the **Sep 30, 2020 Projections** includes actual prior accident year activities included up to the June 30, 2020 valuation (with significant favourable PAYs impact).
- In terms of the CAY component, the updated valuation and more recent discount rate assumptions would lead to a closer alignment with the **Sep 30, 2020 Projections** (updated yield curves and updated accident years **2020** and **2021** loss ratios), however, the significant reduction in CAY claims experience since March 2020 due to COVID-19 pandemic drove the 2020 operating result away from the 2021 projection. Remaining differences are driven by differences in premium volume.

The following table provides **the difference between** the Calendar Years **2021** and **2020** results as currently projected (**Sep 30, 2020 Projections**).

Projection Summary –2021 less 2020 Calendar Year Amounts (\$000s) – current projections

2021 less 2020 Calendar Year Projections (\$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	NL & Labrador	TOTAL
Written Premium	55,327	37,414	15,447	2,446	10,634	8,877	130,145
Earned Premium	46,751	18,971	34,914	2,781	12,523	6,001	121,941
Prior Accident Years (PAYs)	100,030	7,385	(330)	(2,118)	1,388	-	106,355
Current Accident Year (CAY)	144,521	20,185	33,819	4,304	17,851	6,471	227,151
Total Claims Incurred	244,551	27,570	33,489	2,186	19,239	6,471	333,506
Expense Allowance	17,462	11,370	4,698	736	3,366	2,644	40,276
Change in Prem. Def / (DPAC)	35,316	11,103	5,014	(386)	178	338	51,563
Underwriting Expenses	52,778	22,473	9,712	350	3,544	2,982	91,839
	-	-	-	-	-	-	-
Net U/Wing gain / (loss)	(250,578)	(31,072)	(8,287)	245	(10,260)	(3,452)	(303,404)
Administrative Expense	431	278	213	292	540	234	1,988
Operating Result	(251,009)	(31,350)	(8,500)	(47)	(10,800)	(3,686)	(305,392)
attributed to PAYs:	(100,030)	(7,385)	330	2,118	(1,388)	-	(106,355)
attributed to CAY:	(150,979)	(23,965)	(8,830)	(2,165)	(9,412)	(3,686)	(199,037)

The table below summarizes **differences in** key ratios for projections for Calendar Years **2021** vs **2020**.

Projection Summary –2021 less 2020 Calendar Year (Key Ratios) – current projections

2021 less 2020 Calendar Year Projections (Key Ratios)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	NL & Labrador	TOTAL
Loss Ratios (% EP)							
Prior Accident Years (PAYs)	23.8%	4.2%	0.7%	(11.3%)	4.7%	-	13.9%
Current Accident Year (CAY)	19.7%	2.0%	(2.4%)	11.3%	11.9%	(3.9%)	11.3%
Total Claims Incurred	43.5%	6.2%	(1.7%)	-	16.6%	(3.9%)	25.2%
Expense Ratios							
Expense Allowance (% WP)	0.2%	-	-	-	-	(0.1%)	0.2%
Chg in Prem. Def / (DPAC) (% EP)	7.9%	5.5%	3.5%	(2.1%)	(0.7%)	(23.6%)	6.0%
Underwriting Expenses (% EP)	8.6%	8.2%	(1.1%)	(2.9%)	(3.3%)	(82.1%)	6.3%
Administrative Expense (% EP)	-	0.1%	(0.1%)	0.8%	0.4%	(355.5%)	0.1%
U/Wing & Admin Exp (% EP)	8.6%	8.3%	(1.2%)	(2.1%)	(2.9%)	(437.6%)	6.4%
Combined Operating Ratio (% EP)	52.1%	14.5%	(2.9%)	(2.1%)	13.7%	(441.5%)	31.6%
attributed to PAYs:	23.8%	4.2%	0.7%	(11.3%)	4.7%	-	13.9%
attributed to CAY:	28.3%	10.3%	(3.6%)	9.2%	9.0%	(441.5%)	17.7%

As a reminder, PAYs for **2021** have no projected nominal (i.e. undiscounted) impact, as we assume our liabilities are best estimates – the **2020** projection includes implemented valuation impacts for **2020**. The effect of discounting for **2020** also reflects valuation impacts (particularly apv changes with nominal ultimate changes) not expected for **2021**.

It is also important to keep in mind when considering the operating results for the RSPs as shown in the two preceding tables that they do not include all expenses – for example, premium taxes and health

levies are applied at member companies based on their share of RSPs' written premium – these expenses are not included here. As such, the Combined Operating Ratio may not be comparable to a member's own such ratio. Similarly, operating cash flows are shared immediately among members – as such, there is no investment income included in the RSP operating results, although members may generate such income on RSP generated operating cash flows for their own accounts.

Policy liabilities (made up of claims liabilities and premium liabilities) are carried on an actuarial present value basis (that is, adjusted for the time value of money, and include provisions for adverse deviation). It is informative to consider how claims liabilities fare during a calendar year relative to their beginning provisions for adverse development. To provide some historical context, the development of PAYs' claims liabilities over the ensuing calendar year is discussed below.

ON RSP PAYs' Ultimate Changes vs Beginning Liabilities
(nominal, indemnity only)

ON	nominal unpaid indemnity claims liability (\$ millions)				
	nominal beginning amounts			chg in PAYs' ultimates	
	unpaid indemnity	PfAD for dev'l	MfAD for dev'l	amount	% beginning unpaid
Cal Yr	[1]	[2]	[3]	[4]	[5]
	mthly calc	mthly calc	=[2]/[1]	mthly calc	=[4]/[1]
actuals					
2015	1,005.5	181.5	18.1%	(146.2)	(14.5%)
2016	889.6	147.1	16.5%	(70.5)	(7.9%)
2017	838.7	133.7	15.9%	(47.6)	(5.7%)
2018	904.8	142.7	15.8%	(27.7)	(3.1%)
2019	958.6	146.4	15.3%	(78.9)	(8.2%)
projections					
2020	947.5	142.7	15.1%	(110.7)	(11.7%)
2021	889.6	132.7	14.9%	-	-

For the Ontario RSP, nominal (i.e. excluding actuarial present value adjustments) claims liabilities amounted to \$947.5 million as at December 31, 2019 (representing the beginning prior accident years' claims liabilities for calendar year **2020**). The nominal prior accident years' change booked year-to-date during **2020** at \$110.7 million (favourable) represents 11.7% of the beginning claims liabilities (see columns [4] and [5] for the **2020** row in the preceding table).

The nominal claims liabilities for the Ontario RSP are projected to be \$889.6 million at December 31, 2020 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2021**), and **changes of +/-5% (\$44.5 million)** of these liabilities would not be unusual. As indicated in the preceding table, actual changes that occurred during the last 5 calendar years have all been from 3.1% to 14.5% favourable (average of 8.1% favourable), we do see this as unusual, and not necessarily indicative of future development (ideally, the average would be 0%). In comparison, the projected **2021** beginning *nominal* claims development provision for adverse deviation (PfAD) at \$132.7 million (column [2]) would be close to three times this \$44.5 million level, with the MfAD (column [3]) at 14.9% being close to three times of 5%.

***AB Grid RSP PAYs' Ultimate Changes vs Beginning Liabilities
(nominal, indemnity only)***

		nominal unpaid indemnity claims liability (\$ millions)				
		nominal beginning amounts			chg in PAYs' ultimates	
AB Grid	Cal Yr	unpaid indemnity	PfAD for dev'l	MfAD for dev'l	amount	% beginning unpaid
		[1]	[2]	[3]	[4]	[5]
		mthly calc	mthly calc	=[2]/[1]	mthly calc	=[4]/[1]
actuals						
	2015	268.8	30.6	11.4%	(4.1)	(1.5%)
	2016	243.8	27.3	11.2%	41.2	16.9%
	2017	281.5	32.0	11.4%	21.1	7.5%
	2018	307.0	35.2	11.5%	0.6	0.2%
	2019	320.6	36.9	11.5%	(29.2)	(9.1%)
projections						
	2020	323.1	37.4	11.6%	(16.6)	(5.1%)
	2021	326.1	37.8	11.6%	-	-

For the Alberta Grid RSP, nominal claims liabilities amounted to \$323.1 million as at December 31, 2019 (representing the beginning prior accident years' claims liabilities for calendar year **2020**). The nominal prior accident years' change booked year-to-date during 2020 at \$16.6 million (favourable) represents 5.1% of the beginning liabilities (see columns [4] and [5] for the **2020** row in the preceding table).

The nominal claims liabilities for the Alberta Grid RSP are projected to be \$326.1 million at December 31, 2020 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2021**), and **changes of +/-5% (\$16.3 million)** of these liabilities would not be unusual. As indicated in the preceding table, actual changes that occurred during the last 5 calendar years have varied from 9.1% favourable to 16.9% unfavourable (average of 4.2% unfavourable), while these historical changes have largely been more than 5% and unfavourable, we do see this as unusual, and not necessarily indicative of future development (ideally, the average would be 0%). In comparison, the projected **2021** beginning *nominal* claims development provision for adverse deviation (PfAD) at \$37.8 million (column [2]) would be more than two times this \$16.3 million level, with the MfAD (column [3]) at 11.6% being more than two times 5%. However, it is important to note that one of the calendar years (2016) shown had an unfavourable change that exceeded the beginning provisions for adverse claims development.

AB non-Grid RSP PAYs' Ultimate Changes vs Beginning Liabilities (nominal, indemnity only)

AB non-Grid	nominal unpaid indemnity claims liability (\$ millions)				
	nominal beginning amounts			chg in PAYs' ultimates	
	unpaid indemnity	PfAD for dev'l	MfAD for dev'l	amount	% beginning unpaid
Cal Yr	[1]	[2]	[3]	[4]	[5]
	mthly calc	mthly calc	=[2]/[1]	mthly calc	=[4]/[1]
actuals					
2015	159.5	18.2	11.4%	(6.9)	(4.3%)
2016	159.5	18.2	11.4%	2.3	1.4%
2017	169.4	19.4	11.5%	6.9	4.1%
2018	181.4	20.8	11.5%	(14.5)	(8.0%)
2019	185.8	21.5	11.6%	(24.1)	(13.0%)
projections					
2020	191.3	22.4	11.7%	(5.3)	(2.8%)
2021	208.8	23.8	11.4%	-	-

For the Alberta non-Grid RSP, nominal claims liabilities amounted to \$191.3 million as at December 31, 2019 (representing the beginning prior accident years' claims liabilities for calendar year **2020**). The nominal prior accident years' change booked year-to-date during **2020** at \$5.3 million (favourable) represents 2.8% of the beginning liabilities (see columns [4] and [5] for the **2020** row in the preceding table).

The nominal claims liabilities for the Alberta non-Grid RSP are projected to be \$208.8 million at December 31, 2020 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2021**), and **changes of +/-5% (\$10.4 million)** of these liabilities would not be unusual. As indicated in the preceding table, actual changes that occurred during the last 5 calendar years have varied from 13.0% favourable to 4.1% unfavourable (average of 2.7% favourable compared to the ideal average of 0%). In comparison, the projected **2021** beginning *nominal* claims development provision for adverse deviation (PfAD) at \$23.8 million (column [2]) would be more than two times this \$10.4 million level, with the MfAD (column [3]) at 11.4% being more than two times 5%. However, it is important to note that one of the calendar years (2019) shown had a favourable change that exceeded beginning provisions for adverse claims development.

***NB RSP PAYS' Ultimate Changes vs Beginning Liabilities
(nominal, indemnity only)***

		nominal unpaid indemnity claims liability (\$ millions)				
		nominal beginning amounts			chg in PAYS' ultimates	
NB	Cal Yr	unpaid indemnity	PfAD for dev'l	MfAD for dev'l	amount	% beginning unpaid
		[1]	[2]	[3]	[4]	[5]
		mthly calc	mthly calc	=[2]/[1]	mthly calc	=[4]/[1]
actuals						
	2015	16.0	2.1	13.1%	0.9	5.6%
	2016	19.0	2.5	13.2%	(2.2)	(11.6%)
	2017	18.0	2.0	11.1%	(0.4)	(2.2%)
	2018	18.5	2.0	10.8%	0.6	3.2%
	2019	19.5	2.2	11.3%	0.4	2.1%
projections						
	2020	21.2	2.4	11.3%	1.2	5.7%
	2021	23.5	2.6	11.1%	-	-

For the New Brunswick RSP, nominal claims liabilities amounted to \$21.2 million as at December 31, 2019 (representing the beginning prior accident years' claims liabilities for calendar year **2020**). The nominal prior accident years' change booked year-to-date during **2020** at \$1.2 million (unfavourable) represents 5.7% of the beginning liabilities (see columns [4] and [5] for the **2020** row in the preceding table).

The nominal claims liabilities for the New Brunswick RSP are projected to be \$23.5 million at December 31, 2020 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2021**), and **changes of +/-5% (\$1.2 million)** of these liabilities would not be unusual. As indicated in the preceding table, actual changes that occurred during the last 5 calendar years have varied from 11.6% favourable to 5.6% unfavourable (average of 1.0% unfavourable – this is higher than the ideal average of 0%). In comparison, the projected **2021** beginning *nominal* claims development provision for adverse deviation (PfAD) at \$2.6 million (column [2]) would be more than two times this \$1.2 million level, with the MfAD (column [3]) at 11.1% being more than two times 5%.

***NS RSP PAYs' Ultimate Changes vs Beginning Liabilities
(nominal, indemnity only)***

		nominal unpaid indemnity claims liability (\$ millions)				
		nominal beginning amounts			chg in PAYs' ultimates	
NS	Cal Yr	unpaid	PfAD for	MfAD for	amount	%
		indemnity	dev'l	dev'l		beginning
		[1]	[2]	[3]	[4]	[5]
		mthly calc	mthly calc	=[2]/[1]	mthly calc	=[4]/[1]
actuals						
	2015	23.4	3.4	14.5%	0.4	1.7%
	2016	27.3	3.9	14.3%	0.5	1.8%
	2017	32.7	3.9	11.9%	(2.1)	(6.4%)
	2018	35.5	4.1	11.5%	0.2	0.6%
	2019	45.0	5.3	11.8%	0.1	0.2%
projections						
	2020	53.9	6.4	11.9%	(3.1)	(5.8%)
	2021	63.4	7.5	11.8%	-	-

For the Nova Scotia RSP, nominal claims liabilities amounted to \$53.9 million as at December 31, 2019 (representing the beginning prior accident years' claims liabilities for calendar year **2020**). The nominal prior accident years' change booked year-to-date during **2020** at \$3.1 million (favourable) represents 5.8% of the beginning liabilities (see columns [4] and [5] for the **2020** row in the preceding table).

The nominal claims liabilities for the Nova Scotia RSP are projected to be \$63.4 million at December 31, 2020 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2021**), **changes of +/-5% (\$3.2 million)** of these liabilities would not be unusual. As indicated in the preceding table, actual changes that occurred during the last 5 calendar years have varied from 6.4% favourable to 1.8% unfavourable (average of 1.3% unfavourable – this is higher than the ideal average of 0%). In comparison, the projected **2021** beginning *nominal* claims development provision for adverse deviation (PfAD) at \$7.5 million (column [2]) would be more than two times this \$3.2 million level, with the MfAD (column [3]) at 11.8% being more than two times 5%.

In addition, **changes in yield curves** used to determine the discount rates used in our projections are subject to change by RSP. For example, the *Nov 5, 2019 Outlook* for the Ontario RSP used a discount rate of 1.40%, whereas the *Sep 30, 2020 Projections* for the Ontario RSP uses 0.29%. However, the June 30, 2020 valuation discount rate *changes* do not have a direct impact on the **2021** projections. As the change occurs in calendar year **2020**, both the beginning and ending claims liabilities for Calendar Year 2020 are adjusted, so the impact is effectively nullified (that is, a change in discount rate has a significant impact only when it is implemented). The same is true for margin changes (the impact of any changes is significant only when implemented).

The following summarizes the impact of discounting policy liability cash flows as projected to

December 31, 2021 (excluding the impact of claims development provisions for adverse deviations). Note that discount amounts are shown in the table as negative values, as they act to reduce policy liabilities.

Projection Summary – Dec 31, 2021 ending Discount Amounts in Policy Liabilities (\$000s)

Projected Dec 31 2021 Policy Liabilities Discount Amounts (\$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	TOTAL
Discount Amount	(10,773)	(2,962)	(2,156)	(258)	(677)	(51)	(16,877)
investment PfAD Amount	9,403	2,962	2,156	258	677	51	15,507
Net Discount Amount	(1,370)	-	-	-	-	-	(1,370)

Moving the net discount impacts to \$0 could be considered a “worst case” scenario⁵ in relation to adverse changes in the yield curves.

Key Ratios associated with our Calendar Year **2021** projection are presented in the following table, including the Combined Operating Ratios for the two calendar year **2020** projections. For details related to the **2021** projections, please refer to Exhibits B-1 through B-5. The basis for the projection of premiums, claims amounts and expenses is described in Section 3. In particular, premium projections are discussed in section 3.1 and claims projections are discussed in section 3.2. Our projections of the number of vehicle transfers are based on projections provided by major users of the RSPs. However, RSP volumes can change rapidly in a short period, as we have seen in the past, as member groups can transfer their entire limit for a given year at any time throughout the year including, for example, the last day of that year. As a result, volumes may change dramatically from those projected here.

⁵That is, the “worst case” scenario would be if the discount rate moves to 0% - we assume at this level the margin would be moved to 0 as well. In addition to the net discount impact indicated, there would also be an adverse movement in the claims development provision for adverse deviation, as this provision is also carried on a “net present value” or “discounted” basis.

We did consider whether the Canadian risk-free yield curve would move into negative territory (i.e. that the “worst case” scenario would involve a negative discount rate, rather than a 0 discount rate). While this is *possible*, we do not believe it is *plausible* within the next 18-21 months, given the current economic environment in Canada.

Projection Summary – Calendar Year 2021 – Key Ratios⁶

Calendar Year 2021 Projections (Key Ratios)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	NL & Labrador	TOTAL
Loss Ratios (% EP)	-	-	-	-	-	-	-
Prior Accident Years (PAYs)	(6.5%)	(4.6%)	(3.6%)	(3.0%)	(3.0%)	-	(5.3%)
Current Accident Year (CAY)	126.3%	85.9%	105.5%	81.4%	107.3%	107.9%	111.3%
Total Claims Incurred	119.8%	81.3%	101.9%	78.4%	104.3%	107.9%	106.0%
Expense Ratios	-	-	-	-	-	-	-
Expense Allowance (% WP)	29.6%	30.4%	30.4%	30.2%	31.7%	29.8%	30.1%
Chg in Prem. Def / (DPAC) (% EP)	3.1%	1.2%	1.8%	-	3.5%	5.8%	2.4%
Underwriting Expenses (% EP)	33.7%	33.1%	31.7%	31.4%	38.4%	50.2%	33.5%
Administrative Expense (% EP)	0.4%	0.7%	1.0%	5.4%	3.0%	5.9%	0.9%
U/Wing & Admin Exp (% EP)	34.1%	33.8%	32.7%	36.8%	41.4%	56.1%	34.4%
2021 Combined Operating Ratio (% EP)	153.9%	115.1%	134.6%	115.2%	145.7%	164.0%	140.4%
attributed to PAYs:	(6.5%)	(4.6%)	(3.6%)	(3.0%)	(3.0%)	-	(5.3%)
attributed to CAY:	160.4%	119.7%	138.2%	118.2%	148.7%	164.0%	145.7%
2020 Combined Operating Ratio							
Nov. 5, 2019 Outlook	165.2%	125.3%	143.8%	110.4%	140.5%	-	148.0%
attributed to PAYs:	(5.9%)	(2.7%)	(2.6%)	(1.7%)	(2.1%)	-	(4.2%)
attributed to CAY:	171.1%	128.0%	146.4%	112.1%	142.6%	-	152.2%
Sep 30, 2020 Projection	101.8%	100.6%	137.5%	117.3%	132.0%	605.5%	108.8%
attributed to PAYs:	(30.3%)	(8.8%)	(4.3%)	8.3%	(7.7%)	-	(19.2%)
attributed to CAY:	132.1%	109.4%	141.8%	109.0%	139.7%	605.5%	128.0%

Net cash flows from operations for the RSPs collectively are projected to be an overall outflow of \$50.1 million for Calendar Year 2021 as presented in detail in section 3.4 (we are currently projecting a \$50.7 million operating cash outflow for calendar year **2020**).

Operating cash outflows are funded by members, and the primary drivers of operating cash are premium collection and claims payments. The following table summarizes RSP operating cash flows over the last 6 calendar years (historic operating cash flows by RSP can be found in section 3.4).

⁶RSP operating results do not include all expenses – for example, premium taxes and health levies are applied at member companies based on their share of RSP written premium or vehicle counts as applicable – these expenses are not included here. As such, the Combined Operating Ratio may not be comparable to a member’s own such ratio.

ALL RSPs Historic Operating Cash Flows by Share Year

\$millions	RSP All RSPs					
	Share (i.e. Calendar) Year					
	2019	2018	2017	2016	2015	2014
written premium	798.9	664.1	658.6	609.1	489.0	545.9
expense allowance	240.9	198.4	197.1	183.2	142.9	164.2
administration	5.5	4.7	4.6	4.1	4.0	3.7
prem net of expenses	552.5	461.0	456.8	421.9	342.1	378.0
paid claims						
PAYS indemnity	322.7	326.7	318.8	296.3	295.3	283.7
PAY claims expenses	23.7	24.5	25.8	33.4	32.4	35.0
CAY indemnity	273.7	272.3	252.5	197.7	182.3	170.9
CAY clms expenses	1.6	1.7	1.0	0.8	0.9	1.4
all yrs indemnity	596.4	599.0	571.3	494.1	477.6	454.6
all yrs clms expenses	25.3	26.2	26.9	34.2	33.2	36.4
total claims & expenses paid	621.7	625.2	598.2	528.2	510.8	491.0
operating cash flow	(69.2)	(164.2)	(141.3)	(106.4)	(168.7)	(112.9)

values are carried in table to 3 decimals - rounding differences may result

The current (Sep 30 2020) Calendar Year 2020 **projection** is provided in more detail in the next section, but the following table provides details of projected **changes in** cash flow by RSP between calendar years **2020** and **2021**.

Projection Summary –2021 less 2020 Calendar Year Cash Flow Projections (\$000s)

2021 less 2020 Calendar Net Operating Cash Flow Projections (\$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	NL & Labrador	TOTAL
Written Premium	55,327	37,414	15,447	2,446	10,634	8,877	130,145
PAYs Paid Claims							
paid indemnity	5,148	(4,479)	(2,258)	(741)	1,380	1	(950)
paid allowed claims expense	9,733	3,640	1,567	638	517	-	16,096
PAYs Paid Claims	14,881	(839)	(691)	(104)	1,897	1	15,146
CAYs Paid Claims							
paid indemnity	43,203	5,383	12,959	1,944	6,280	1,913	71,682
paid allowed claims expense	436	21	39	3	25	8	532
CAYs Paid Claims	43,639	5,404	12,998	1,947	6,305	1,921	72,214
All AYs Paid Claims							
paid indemnity	48,351	904	10,701	1,203	7,660	1,914	70,732
paid allowed claims expense	10,169	3,661	1,606	641	542	8	16,628
All AYs Paid Claims	58,520	4,565	12,307	1,843	8,202	1,922	87,360
"Cash" Expenses							
Member Expense Allowance	17,462	11,370	4,698	736	3,366	2,644	40,276
Administrative Expenses	431	278	213	292	540	234	1,988
"Cash" Expenses	17,893	11,648	4,911	1,028	3,906	2,878	42,264
Net Operating Cash Flow	(21,086)	21,201	(1,771)	(426)	(1,474)	4,077	522

2.3 Updated Projections for Calendar Year 2020

The following tables provide summaries for the *Sep 30, 2020 Projection* of Calendar Year 2020.

Projection Summary –2020 Calendar Year Amounts (\$000s) – current projection

Calendar Year 2020 Projections (\$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	NL & Labrador	TOTAL
Written Premium	441,859	188,797	143,320	19,325	43,948	117	837,366
Earned Premium	433,376	196,501	126,177	18,110	37,074	34	811,272
Prior Accident Years (PAYs)	(131,278)	(17,347)	(5,471)	1,501	(2,859)	-	(155,454)
Current Accident Year (CAY)	462,002	164,899	136,141	12,702	35,376	38	811,158
Total Claims Incurred	330,724	147,552	130,670	14,203	32,517	38	655,704
Expense Allowance	129,705	57,398	43,567	5,839	13,937	35	250,481
Change in Prem. Def / (DPAC)	(20,639)	(8,436)	(2,172)	383	1,539	10	(29,315)
Underwriting Expenses	109,066	48,962	41,395	6,222	15,476	45	221,166
	-	-	-	-	-	-	-
Net U/Wing gain / (loss)	(6,414)	(13)	(45,888)	(2,315)	(10,919)	(49)	(65,598)
Administrative Expense	1,661	1,214	1,408	830	966	123	6,202
2020 Operating Result	(8,075)	(1,227)	(47,296)	(3,145)	(11,885)	(172)	(71,800)
attributed to PAYs:	131,278	17,347	5,471	(1,501)	2,859	-	155,454
attributed to CAY:	(139,353)	(18,574)	(52,767)	(1,644)	(14,744)	(172)	(227,254)

Projection Summary –2020 Calendar Year (Key Ratios) – current projection

Calendar Year 2020 Projections (Key Ratios)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	NL & Labrador	TOTAL
Loss Ratios (% EP)							
Prior Accident Years (PAYs)	(30.3%)	(8.8%)	(4.3%)	8.3%	(7.7%)	-	(19.2%)
Current Accident Year (CAY)	106.6%	83.9%	107.9%	70.1%	95.4%	111.8%	100.0%
Total Claims Incurred	76.3%	75.1%	103.6%	78.4%	87.7%	111.8%	80.8%
Expense Ratios							
Expense Allowance (% WP)	29.4%	30.4%	30.4%	30.2%	31.7%	29.9%	29.9%
Chg in Prem. Def / (DPAC) (% EP)	(4.8%)	(4.3%)	(1.7%)	2.1%	4.2%	29.4%	(3.6%)
Underwriting Expenses (% EP)	25.1%	24.9%	32.8%	34.3%	41.7%	132.3%	27.2%
Administrative Expense (% EP)	0.4%	0.6%	1.1%	4.6%	2.6%	361.4%	0.8%
U/Wing & Admin Exp (% EP)	25.5%	25.5%	33.9%	38.9%	44.3%	493.7%	28.0%
2020 Combined Operating Ratio (% EP)	101.8%	100.6%	137.5%	117.3%	132.0%	605.5%	108.8%
attributed to PAYs:	(30.3%)	(8.8%)	(4.3%)	8.3%	(7.7%)	-	(19.2%)
attributed to CAY:	132.1%	109.4%	141.8%	109.0%	139.7%	605.5%	128.0%

As indicated in the following tables, there have been changes both to earned premium and the Combined Operating Ratios (COR) between the *Nov 5, 2019 Outlook* and the *Sep 30, 2020 Projections* as summarized in the preceding tables. As the Nov 5, 2019 Outlook did not include projections for the Newfoundland & Labrador RSP, for comparability, we have also excluded from these tables. The latter includes the implementation of the 2019 Q3, Q4, and 2020 Q1, Q2 valuations, with the changes in operating result largely driven by the impact of the updated valuations on CORs.

Calendar Year 2020 Nov 5, 2019 Outlook vs current Sep 30, 2020 Projection

\$000s	Outlook Posted November 5, 2019			Updated Year-end Projection		
	Earned Premium	Operating Result	COR	Earned Premium	Operating Result	COR
Ontario	400,999	(261,363)	165.2%	433,376	(8,075)	101.8%
Alberta Grid	234,333	(59,268)	125.3%	196,501	(1,227)	100.6%
Alberta non-Grid	151,437	(66,435)	143.8%	126,177	(47,296)	137.5%
New Brunswick	16,215	(1,685)	110.4%	18,110	(3,145)	117.3%
Nova Scotia	35,830	(14,526)	140.5%	37,074	(11,885)	132.0%
TOTAL	838,814	(403,277)	148.0%	811,238	(71,629)	108.8%

In the preceding table, we attribute the overall **\$331.6 million** operating result **improvement** in our projection for calendar year **2020** to components (with detail by RSP presented in the following table):

- \$332.8 million **improvement** attributed to changes in COR (which is driven by changes in nominal prior accident year claims liabilities, current accident year loss ratios, the next future accident year loss ratio impact on premium liabilities, discount rates and margins, and expenses).

- \$1.2 million *deterioration* attributed to changes in earned premium (by multiplying the earned premium change by [1 - COR]) – in general, lower earned premium improves results as the Outlook’s CORs were all above 100%; however, the overall result is impacted by changes in mix of business by RSP (see following table, middle section);

Changes in Projections for Calendar Year 2020

\$000s	Total Change (Updated Year-end Projection less Outlook)			Change Attributed to Earned Premium Change		Change Attributed to COR Change	
	Earned Premium	Operating Result	COR	Earned Premium	Operating Result	Operating Result	COR
Ontario	32,377	253,288	(63.4%)	32,377	(21,110)	274,398	(63.4%)
Alberta Grid	(37,832)	58,041	(24.7%)	(37,832)	9,571	48,470	(24.7%)
Alberta non-Grid	(25,260)	19,139	(6.3%)	(25,260)	11,064	8,075	(6.3%)
New Brunswick	1,895	(1,460)	6.9%	1,895	(197)	(1,263)	6.9%
Nova Scotia	1,244	2,641	(8.5%)	1,244	(504)	3,145	(8.5%)
TOTAL	(27,576)	331,648	(39.2%)	(27,576)	(1,176)	332,824	(39.2%)

Of the \$331.6 million⁷ of operating result improvement (shown in the preceding table on the left), the overall driver is due to a decrease in CORs (39.2 points overall), with the decrease in CORs composed of changes in the claims incurred ratios (32.7 points of change overall) and expense ratios (6.5 points of change overall), as indicated in the following table. The claims ratio is heavily influenced by COVID-19 impact on CAY claims experience as well as the 2020 Q2 valuation results on PAYs (additional discussion of the COVID-19 CAY claims impact and 2020 Q2 valuation PAYs impact included in the August 2020 RSP Operational Report Actuarial Highlights); the expense ratio is heavily influenced by volume changes and the associated impacts on premium deficiency liabilities.

Changes in Calendar Year 2020 Projected COR and key other ratios

2020 Calendar Yr	Combined Ratio			Claims Incurred Ratio			Expense Ratio		
	Sep 30 2020 Projection	Nov 5 2019 Outlook	point chg	Sep 30 2020 Projection	Nov 5 2019 Outlook	point chg	Sep 30 2020 Projection	Nov 5 2019 Outlook	point chg
Ontario	101.8	165.2	(63.4)	76.3	130.7	(54.4)	25.5	34.5	(9.0)
Alberta Grid	100.6	125.3	(24.7)	75.1	91.8	(16.7)	25.5	33.5	(8.0)
Alberta Non-Grid	137.5	143.8	(6.3)	103.6	108.9	(5.3)	33.9	34.9	(1.0)
New Brunswick	117.3	110.4	6.9	78.4	74.0	4.4	38.9	36.4	2.5
Nova Scotia	132.0	140.5	(8.5)	87.7	101.6	(13.9)	44.3	38.9	5.4
TOTAL	108.8	148.0	(39.2)	80.8	113.5	(32.7)	28.0	34.5	(6.5)

Changes in selected ultimate loss ratios and selected discount rates directly impact the COR and are updated with each valuation⁸, so that implemented valuations after the Final Outlook was posted

⁷Changes in the projection of the current accident year incurred are impacted by changes in earned premium, hence the comparison to the overall change in operating result, rather than focusing on the component attributed to COR only.

⁸Changes to selected margins for adverse deviation at a valuation would also have an impact on the results – however, selected margins do not typically change with each valuation.

impact the above indicated changes. More information on the results of valuations and the associated impacts are available in the Actuarial Highlights for Aug 2019 (implementation of the 2019 Q2 valuation), Oct 2019 (implementation of the 2019 Q3 valuation), Mar 2020 (implementation of the 2019 Q4 valuation), May 2020 (implementation of the 2020 Q1 valuation) and Aug 2020 (implementation of the 2020 Q2 valuation).

The selected discount rates have decreased from those selected with the 2019 Q2 valuation (the basis for the **2020** Final Outlook), resulting in an increase in the actuarial claims liabilities and having an unfavourable impact on the projected operating results for Calendar Year **2020**, accounting for an estimated \$51.9 million of unfavourable operating result change overall in relation to claims liabilities (see the following table).

Estimated 2020 Claims Liabilities Impact from Discount Rate Changes

RSP	2020 Final Outlook	Sep 30 2020 Projection	Est. Impact Discount Rate	Est. Impact MfAD Chg*
Ontario	1.40%	0.29%	\$30.9 million	\$0.0 million
Alberta Grid	1.41%	0.24%	\$11.1 million	\$0.0 million
Alberta Non-Grid	1.43%	0.26%	\$7.0 million	\$0.0 million
New Brunswick	1.41%	0.25%	\$0.9 million	\$0.0 million
Nova Scotia	1.41%	0.23%	\$2.0 million	\$0.0 million
TOTAL			\$51.9 million	\$0.0 million

Source: Estimated from Interest Rate Sensitivity Tables found in the September 2020 Actuarial Highlights

*Interest Rate MfADs have not changed and remain at 25 basis points.

Margins for Adverse Deviations (MfADs) were reviewed as part of 2020 Q2 valuation (as per usual practice, these are generally only reviewed with Q2 valuations). With that valuation, the claims development margins were updated, but the investment return margins (25 bps) were left unchanged – with the current low interest rate environment, this item will be reviewed/investigated in 2021. The estimated impact of the 2020 Q2 valuation MfAD changes (from claims development) are indicated in the following table, showing overall favourable impacts of \$15.0 million.

Estimated 2020 Claims Liabilities Impact from Claims Development 2020 Q2 MfADs changes

RSP	Est. Impact MfAD Chg*
Ontario	-\$13.2 million
Alberta Grid	-\$0.9 million
Alberta Non-Grid	-\$0.7 million
New Brunswick	-\$0.1 million
Nova Scotia	-\$0.1 million
TOTAL	-\$15.0 million

Source: FA internal data; rounding differences may exist.

Based on the two preceding tables, overall, there has been a \$36.9 million unfavourable impact due to the decrease in the risk-free yield curve (generating decreased interest rates used for discounting) and changes in margins for adverse deviations (which varied by RSP, accident year, and coverage, and were updated with the 2020 Q2 valuation).

That is to say, **the projected 2020 net operating deficit** of \$71.6 million across all 5 RSPs (being a \$331.6 million improvement relative to the 2020 Final Outlook) **would have been \$36.9 million better** (i.e. \$34.7 million operating deficit) or a \$368.5 million improvement from the 2020 Final Outlook, **if not for the change in the yield curve and changes in selected MfADs.**

2.4 Outlook Purpose and Projection Uncertainty, Historical AvsP Variances

Purpose

This Outlook was prepared for the member companies of the Facility Association to assist them in estimating their share of RSPs results for planning purposes. It is not intended, nor is it necessarily suitable, for any other purpose.

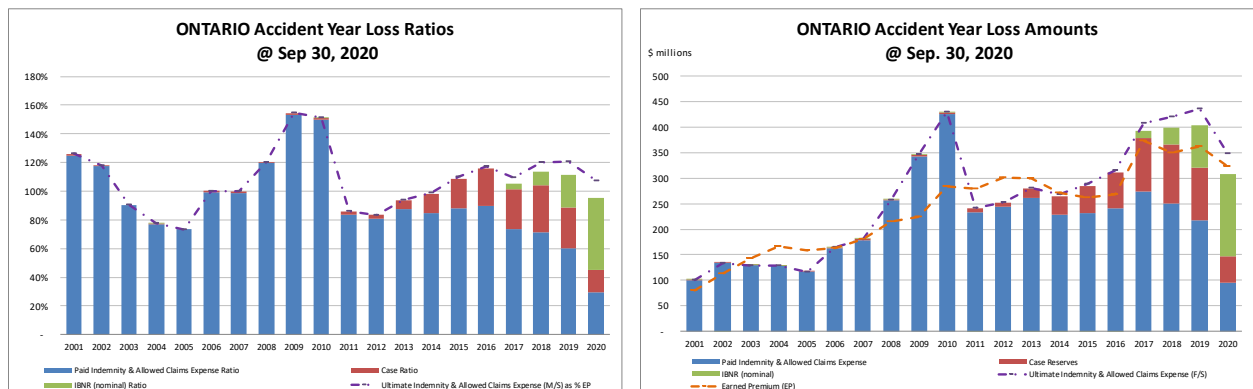
Unless specifically noted in this document, no explicit provision has been made for causes of loss which are not already reflected in the historical data, nor for otherwise unforeseen changes to the legal or economic environment in which claims are settled, including changes in the interpretation of existing legislation or regulation on matters currently before the courts.

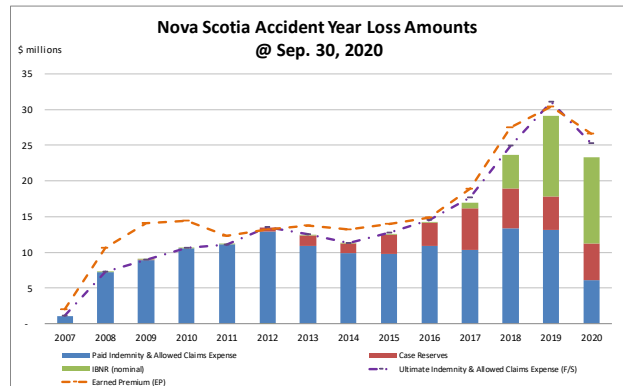
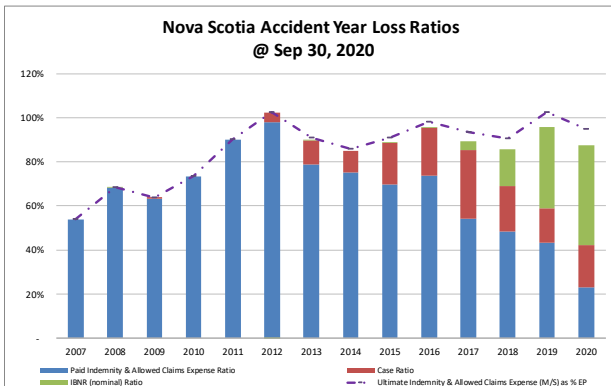
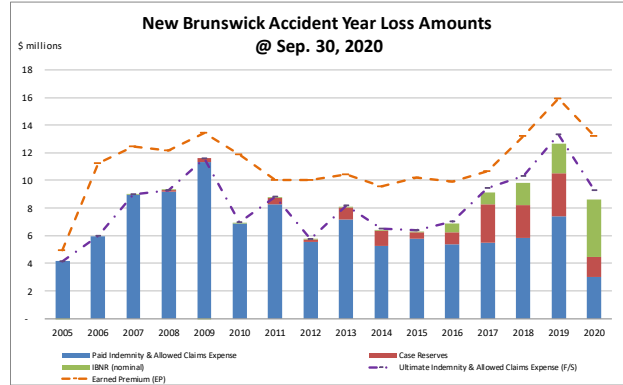
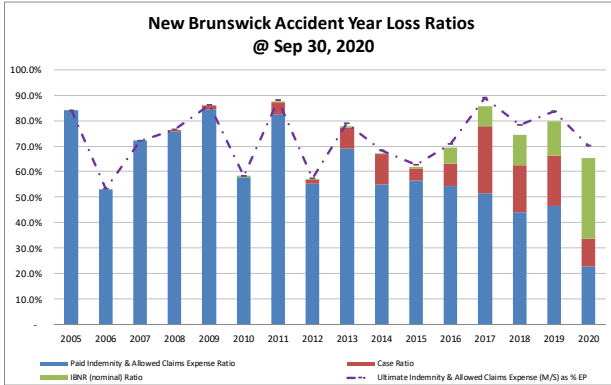
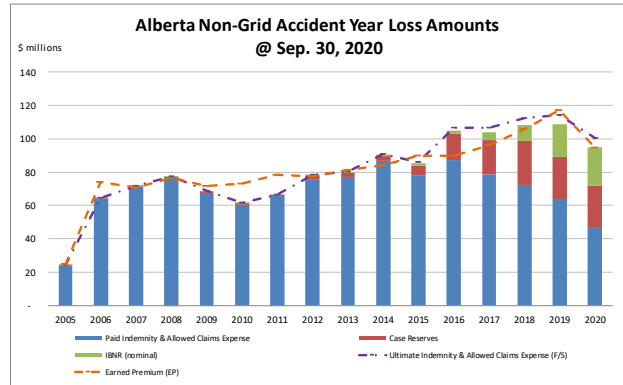
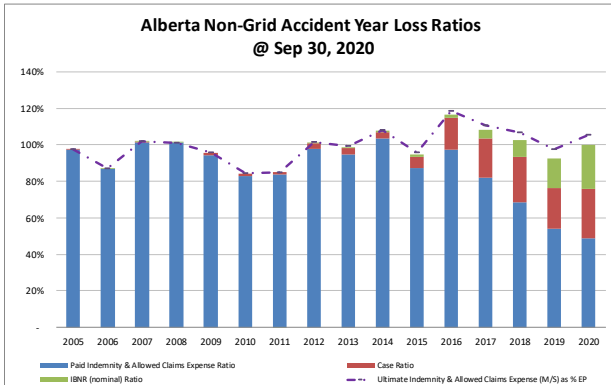
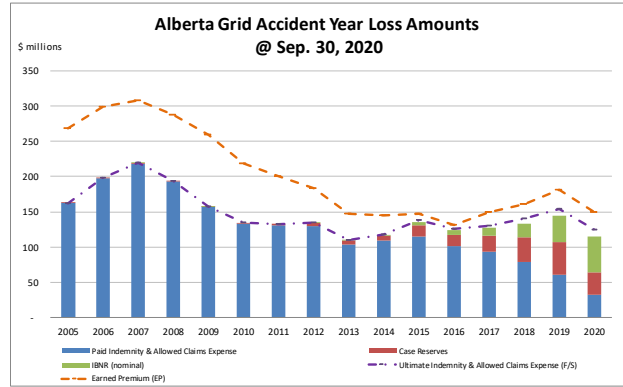
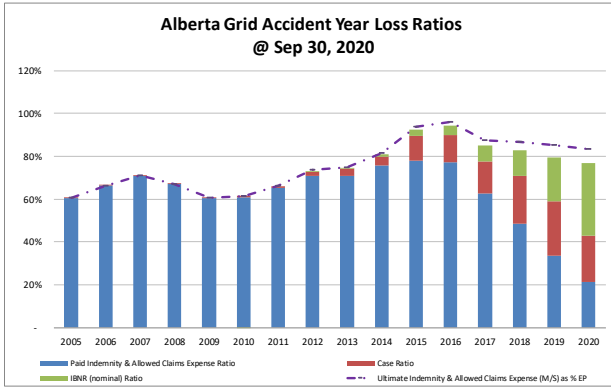
Uncertainty

This Outlook is a projection of future events based on models and assumptions believed to be realistic simplifications of the real world, but as simplifications, inherent uncertainty exists in relation to how actual events will unfold relative to these projections. In particular, with the COVID-19 environment impacting the 2020 calendar year results resulting in an increased level of uncertainty (in both premium and loss ratio projections), **the user of this Outlook should recognize that future Operating Results may deviate from these projections by material amounts.**

The historical loss ratios for the RSPs (left charts) and dollar amount of volume changes (right charts) for the RSPs are provided below to provide some historical context. Note that the scales differ by chart and we have excluded the charting for the Newfoundland & Labrador RSP due to limited historical data (introduced July 1, 2020).

Booked Accident Year Claims by RSP (ratios on left; amounts on right)





Historical Actual vs. Projected (AvsP) Variances

As discussed earlier, the purpose of providing members with Outlooks is to aid in their planning processes. An important question, then, is to what extent have the RSP Outlooks provided reliable and reasonably accurate projections for the next calendar year? As we normally produce two Outlooks annually, we believe the question applies to both.

One challenge (or at least a consideration) is that the basis of the actuals for the Preliminary and Final Outlooks have changed over time, as have the months of release. In particular, up until the release of the 2015 Outlooks, the general approach was to base the Preliminary Outlook on actuals as at August of the preceding year (releasing the Preliminary Outlook generally in October) and to base the Final Outlook on actuals as at October of the preceding year (releasing the Final Outlook generally in December).

In preparation of the 2015 Outlooks, management changed the basis of the actuals and release dates on the view that the previous release pattern made the Outlook releases too late for serious use in members' planning processes. Based on this, the Preliminary was moved to be based on May actuals (and targeted for release in June/July) and the Final was moved to be based on August/September actuals (and targeted for release in October/November).

Management's view is that the Preliminary Outlooks were probably (and continue to be) more applicable for member planning purposes with its earlier release date. The following table summarizes variances between the actual results and the Preliminary Outlook projections by calendar year.

All RSPs – AvsP (Preliminary Outlook projections)

Facility Association
 Outlook Actual vs Projected

***PROJECTED IS BASED ON PRELIMINARY OUTLOOK**

Risk Sharing Pools (RSPs)			average A less P 2013 to 2019:		108.2	(16.9%)	62.8%				
RSP TOTAL			as a % of Projected:		(39.1%)						
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	518.0	551.8	(90.6)	(16.4%)	612.6	111.0%	(101.6)	118.4%	
	[b]	Projected*	566.5	560.6	(29.2)	(5.2%)	665.1	118.6%	(271.8)	148.5%	
	[c]=[a]-[b]	A less P	(48.5)	(8.8)	(61.4)	(11.2%)	(52.5)	(7.6%)	170.2	(30.1%)	36.1%
	[d]=[c]/[b]	% of P	(8.6%)	(1.6%)	210.3%		(7.9%)		(62.6%)		
2014	[a]	Actual	545.9	521.9	(71.3)	(13.7%)	591.0	113.2%	(157.5)	130.2%	
	[b]	Projected*	586.1	579.6	(24.2)	(4.2%)	696.9	120.3%	(282.8)	148.8%	
	[c]=[a]-[b]	A less P	(40.2)	(57.6)	(47.1)	(9.5%)	(106.0)	(7.1%)	125.3	(18.6%)	37.6%
	[d]=[c]/[b]	% of P	(6.9%)	(9.9%)	194.9%		(15.2%)		(44.3%)		
2015	[a]	Actual	489.0	522.9	(206.3)	(39.4%)	580.6	111.0%	9.7	98.2%	
	[b]	Projected*	553.2	547.3	(33.4)	(6.1%)	649.1	118.6%	(246.9)	145.1%	
	[c]=[a]-[b]	A less P	(64.2)	(24.4)	(172.9)	(33.3%)	(68.5)	(7.6%)	256.6	(46.9%)	67.4%
	[d]=[c]/[b]	% of P	(11.6%)	(4.5%)	517.9%		(10.6%)		(103.9%)		
2016	[a]	Actual	609.1	517.9	(72.0)	(13.9%)	611.4	118.0%	(232.0)	144.7%	
	[b]	Projected*	537.7	536.3	(41.6)	(7.8%)	613.9	114.5%	(200.4)	137.4%	
	[c]=[a]-[b]	A less P	71.5	(18.4)	(30.4)	(6.1%)	(2.6)	3.5%	(31.5)	7.3%	(96.4%)
	[d]=[c]/[b]	% of P	13.3%	(3.4%)	73.0%		(0.4%)		15.7%		
2017	[a]	Actual	658.6	649.6	(115.3)	(17.7%)	778.3	119.8%	(218.5)	133.7%	
	[b]	Projected*	675.6	666.4	(43.2)	(6.5%)	753.1	113.0%	(267.3)	140.1%	
	[c]=[a]-[b]	A less P	(17.0)	(16.8)	(72.0)	(11.2%)	25.2	6.8%	48.7	(6.4%)	147.8%
	[d]=[c]/[b]	% of P	(2.5%)	(2.5%)	166.6%		3.3%		(18.2%)		
2018	[a]	Actual	664.1	661.8	(100.6)	(15.2%)	790.3	119.4%	(238.1)	136.0%	
	[b]	Projected*	636.0	640.3	(43.7)	(6.8%)	751.7	117.4%	(270.9)	142.3%	
	[c]=[a]-[b]	A less P	28.1	21.5	(57.0)	(8.4%)	38.6	2.0%	32.9	(6.3%)	173.3%
	[d]=[c]/[b]	% of P	4.4%	3.4%	130.5%		5.1%		(12.1%)		
2019	[a]	Actual	798.9	701.9	(148.6)	(21.2%)	815.0	116.1%	(239.7)	134.2%	
	[b]	Projected*	781.5	769.6	(33.9)	(4.4%)	945.4	122.8%	(395.0)	151.3%	
	[c]=[a]-[b]	A less P	17.4	(67.7)	(114.8)	(16.8%)	(130.4)	(6.7%)	155.3	(17.1%)	73.9%
	[d]=[c]/[b]	% of P	2.2%	(8.8%)	338.9%		(13.8%)		(39.3%)		

Over the seven calendar year preliminary projections for the RSPs (total basis) shown in the preceding table, the net operating result has been \$108.2 million (approximately 39.1%) better than projected on average, and the resulting Combined Operating Ratio (COR) has been on average 16.9 points lower

than projected. Prior Accident Years' (PAYs) variances have generally accounted for a significant portion of the overall variance (close to a third), with the remainder driven by volume and current accident year (CAY) loss ratio variances.

For volumes, we rely on projections by members, but variances will arise as the business environment changes.

For the CAY loss ratios, this depends primarily on projections of claims trends and rate changes, as well as the mix of business among members using the RSPs, all of which makes the projection of CAY loss ratios difficult to project. For example, we do not have direct access to information on rate changes that apply to transferred business, relative to previously transferred business. With respect to claims trends, we apply our view of industry wide trends, but trends applicable to transferred business may not follow those overall trends.

For the PAYs, the projected result reflects the projected unwinding of the discount and the projected release of provisions for adverse deviations, so the PAYs' variances in general reflect changes in the selections of ultimates. Our valuation goal, over the long term, is that PAYs' ultimate changes average to \$0 on a nominal basis (that is, excluding actuarial present value adjustments). Valuation results are discussed in detail in various other communication media provided by FA (for example, valuation implementation impacts are discussed in the monthly bulletins, and valuation results are discussed in the monthly Actuarial Operational Highlights and quarterly Actuarial Valuation Highlights).

Preliminary Outlook variances against the actual at the RSP level are provided in Exhibit D. For completeness, we have also summarized differences between actuals and projections found in the Final Outlooks in the following table.

All RSPs – AvsP (Final Outlook projections)

Facility Association
 Outlook Actual vs Projected

***PROJECTED IS BASED ON FINAL OUTLOOK**

Risk Sharing Pools (RSPs)

average A less P 2013 to 2019: **110.9 (17.8%) (6.7%)**

RSP TOTAL

as a % of Projected: **(39.7%)**

Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	518.0	551.8	(90.6)	(16.4%)	612.6	111.0%	(101.6)	118.4%	
	[b]	Projected*	587.3	574.2	(31.0)	(5.4%)	689.1	120.0%	(285.6)	149.7%	
	[c]=[a]-[b]	A less P	(69.3)	(22.4)	(59.6)	(11.0%)	(76.5)	(9.0%)	184.0	(31.3%)	32.4%
	[d]=[c]/[b]	% of P	(11.8%)	(3.9%)	192.7%		(11.1%)		(64.4%)		
2014	[a]	Actual	545.9	521.9	(71.3)	(13.7%)	591.0	113.2%	(157.5)	130.2%	
	[b]	Projected*	535.3	520.8	(27.3)	(5.3%)	606.7	116.5%	(232.3)	144.6%	
	[c]=[a]-[b]	A less P	10.6	1.1	(44.0)	(8.4%)	(15.7)	(3.3%)	74.8	(14.4%)	58.8%
	[d]=[c]/[b]	% of P	2.0%	0.2%	160.9%		(2.6%)		(32.2%)		
2015	[a]	Actual	489.0	522.9	(206.3)	(39.4%)	580.6	111.0%	9.7	98.2%	
	[b]	Projected*	550.6	547.9	(34.7)	(6.3%)	620.0	113.2%	(211.5)	138.6%	
	[c]=[a]-[b]	A less P	(61.6)	(24.9)	(171.6)	(33.1%)	(39.4)	(2.2%)	221.3	(40.4%)	77.6%
	[d]=[c]/[b]	% of P	(11.2%)	(4.6%)	495.1%		(6.4%)		(104.6%)		
2016	[a]	Actual	609.1	517.9	(72.0)	(13.9%)	611.4	118.0%	(232.0)	144.7%	
	[b]	Projected*	557.3	525.9	(33.8)	(6.4%)	606.3	115.3%	(224.8)	142.8%	
	[c]=[a]-[b]	A less P	51.8	(7.9)	(38.2)	(7.5%)	5.0	2.7%	(7.2)	1.9%	(530.5%)
	[d]=[c]/[b]	% of P	9.3%	(1.5%)	113.1%		0.8%		3.2%		
2017	[a]	Actual	658.6	649.6	(115.3)	(17.7%)	778.3	119.8%	(218.5)	133.7%	
	[b]	Projected*	643.5	645.6	(42.8)	(6.6%)	739.5	114.5%	(257.0)	139.8%	
	[c]=[a]-[b]	A less P	15.1	4.1	(72.5)	(11.1%)	38.9	5.3%	38.5	(6.1%)	188.3%
	[d]=[c]/[b]	% of P	2.3%	0.6%	169.4%		5.3%		(15.0%)		
2018	[a]	Actual	664.1	661.8	(100.6)	(15.2%)	790.3	119.4%	(238.1)	136.0%	
	[b]	Projected*	761.2	715.1	(41.1)	(5.7%)	849.7	118.8%	(353.6)	149.5%	
	[c]=[a]-[b]	A less P	(97.2)	(53.3)	(59.5)	(9.5%)	(59.5)	0.6%	115.5	(13.5%)	51.5%
	[d]=[c]/[b]	% of P	(12.8%)	(7.5%)	144.9%		(7.0%)		(32.7%)		
2019	[a]	Actual	798.9	701.9	(148.6)	(21.2%)	815.0	116.1%	(239.7)	134.2%	
	[b]	Projected*	774.9	707.0	(36.3)	(5.1%)	858.6	121.4%	(389.5)	155.1%	
	[c]=[a]-[b]	A less P	24.0	(5.1)	(112.4)	(16.1%)	(43.6)	(5.3%)	149.8	(20.9%)	75.0%
	[d]=[c]/[b]	% of P	3.1%	(0.7%)	309.8%		(5.1%)		(38.5%)		

One might assume that variances from the Final Outlooks would tend to be smaller than against the Preliminary Outlooks, as actuals are more up-to-date for the former. However, this has not always been the case.

2.5 Definitions and Presentation

Accounting Periods

- Calendar Year 2019: actual results for 12 months ending December 31, 2019.
- Calendar Year 2020: actual results for 9 months ending September 30, 2020, plus projected results for 3 months ending December 31, 2020.
- Calendar Year 2021: projected results for 12 months ending December 31, 2021.

Definitions

- Claim Liabilities are made up of case reserves and provision for Incurred but not Recorded claims amounts (“IBNR”).
- Premium Liabilities are made up of unearned premiums, and Premium Deficiency Reserves or Deferred Policy Acquisition Costs (“DPAC”) as applicable.
- Policy Liabilities are comprised of claim liabilities and premium liabilities.
- Actuarial Present Value Adjustments include the recognition of the time value of money and includes explicit provisions for adverse deviations (“PFAD”) as applicable.
- Actuarial Provisions encompass all claim liabilities other than case reserves, and all premium liabilities other than unearned premiums. As such, they include IBNR, and premium deficiency/(DPAC) as applicable.
- (Calendar Period) Claims Incurred are computed as the sum of calendar period paid claims amounts and calendar period changes in claim liabilities. While the majority of claims adjustment expenses are included in the Expense Allowances paid to member companies, there are allowed amounts in addition to the level included in the allowance. These amounts are shown as “paid expenses” in Monthly Operational Reports and are included with paid indemnity for valuation purposes, and for presentation of Operating Results.

Data Sources & Related Valuations

- Actual results are taken from Operational Reports up to and including the month of September 2020.
- The August 2020 Operational Report reflects the results of recent valuations as at June 30, 2020 as described in the August 2020 Actuarial Highlights.
- Projected results for the months of October 2020 through December 2021 are the projections reflected in the September 2020 Operational Reports, and are based on assumptions derived for this purpose from the valuations as at June 30, 2020 and other information, extended to encompass Calendar Year 2021.

Format

The Outlook presentation of Operating Results is consistent with the “Summary of Operations” exhibits attached to monthly bulletins to Members.

- “Claims Incurred” are divided between amounts pertaining to prior accident years, and those pertaining to the current accident year.

- “Claims Incurred” are further divided between nominal (i.e. “undiscounted”) incurred claims, and calendar period changes in the effect of actuarial present value adjustments (i.e. “discounting”). As our claims liabilities are estimated on a “best estimate” basis, there are no nominal incurred amounts projected for prior accident years. The effect of actuarial present value adjustments include the “unwinding” or “release” of the actuarial present value adjustments as claims payments are made, the addition of the actuarial present value adjustments pertaining to increases in claim liabilities, and changes in discount rate and margins for adverse deviations, if any.
- “Change in Premium Deficiency / (Deferred Policy Acquisition Costs)” is divided between the change in the nominal (or “undiscounted”) premium deficiency / (deferred policy acquisition costs), and calendar period changes in the effect actuarial present value adjustments (“discounting”) akin to those in relation to claims liabilities.
- The “Net Result from Operations” excludes costs incurred directly by Members (e.g. premium tax, health levies, association dues), and any investment income that Member companies might earn on assets they hold in support of their RSP liabilities.
- “Ratios” are expressed relative to calendar period earned premiums, unless otherwise indicated.

3. Basis for Projections

The commentary that follows describes the basis for projecting premiums, claims amounts, and expenses, and provides summaries of key assumptions. Exhibit A in Section 4 provides additional detail regarding these assumptions.

3.1 Premiums

For each RSP, a model has been established to project by month the number of (annualized) vehicles being transferred to the pools and to project the associated average written premium (with projected premium being the product of these two). The projection model for each RSP considers the largest member company groups individually and sums the results of the projections at the member company group level (with an all other catch all). Select individual large member company groups were provided with their own results by RSP to populate with their own projections⁹. The final projections leverage this detailed projection information, as well as additional insight provided by member company project managers to FA Member Services staff and by FA management’s judgment otherwise.

Written premium projection volatility is highlighted in the table below in relation to the Ontario RSP to provide an example of how aggregate written premium projections can change over a relatively short period of time.

Ontario RSP Calendar Year Written Premium Projections (millions) over time

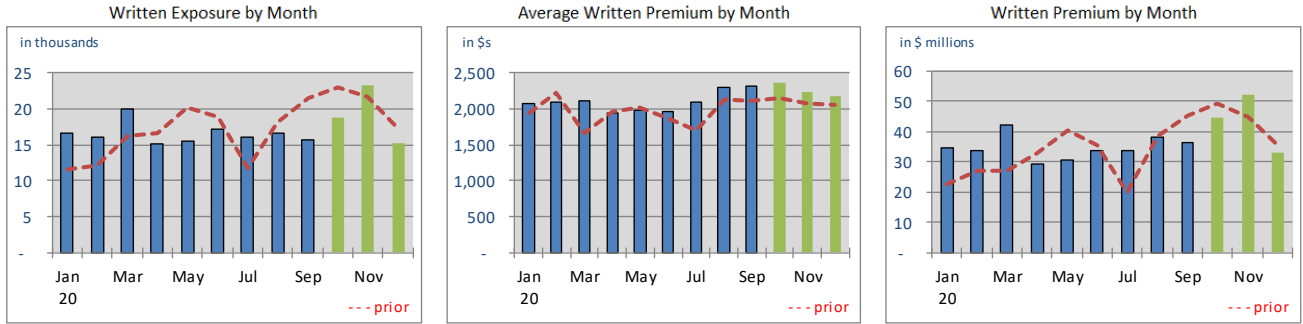
Calendar Year	Final 2019 Outlook	Preliminary 2020 Outlook	Final 2020 Outlook	Preliminary 2021 Outlook	Final 2021 Outlook
2019	\$424.8	\$389.3	\$370.3	N/A	\$419.8
2020	not projected	\$411.1	\$416.1	N/A	\$441.9
2021	not projected	not projected	not projected	N/A	\$497.2

Source: FA Outlooks. Preliminary Outlooks are based on data as at May of the preceding year, whereas the Final Outlook is based on August/September data from the preceding year. For example, the Preliminary and Final 2020 Outlooks were based on actual and projected results as at May 2019 and August 2019 respectively.

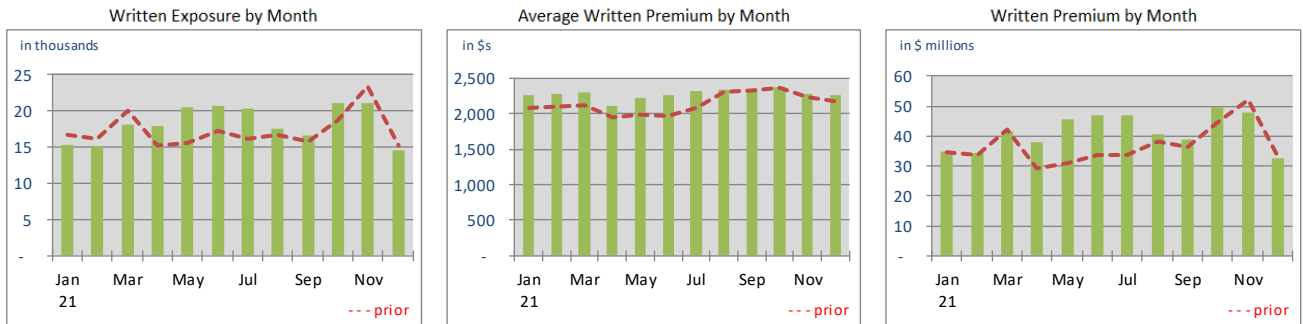
Summaries of the projections by RSP are provided in the following charts for **2020** and **2021**. In these charts, blue columns are actuals and green are projections. The dotted red line represents the values from the prior year. *Please take careful note of the scale in each chart, as we modify the scale to best fit the information being presented.*

⁹*This process is updated quarterly – where a member changes their projection significantly from the previous quarter, FA management will ask the member to provide confirmation of the accuracy and reasonableness of the projection, but FA does not ask for, nor receive, information from members related to the “why” of their projections or changes of their projections, as this is deemed confidential.*

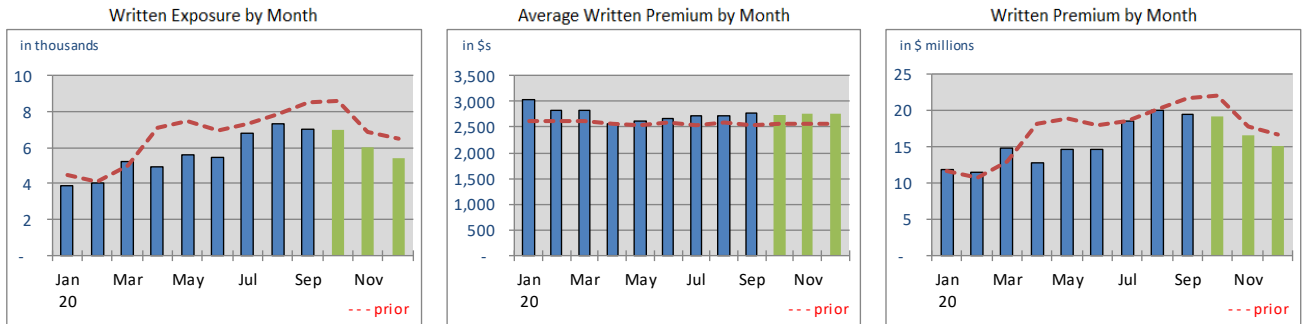
Ontario 2020 *projected count 206,165; approximate maximum that could be transferred: 396,000*



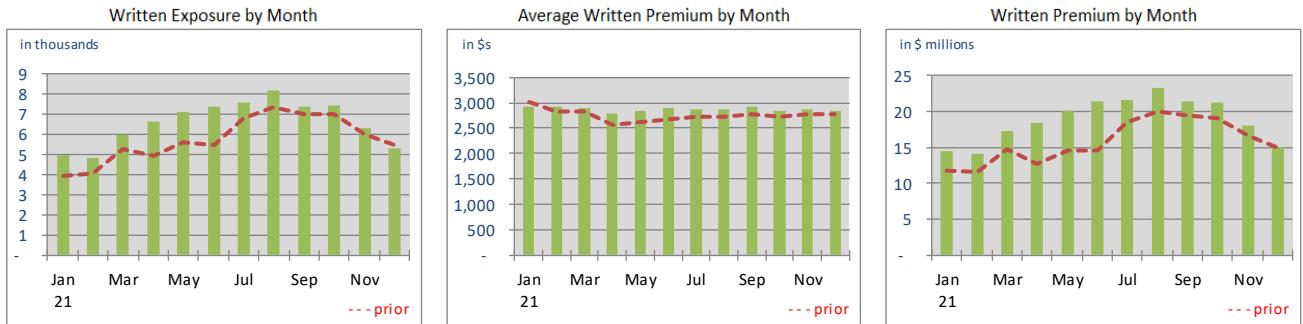
Ontario 2021 *projected count 218,272; approximate maximum that could be transferred: 396,000*



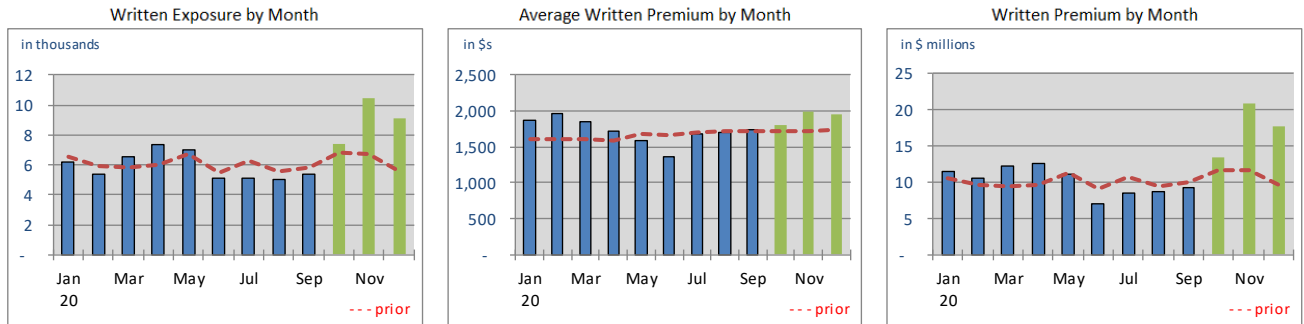
Alberta Grid 2020 *projected count 68,805; approximate maximum that could be transferred: unknown (based on number of risks subject to Grid rating – approximately 184,000 in 2019)*



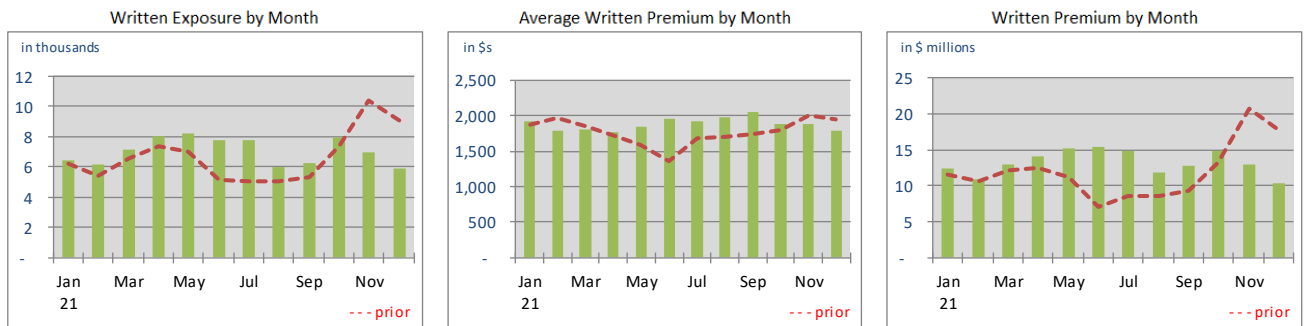
Alberta Grid 2021 *projected count 78,882; approximate maximum that could be transferred: unknown (based on number of risks subject to Grid rating – approximately 184,000 in 2019)*



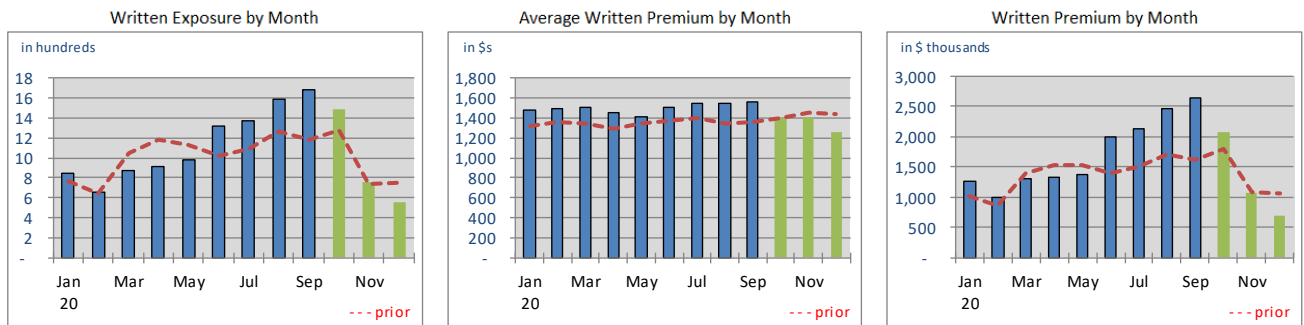
Alberta Non-Grid 2020 projected count **80,010**; approximate maximum that could be transferred: 106,000



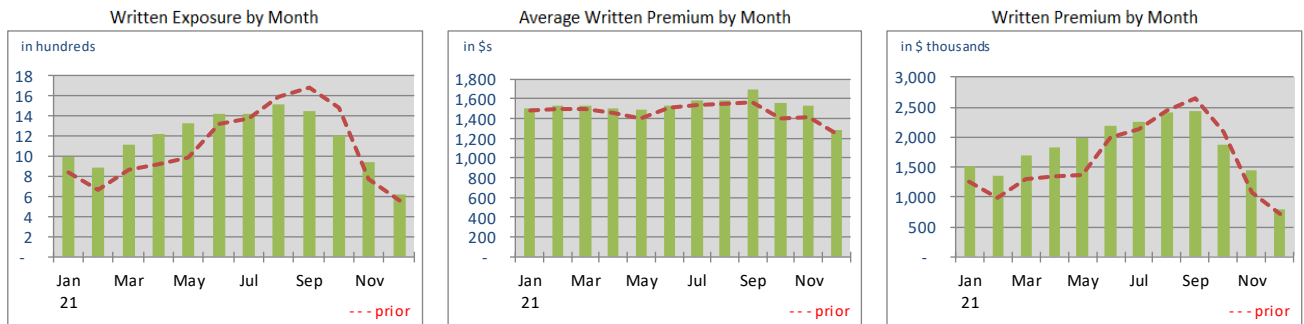
Alberta Non-Grid 2021 projected count **84,491**; approximate maximum that could be transferred: 106,000



New Brunswick 2020 projected count **13,039**; approximate maximum that could be transferred: 41,000

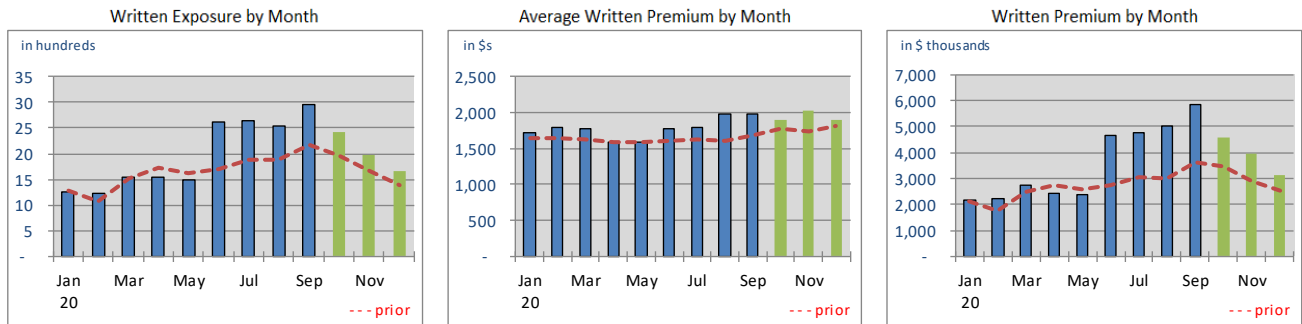


New Brunswick 2021 projected count **14,099**; approximate maximum that could be transferred: 41,000



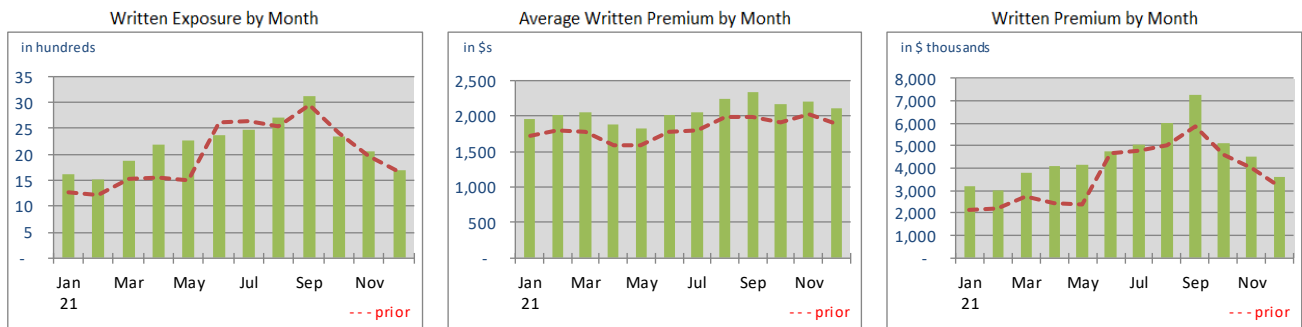
Nova Scotia 2020

projected count 23,849; approximate maximum that could be transferred: unknown (based on number of risks deemed "inexperienced")

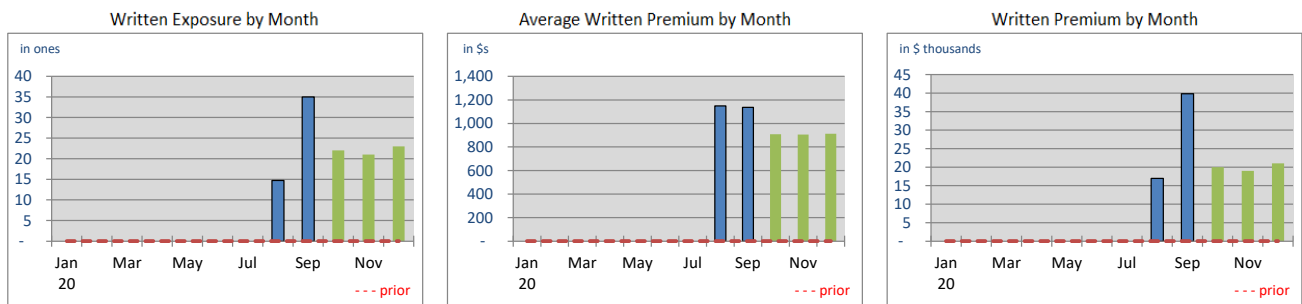


Nova Scotia 2021

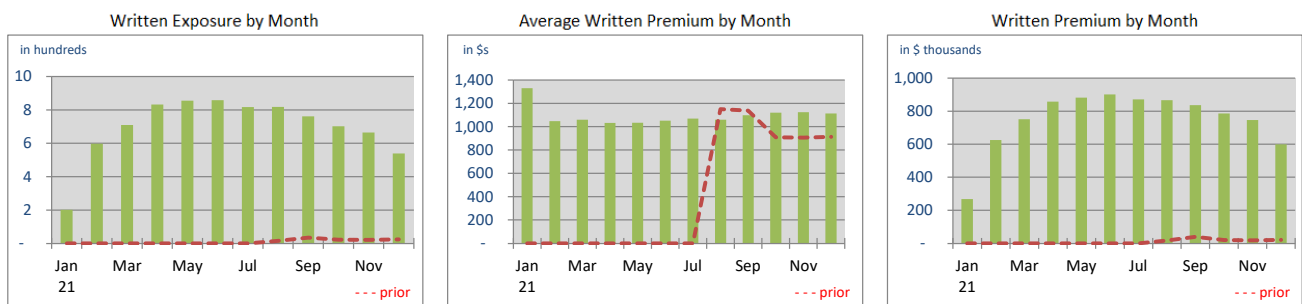
projected count 26,201; approximate maximum that could be transferred: unknown (based on number of risks deemed "inexperienced")



Newfoundland and Labrador 2020 projected count 116; approximate maximum that could be transferred: 16,000



Newfoundland and Labrador 2021 projected count 8,352; approximate maximum that could be transferred: 15,000



Monthly earned premium was projected based on the known duration of the current unearned premium and from projected written premium based on the estimated average duration of policies.

The following table summarizes the **2021** projected written and earned premium, and the change in both related to the current projection for **2020**.

Projection Summary – Calendar Year Premium Comparison (\$000s)

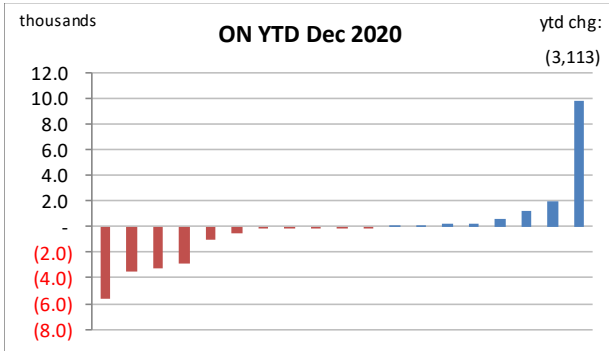
Calendar Year 2021 Premium Comparisons (Amounts in \$000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	TOTAL
2021 Written Premium	497,186	226,211	158,767	21,771	54,582	8,994	967,511
Change from 2020	55,327	37,414	15,447	2,446	10,634	8,877	130,145
% Change from 2020	12.5%	19.8%	10.8%	12.7%	24.2%	7,587.2%	15.5%
2021 Earned Premium	480,127	215,472	161,091	20,891	49,597	6,035	933,213
Change from 2020	46,751	18,971	34,914	2,781	12,523	6,001	121,941
% Change from 2020	10.8%	9.7%	27.7%	15.4%	33.8%	17,650.0%	15.0%

As usual, and as discussed in the opening, our projected vehicle counts and projected written premium is largely provided by significant RSP users. Projection updates are requested from the larger users quarterly, and FA management follows-up for confirmation of projected amounts where significant changes in a member’s projections occur (FA does not ask for, nor receive, information on the “why” of a member projection, as this is viewed as confidential – management simply asks for confirmation that the member themselves believe the projection to be reasonable).

For example, while there were 19 active¹⁰ member groups identified for the Ontario RSP, the 10 member groups providing explicit projections account for 95% of the Ontario RSP vehicle counts transferred for the 12-month period ending September 2020. For the Alberta Grid RSP, while there were 17 active member groups identified, the 10 member groups that provided explicit projections account for 93% of the Alberta Grid RSP vehicle counts transferred for the 12-month period ending September 2020.

To provide some additional perspective on the projections, we’ve provided year-end projections summaries of the “decliners / growers” charts akin to those provided monthly in the Actuarial Highlights (red bars are decliners, blue bars are growers), we have excluded the charting for the Newfoundland & Labrador RSP due to limited historical data (introduced July 1, 2020).

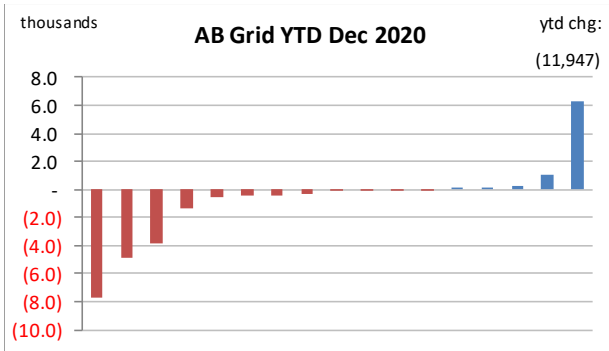
¹⁰We consider a member group to be “active” if they have non-zero transfer counts in at least 1 month in the current or prior calendar year. Members that are under common management for transfer limit purposes are considered a single “member group”.



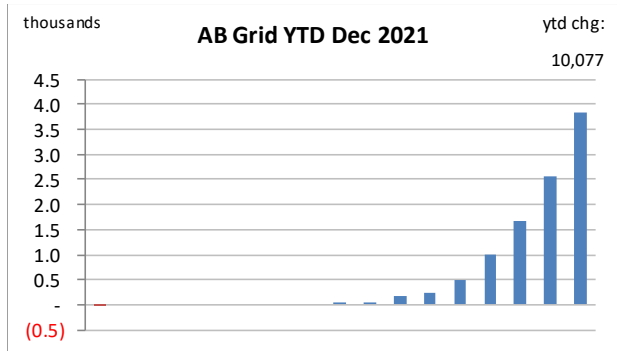
	# grps	chg
decliners:	11	(16,973)
no changers:	-	-
growers:	8	13,860



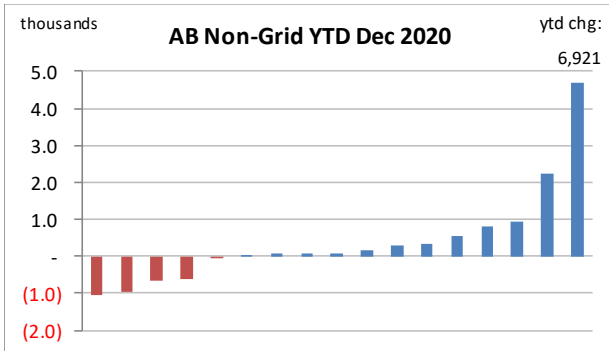
	# grps	chg
decliners:	3	(9,837)
no changers:	9	-
growers:	7	21,944



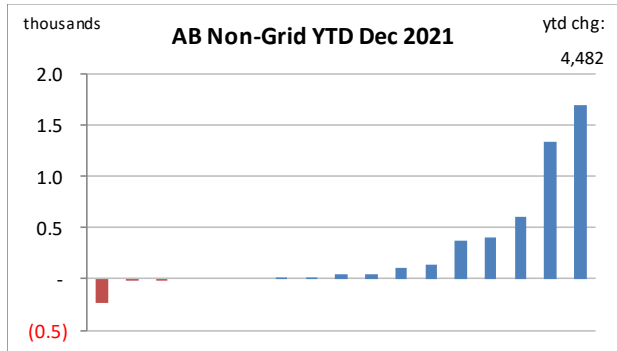
	# grps	chg
decliners:	12	(19,625)
no changers:	-	-
growers:	5	7,678



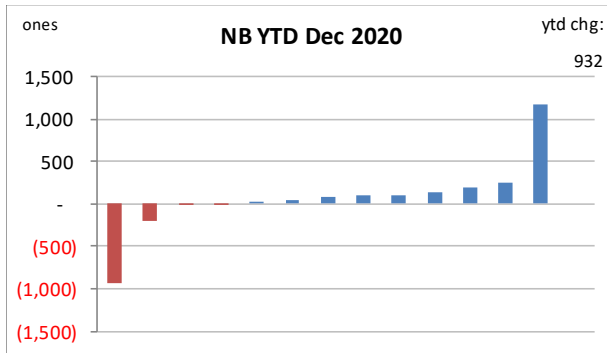
	# grps	chg
decliners:	1	(24)
no changers:	7	-
growers:	9	10,101



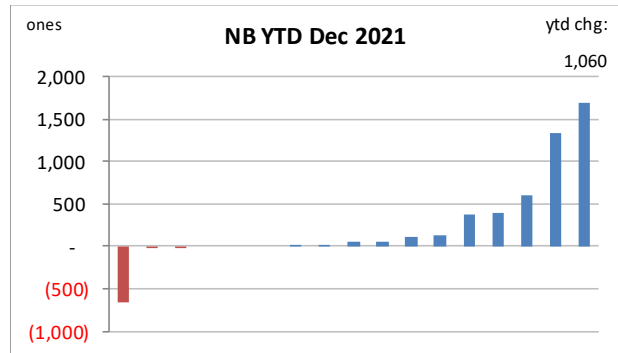
	# grps	chg
decliners:	5	(3,307)
no changers:	-	-
growers:	12	10,228



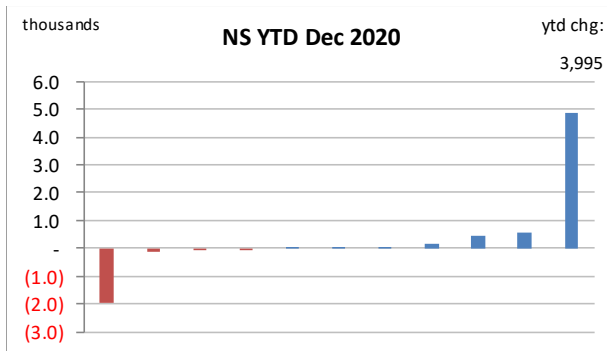
	# grps	chg
decliners:	3	(240)
no changers:	3	-
growers:	11	4,722



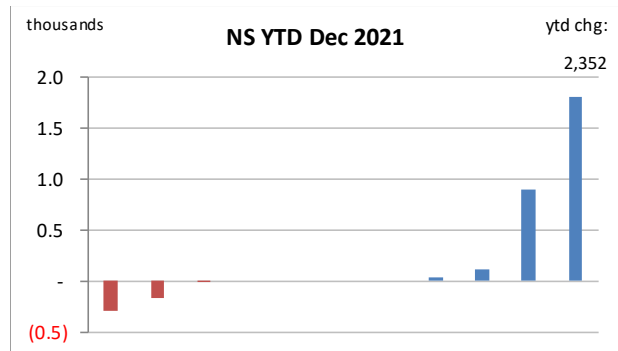
	# grps	chg
decliners:	4	(1,140)
no changers:	-	-
growers:	9	2,072



	# grps	chg
decliners:	3	(719)
no changers:	4	-
growers:	6	1,779



	# grps	chg
decliners:	4	(2,065)
no changers:	-	-
growers:	7	6,060



	# grps	chg
decliners:	3	(483)
no changers:	4	-
growers:	4	2,835

3.2 Claims Amounts (Indemnity & Allowed Claims Expenses)

The most recent valuation of the policy liabilities of the RSPs was based on RSP experience at June 30, 2020. As per the FA’s regular process, key elements of the valuations were reviewed with the Actuarial Committee, and presented to, and discussed with, the Audit & Risk Committee. The results were reflected in the August 2020 Operational Reports and discussed in the associated Actuarial Highlights.

For accident year (“AY”) 2021, the estimated nominal loss ratios reflected in the RSP Outlook are a priori or expected loss ratios modeled based on the Mar 31, 2020¹¹ valuation selections of ultimate claims incurred, augmented with updated estimated impacts of historical changes in average earned premium (particularly that attributed to rate changes), and historical claims amount levels (including

¹¹The a priori loss ratios are derived at the start of the valuation process, prior to updating for current actual results. The ultimates used for this process are based on the most recently completed valuations. For roll-forward valuations, a priori LR’s are not always updated, but rather brought forward from the prior full valuation. The a priori loss ratios used for the Jun 30, 2020 valuation were updated and reflected selections of ultimate from the Mar 31, 2020 valuation for all RSPs.

loss cost trends and product reforms). It is important to note that **2021** is built from the **2020** a priori loss ratio – **not** from the current selected ultimate loss ratio for accident year **2020**. The a priori loss ratios are estimated at the coverage level and summed to arrive at the all coverages level.

Accident Year 2020 to 2021 a priori Loss Ratio Projections

a priori (aka "expected") Loss Ratio Comparisons							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	NL & Labrador	TOTAL
Accident Year 2020 a priori LR	111.1%	82.9%	101.9%	74.5%	96.3%	100.0%	intentionally left blank
divide by ep factor	1.030	1.100	1.079	1.013	1.036	1.000	
multiply by clms factor	1.052	1.052	1.047	1.042	1.069	1.000	
multiply by rounding correction	1.000	1.000	1.000	1.000	1.000	1.000	
Accident Year 2021 a priori LR	113.5%	79.3%	98.9%	76.6%	99.4%	100.0%	

For the sake of brevity in presentation, we’ve included a single table displaying the accident year loss ratios used in the projections (a priori loss ratio selections are made at the coverage and accident half-year level and are available upon request).

Selected Loss Ratios – table 1

Loss Ratios Accident Year	RSP ON			RSP AB Grid			RSP AB Non-Grid		
	EP in \$000s	Sel Ult in \$000s	Selected LR	EP in \$000s	Sel Ult in \$000s	Selected LR	EP in \$000s	Sel Ult in \$000s	Selected LR
1993	92,972	105,010	112.9%	-	-	-	-	-	-
1994	200,791	212,174	105.7%	-	-	-	-	-	-
1995	235,451	206,284	87.6%	-	-	-	-	-	-
1996	197,412	184,405	93.4%	-	-	-	-	-	-
1997	152,922	111,331	72.8%	-	-	-	-	-	-
1998	103,106	84,638	82.1%	-	-	-	-	-	-
1999	68,831	80,096	116.4%	-	-	-	-	-	-
2000	69,659	84,971	122.0%	-	-	-	-	-	-
2001	80,047	100,992	126.2%	-	-	-	-	-	-
2002	113,770	134,072	117.8%	-	-	-	-	-	-
2003	142,680	128,969	90.4%	-	-	-	-	-	-
2004	165,860	128,646	77.6%	47,289	24,417	51.6%	558	1,948	349.1%
2005	158,965	116,723	73.4%	268,327	162,350	60.5%	24,923	24,269	97.4%
2006	163,889	164,043	100.1%	298,763	198,163	66.3%	73,869	64,236	87.0%
2007	180,957	180,804	99.9%	308,219	219,023	71.1%	70,463	71,795	101.9%
2008	214,486	257,851	120.2%	287,804	193,187	67.1%	76,379	77,210	101.1%
2009	224,096	345,913	154.4%	259,264	157,041	60.6%	71,791	68,660	95.6%
2010	284,367	429,889	151.2%	219,026	134,241	61.3%	72,937	61,513	84.3%
2011	280,097	240,728	85.9%	200,100	132,552	66.2%	78,509	66,454	84.6%
2012	301,957	251,373	83.2%	183,214	134,316	73.3%	77,273	78,110	101.1%
2013	299,210	279,555	93.4%	146,817	109,345	74.5%	81,128	80,127	98.8%
2014	270,934	264,803	97.7%	144,691	117,221	81.0%	84,035	90,479	107.7%
2015	262,592	284,200	108.2%	146,720	135,549	92.4%	89,794	85,155	94.8%
2016	269,149	309,345	114.9%	130,783	123,644	94.5%	89,825	104,723	116.6%
2017	374,242	393,892	105.3%	149,191	127,080	85.2%	96,165	103,984	108.1%
2018	351,114	399,347	113.7%	161,385	133,422	82.7%	105,555	108,194	102.5%
2019	362,516	405,026	111.7%	181,244	144,112	79.5%	117,249	108,684	92.7%
2020			95.4%			76.9%			99.8%
2021			113.5%			79.3%			98.9%
2022			116.9%			82.3%			102.4%

Selected Loss Ratios – table 2

Loss Ratios Accident Year	RSP NB			RSP NS			RSP NL		
	EP in \$000s	Sel Ult in \$000s	Selected LR	EP in \$000s	Sel Ult in \$000s	Selected LR	EP in \$000s	Sel Ult in \$000s	Selected LR
2005	4,932	4,145	84.0%	-	-	-	-	-	-
2006	11,215	5,966	53.2%	-	-	-	-	-	-
2007	12,451	8,972	72.1%	2,057	1,109	53.9%	-	-	-
2008	12,180	9,289	76.3%	10,620	7,252	68.3%	-	-	-
2009	13,459	11,593	86.1%	14,065	8,968	63.8%	-	-	-
2010	11,900	6,935	58.3%	14,454	10,605	73.4%	-	-	-
2011	10,010	8,762	87.5%	12,312	11,090	90.1%	-	-	-
2012	10,052	5,743	57.1%	13,197	13,491	102.2%	-	-	-
2013	10,403	8,112	78.0%	13,787	12,414	90.0%	-	-	-
2014	9,542	6,410	67.2%	13,172	11,190	85.0%	-	-	-
2015	10,177	6,307	62.0%	14,026	12,463	88.9%	-	-	-
2016	9,938	6,879	69.2%	14,843	14,240	95.9%	-	-	-
2017	10,653	9,118	85.6%	18,940	16,904	89.3%	-	-	-
2018	13,193	9,823	74.5%	27,529	23,627	85.8%	-	-	-
2019	15,937	12,682	79.6%	30,382	29,178	96.0%	-	-	-
2020			65.3%			87.5%			100.0%
2021			76.6%			99.4%			100.0%
2022			77.6%			102.9%			100.0%

The operating results for Calendar Year **2020** include actual development on accident years 2019 and prior incurred claims amounts, up to and including activity in the month of September 2020. No further nominal development (favourable or unfavourable) is projected for the remainder of the Calendar Year (actuarial present value adjustments are expected to change as nominal claims liabilities are unwound with claims settlement). Similarly, no nominal prior accident year development is projected during Calendar Year 2021, but actuarial present value adjustment changes are projected to occur as claims liabilities are unwound. The discount rates and margins for adverse development are unchanged throughout the projection period.

3.3 Non-Claims Expenses

Expense allowances are the amounts paid to Members as a percentage of (written) premiums transferred to an RSP, in respect of commissions and other underwriting expenses, as well as claims adjustment expenses. The expense allowance ratios applied to the estimated premiums transferred during Calendar Year **2021** were selected for this Final Outlook as representing no change from Calendar Year 2020. Updates for Calendar Year 2021 was presented to the FA Board and approved at its August 2020 meeting; updates will be included in the 2020 Q3 valuation assumptions and reflected in the October 2020 Operational Reports for all RSP jurisdictions.

- **Ontario RSP** The expense allowance ratios vary by Member, subject to a maximum (as approved annually by the FA Board) with the Calendar Year 2020 maximum communicated to Members in Bulletin F19-067 and the Calendar Year 2021 maximum via Bulletin F2020-068.
- **Other RSPs** The expense allowances for each calendar year and RSP are approved annually by the FA Board. The Calendar Year 2020 ratios are those as communicated in Bulletins F19-068 (Alberta), F19-069 (New Brunswick), F19-070 (Nova Scotia), and F2020-037 (Newfoundland & Labrador). The Calendar Year 2021 ratios are those as communicated in Bulletins F2020-064 (Alberta), F2020-065 (New Brunswick), F2020-067 (Nova Scotia), and

F2020-066 (Newfoundland & Labrador).

The following table summarizes the approved expense factors by RSP.

RSP / Jurisdiction	Approved Expense Factor CY 2021*	Approved Expense Factor CY 2020	Comments
Ontario (expense cap)	31.5% with prof fee ratio unchanged at 4.0%	31.5% with prof fee ratio unchanged at 4.0%	<u>No change</u> to the <u>cap</u> and the <u>professional fee offset</u> which will <u>decrease</u> the projected calendar year 2021 expense ratio by 0.1 pts
Alberta	30.3%	30.4%	<u>decrease</u> by 0.1 percentage points primarily due to decreases in non-claims expense ratios
New Brunswick	30.6%	30.2%	<u>increase</u> by 0.4 percentage points primarily due to increases in claims expense ratio, partially offset by decreases in non-claims expense ratios
Nova Scotia	31.3%	31.7%	<u>decrease</u> by 0.4 percentage points primarily due to decreases in non-claims expense ratio, partially offset by increases in claims expense ratios
Newfoundland & Labrador	28.5%	29.8%	<u>decrease</u> by 1.3 percentage points primarily due to decreases in both claims and non-claims expense ratios

**approved by FA Board August 2020*

Calendar Year **2021** changes in premium deficiency / (deferred policy acquisition costs) are estimated by applying loss ratios and future servicing cost ratios to the starting and ending projected unearned premiums. The underlying premium deficiency ratios were derived on the basis of the expected loss ratios for accident year **2020** and **2021** as applicable, and expected future servicing costs estimated at the rate of 50% of administration expenses. Where the sum of these ratios was less than 100% (i.e. thus giving rise to an asset rather than a liability), the asset value was capped on the basis of the expense allowance ratio.

Administration Expenses for Calendar Year **2021** were projected as percentages of written premiums based on actual expenses-to-written premium ratios in recent years.

Calendar Year 2021 Expense Ratio Projections

Calendar Year 2021 Expense Ratio Projections							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	TOTAL
Expense Allowance (% WP)	29.6%	30.4%	30.4%	30.2%	31.7%	29.8%	30.1%
Administrative Expense (% WP)	0.4%	0.7%	1.0%	5.2%	2.8%	4.0%	0.8%
prem def / (dpac) (% UP)	32.2%	(8.6%)	12.5%	(12.6%)	14.8%	11.8%	n/a

3.4 Operating Cash Flows

Net cash flows from operations for the RSPs are projected to be an overall outflow of \$50.1 million for Calendar Year **2021** as presented in the following table. Differences between the Calendar Year **2021** projection and the Calendar Year **2020** projections generally reflect the expected impacts of volume changes (on premium, expenses, and claims). Should volumes not change during **2021** as anticipated or payments prove higher than expected, net operating cash flows would be adversely impacted.

Projection Summary – Calendar Year 2021 – Net Operating Cash Flows

Calendar Year 2021 Net Operating Cash Flow Projections (\$'000s)							
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	TOTAL
Written Premium	497,186	226,211	158,767	21,771	54,582	8,994	967,511
PAYs Paid Claims							
paid indemnity	186,886	77,238	46,580	4,059	11,072	1	325,836
paid allowed claims expense	32,916	10,423	5,187	1,438	1,493	-	51,457
PAYs Paid Claims	219,802	87,661	51,767	5,497	12,565	1	377,293
CAYs Paid Claims							
paid indemnity	199,614	49,354	65,125	7,187	15,713	1,923	338,916
paid allowed claims expense	2,016	198	196	14	63	8	2,495
CAYs Paid Claims	201,630	49,552	65,321	7,201	15,776	1,931	341,411
All AYs Paid Claims							
paid indemnity	386,500	126,592	111,705	11,246	26,785	1,924	664,752
paid allowed claims expense	34,932	10,621	5,383	1,452	1,556	8	53,952
All AYs Paid Claims	421,432	137,213	117,088	12,698	28,341	1,932	718,704
"Cash" Expenses							
Member Expense Allowance	147,167	68,768	48,265	6,575	17,303	2,679	290,757
Administrative Expenses	2,092	1,492	1,621	1,122	1,506	357	8,190
"Cash" Expenses	149,259	70,260	49,886	7,697	18,809	3,036	298,947
2021 Net Operating Cash Flow	(73,505)	18,738	(8,207)	1,376	7,432	4,026	(50,140)

Net operating cash flows are settled with members monthly based on their premium / claims payments transferred to the RSPs and for shares by accident year of the overall cash flows.

Historic net operating cash flows by RSP are presented in the tables that follow for reference.

Ontario RSP Historic Operating Cash Flows by Share Year

\$millions	RSP Ontario					
	Share (i.e. Calendar) Year					
	2019	2018	2017	2016	2015	2014
written premium	419.8	347.8	362.5	336.1	239.0	278.6
expense allowance	123.1	104.5	110.8	99.7	70.5	87.0
administration	1.6	1.4	1.4	1.3	1.3	1.2
prem net of expenses	295.1	241.9	250.3	235.0	167.2	190.4
paid claims						
PAYs indemnity	191.3	185.4	174.2	177.7	165.8	155.1
PAY claims expenses	16.0	16.9	18.0	24.3	23.4	25.5
CAY indemnity	168.1	164.1	149.2	101.5	87.7	80.9
CAY clms expenses	1.1	1.2	0.7	0.5	0.5	1.1
all yrs indemnity	359.5	349.5	323.3	279.2	253.5	235.9
all yrs clms expenses	17.1	18.1	18.6	24.8	23.9	26.6
total claims & expenses paid	376.6	367.6	342.0	303.9	277.4	262.5
operating cash flow	(81.5)	(125.7)	(91.7)	(68.9)	(110.2)	(72.2)

values are carried in table to 3 decimals - rounding differences may result

Alberta Grid RSP Historic Operating Cash Flows by Share Year

\$millions	RSP Alberta Grid					
	Share (i.e. Calendar) Year					
	2019	2018	2017	2016	2015	2014
written premium	207.2	158.5	160.0	148.5	138.3	155.8
expense allowance	64.5	47.1	46.2	44.7	39.1	44.4
administration	1.1	1.0	1.0	0.9	0.8	0.8
prem net of expenses	141.6	110.4	112.8	102.8	98.3	110.6
paid claims						
PAYs indemnity	76.9	82.8	81.0	68.7	79.4	81.3
PAY claims expenses	4.0	4.2	4.8	5.6	5.7	6.1
CAY indemnity	41.0	46.0	45.4	39.5	47.2	42.5
CAY clms expenses	0.2	0.2	0.2	0.1	0.2	0.2
all yrs indemnity	117.9	128.8	126.4	108.3	126.6	123.8
all yrs clms expenses	4.3	4.4	4.9	5.7	5.9	6.3
total claims & expenses paid	122.2	133.3	131.3	114.0	132.5	130.1
operating cash flow	19.4	(22.9)	(18.5)	(11.1)	(34.2)	(19.5)

values are carried in table to 3 decimals - rounding differences may result

Alberta Non-Grid RSP Historic Operating Cash Flows by Share Year

\$millions	RSP Alberta Non-Grid					
	Share (i.e. Calendar) Year					
	2019	2018	2017	2016	2015	2014
written premium	122.4	114.0	99.0	99.7	86.0	88.4
expense allowance	38.1	33.9	28.6	30.0	24.3	25.2
administration	1.2	1.1	1.0	0.9	0.8	0.8
prem net of expenses	83.1	79.1	69.4	68.8	60.9	62.5
paid claims						
PAYs indemnity	40.3	46.5	53.7	42.5	41.8	39.0
PAY claims expenses	2.5	2.2	2.2	2.5	2.4	2.5
CAY indemnity	48.3	49.3	48.8	49.7	40.0	40.5
CAY clms expenses	0.2	0.2	0.2	0.1	0.1	0.1
all yrs indemnity	88.6	95.8	102.5	92.1	81.9	79.5
all yrs clms expenses	2.7	2.4	2.4	2.6	2.5	2.6
total claims & expenses paid	91.3	98.2	104.9	94.8	84.4	82.1
operating cash flow	(8.2)	(19.1)	(35.5)	(26.0)	(23.5)	(19.7)

values are carried in table to 3 decimals - rounding differences may result

New Brunswick RSP Historic Operating Cash Flows by Share Year

\$millions	RSP New Brunswick					
	Share (i.e. Calendar) Year					
	2019	2018	2017	2016	2015	2014
written premium	16.5	14.9	11.8	9.7	11.2	9.5
expense allowance	5.0	4.3	3.7	3.4	3.9	3.1
administration	0.9	0.6	0.6	0.5	0.5	0.5
prem net of expenses	10.7	10.0	7.4	5.8	6.8	5.9
paid claims						
PAYs indemnity	4.0	4.7	3.3	2.6	2.5	3.1
PAY claims expenses	0.4	0.6	0.4	0.4	0.5	0.5
CAY indemnity	6.1	4.3	3.5	3.2	3.4	3.0
CAY clms expenses	0.0	0.0	0.0	0.0	0.0	0.0
all yrs indemnity	10.2	9.0	6.7	5.8	6.0	6.1
all yrs clms expenses	0.4	0.7	0.4	0.4	0.5	0.5
total claims & expenses paid	10.6	9.6	7.1	6.3	6.5	6.7
operating cash flow	0.1	0.4	0.3	(0.4)	0.2	(0.7)

values are carried in table to 3 decimals - rounding differences may result

Nova Scotia RSP Historic Operating Cash Flows by Share Year

\$millions	RSP Nova Scotia					
	Share (i.e. Calendar) Year					
	2019	2018	2017	2016	2015	2014
written premium	33.0	28.9	25.3	15.2	14.5	13.6
expense allowance	10.2	8.7	7.8	5.3	5.0	4.5
administration	0.8	0.6	0.6	0.5	0.5	0.4
prem net of expenses	22.0	19.5	16.9	9.4	9.0	8.7
paid claims						
PAYs indemnity	10.1	7.3	6.8	4.9	5.8	5.2
PAY claims expenses	0.7	0.5	0.5	0.6	0.3	0.3
CAY indemnity	10.2	8.6	5.6	3.8	3.9	4.0
CAY clms expenses	0.1	0.1	0.0	0.0	0.0	0.0
all yrs indemnity	20.3	15.9	12.3	8.7	9.7	9.2
all yrs clms expenses	0.7	0.6	0.5	0.6	0.3	0.3
total claims & expenses paid	21.0	16.5	12.8	9.3	10.0	9.5
operating cash flow	1.0	3.0	4.0	0.1	(1.1)	(0.9)

values are carried in table to 3 decimals - rounding differences may result

3.5 Distributed (Charged) to Member Accounts

Net operating results for the RSPs are accumulated for the benefit of / (cost to) FA Members, and it is assumed that FA Members are able to reflect this in their own financial statements based on information provided in the monthly Operational Reports.

Separate and “formal” amounts distributed / (charged) to FA Member companies’ accounts have not been projected for the purpose of this Outlook, as it is assumed that such is automatically reflected in the monthly Operational Reports per the regular reporting process.

For financial statement purposes, formal distribution / (charges) to FA Members of accumulated operating results (deficit on a total basis) are reflected via an annual process that was first initiated with the September 2018 financial statements for the respective RSPs (**these were non-cash transactions**, netting a change in the “funds provided by members” liability with a corresponding change in the “due from members” asset). The 2020 annual process occurred with the release of the September 2020 Operational Report (being a balance sheet adjustment, no specific bulletins were set out to communicate this to members).

For information, the RSP financial statement balance sheets (which differ from member statements in that policy liabilities are discounted at a 0.0% rate) as at Jul 31, 2020 (the end of the RSP fiscal 2020 Q3) are provided below.

Ontario RSP Statement of Financial Position (unaudited) as at July 31, 2020

RSP ON	ytd @ Q3	\$ millions		
	F/S Basis (0% discount rate)	as at	as at	
(unaudited)		Jul 31, 2020	Oct 31, 2019	\$ change % change

Statement of Financial Position

Assets				
Cash (held by central office)	0.5	7.6	(7.1)	(93.4%)
Accounts receivable from members	16.0	16.1	(0.1)	(0.6%)
Other assets	0.1	0.0	0.1	773.3%
Due from members	1,554.8	1,487.2	67.6	4.5%
	1,571.5	1,510.9	60.6	4.0%
Liabilities				
Funds provided by members	146.3	105.9	40.4	38.1%
Unearned premium reserve (UPR)	215.3	218.5	(3.2)	(1.5%)
Premium deficiency reserve	63.9	90.5	(26.6)	(29.4%)
Claims liabilities	1,129.3	1,072.0	57.3	5.3%
Accounts payable to members	15.8	23.4	(7.6)	(32.5%)
Other payables	0.9	0.6	0.3	56.8%
	1,571.5	1,510.9	60.6	4.0%

Financial Position Metrics

Policy liabilities	1,408.5	1,381.0	27.5	2.0%
Claims liabs as % pol liabs	80.2%	77.6%	pt chg:	2.6%
Net funds held by members	1,408.5	1,381.3	27.2	2.0%
Assets @ net member position	1,425.2	1,405.0	20.2	1.4%
Net assets as % total	90.7%	93.0%	pt chg:	(2.3%)
net A/R from / (A/P to) members	0.3	(7.3)	7.5	(103.5%)
(Premium deficiency) as % UPR	(29.7%)	(41.4%)	pt chg:	11.7%

note: discount rate for financial statement purposes is 0.0%

Alberta Grid RSP Statement of Financial Position (unaudited) as at July 31, 2020

RSP AB Grid ytd @ Q3 F/S Basis (0% discount rate)	\$ millions			
(unaudited)	as at Jul 31, 2020	as at Oct 31, 2019	\$ change	% change
Statement of Financial Position				
Assets				
Cash (held by central office)	0.4	4.1	(3.6)	(89.4%)
Funds held by members	4.4	21.1	(16.7)	(79.0%)
Accounts receivable from members	7.9	9.2	(1.3)	(14.1%)
Deferred policy acquisition costs (DPAC)	11.8	2.5	9.4	380.9%
Other assets	0.3	0.0	0.3	>999.9%
Due from members	444.0	449.2	(5.2)	(1.2%)
	468.9	486.0	(17.1)	(3.5%)
Liabilities				
Funds provided by members	-	-	-	-
Unearned premium reserve (UPR)	98.7	114.8	(16.1)	(14.0%)
Premium deficiency reserve	-	-	-	-
Claims liabilities	361.6	357.8	3.8	1.1%
Accounts payable to members	7.7	13.0	(5.3)	(40.8%)
Other payables	0.9	0.4	0.5	132.6%
	468.9	486.0	(17.1)	(3.5%)
Financial Position Metrics				
Policy liabilities	448.5	470.2	(21.7)	(4.6%)
Claims liabs as % pol liabs	80.6%	76.1%	pt chg:	4.5%
Net funds held by members	448.5	470.3	(21.8)	(4.6%)
Assets @ net member position	468.9	486.0	(17.1)	(3.5%)
Net assets as % total	100.0%	100.0%	pt chg:	-
Net A/R from/(A/P to) members	0.2	(3.8)	4.0	(104.7%)
DPAC as % UPR	12.0%	2.1%	pt chg:	9.9%

note: discount rate for financial statement purposes is 0.0%

Alberta Non-Grid RSP Statement of Financial Position (unaudited) as at July 31, 2020

RSP AB N-G ytd @ Q3	\$ millions			
F/S Basis (0% discount rate)	as at	as at		
(unaudited)	Jul 31, 2020	Oct 31, 2019	\$ change	% change

Statement of Financial Position

Assets

Cash (held by central office)	0.3	1.6	(1.4)	(84.0%)
Funds held by members	-	-	-	-
Accounts receivable from members	9.7	4.4	5.3	119.6%
Other assets	0.2	0.0	0.2	>999.9%
Due from members	318.9	298.0	20.9	7.0%
	329.2	304.1	25.1	8.3%

Liabilities

Funds provided by members	31.8	14.2	17.6	123.8%
Unearned premium reserve (UPR)	64.8	63.2	1.6	2.5%
Premium deficiency reserve	4.5	10.1	(5.6)	(55.4%)
Claims liabilities	217.9	210.4	7.6	3.6%
Accounts payable to members	9.5	5.8	3.7	63.7%
Other payables	0.7	0.4	0.3	76.7%
	329.2	304.1	25.1	8.3%

Financial Position Metrics

Policy liabilities	287.2	283.7	3.5	1.2%
Claims liabs as % pol liabs	75.9%	74.2%	pt chg:	1.7%
Net funds held by members	287.2	283.8	3.4	1.2%
Assets @ net member position	297.4	289.9	7.5	2.6%
Net assets as % total	90.4%	95.3%	pt chg:	(4.9%)
net A/R from / (A/P to) members	0.2	(1.4)	1.6	(113.1%)
(Premium deficiency) as % UPR	(7.0%)	(16.0%)	pt chg:	9.0%

note: discount rate for financial statement purposes is 0.0%

New Brunswick RSP Statement of Financial Position (unaudited) as at July 31, 2020

RSP NB F/S Basis (0% discount rate)	\$ millions			
	as at Jul 31, 2020	as at Oct 31, 2019	\$ change	% change

Statement of Financial Position

Assets				
Cash (held by central office)	0.6	0.7	(0.1)	(9.1%)
Funds held by members	-	0.6	(0.6)	(100.0%)
Accounts receivable from members	1.3	0.8	0.5	61.7%
Deferred policy acquisition costs (DPAC)	1.3	1.6	(0.3)	(18.8%)
Other assets	0.0	0.0	0.0	675.0%
Due from members	35.2	31.6	3.7	11.6%
	38.5	35.2	3.2	9.2%
Liabilities				
Funds provided by members	0.2	-	0.2	100.0%
Unearned premium reserve (UPR)	9.3	9.2	0.1	0.7%
Claims liabilities	27.0	24.4	2.6	10.7%
Accounts payable to members	1.2	1.2	(0.1)	(5.8%)
Other payables	0.8	0.4	0.4	118.7%
	38.5	35.2	3.2	9.2%

Financial Position Metrics

Policy liabilities	35.0	32.0	3.0	9.3%
Claims liabs as % pol liabs	77.2%	76.2%	pt chg:	1.0%
Net funds held by members	35.2	32.1	3.1	9.6%
Assets @ net member position	38.5	35.2	3.2	9.2%
Net assets as % total	100.0%	100.0%	pt chg:	-
Net liquid position	0.1	(0.4)	0.6	(133.7%)
DPAC as % UPR	14.0%	17.3%	pt chg:	(3.3%)

note: discount rate for financial statement purposes is 0.0%

Nova Scotia RSP Statement of Financial Position (unaudited) as at July 31, 2020

RSP NS F/S Basis (0% discount rate)	\$ millions			
	as at Jul 31, 2020	as at Oct 31, 2019	\$ change	% change

Statement of Financial Position

Assets

Cash (held by central office)	0.4	0.6	(0.1)	(26.2%)
Funds held by members	3.5	0.2	3.4	>999.9%
Accounts receivable from members	3.0	1.7	1.3	76.2%
Other assets	0.0	0.0	0.0	300.0%
Due from members	89.9	77.7	12.2	15.7%
	96.9	80.1	16.8	20.9%

Liabilities

Funds provided by members	-	-	-	-
Unearned premium reserve (UPR)	19.8	18.2	1.6	8.8%
Premium deficiency reserve	2.8	1.8	1.0	59.5%
Claims liabilities	70.8	57.7	13.1	22.6%
Accounts payable to members	2.9	2.1	0.8	40.3%
Other payables	0.6	0.3	0.2	71.8%
	96.9	80.1	16.8	20.9%

Financial Position Metrics

Policy liabilities	93.4	77.7	15.7	20.2%
Claims liabs as % pol liabs	75.8%	74.3%	pt chg:	1.5%
Net funds held by members	93.4	77.8	15.6	20.0%
Assets @ net member position	96.9	80.1	16.8	20.9%
Net assets as % total	100.0%	100.0%	pt chg:	-
net A/R from / (A/P to) members	0.2	(0.3)	0.5	(145.2%)
(Premium deficiency) as % UPR	(14.1%)	(9.6%)	pt chg:	(4.5%)

note: discount rate for financial statement purposes is 0.0%

4. EXHIBITS

The exhibits listed below are provided on the pages that follow:

EXHIBIT A Key Assumptions (counts, premium, loss ratios)

- A-1 Ontario
- A-2 Alberta Grid
- A-3 Alberta Non-Grid
- A-4 New Brunswick
- A-5 Nova Scotia
- A-6 Newfoundland & Labrador

EXHIBIT B RSP Outlook – Summary of Operations

- B-1 Ontario
- B-2 Alberta Grid
- B-3 Alberta Non-Grid
- B-4 New Brunswick
- B-5 Nova Scotia
- B-6 Newfoundland & Labrador

EXHIBIT C RSP Outlook – Projected Policy Liabilities

- C-1 Ontario
- C-2 Alberta Grid
- C-3 Alberta Non-Grid
- C-4 New Brunswick
- C-5 Nova Scotia
- C-6 Newfoundland & Labrador

EXHIBIT D Actual vs Projected based on Final Outlooks (by RSP)

Exhibit A-1

Key Assumptions - Ontario RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2019	209,278	2,006	419,790	359,754	6.2%	5.1%	111.7%
2020	206,165	2,143	441,859	433,376	6.8%	5.2%	95.4%
2021	218,272	2,278	497,186	480,127	3.0%	5.2%	113.5%
Change	%	%	%	%	pts	pts	pts
2020	(1.5%)	6.8%	5.3%	20.5%	0.6	0.1	(16.3)
2021	5.9%	6.3%	12.5%	10.8%	(3.8)	-	18.1

Selected Claims Development MfADs (Jun. 30, 2020)

Accident Year	Third Party Liability	Accident Benefits	Other Coverages	Total
	Margins	Margins	Margins	Margins
1993	10.0%	10.0%	10.0%	10.0%
1994	10.0%	10.0%	10.0%	10.0%
1995	10.0%	10.0%	10.0%	10.0%
1996	10.0%	10.0%	10.0%	10.0%
1997	10.0%	10.0%	10.0%	10.0%
1998	10.0%	10.0%	10.0%	10.0%
1999	10.0%	10.0%	10.0%	10.0%
2000	10.0%	10.0%	10.0%	9.9%
2001	10.0%	10.0%	10.0%	10.0%
2002	10.0%	10.0%	10.0%	10.0%
2003	10.0%	10.0%	10.0%	10.0%
2004	10.0%	10.0%	10.0%	10.0%
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	10.0%	10.0%
2014	10.0%	10.0%	9.9%	10.0%
2015	10.0%	10.0%	9.8%	10.0%
2016	10.0%	10.0%	9.9%	10.0%
2017	12.5%	12.5%	12.5%	12.5%
2018	15.0%	15.0%	14.5%	15.0%
2019	17.4%	17.5%	14.5%	17.4%
2020	17.8%	20.0%	6.2%	18.2%
2021	12.4%	20.0%	5.2%	13.1%
prem liab	12.4%	20.0%	5.2%	13.1%

discount rate: 0.29%
margin (basis points): 25

Exhibit A-2

Key Assumptions - Alberta Grid RSP							
Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)	
Amounts							
2019	80,752	2,566	207,218	180,326	5.2%	5.2%	79.5%
2020	68,805	2,744	188,797	196,501	8.4%	5.2%	76.9%
2021	78,882	2,868	226,211	215,472	10.0%	5.2%	79.3%
Change	%	%	%	%	pts	pts	pts
2020	(14.8%)	6.9%	(8.9%)	9.0%	3.2	-	(2.6)
2021	14.6%	4.5%	19.8%	9.7%	1.6	-	2.4

Selected Claims Development MfADs (Jun. 30, 2020)

Accident Year	Third Party Liability	Accident Benefits	Other Coverages	Total
	Margins	Margins	Margins	Margins
2004	10.0%	10.0%	10.0%	10.0%
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	10.0%	10.0%
2014	10.0%	10.0%	10.0%	10.0%
2015	10.0%	10.0%	10.0%	10.0%
2016	10.0%	10.0%	9.8%	10.0%
2017	10.0%	10.0%	10.0%	10.0%
2018	12.5%	10.0%	12.5%	12.5%
2019	12.5%	10.0%	12.5%	12.5%
2020	12.2%	10.0%	5.8%	11.8%
2021	12.0%	10.0%	5.8%	10.7%
<u>prem liab</u>	<u>12.0%</u>	<u>10.0%</u>	<u>5.8%</u>	<u>10.7%</u>

discount rate: 0.24%
margin (basis points): 25

Exhibit A-3

Key Assumptions - Alberta Non-Grid RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2019	73,119	1,673	122,353	115,756	6.7%	4.7%	92.7%
2020	80,010	1,791	143,320	126,177	7.1%	4.8%	99.8%
2021	84,491	1,879	158,767	161,091	7.9%	4.7%	98.9%
Change	%	%	%	%	pts	pts	pts
2020	9.4%	7.1%	17.1%	9.0%	0.4	0.1	7.1
2021	5.6%	4.9%	10.8%	27.7%	0.8	(0.1)	(0.9)

Selected Claims Development MfADs (Jun. 30, 2020)

Accident Year	Third Party Liability	Accident Benefits	Other Coverages	Total
	Margins	Margins	Margins	Margins
2004	10.0%	10.0%	10.0%	10.0%
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	5.0%	10.0%
2014	10.0%	10.0%	9.3%	10.0%
2015	10.0%	10.0%	10.0%	9.9%
2016	10.0%	10.0%	10.0%	10.0%
2017	10.0%	10.0%	10.0%	10.0%
2018	12.5%	10.0%	12.5%	12.5%
2019	12.5%	10.0%	6.0%	12.5%
2020	12.2%	10.0%	6.5%	11.4%
2021	11.8%	10.0%	5.1%	9.4%
prem liab	11.8%	10.0%	5.1%	9.4%

discount rate: 0.26%
margin (basis points): 25

Exhibit A-4

Key Assumptions - New Brunswick RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2019	12,107	1,364	16,518	15,784	8.0%	3.1%	79.6%
2020	13,039	1,482	19,325	18,110	5.7%	3.4%	65.3%
2021	14,099	1,544	21,771	20,891	1.3%	4.2%	76.6%
Change	%	%	%	%	pts	pts	pts
2020	7.7%	8.7%	17.0%	14.7%	(2.3)	0.3	(14.3)
2021	8.1%	4.2%	12.7%	15.4%	(4.4)	0.8	11.3

Selected Claims Development MfADs (Jun. 30, 2020)

Accident Year	Third Party Liability	Accident Benefits	Other Coverages	Total
	Margins	Margins	Margins	Margins
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	10.0%	10.0%
2014	10.0%	10.0%	10.0%	10.0%
2015	10.0%	10.0%	10.0%	10.0%
2016	10.0%	10.0%	6.1%	10.0%
2017	10.0%	10.0%	7.7%	10.0%
2018	12.5%	10.0%	12.5%	12.2%
2019	12.5%	10.0%	12.5%	12.2%
2020	12.3%	10.0%	5.5%	11.5%
2021	11.7%	10.0%	5.0%	9.4%
prem liab	11.7%	10.0%	5.0%	9.4%

discount rate: 0.25%
margin (basis points): 25

Exhibit A-5

Key Assumptions - Nova Scotia RSP							
Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)	
Amounts							
2019	19,854	1,664	33,046	30,264	8.9%	6.2%	96.0%
2020	23,849	1,843	43,948	37,074	8.5%	6.3%	87.5%
2021	26,201	2,083	54,582	49,597	3.6%	6.9%	99.4%
Change	%	%	%	%	pts	pts	pts
2020	20.1%	10.8%	33.0%	22.5%	(0.4)	0.1	(8.5)
2021	9.9%	13.0%	24.2%	33.8%	(4.9)	0.6	11.9

Selected Claims Development MfADs (Jun. 30, 2020)

Accident Year	Third Party Liability Margins	Accident Benefits Margins	Other Coverages Margins	Total Margins
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	10.0%	10.0%
2014	10.0%	10.0%	10.0%	10.0%
2015	10.0%	10.0%	10.0%	10.0%
2016	10.0%	10.0%	10.0%	10.0%
2017	12.5%	10.0%	5.9%	12.1%
2018	12.5%	10.0%	9.9%	12.3%
2019	12.5%	10.0%	9.5%	12.3%
2020	12.4%	10.0%	5.4%	11.8%
2021	12.0%	10.0%	5.1%	10.3%
prem liab	12.0%	10.0%	5.1%	10.3%

discount rate: 0.23%
margin (basis points): 25

Exhibit A-6

Key Assumptions - Newfoundland & Labrador RSP							
Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)	
Amounts							
2019	-	-	-	-	-	-	
2020	116	1,011	117	34	-	100.0%	
2021	8,352	1,077	8,994	6,035	-	100.0%	
Change	%	%	%	%	pts	pts	
2020	100.0%	100.0%	100.0%	100.0%	-	100.0	
2021	7,114.6%	6.5%	7,587.2%	17,650.0%	-	-	

Selected Claims Development MfADs (Jun. 30, 2020)

Accident Year	Third Party	Accident Be	Other Coverage	Total
	Margins	Margins	Margins	Margins
2020	12.4%	10.0%	5.5%	11.7%
2021	11.9%	10.0%	5.1%	9.9%
<u>prem liab</u>	<u>11.9%</u>	<u>10.0%</u>	<u>5.1%</u>	<u>9.9%</u>

discount rate: 0.24%
margin (basis points): 25

Exhibit B-1
 Ontario RSP
 Summary of Operations

page 1 of 2

in \$ thousands	202101	202102	202103	202104	202105	202106	202107	202108	202109	202110	202111	202112
Underwriting Revenue												
written premium	34,625	34,172	41,646	37,924	45,502	46,722	46,776	40,636	38,930	49,799	47,958	32,496
decrease / (increase) in unearned	4,003	1,176	(2,119)	454	(4,976)	(7,047)	(5,116)	1,246	1,415	(7,763)	(7,475)	9,143
earned premium	38,628	35,348	39,527	38,378	40,526	39,675	41,660	41,882	40,345	42,036	40,483	41,639
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	(3,597)	(2,661)	(2,672)	(2,520)	(2,569)	(2,359)	(2,468)	(2,119)	(2,145)	(2,649)	(2,691)	(2,798)
Discounted	(3,597)	(2,661)	(2,672)	(2,520)	(2,569)	(2,359)	(2,468)	(2,119)	(2,145)	(2,649)	(2,691)	(2,798)
Current Accident Year												
Undiscounted	43,843	40,120	44,863	43,559	45,997	45,031	47,284	47,537	45,791	47,711	45,949	47,260
effect of discounting	7,313	5,624	5,895	5,903	5,974	5,529	5,445	5,094	4,385	4,178	3,398	2,840
Discounted	51,156	45,744	50,758	49,462	51,971	50,560	52,729	52,631	50,176	51,889	49,347	50,100
Claims Incurred	47,559	43,083	48,086	46,942	49,402	48,201	50,261	50,512	48,031	49,240	46,656	47,302
Underwriting Expenses												
Expense Allowance	10,249	10,115	12,327	11,226	13,469	13,829	13,846	12,028	11,523	14,741	14,195	9,619
% wp	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%	29.6%
Premium Deficiency / (DPAC)												
Undiscounted	(482)	(36)	574	307	1,254	1,699	1,630	704	738	2,408	2,456	(196)
effect of discounting	(581)	(157)	348	(21)	805	1,126	869	(69)	(86)	1,310	1,279	(1,202)
Discounted	(1,063)	(193)	922	286	2,059	2,825	2,499	635	652	3,718	3,735	(1,398)
Underwriting Expenses	9,186	9,922	13,249	11,512	15,528	16,654	16,345	12,663	12,175	18,459	17,930	8,221
Net Underwriting Gain (Loss)	(18,117)	(17,657)	(21,808)	(20,076)	(24,404)	(25,180)	(24,946)	(21,293)	(19,861)	(25,663)	(24,103)	(13,884)
Administrative Expenses	145	144	175	160	192	197	197	171	163	209	202	137
Operating Result	(18,262)	(17,801)	(21,983)	(20,236)	(24,596)	(25,377)	(25,143)	(21,464)	(20,024)	(25,872)	(24,305)	(14,021)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	(9.3%)	(7.5%)	(6.8%)	(6.6%)	(6.3%)	(5.9%)	(5.9%)	(5.1%)	(5.3%)	(6.3%)	(6.6%)	(6.7%)
Current Accident Year	132.4%	129.4%	128.4%	128.9%	128.2%	127.4%	126.6%	125.7%	124.4%	123.4%	121.9%	120.3%
All Accident Years Combined	123.1%	121.9%	121.6%	122.3%	121.9%	121.5%	120.7%	120.6%	119.1%	117.1%	115.3%	113.6%
Underwriting & Admin Exp (EP)	24.2%	28.5%	34.0%	30.4%	38.8%	42.5%	39.7%	30.6%	30.6%	44.4%	44.8%	20.1%
Combined Operating Ratio	147.3%	150.4%	155.6%	152.7%	160.7%	164.0%	160.4%	151.2%	149.7%	161.5%	160.1%	133.7%

Exhibit B-1
Ontario RSP
Summary of Operations

page 2 of 2

Ontario ON	100	FULL YEAR					
in \$ thousands	2019	2020	2021	Change during 2020		Change during 2021	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	419,790	441,859	497,186	22,069	5.3%	55,327	12.5%
decrease / (increase) in unearned	(60,036)	(8,483)	(17,059)	51,553	(85.9%)	(8,576)	101.1%
earned premium	359,754	433,376	480,127	73,622	20.5%	46,751	10.8%
Claims Incurred							
Prior Accident Years							
Undiscounted	(78,927)	(110,730)	-	(31,803)	40.3%	110,730	(100.0%)
effect of discounting	(16,000)	(20,548)	(31,248)	(4,548)	28.4%	(10,700)	52.1%
Discounted	(94,927)	(131,278)	(31,248)	(36,351)	38.3%	100,030	(76.2%)
Current Accident Year							
Undiscounted	444,418	415,767	544,945	(28,651)	(6.4%)	129,178	31.1%
effect of discounting	38,828	46,235	61,578	7,407	19.1%	15,343	33.2%
Discounted	483,246	462,002	606,523	(21,244)	(4.4%)	144,521	31.3%
Claims Incurred	388,319	330,724	575,275	(57,595)	(14.8%)	244,551	73.9%
Underwriting Expenses							
Expense Allowance	123,089	129,705	147,167	6,616	5.4%	17,462	13.5%
% wp	29.3%	29.4%	29.6%	0.1%		0.2%	
Premium Deficiency / (DPAC)							
Undiscounted	11,983	(25,765)	11,056	(37,748)	(315.0%)	36,821	(142.9%)
effect of discounting	11,538	5,126	3,621	(6,412)	(55.6%)	(1,505)	(29.4%)
Discounted	23,521	(20,639)	14,677	(44,160)	(187.7%)	35,316	(171.1%)
Underwriting Expenses	146,610	109,066	161,844	(37,544)	(25.6%)	52,778	48.4%
Net Underwriting Gain (Loss)	(175,175)	(6,414)	(256,992)	168,761	(96.3%)	(250,578)	3,906.7%
Administrative Expenses	1,624	1,661	2,092	37	2.3%	431	25.9%
Operating Result	(176,799)	(8,075)	(259,084)	168,724	(95.4%)	(251,009)	3,108.4%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	(26.4%)	(30.3%)	(6.5%)	(3.9%)		23.8%	
Current Accident Year	134.3%	106.6%	126.3%	(27.7%)		19.7%	
All Accident Years Combined	107.9%	76.3%	119.8%	(31.6%)		43.5%	
Underwriting & Admin Exp (EP)	41.2%	25.5%	34.1%	(15.7%)		8.6%	
Combined Operating Ratio	149.1%	101.8%	153.9%	(47.3%)		52.1%	

Exhibit B-2
 Alberta Grid RSP
 Summary of Operations

page 1 of 2

in \$ thousands	202101	202102	202103	202104	202105	202106	202107	202108	202109	202110	202111	202112
Underwriting Revenue												
written premium	14,479	14,050	17,245	18,459	20,092	21,372	21,569	23,333	21,374	21,142	18,132	14,964
decrease / (increase) in unearned	3,008	1,855	558	(1,090)	(1,822)	(3,568)	(2,931)	(4,604)	(3,124)	(2,178)	(63)	3,220
earned premium	17,487	15,905	17,803	17,369	18,270	17,804	18,638	18,729	18,250	18,964	18,069	18,184
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	(1,211)	(1,059)	(1,021)	(854)	(884)	(741)	(680)	(529)	(591)	(726)	(787)	(879)
Discounted	(1,211)	(1,059)	(1,021)	(854)	(884)	(741)	(680)	(529)	(591)	(726)	(787)	(879)
Current Accident Year												
Undiscounted	13,867	12,613	14,118	13,773	14,488	14,118	14,780	14,853	14,472	15,038	14,328	14,421
effect of discounting	1,552	1,231	1,242	1,104	1,286	1,217	1,234	1,188	1,114	1,105	999	943
Discounted	15,419	13,844	15,360	14,877	15,774	15,335	16,014	16,041	15,586	16,143	15,327	15,364
Claims Incurred	14,208	12,785	14,339	14,023	14,890	14,594	15,334	15,512	14,995	15,417	14,540	14,485
Underwriting Expenses												
Expense Allowance	4,401	4,271	5,242	5,611	6,108	6,498	6,557	7,093	6,498	6,427	5,513	4,549
% wp	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%
Premium Deficiency / (DPAC)												
Undiscounted	654	431	224	(66)	(148)	(433)	(247)	(496)	(181)	68	482	1,097
effect of discounting	(252)	(151)	(35)	108	178	331	286	434	312	238	56	(223)
Discounted	402	280	189	42	30	(102)	39	(62)	131	306	538	874
Underwriting Expenses	4,803	4,551	5,431	5,653	6,138	6,396	6,596	7,031	6,629	6,733	6,051	5,423
Net Underwriting Gain (Loss)	(1,524)	(1,431)	(1,967)	(2,307)	(2,758)	(3,186)	(3,292)	(3,814)	(3,374)	(3,186)	(2,522)	(1,724)
Administrative Expenses	95	93	114	121	133	141	142	154	141	139	120	99
Operating Result	(1,619)	(1,524)	(2,081)	(2,428)	(2,891)	(3,327)	(3,434)	(3,968)	(3,515)	(3,325)	(2,642)	(1,823)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	(6.9%)	(6.7%)	(5.7%)	(4.9%)	(4.8%)	(4.2%)	(3.6%)	(2.8%)	(3.2%)	(3.8%)	(4.4%)	(4.8%)
Current Accident Year	88.2%	87.0%	86.3%	85.7%	86.3%	86.1%	85.9%	85.6%	85.4%	85.1%	84.8%	84.5%
All Accident Years Combined	81.3%	80.3%	80.6%	80.8%	81.5%	81.9%	82.3%	82.8%	82.2%	81.3%	80.4%	79.7%
Underwriting & Admin Exp (EP)	28.0%	29.2%	31.1%	33.2%	34.3%	36.7%	36.2%	38.4%	37.1%	36.2%	34.2%	30.4%
Combined Operating Ratio	109.3%	109.5%	111.7%	114.0%	115.8%	118.6%	118.5%	121.2%	119.3%	117.5%	114.6%	110.1%

Exhibit B-2
Alberta Grid RSP
Summary of Operations

page 2 of 2

Alberta Grid AB Grid	200	FULL YEAR					
in \$ thousands	2019	2020	2021	Change during 2020		Change during 2021	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	207,218	188,797	226,211	(18,421)	(8.9%)	37,414	19.8%
decrease / (increase) in unearned	(26,892)	7,704	(10,739)	34,596	(128.6%)	(18,443)	(239.4%)
earned premium	180,326	196,501	215,472	16,175	9.0%	18,971	9.7%
Claims Incurred							
Prior Accident Years							
Undiscounted	(29,152)	(16,634)	-	12,518	(42.9%)	16,634	(100.0%)
effect of discounting	(636)	(713)	(9,962)	(77)	12.1%	(9,249)	1,297.2%
Discounted	(29,788)	(17,347)	(9,962)	12,441	(41.8%)	7,385	(42.6%)
Current Accident Year							
Undiscounted	153,840	152,234	170,869	(1,606)	(1.0%)	18,635	12.2%
effect of discounting	8,884	12,665	14,215	3,781	42.6%	1,550	12.2%
Discounted	162,724	164,899	185,084	2,175	1.3%	20,185	12.2%
Claims Incurred	132,936	147,552	175,122	14,616	11.0%	27,570	18.7%
Underwriting Expenses							
Expense Allowance	64,490	57,398	68,768	(7,092)	(11.0%)	11,370	19.8%
% wp	31.1%	30.4%	30.4%	(0.7%)		-	
Premium Deficiency / (DPAC)							
Undiscounted	(2,404)	(10,194)	1,385	(7,790)	324.0%	11,579	(113.6%)
effect of discounting	3,776	1,758	1,282	(2,018)	(53.4%)	(476)	(27.1%)
Discounted	1,372	(8,436)	2,667	(9,808)	(714.9%)	11,103	(131.6%)
Underwriting Expenses	65,862	48,962	71,435	(16,900)	(25.7%)	22,473	45.9%
Net Underwriting Gain (Loss)	(18,472)	(13)	(31,085)	18,459	(99.9%)	(31,072)	239,015.4%
Administrative Expenses	1,139	1,214	1,492	75	6.6%	278	22.9%
Operating Result	(19,611)	(1,227)	(32,577)	18,384	(93.7%)	(31,350)	2,554.4%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	(16.5%)	(8.8%)	(4.6%)	7.7%		4.2%	
Current Accident Year	90.2%	83.9%	85.9%	(6.3%)		2.0%	
All Accident Years Combined	73.7%	75.1%	81.3%	1.4%		6.2%	
Underwriting & Admin Exp (EP)	37.2%	25.5%	33.8%	(11.7%)		8.3%	
Combined Operating Ratio	110.9%	100.6%	115.1%	(10.3%)		14.5%	

Exhibit B-3
 Alberta Non-Grid RSP
 Summary of Operations

page 1 of 2

in \$ thousands	202101	202102	202103	202104	202105	202106	202107	202108	202109	202110	202111	202112
Underwriting Revenue												
written premium	12,365	10,928	12,978	14,152	15,240	15,344	14,838	11,816	12,708	14,938	13,034	10,426
decrease / (increase) in unearned	411	703	(62)	(1,535)	(1,979)	(2,191)	(745)	2,537	1,369	(204)	851	3,169
earned premium	12,776	11,631	12,916	12,617	13,261	13,153	14,093	14,353	14,077	14,734	13,885	13,595
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	(627)	(693)	(724)	(477)	(436)	(417)	(450)	(292)	(398)	(455)	(387)	(445)
Discounted	(627)	(693)	(724)	(477)	(436)	(417)	(450)	(292)	(398)	(455)	(387)	(445)
Current Accident Year												
Undiscounted	12,636	11,503	12,774	12,479	13,115	13,008	13,938	14,195	13,922	14,571	13,733	13,445
effect of discounting	1,345	975	910	840	982	923	941	898	810	800	666	551
Discounted	13,981	12,478	13,684	13,319	14,097	13,931	14,879	15,093	14,732	15,371	14,399	13,996
Claims Incurred	13,354	11,785	12,960	12,842	13,661	13,514	14,429	14,801	14,334	14,916	14,012	13,551
Underwriting Expenses												
Expense Allowance	3,759	3,322	3,945	4,302	4,633	4,665	4,511	3,592	3,863	4,541	3,963	3,169
% wp	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%	30.4%
Premium Deficiency / (DPAC)												
Undiscounted	43	48	89	130	183	237	277	275	320	416	409	371
effect of discounting	(36)	(61)	15	154	202	226	95	(211)	(97)	58	(41)	(260)
Discounted	7	(13)	104	284	385	463	372	64	223	474	368	111
Underwriting Expenses	3,766	3,309	4,049	4,586	5,018	5,128	4,883	3,656	4,086	5,015	4,331	3,280
Net Underwriting Gain (Loss)	(4,344)	(3,463)	(4,093)	(4,811)	(5,418)	(5,489)	(5,219)	(4,104)	(4,343)	(5,197)	(4,458)	(3,236)
Administrative Expenses	126	111	132	144	156	157	152	121	130	153	133	106
Operating Result	(4,470)	(3,574)	(4,225)	(4,955)	(5,574)	(5,646)	(5,371)	(4,225)	(4,473)	(5,350)	(4,591)	(3,342)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	(4.9%)	(6.0%)	(5.6%)	(3.8%)	(3.3%)	(3.2%)	(3.2%)	(2.0%)	(2.8%)	(3.1%)	(2.8%)	(3.3%)
Current Accident Year	109.4%	107.3%	105.9%	105.6%	106.3%	105.9%	105.6%	105.2%	104.7%	104.3%	103.7%	102.9%
All Accident Years Combined	104.5%	101.3%	100.3%	101.8%	103.0%	102.7%	102.4%	103.2%	101.9%	101.2%	100.9%	99.6%
Underwriting & Admin Exp (EP)	30.5%	29.4%	32.4%	37.5%	39.0%	40.2%	35.7%	26.3%	29.9%	35.1%	32.1%	24.9%
Combined Operating Ratio	135.0%	130.7%	132.7%	139.3%	142.0%	142.9%	138.1%	129.5%	131.8%	136.3%	133.0%	124.5%

Exhibit B-3
Alberta Non-Grid RSP
Summary of Operations

page 2 of 2

Alberta non-Grid 250 AB non-Grid	FULL YEAR						
in \$ thousands	2019	2020	2021	Change during 2020		Change during 2021	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	122,353	143,320	158,767	20,967	17.1%	15,447	10.8%
decrease / (increase) in unearned	(6,597)	(17,143)	2,324	(10,546)	159.9%	19,467	(113.6%)
earned premium	115,756	126,177	161,091	10,421	9.0%	34,914	27.7%
Claims Incurred							
Prior Accident Years							
Undiscounted	(24,105)	(5,319)	-	18,786	(77.9%)	5,319	(100.0%)
effect of discounting	(784)	(152)	(5,801)	632	(80.6%)	(5,649)	3,716.4%
Discounted	(24,889)	(5,471)	(5,801)	19,418	(78.0%)	(330)	6.0%
Current Accident Year							
Undiscounted	120,927	127,617	159,319	6,690	5.5%	31,702	24.8%
effect of discounting	5,956	8,524	10,641	2,568	43.1%	2,117	24.8%
Discounted	126,883	136,141	169,960	9,258	7.3%	33,819	24.8%
Claims Incurred	101,994	130,670	164,159	28,676	28.1%	33,489	25.6%
Underwriting Expenses							
Expense Allowance	38,100	43,567	48,265	5,467	14.3%	4,698	10.8%
% wp	31.1%	30.4%	30.4%	(0.7%)		-	
Premium Deficiency / (DPAC)							
Undiscounted	218	(5,101)	2,798	(5,319)	(2,439.9%)	7,899	(154.9%)
effect of discounting	1,595	2,929	44	1,334	83.6%	(2,885)	(98.5%)
Discounted	1,813	(2,172)	2,842	(3,985)	(219.8%)	5,014	(230.8%)
Underwriting Expenses	39,913	41,395	51,107	1,482	3.7%	9,712	23.5%
Net Underwriting Gain (Loss)	(26,151)	(45,888)	(54,175)	(19,737)	75.5%	(8,287)	18.1%
Administrative Expenses	1,170	1,408	1,621	238	20.3%	213	15.1%
Operating Result	(27,321)	(47,296)	(55,796)	(19,975)	73.1%	(8,500)	18.0%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	(21.5%)	(4.3%)	(3.6%)	17.2%		0.7%	
Current Accident Year	109.6%	107.9%	105.5%	(1.7%)		(2.4%)	
All Accident Years Combined	88.1%	103.6%	101.9%	15.5%		(1.7%)	
Underwriting & Admin Exp (EP)	35.5%	33.9%	32.7%	(1.6%)		(1.2%)	
Combined Operating Ratio	123.6%	137.5%	134.6%	13.9%		(2.9%)	

Exhibit B-4
New Brunswick RSP
Summary of Operations

page 1 of 2

in \$ thousands	202101	202102	202103	202104	202105	202106	202107	202108	202109	202110	202111	202112
Underwriting Revenue												
written premium	1,504	1,358	1,695	1,835	1,981	2,180	2,250	2,408	2,445	1,880	1,443	792
decrease / (increase) in unearned	138	153	12	(152)	(186)	(420)	(402)	(568)	(672)	(58)	299	976
earned premium	1,642	1,511	1,707	1,683	1,795	1,760	1,848	1,840	1,773	1,822	1,742	1,768
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	(92)	(82)	(63)	(47)	(51)	(31)	(31)	(42)	(34)	(33)	(38)	(73)
Discounted	(92)	(82)	(63)	(47)	(51)	(31)	(31)	(42)	(34)	(33)	(38)	(73)
Current Accident Year												
Undiscounted	1,258	1,157	1,308	1,289	1,375	1,348	1,415	1,410	1,358	1,396	1,334	1,355
effect of discounting	118	78	93	94	95	89	89	83	75	71	61	57
Discounted	1,376	1,235	1,401	1,383	1,470	1,437	1,504	1,493	1,433	1,467	1,395	1,412
Claims Incurred	1,284	1,153	1,338	1,336	1,419	1,406	1,473	1,451	1,399	1,434	1,357	1,339
Underwriting Expenses												
Expense Allowance	454	410	512	554	599	658	680	727	739	567	436	239
% wp	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%
Premium Deficiency / (DPAC)												
Undiscounted	30	32	4	(24)	(33)	(76)	(72)	(102)	(124)	3	76	210
effect of discounting	(9)	(12)	-	11	14	32	29	42	50	5	(20)	(69)
Discounted	21	20	4	(13)	(19)	(44)	(43)	(60)	(74)	8	56	141
Underwriting Expenses	475	430	516	541	580	614	637	667	665	575	492	380
Net Underwriting Gain (Loss)	(117)	(72)	(147)	(194)	(204)	(260)	(262)	(278)	(291)	(187)	(107)	49
Administrative Expenses	77	70	87	94	102	113	116	124	126	97	75	41
Operating Result	(194)	(142)	(234)	(288)	(306)	(373)	(378)	(402)	(417)	(284)	(182)	8
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	(5.6%)	(5.4%)	(3.7%)	(2.8%)	(2.8%)	(1.8%)	(1.7%)	(2.3%)	(1.9%)	(1.8%)	(2.2%)	(4.1%)
Current Accident Year	83.8%	81.7%	82.1%	82.2%	81.9%	81.6%	81.4%	81.1%	80.8%	80.5%	80.1%	79.9%
All Accident Years Combined	78.2%	76.3%	78.4%	79.4%	79.1%	79.8%	79.7%	78.8%	78.9%	78.7%	77.9%	75.8%
Underwriting & Admin Exp (EP)	33.6%	33.1%	35.3%	37.7%	38.0%	41.3%	40.7%	43.0%	44.6%	36.9%	32.5%	23.8%
Combined Operating Ratio	111.8%	109.4%	113.7%	117.1%	117.1%	121.1%	120.4%	121.8%	123.5%	115.6%	110.4%	99.6%

Exhibit B-4
New Brunswick RSP
Summary of Operations

page 2 of 2

New Brunswick NB	FULL YEAR						
in \$ thousands	2019	2020	2021	Change during 2020		Change during 2021	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	16,518	19,325	21,771	2,807	17.0%	2,446	12.7%
decrease / (increase) in unearned	(734)	(1,215)	(880)	(481)	65.5%	335	(27.6%)
earned premium	15,784	18,110	20,891	2,326	14.7%	2,781	15.4%
Claims Incurred							
Prior Accident Years							
Undiscounted	435	1,203	-	768	176.6%	(1,203)	(100.0%)
effect of discounting	173	298	(617)	125	72.3%	(915)	(307.0%)
Discounted	608	1,501	(617)	893	146.9%	(2,118)	(141.1%)
Current Accident Year							
Undiscounted	11,884	11,940	16,003	56	0.5%	4,063	34.0%
effect of discounting	392	762	1,003	370	94.4%	241	31.6%
Discounted	12,276	12,702	17,006	426	3.5%	4,304	33.9%
Claims Incurred	12,884	14,203	16,389	1,319	10.2%	2,186	15.4%
Underwriting Expenses							
Expense Allowance	4,974	5,839	6,575	865	17.4%	736	12.6%
% wp	30.1%	30.2%	30.2%	0.1%		-	
Premium Deficiency / (DPAC)							
Undiscounted	(309)	65	(76)	374	(121.0%)	(141)	(216.9%)
effect of discounting	144	318	73	174	120.8%	(245)	(77.0%)
Discounted	(165)	383	(3)	548	(332.1%)	(386)	(100.8%)
Underwriting Expenses	4,809	6,222	6,572	1,413	29.4%	350	5.6%
Net Underwriting Gain (Loss)	(1,909)	(2,315)	(2,070)	(406)	21.3%	245	(10.6%)
Administrative Expenses	851	830	1,122	(22)	(2.5%)	292	35.2%
Operating Result	(2,760)	(3,145)	(3,192)	(384)	13.9%	(47)	1.5%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	3.9%	8.3%	(3.0%)	4.4%		(11.3%)	
Current Accident Year	77.8%	70.1%	81.4%	(7.7%)		11.3%	
All Accident Years Combined	81.7%	78.4%	78.4%	(3.3%)		-	
Underwriting & Admin Exp (EP)	35.9%	38.9%	36.8%	3.0%		(2.1%)	
Combined Operating Ratio	117.6%	117.3%	115.2%	(0.3%)		(2.1%)	

Exhibit B-5
 Nova Scotia RSP
 Summary of Operations

page 1 of 2

in \$ thousands	202101	202102	202103	202104	202105	202106	202107	202108	202109	202110	202111	202112
Underwriting Revenue												
written premium	3,170	3,016	3,809	4,096	4,133	4,744	5,065	6,030	7,298	5,102	4,513	3,606
decrease / (increase) in unearned	685	545	208	(132)	93	(600)	(752)	(1,703)	(3,061)	(682)	(297)	711
earned premium	3,855	3,561	4,017	3,964	4,226	4,144	4,313	4,327	4,237	4,420	4,216	4,317
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	(225)	(127)	(124)	(99)	(99)	(104)	(118)	(107)	(132)	(96)	(95)	(145)
Discounted	(225)	(127)	(124)	(99)	(99)	(104)	(118)	(107)	(132)	(96)	(95)	(145)
Current Accident Year												
Undiscounted	3,832	3,539	3,993	3,940	4,200	4,120	4,287	4,301	4,211	4,394	4,190	4,292
effect of discounting	390	309	339	343	356	339	341	331	312	312	282	274
Discounted	4,222	3,848	4,332	4,283	4,556	4,459	4,628	4,632	4,523	4,706	4,472	4,566
Claims Incurred	3,997	3,721	4,208	4,184	4,457	4,355	4,510	4,525	4,391	4,610	4,377	4,421
Underwriting Expenses												
Expense Allowance	1,005	957	1,207	1,299	1,310	1,504	1,606	1,912	2,313	1,617	1,430	1,143
% wp	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%	31.7%
Premium Deficiency / (DPAC)												
Undiscounted	12	8	26	43	56	82	103	149	210	152	146	116
effect of discounting	(70)	(54)	(19)	18	(4)	69	87	188	329	85	45	(60)
Discounted	(58)	(46)	7	61	52	151	190	337	539	237	191	56
Underwriting Expenses	947	911	1,214	1,360	1,362	1,655	1,796	2,249	2,852	1,854	1,621	1,199
Net Underwriting Gain (Loss)	(1,089)	(1,071)	(1,405)	(1,580)	(1,593)	(1,866)	(1,993)	(2,447)	(3,006)	(2,044)	(1,782)	(1,303)
Administrative Expenses	88	83	105	113	114	131	140	167	202	140	124	99
Operating Result	(1,177)	(1,154)	(1,510)	(1,693)	(1,707)	(1,997)	(2,133)	(2,614)	(3,208)	(2,184)	(1,906)	(1,402)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	(5.8%)	(3.6%)	(3.1%)	(2.5%)	(2.3%)	(2.5%)	(2.7%)	(2.5%)	(3.1%)	(2.2%)	(2.3%)	(3.4%)
Current Accident Year	109.5%	108.1%	107.8%	108.0%	107.8%	107.6%	107.3%	107.0%	106.8%	106.5%	106.1%	105.8%
All Accident Years Combined	103.7%	104.5%	104.7%	105.5%	105.5%	105.1%	104.6%	104.5%	103.7%	104.3%	103.8%	102.4%
Underwriting & Admin Exp (EP)	26.8%	27.9%	32.8%	37.2%	34.9%	43.1%	44.9%	55.8%	72.1%	45.1%	41.4%	30.1%
Combined Operating Ratio	130.5%	132.4%	137.5%	142.7%	140.4%	148.2%	149.5%	160.3%	175.8%	149.4%	145.2%	132.5%

Exhibit B-5
Nova Scotia RSP
Summary of Operations

page 2 of 2

Nova Scotia NS	400	FULL YEAR					
in \$ thousands	2019	2020	2021	Change during 2020		Change during 2021	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	33,046	43,948	54,582	10,902	33.0%	10,634	24.2%
decrease / (increase) in unearned	(2,782)	(6,874)	(4,985)	(4,092)	147.1%	1,889	(27.5%)
earned premium	30,264	37,074	49,597	6,810	22.5%	12,523	33.8%
Claims Incurred							
Prior Accident Years							
Undiscounted	107	(3,064)	-	(3,171)	(2,963.6%)	3,064	(100.0%)
effect of discounting	249	205	(1,471)	(44)	(17.7%)	(1,676)	(817.6%)
Discounted	356	(2,859)	(1,471)	(3,215)	(903.1%)	1,388	(48.5%)
Current Accident Year							
Undiscounted	29,856	32,659	49,299	2,803	9.4%	16,640	51.0%
effect of discounting	1,505	2,717	3,928	1,212	80.5%	1,211	44.6%
Discounted	31,361	35,376	53,227	4,015	12.8%	17,851	50.5%
Claims Incurred	31,717	32,517	51,756	800	2.5%	19,239	59.2%
Underwriting Expenses							
Expense Allowance	10,247	13,937	17,303	3,690	36.0%	3,366	24.2%
% wp	31.0%	31.7%	31.7%	0.7%		-	
Premium Deficiency / (DPAC)							
Undiscounted	279	197	1,103	(82)	(29.4%)	906	459.9%
effect of discounting	504	1,342	614	838	166.3%	(728)	(54.2%)
Discounted	783	1,539	1,717	756	96.6%	178	11.6%
Underwriting Expenses	11,030	15,476	19,020	4,446	40.3%	3,544	22.9%
Net Underwriting Gain (Loss)	(12,483)	(10,919)	(21,179)	1,564	(12.5%)	(10,260)	94.0%
Administrative Expenses	752	966	1,506	215	28.6%	540	55.9%
Operating Result	(13,235)	(11,885)	(22,685)	1,349	(10.2%)	(10,800)	90.9%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	1.2%	(7.7%)	(3.0%)	(8.9%)		4.7%	
Current Accident Year	103.6%	95.4%	107.3%	(8.2%)		11.9%	
All Accident Years Combined	104.8%	87.7%	104.3%	(17.1%)		16.6%	
Underwriting & Admin Exp (EP)	38.9%	44.3%	41.4%	5.4%		(2.9%)	
Combined Operating Ratio	143.7%	132.0%	145.7%	(11.7%)		13.7%	

Exhibit B-6
 Newfoundland and Labrador RSP
 Summary of Operations

page 1 of 2

in \$ thousands	202101	202102	202103	202104	202105	202106	202107	202108	202109	202110	202111	202112
Underwriting Revenue												
written premium	268	625	752	858	883	901	872	867	836	786	747	599
decrease / (increase) in unearned	(247)	(568)	(618)	(641)	(545)	(454)	(252)	(138)	(69)	69	136	368
earned premium	21	57	134	217	338	447	620	729	767	855	883	967
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	-	-	-	-	-	-	-	-	-	-	-	-
Discounted	-	-	-	-	-	-	-	-	-	-	-	-
Current Accident Year												
Undiscounted	21	57	134	217	337	448	619	729	767	855	884	967
effect of discounting	2	5	12	19	29	38	52	58	61	65	65	68
Discounted	23	62	146	236	366	486	671	787	828	920	949	1,035
Claims Incurred	23	62	146	236	366	486	671	787	828	920	949	1,035
Underwriting Expenses												
Expense Allowance	80	186	224	256	263	268	260	258	249	234	222	179
% wp	29.9%	29.8%	29.8%	29.8%	29.8%	29.7%	29.8%	29.8%	29.8%	29.8%	29.7%	29.9%
Premium Deficiency / (DPAC)												
Undiscounted	5	11	12	13	10	9	5	3	1	-	(3)	(8)
effect of discounting	24	55	61	63	53	45	25	14	7	(8)	(14)	(35)
Discounted	29	66	73	76	63	54	30	17	8	(8)	(17)	(43)
Underwriting Expenses	109	252	297	332	326	322	290	275	257	226	205	136
Net Underwriting Gain (Loss)	(111)	(257)	(309)	(351)	(354)	(361)	(341)	(333)	(318)	(291)	(271)	(204)
Administrative Expenses	11	25	30	34	35	36	35	34	33	31	29	24
Operating Result	(122)	(282)	(339)	(385)	(389)	(397)	(376)	(367)	(351)	(322)	(300)	(228)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	-	-	-	-	-	-	-	-	-	-	-	-
Current Accident Year	109.5%	108.8%	109.0%	108.8%	108.3%	108.7%	108.2%	108.0%	108.0%	107.6%	107.5%	107.0%
All Accident Years Combined	109.5%	108.8%	109.0%	108.8%	108.3%	108.7%	108.2%	108.0%	108.0%	107.6%	107.5%	107.0%
Underwriting & Admin Exp (EP)	571.4%	486.0%	244.0%	168.7%	106.8%	80.1%	52.4%	42.4%	37.8%	30.1%	26.5%	16.5%
Combined Operating Ratio	680.9%	594.8%	353.0%	277.5%	215.1%	188.8%	160.6%	150.4%	145.8%	137.7%	134.0%	123.5%

Exhibit B-6
Newfoundland and Labrador RSP
Summary of Operations

page 2 of 2

Newfoundland & La 500 NL	FULL YEAR						
in \$ thousands	2019	2020	2021	Change during 2020		Change during 2021	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	-	117	8,994	117	100.0%	8,877	7,587.2%
decrease / (increase) in unearned	-	(83)	(2,959)	(83)	100.0%	(2,876)	3,465.1%
earned premium	-	34	6,035	34	100.0%	6,001	17,650.0%
Claims Incurred							
Prior Accident Years							
Undiscounted	-	-	-	-	-	-	-
effect of discounting	-	-	-	-	-	-	-
Discounted	-	-	-	-	-	-	-
Current Accident Year							
Undiscounted	-	35	6,035	35	100.0%	6,000	17,142.9%
effect of discounting	-	3	474	3	100.0%	471	15,700.0%
Discounted	-	38	6,509	38	100.0%	6,471	17,028.9%
Claims Incurred	-	38	6,509	38	100.0%	6,471	17,028.9%
Underwriting Expenses							
Expense Allowance	-	35	2,679	35	100.0%	2,644	7,554.3%
% wp	-	29.9%	29.8%	29.9%		(0.1%)	
Premium Deficiency / (DPAC)							
Undiscounted	-	2	58	2	100.0%	56	2,800.0%
effect of discounting	-	8	290	8	100.0%	282	3,525.0%
Discounted	-	10	348	10	100.0%	338	3,380.0%
Underwriting Expenses	-	45	3,027	45	100.0%	2,982	6,626.7%
Net Underwriting Gain (Loss)	-	(49)	(3,501)	(49)	100.0%	(3,452)	7,044.9%
Administrative Expenses	-	123	357	123	100.0%	234	190.6%
Operating Result	-	(172)	(3,858)	(172)	100.0%	(3,686)	2,144.8%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	-	-	-	-	-	-	-
Current Accident Year	-	111.8%	107.9%	111.8%		(3.9%)	
All Accident Years Combined	-	111.8%	107.9%	111.8%		(3.9%)	
Underwriting & Admin Exp (EP)	-	493.7%	56.1%	493.7%		(437.6%)	
Combined Operating Ratio	-	605.5%	164.0%	605.5%		(441.5%)	

Exhibit C-1
Ontario RSP
Projected Policy Liabilities

page 1 of 2

Ontario		Projected Balances as at Dec. 31, 2020 (\$'000s)						
ending 2020		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	26,097	(83)	26,014	(182)	156	2,592	2,566	28,580
2001	868	25	893	(7)	6	88	87	980
2002	57	(46)	11	-	-	1	1	12
2003	6	12	18	-	-	2	2	20
2004	898	88	986	(11)	9	98	96	1,082
2005	37	(39)	(2)	-	-	-	-	(2)
2006	1,659	24	1,683	(25)	22	165	162	1,845
2007	1,918	2	1,920	(31)	27	189	185	2,105
2008	673	7	680	(12)	10	67	65	745
2009	2,696	62	2,758	(52)	44	271	263	3,021
2010	3,287	343	3,630	(73)	62	356	345	3,975
2011	6,833	(235)	6,598	(112)	99	649	636	7,234
2012	8,044	(1,112)	6,932	(104)	90	683	669	7,601
2013	17,219	(300)	16,919	(203)	169	1,672	1,638	18,557
2014	33,148	(291)	32,857	(296)	263	3,256	3,223	36,080
2015	49,540	(1,290)	48,250	(338)	289	4,791	4,742	52,992
2016	63,322	(2,517)	60,805	(365)	304	6,045	5,984	66,789
2017	94,506	12,196	106,702	(747)	640	13,245	13,138	119,840
2018	110,070	28,105	138,175	(1,105)	967	20,560	20,422	158,597
2019	100,963	75,077	176,040	(1,584)	1,408	30,355	30,179	206,219
PAYs (sub-total):	521,841	110,028	631,869	(5,247)	4,565	85,085	84,403	716,272
CAY (2020)	99,785	157,991	257,776	(2,320)	2,062	46,493	46,235	304,011
claims liabilities:	621,626	268,019	889,645	(7,567)	6,627	131,578	130,638	1,020,283
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	238,631	32,692	271,323	(1,896)	1,625	35,233	34,962	306,285
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			1,160,968	(9,463)	8,252	166,811	165,600	1,326,568

Exhibit C-1
Ontario RSP
Projected Policy Liabilities

page 2 of 2

Ontario		Projected Balances as at Dec. 31, 2021 (\$000s)						
ending 2021		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	19,533	(35)	19,498	(84)	70	1,948	1,934	21,432
2002	39	(28)	11	-	-	1	1	12
2003	7	8	15	-	-	2	2	17
2004	662	50	712	(7)	6	70	69	781
2005	22	(24)	(2)	-	-	-	-	(2)
2006	1,206	14	1,220	(16)	13	120	117	1,337
2007	1,389	2	1,391	(21)	18	137	134	1,525
2008	486	5	491	(8)	7	48	47	538
2009	1,962	36	1,998	(34)	30	197	193	2,191
2010	2,426	203	2,629	(50)	42	258	250	2,879
2011	4,919	(139)	4,780	(96)	81	468	453	5,233
2012	5,677	(655)	5,022	(85)	75	493	483	5,505
2013	12,432	(176)	12,256	(184)	159	1,208	1,183	13,439
2014	23,974	(170)	23,804	(286)	238	2,351	2,303	26,107
2015	35,714	(759)	34,955	(315)	280	3,464	3,429	38,384
2016	45,531	(1,480)	44,051	(308)	264	4,374	4,330	48,381
2017	64,247	7,593	71,840	(431)	359	8,926	8,854	80,694
2018	86,337	14,359	100,696	(705)	604	14,998	14,897	115,593
2019	94,781	43,904	138,685	(1,109)	971	23,938	23,800	162,485
2020	112,634	93,157	205,791	(1,852)	1,646	37,117	36,911	242,702
PAYs (sub-total):	513,978	155,865	669,843	(5,591)	4,863	100,118	99,390	769,233
CAY (2021)	136,236	207,079	343,315	(3,090)	2,747	61,921	61,578	404,893
claims liabilities:	650,214	362,944	1,013,158	(8,681)	7,610	162,039	160,968	1,174,126
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	255,689	43,748	299,437	(2,092)	1,793	38,882	38,583	338,020
policy liabilities:			1,312,595	(10,773)	9,403	200,921	199,551	1,512,146

*Total may not be sum of parts, as apvs apply to future costs within UPR

Exhibit C-2
Alberta Grid RSP
Projected Policy Liabilities

page 1 of 2

Alberta Grid ending 2020		Projected Balances as at Dec. 31, 2020 (\$000s)						
Acc Yr	nominal values			actuarial present value adjustments (apvs)				TOTAL
	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
2004	3	(71)	(68)	-	-	7	7	(61)
2005	377	(24)	353	-	-	35	35	388
2006	205	(119)	86	-	-	9	9	95
2007	615	76	691	(2)	2	69	69	760
2008	356	(128)	228	(1)	1	23	23	251
2009	179	8	187	(1)	1	19	19	206
2010	1,286	(369)	917	(4)	4	92	92	1,009
2011	1,648	(22)	1,626	(7)	7	162	162	1,788
2012	3,085	525	3,610	(14)	14	360	360	3,970
2013	4,301	529	4,830	(19)	19	481	481	5,311
2014	4,986	1,578	6,564	(33)	33	653	653	7,217
2015	14,261	4,092	18,353	(92)	92	1,826	1,826	20,179
2016	14,581	5,177	19,758	(99)	99	1,966	1,966	21,724
2017	20,551	10,165	30,716	(184)	184	3,054	3,054	33,770
2018	33,409	18,143	51,552	(309)	309	6,405	6,405	57,957
2019	45,021	33,574	78,595	(550)	550	9,755	9,755	88,350
PAYs (sub-total):	144,864	73,134	217,998	(1,315)	1,315	24,916	24,916	242,914
CAY (2020)	51,759	56,327	108,086	(757)	757	12,665	12,665	120,751
claims liabilities:	196,623	129,461	326,084	(2,072)	2,072	37,581	37,581	363,665
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	107,642	(21,948)	85,694	(598)	598	9,070	9,070	94,764
policy liabilities:			411,778	(2,670)	2,670	46,651	46,651	458,429

*Total may not be sum of parts, as apvs apply to future costs within UPR

Exhibit C-2
Alberta Grid RSP
Projected Policy Liabilities

page 2 of 2

Alberta Grid ending 2021		Projected Balances as at Dec. 31, 2021 (\$000s)						
Acc Yr	nominal values			actuarial present value adjustments (apvs)				TOTAL
	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
2004	6	(50)	(44)	-	-	4	4	(40)
2005	249	(17)	232	-	-	23	23	255
2006	138	(83)	55	-	-	6	6	61
2007	400	53	453	(1)	1	45	45	498
2008	238	(88)	150	-	-	15	15	165
2009	115	8	123	-	-	12	12	135
2010	856	(256)	600	(2)	2	60	60	660
2011	1,082	(16)	1,066	(4)	4	107	107	1,173
2012	2,000	365	2,365	(9)	9	235	235	2,600
2013	2,795	369	3,164	(13)	13	315	315	3,479
2014	3,204	1,096	4,300	(17)	17	428	428	4,728
2015	9,176	2,848	12,024	(60)	60	1,196	1,196	13,220
2016	9,340	3,604	12,944	(65)	65	1,288	1,288	14,232
2017	16,277	6,031	22,308	(112)	112	2,220	2,220	24,528
2018	27,675	11,868	39,543	(237)	237	4,913	4,913	44,456
2019	38,916	24,411	63,327	(380)	380	7,869	7,869	71,196
2020	35,796	40,017	75,813	(531)	531	8,883	8,883	84,696
PAYs (sub-total):	148,263	90,160	238,423	(1,431)	1,431	27,619	27,619	266,042
CAY (2021)	58,095	63,222	121,317	(849)	849	14,215	14,215	135,532
claims liabilities:	206,358	153,382	359,740	(2,280)	2,280	41,834	41,834	401,574
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	118,382	(20,563)	97,819	(682)	682	10,352	10,352	108,171
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			457,559	(2,962)	2,962	52,186	52,186	509,745

Exhibit C-3
Alberta Non-Grid RSP
Projected Policy Liabilities

page 1 of 2

Alberta non-Grid ending 2020	Projected Balances as at Dec. 31, 2020 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2004	24	32	56	-	-	6	6	62
2005	67	5	72	-	-	7	7	79
2006	-	68	68	-	-	7	7	75
2007	270	54	324	(1)	1	32	32	356
2008	(32)	60	28	-	-	3	3	31
2009	785	(19)	766	(4)	4	77	77	843
2010	948	17	965	(5)	5	96	96	1,061
2011	677	(192)	485	(3)	3	48	48	533
2012	2,126	100	2,226	(11)	11	222	222	2,448
2013	2,340	529	2,869	(17)	17	285	285	3,154
2014	2,596	704	3,300	(23)	23	328	328	3,628
2015	5,087	1,108	6,195	(50)	50	608	608	6,803
2016	14,688	1,387	16,075	(113)	113	1,597	1,597	17,672
2017	19,366	4,126	23,492	(164)	164	2,333	2,333	25,825
2018	24,776	8,515	33,291	(233)	233	4,132	4,132	37,423
2019	25,192	18,105	43,297	(303)	303	5,374	5,374	48,671
PAYs (sub-total):	98,910	34,599	133,509	(927)	927	15,155	15,155	148,664
CAY (2020)	39,561	35,733	75,294	(527)	527	8,524	8,524	83,818
claims liabilities:	138,471	70,332	208,803	(1,454)	1,454	23,679	23,679	232,482
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	81,205	(503)	80,702	(402)	402	7,511	7,511	88,213
policy liabilities:			289,505	(1,856)	1,856	31,190	31,190	320,695

*Total may not be sum of parts, as apvs apply to future costs within UPR

Exhibit C-3
Alberta Non-Grid RSP
Projected Policy Liabilities

page 2 of 2

Alberta non-Grid ending 2021	Projected Balances as at Dec. 31, 2021 (\$000s)							
Acc Yr	nominal values			actuarial present value adjustments (apvs)				TOTAL
	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
2004	14	25	39	-	-	4	4	43
2005	45	5	50	-	-	5	5	55
2006	(3)	49	46	-	-	5	5	51
2007	185	39	224	-	-	22	22	246
2008	(27)	44	17	-	-	2	2	19
2009	544	(16)	528	-	-	53	53	581
2010	652	15	667	(3)	3	67	67	734
2011	477	(143)	334	(2)	2	33	33	367
2012	1,463	76	1,539	(9)	9	153	153	1,692
2013	1,583	397	1,980	(10)	10	197	197	2,177
2014	1,753	527	2,280	(14)	14	227	227	2,507
2015	3,450	828	4,278	(30)	30	420	420	4,698
2016	10,066	1,038	11,104	(89)	89	1,101	1,101	12,205
2017	15,723	1,987	17,710	(124)	124	1,759	1,759	19,469
2018	22,433	4,334	26,767	(187)	187	3,323	3,323	30,090
2019	23,071	11,529	34,600	(242)	242	4,295	4,295	38,895
2020	26,757	28,116	54,873	(384)	384	6,212	6,212	61,085
PAYs (sub-total):	108,186	48,850	157,036	(1,094)	1,094	17,878	17,878	174,914
CAY (2021)	49,389	44,609	93,998	(658)	658	10,641	10,641	104,639
claims liabilities:	157,575	93,459	251,034	(1,752)	1,752	28,519	28,519	279,553
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	78,881	2,295	81,176	(404)	404	7,555	7,555	88,731
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			332,210	(2,156)	2,156	36,074	36,074	368,284

Exhibit C-4
New Brunswick RSP
Projected Policy Liabilities

page 1 of 2

New Brunswick		Projected Balances as at Dec. 31, 2020 (\$000s)						
ending 2020		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2005	-	(2)	(2)	-	-	-	-	(2)
2006	-	-	-	-	-	-	-	-
2007	-	5	5	-	-	1	1	6
2008	75	4	79	-	-	8	8	87
2009	242	(1)	241	-	-	24	24	265
2010	-	55	55	-	-	6	6	61
2011	425	39	464	(2)	2	46	46	510
2012	137	34	171	(1)	1	17	17	188
2013	827	73	900	(4)	4	90	90	990
2014	1,094	35	1,129	(5)	5	113	113	1,242
2015	445	88	533	(3)	3	53	53	586
2016	839	547	1,386	(8)	8	138	138	1,524
2017	2,636	771	3,407	(24)	24	339	339	3,746
2018	2,327	1,439	3,766	(30)	30	455	455	4,221
2019	2,737	1,971	4,708	(42)	42	569	569	5,277
PAYs (sub-total):	11,784	5,058	16,842	(119)	119	1,859	1,859	18,701
CAY (2020)	4,299	2,388	6,687	(60)	60	762	762	7,449
claims liabilities:	16,083	7,446	23,529	(179)	179	2,621	2,621	26,150
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	9,989	(2,079)	7,910	(46)	46	715	715	8,625
policy liabilities:			31,439	(225)	225	3,336	3,336	34,775

*Total may not be sum of parts, as apvs apply to future costs within UPR

Exhibit C-4
New Brunswick RSP
Projected Policy Liabilities

page 2 of 2

New Brunswick ending 2021	Projected Balances as at Dec. 31, 2021 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				TOTAL
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
2005	-	(2)	(2)	-	-	-	-	(2)
2006	-	-	-	-	-	-	-	-
2007	-	5	5	-	-	1	1	6
2008	57	4	61	-	-	6	6	67
2009	194	(1)	193	-	-	19	19	212
2010	3	44	47	-	-	5	5	52
2011	340	32	372	(1)	1	37	37	409
2012	111	29	140	(1)	1	14	14	154
2013	668	55	723	(4)	4	72	72	795
2014	878	30	908	(4)	4	91	91	999
2015	361	68	429	(2)	2	43	43	472
2016	684	429	1,113	(7)	7	110	110	1,223
2017	2,231	543	2,774	(17)	17	275	275	3,049
2018	1,979	1,065	3,044	(21)	21	368	368	3,412
2019	2,375	1,350	3,725	(30)	30	450	450	4,175
2020	2,725	1,775	4,500	(41)	41	513	513	5,013
PAYs (sub-total):	12,606	5,426	18,032	(128)	128	2,004	2,004	20,036
CAY (2021)	5,601	3,201	8,802	(79)	79	1,003	1,003	9,805
claims liabilities:	18,207	8,627	26,834	(207)	207	3,007	3,007	29,841
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	10,869	(2,155)	8,714	(51)	51	788	788	9,502
policy liabilities:			35,548	(258)	258	3,795	3,795	39,343

*Total may not be sum of parts, as apvs apply to future costs within UPR

Exhibit C-5
Nova Scotia RSP
Projected Policy Liabilities

page 1 of 2

Nova Scotia		Projected Balances as at Dec. 31, 2020 (\$000s)						
ending 2020		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2007	-	(1)	(1)	-	-	-	-	(1)
2008	-	8	8	-	-	1	1	9
2009	65	5	70	-	-	7	7	77
2010	-	4	4	-	-	-	-	4
2011	-	4	4	-	-	-	-	4
2012	555	(23)	532	(2)	2	53	53	585
2013	1,438	49	1,487	(6)	6	148	148	1,635
2014	1,251	1	1,252	(5)	5	124	124	1,376
2015	2,545	48	2,593	(8)	8	258	258	2,851
2016	2,913	53	2,966	(12)	12	296	296	3,262
2017	5,567	698	6,265	(31)	31	754	754	7,019
2018	5,423	4,260	9,683	(48)	48	1,185	1,185	10,868
2019	4,941	10,397	15,338	(92)	92	1,876	1,876	17,214
PAYs (sub-total):	24,698	15,503	40,201	(204)	204	4,702	4,702	44,903
CAY (2020)	10,125	13,064	23,189	(162)	162	2,717	2,717	25,906
claims liabilities:	34,823	28,567	63,390	(366)	366	7,419	7,419	70,809
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	25,087	184	25,271	(150)	150	2,554	2,554	27,825
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			88,661	(516)	516	9,973	9,973	98,634

Exhibit C-5
Nova Scotia RSP
Projected Policy Liabilities

page 2 of 2

Nova Scotia		Projected Balances as at Dec. 31, 2021 (\$000s)						
ending 2021		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2007	-	(1)	(1)	-	-	-	-	(1)
2008	1	7	8	-	-	1	1	9
2009	52	5	57	-	-	6	6	63
2010	-	4	4	-	-	-	-	4
2011	-	4	4	-	-	-	-	4
2012	467	(19)	448	-	-	45	45	493
2013	1,213	43	1,256	(5)	5	125	125	1,381
2014	1,056	1	1,057	(4)	4	106	106	1,163
2015	2,151	42	2,193	(9)	9	218	218	2,411
2016	2,463	43	2,506	(8)	8	250	250	2,756
2017	4,212	489	4,701	(19)	19	567	567	5,268
2018	5,117	2,991	8,108	(41)	41	992	992	9,100
2019	5,220	7,187	12,407	(62)	62	1,518	1,518	13,925
2020	8,800	9,277	18,077	(108)	108	2,120	2,120	20,197
PAYs (sub-total):	30,752	20,073	50,825	(256)	256	5,948	5,948	56,773
CAY (2021)	14,789	18,734	33,523	(235)	235	3,928	3,928	37,451
claims liabilities:	45,541	38,807	84,348	(491)	491	9,876	9,876	94,224
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	30,073	1,287	31,360	(186)	186	3,168	3,168	34,528
				*Total may not be sum of parts, as apvs apply to future costs within UPR				
policy liabilities:	115,708			(677)	677	13,044	13,044	128,752

Exhibit C-6
Newfoundland and Labrador RSP
Projected Policy Liabilities

page 1 of 2

Newfoundland & Labrador ending 2020	Projected Balances as at Dec. 31, 2020 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				TOTAL
	Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	
2019	-	-	-	-	-	-	-	-
PAYS (sub-total):	-	-	-	-	-	-	-	-
CAY (2020)	11	14	25	-	-	3	3	28
claims liabilities:	11	14	25	-	-	3	3	28
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	82	2	84	-	-	8	8	92
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:	109			-	-	11	11	120

Exhibit C-6
Newfoundland and Labrador RSP
Projected Policy Liabilities

page 2 of 2

Newfoundland & Labrador ending 2021	Projected Balances as at Dec. 31, 2021 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				TOTAL
	Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	
2020	12	12	24	-	-	3	3	27
PAYS (sub-total):	12	12	24	-	-	3	3	27
CAY (2021)	1,811	2,293	4,104	(33)	33	474	474	4,578
claims liabilities:	1,823	2,305	4,128	(33)	33	477	477	4,605
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	3,041	60	3,101	(18)	18	298	298	3,399
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:	7,229			(51)	51	775	775	8,004

Exhibit D

Actual vs Projected based on **Final** Outlooks – RSP ON

page 1 of 5

Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2015	[a]	Actual	239.0	262.6	(188.9)	(71.9%)	342.6	130.5%	47.5	81.9%	
	[b]	Projected*	285.0	282.7	(24.0)	(8.5%)	394.3	139.5%	(183.4)	164.9%	
	[c]=[a]-[b]	A less P	(46.0)	(20.1)	(164.9)	(63.4%)	(51.6)	(9.0%)	230.9	(83.0%)	71.4%
	[d]=[c]/[b]	% of P	(16.1%)	(7.1%)	686.7%		(13.1%)		(125.9%)		
2016	[a]	Actual	336.0	270.9	(106.9)	(39.5%)	362.1	133.7%	(104.5)	138.6%	
	[b]	Projected*	288.9	267.7	(21.5)	(8.0%)	376.7	140.7%	(186.7)	169.8%	
	[c]=[a]-[b]	A less P	47.2	3.1	(85.4)	(31.5%)	(14.6)	(7.0%)	82.3	(31.2%)	103.8%
	[d]=[c]/[b]	% of P	16.3%	1.2%	396.6%		(3.9%)		(44.1%)		
2017	[a]	Actual	362.5	373.7	(114.1)	(30.5%)	495.7	132.7%	(118.3)	131.7%	
	[b]	Projected*	342.2	342.2	(30.1)	(8.8%)	453.0	132.4%	(193.3)	156.5%	
	[c]=[a]-[b]	A less P	20.3	31.5	(84.0)	(21.7%)	42.6	0.3%	75.0	(24.8%)	112.0%
	[d]=[c]/[b]	% of P	5.9%	9.2%	279.1%		9.4%		(38.8%)		
2018	[a]	Actual	347.8	352.6	(72.5)	(20.5%)	481.3	136.5%	(165.6)	147.0%	
	[b]	Projected*	413.2	382.1	(28.7)	(7.5%)	516.7	135.2%	(253.4)	166.3%	
	[c]=[a]-[b]	A less P	(65.4)	(29.5)	(43.8)	(13.0%)	(35.3)	1.3%	87.8	(19.3%)	49.8%
	[d]=[c]/[b]	% of P	(15.8%)	(7.7%)	152.5%		(6.8%)		(34.6%)		
2019	[a]	Actual	419.8	359.8	(94.9)	(26.4%)	483.2	134.3%	(176.8)	149.1%	
	[b]	Projected*	389.3	357.6	(12.3)	(3.4%)	501.6	140.3%	(271.2)	175.9%	
	[c]=[a]-[b]	A less P	30.5	2.2	(82.6)	(23.0%)	(18.4)	(6.0%)	94.4	(26.8%)	87.6%
	[d]=[c]/[b]	% of P	7.8%	0.6%	672.5%		(3.7%)		(34.8%)		

Exhibit D

Actual vs Projected based on **Final** Outlooks – RSP AB-Grid

page 2 of 5

Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2015	[a]	Actual	138.3	146.2	(9.2)	(6.3%)	117.8	80.6%	(5.4)	103.7%	
	[b]	Projected*	158.3	153.7	(6.7)	(4.4%)	112.5	73.2%	3.2	97.9%	
	[c]=[a]-[b]	A less P	(20.0)	(7.5)	(2.5)	(1.9%)	5.3	7.4%	(8.6)	5.8%	(28.9%)
	[d]=[c]/[b]	% of P	(12.6%)	(4.9%)	36.7%		4.7%		(267.8%)		
2016	[a]	Actual	148.5	131.8	39.5	29.9%	118.1	89.6%	(73.9)	156.1%	
	[b]	Projected*	150.5	142.1	(7.4)	(5.2%)	109.6	77.1%	(1.7)	101.2%	
	[c]=[a]-[b]	A less P	(2.0)	(10.3)	46.9	35.1%	8.5	12.5%	(72.3)	54.9%	64.9%
	[d]=[c]/[b]	% of P	(1.3%)	(7.3%)	(631.1%)		7.8%		>999.9%		
2017	[a]	Actual	160.0	149.5	6.5	4.4%	141.7	94.8%	(49.7)	133.3%	
	[b]	Projected*	178.6	179.6	(7.1)	(3.9%)	156.3	87.0%	(24.2)	113.5%	
	[c]=[a]-[b]	A less P	(18.6)	(30.1)	13.6	8.3%	(14.6)	7.8%	(25.5)	19.8%	53.2%
	[d]=[c]/[b]	% of P	(10.4%)	(16.8%)	(192.6%)		(9.3%)		105.5%		
2018	[a]	Actual	158.5	161.6	(7.6)	(4.7%)	151.3	93.6%	(32.5)	120.1%	
	[b]	Projected*	189.7	184.4	(7.1)	(3.9%)	174.5	94.6%	(42.4)	122.9%	
	[c]=[a]-[b]	A less P	(31.1)	(22.8)	(0.4)	(0.8%)	(23.2)	(1.0%)	9.9	(2.8%)	4.5%
	[d]=[c]/[b]	% of P	(16.4%)	(12.4%)	6.2%		(13.3%)		(23.3%)		
2019	[a]	Actual	207.2	180.3	(29.8)	(16.5%)	162.7	90.2%	(19.6)	110.9%	
	[b]	Projected*	200.4	180.9	(14.5)	(8.0%)	172.2	95.2%	(44.0)	124.3%	
	[c]=[a]-[b]	A less P	6.9	(0.5)	(15.3)	(8.5%)	(9.5)	(5.0%)	24.4	(13.4%)	62.9%
	[d]=[c]/[b]	% of P	3.4%	(0.3%)	106.1%		(5.5%)		(55.4%)		

Exhibit D

Actual vs Projected based on **Final** Outlooks – RSP AB non-Grid

page 3 of 5

Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2015	[a]	Actual	86.0	89.8	(9.3)	(10.3%)	96.2	107.1%	(21.0)	123.4%	
	[b]	Projected*	82.6	87.0	(3.0)	(3.5%)	91.6	105.2%	(25.4)	129.2%	
	[c]=[a]-[b]	A less P	3.4	2.8	(6.3)	(6.8%)	4.7	1.9%	4.4	(5.8%)	142.5%
	[d]=[c]/[b]	% of P	4.1%	3.2%	207.5%		5.1%		(17.3%)		
2016	[a]	Actual	99.7	90.5	(0.9)	(1.0%)	107.8	119.2%	(49.4)	154.6%	
	[b]	Projected*	92.7	90.7	(3.7)	(4.1%)	95.6	105.4%	(28.4)	131.4%	
	[c]=[a]-[b]	A less P	6.9	(0.3)	2.9	3.1%	12.2	13.8%	(21.0)	23.2%	13.6%
	[d]=[c]/[b]	% of P	7.5%	(0.3%)	(76.5%)		12.8%		73.7%		
2017	[a]	Actual	99.0	96.9	(2.5)	(2.6%)	114.0	117.7%	(47.0)	148.5%	
	[b]	Projected*	96.3	97.9	(4.4)	(4.5%)	105.4	107.7%	(32.1)	132.9%	
	[c]=[a]-[b]	A less P	2.7	(0.9)	2.0	1.9%	8.7	10.0%	(14.9)	15.6%	13.2%
	[d]=[c]/[b]	% of P	2.8%	(0.9%)	(44.2%)		8.2%		46.3%		
2018	[a]	Actual	114.0	106.7	(20.3)	(19.0%)	120.7	113.2%	(29.8)	128.0%	
	[b]	Projected*	101.3	97.4	(4.4)	(4.5%)	112.1	115.1%	(43.7)	144.9%	
	[c]=[a]-[b]	A less P	12.7	9.4	(15.9)	(14.5%)	8.7	(1.9%)	13.9	(16.9%)	114.6%
	[d]=[c]/[b]	% of P	12.5%	9.6%	362.0%		7.7%		(31.7%)		
2019	[a]	Actual	122.4	115.8	(24.9)	(21.5%)	126.9	109.6%	(27.3)	123.6%	
	[b]	Projected*	139.2	122.8	(10.8)	(8.8%)	141.1	114.8%	(58.1)	147.3%	
	[c]=[a]-[b]	A less P	(16.9)	(7.1)	(14.1)	(12.7%)	(14.2)	(5.2%)	30.8	(23.7%)	45.8%
	[d]=[c]/[b]	% of P	(12.1%)	(5.8%)	130.7%		(10.0%)		(53.0%)		

Exhibit D

Actual vs Projected based on **Final** Outlooks – RSP NB

page 4 of 5

Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2015	[a]	Actual	11.2	10.2	0.9	9.0%	9.2	90.2%	(4.4)	143.2%	
	[b]	Projected*	9.5	9.5	(0.4)	(4.0%)	7.6	79.8%	(1.5)	115.5%	
	[c]=[a]-[b]	A less P	1.7	0.8	1.3	13.0%	1.7	10.4%	(2.9)	27.7%	43.9%
	[d]=[c]/[b]	% of P	18.0%	8.0%	(343.9%)		22.0%		200.1%		
2016	[a]	Actual	9.7	10.0	(3.0)	(30.1%)	8.0	80.1%	1.3	87.0%	
	[b]	Projected*	10.8	10.7	(0.4)	(3.5%)	9.1	85.3%	(2.4)	122.4%	
	[c]=[a]-[b]	A less P	(1.1)	(0.7)	(2.6)	(26.6%)	(1.1)	(5.2%)	3.7	(35.4%)	71.0%
	[d]=[c]/[b]	% of P	(9.7%)	(6.5%)	696.0%		(12.2%)		(154.5%)		
2017	[a]	Actual	11.8	10.6	(1.3)	(11.8%)	8.2	77.4%	(0.0)	100.2%	
	[b]	Projected*	10.5	10.4	(0.4)	(3.8%)	8.5	81.3%	(1.6)	115.8%	
	[c]=[a]-[b]	A less P	1.2	0.2	(0.9)	(8.0%)	(0.2)	(3.9%)	1.6	(15.6%)	53.4%
	[d]=[c]/[b]	% of P	11.7%	2.1%	221.5%		(2.8%)		(98.5%)		
2018	[a]	Actual	14.9	13.3	0.2	1.6%	10.2	76.9%	(1.8)	78.5%	
	[b]	Projected*	17.5	16.0	(0.3)	(1.7%)	12.0	75.1%	(1.5)	109.0%	
	[c]=[a]-[b]	A less P	(2.6)	(2.7)	0.5	3.3%	(1.8)	1.8%	(0.4)	(30.5%)	130.3%
	[d]=[c]/[b]	% of P	(14.6%)	(16.9%)	(178.5%)		(15.0%)		25.0%		
2019	[a]	Actual	16.5	15.8	0.6	3.9%	12.3	77.8%	(2.8)	117.5%	
	[b]	Projected*	15.6	15.8	0.9	5.4%	12.7	80.6%	(3.7)	123.3%	
	[c]=[a]-[b]	A less P	1.0	0.0	(0.2)	(1.5%)	(0.4)	(2.8%)	0.9	(5.8%)	27.3%
	[d]=[c]/[b]	% of P	6.1%	0.1%	(29.0%)		(3.3%)		(24.7%)		

Exhibit D

Actual vs Projected based on **Final** Outlooks – RSP NS

page 5 of 5

Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2015	[a]	Actual	14.5	14.1	0.2	1.3%	14.7	104.3%	(7.0)	149.9%	
	[b]	Projected*	15.2	15.0	(0.5)	(3.5%)	14.0	93.8%	(4.4)	129.6%	
	[c]=[a]-[b]	A less P	(0.7)	(0.9)	0.7	4.8%	0.6	10.5%	(2.6)	20.3%	27.0%
	[d]=[c]/[b]	% of P	(4.6%)	(6.0%)	(133.6%)		4.6%		58.5%		
2016	[a]	Actual	15.2	14.8	(0.6)	(4.3%)	15.4	103.9%	(5.5)	137.1%	
	[b]	Projected*	14.4	14.6	(0.7)	(4.8%)	15.3	105.3%	(5.5)	138.1%	
	[c]=[a]-[b]	A less P	0.8	0.2	0.1	0.5%	0.0	(1.4%)	0.0	(1.0%)	(181.7%)
	[d]=[c]/[b]	% of P	5.5%	1.6%	(10.1%)		0.3%		(0.7%)		
2017	[a]	Actual	25.3	19.0	(4.0)	(20.9%)	18.7	98.4%	(3.4)	118.2%	
	[b]	Projected*	15.9	15.6	(0.8)	(5.1%)	16.3	104.8%	(5.7)	136.7%	
	[c]=[a]-[b]	A less P	9.4	3.4	(3.2)	(15.8%)	2.3	(6.4%)	2.3	(18.5%)	140.7%
	[d]=[c]/[b]	% of P	58.7%	21.8%	395.9%		14.4%		(39.5%)		
2018	[a]	Actual	28.9	27.7	(0.5)	(1.8%)	26.7	96.5%	(8.3)	94.7%	
	[b]	Projected*	39.6	35.2	(0.6)	(1.6%)	34.5	98.0%	(12.7)	136.0%	
	[c]=[a]-[b]	A less P	(10.7)	(7.6)	0.1	(0.2%)	(7.8)	(1.5%)	4.3	(41.3%)	(2.1%)
	[d]=[c]/[b]	% of P	(27.1%)	(21.5%)	(15.9%)		(22.7%)		(34.3%)		
2019	[a]	Actual	33.0	30.3	0.4	1.2%	29.9	103.6%	(13.2)	143.7%	
	[b]	Projected*	30.5	30.0	0.4	1.3%	31.0	103.4%	(12.6)	141.9%	
	[c]=[a]-[b]	A less P	2.5	0.3	(0.0)	(0.1%)	(1.1)	0.2%	(0.7)	1.8%	(7.1%)
	[d]=[c]/[b]	% of P	8.3%	1.0%	(11.9%)		(3.6%)		5.4%		