

**TO:** MEMBERS OF THE FACILITY ASSOCIATION

**ATTENTION:** CHIEF EXECUTIVE OFFICER

**BULLETIN NO:** F2021 - 025

**DATE:** April 29, 2021

**SUBJECT:** FARM – February 2021 Participation Report

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

Please be advised that the February 2021 FARM Participation Report is available on the Facility Association Portal at <https://portal.facilityassociation.com>.

### Highlights

- (a) The **February 2021 premium written for the month** was \$24.0 million, a decrease of \$5.8 million or 19% compared with prior year, driven by the impact of unprocessed business being processed in February 2020;
- (b) The **February 2021 net operating surplus** was \$5.8 million, with a COR of 82.0% on earned premium of \$32 million; and
- (c) Servicing Carrier claims expense allowance retroactive adjustments were calculated for and taken into account with this month's Participation Report, with accident year 2015, 2018, and 2020 being adjusted for a total of **\$5.9 million in recovery**; and
- (d) The February 2021 FARM Participation Report reflects the effect of a **funds transfer of \$30 million** from Facility Association to Members.

### Summary of Financial Results

#### *FARM Summary of Financial Results*

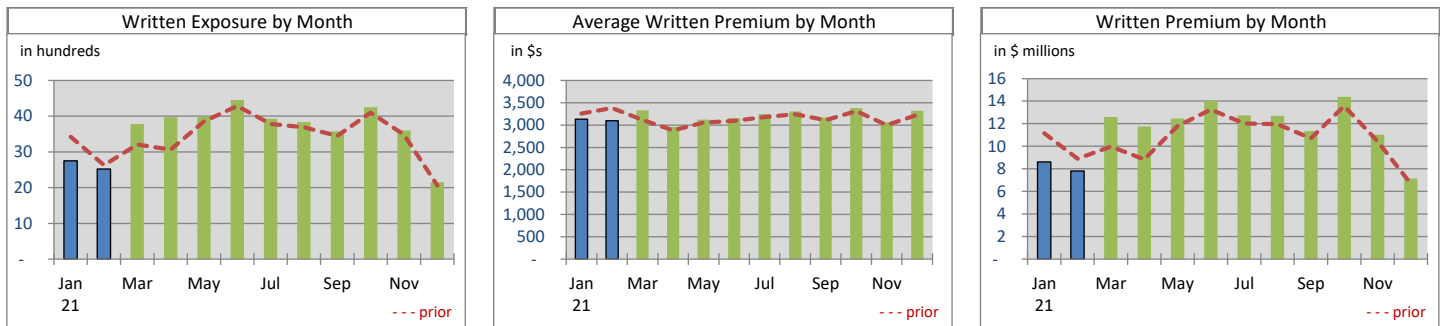
<b>FARM 2021 Summary</b> <b>Amounts in \$000s</b>	<b>Actual</b> <b>(Feb 2021)</b>	<b>Projection</b> <b>(Feb 2021)</b>	<b>Actual</b> <b>(Feb 2020)</b>	<b>2021 year-to-date</b> <b>as at 2 months</b>	<b>2020 year-to-date</b> <b>as at 2 months</b>	<b>Outlook*</b> <b>calendar year 2021</b>
Premium Written	23,963	32,955	29,715	56,181	68,530	466,359
Premium Earned	32,135	31,034	30,079	69,418	64,444	450,497
Incurred Losses	20,657	19,136	16,753	44,096	40,454	288,087
Underwriting & Admin Expense	5,665	6,956	6,074	12,967	13,353	99,257
<b>Net Result from Operations</b>	<b>5,813</b>	<b>4,942</b>	<b>7,251</b>	<b>12,355</b>	<b>10,637</b>	<b>63,153</b>
<b>Ratios:</b>						
<b>Loss ratio</b> - Prior Accident Years	(4.1%)	(4.8%)	(13.9%)	(3.6%)	(4.0%)	(2.4%)
- Current Accident Year	68.4%	66.5%	69.6%	67.1%	66.8%	66.4%
<b>Total</b>	<b>64.3%</b>	<b>61.7%</b>	<b>55.7%</b>	<b>63.5%</b>	<b>62.8%</b>	<b>63.9%</b>
<b>Underwriting &amp; Admin Expense</b>	<b>17.7%</b>	<b>22.5%</b>	<b>20.6%</b>	<b>18.7%</b>	<b>21.1%</b>	<b>22.1%</b>
<b>Combined Operating Ratio</b>	<b>82.0%</b>	<b>84.2%</b>	<b>76.3%</b>	<b>82.2%</b>	<b>83.9%</b>	<b>86.0%</b>

*rounding differences may occur*

\*as posted to FA's website Feb. 9, 2021

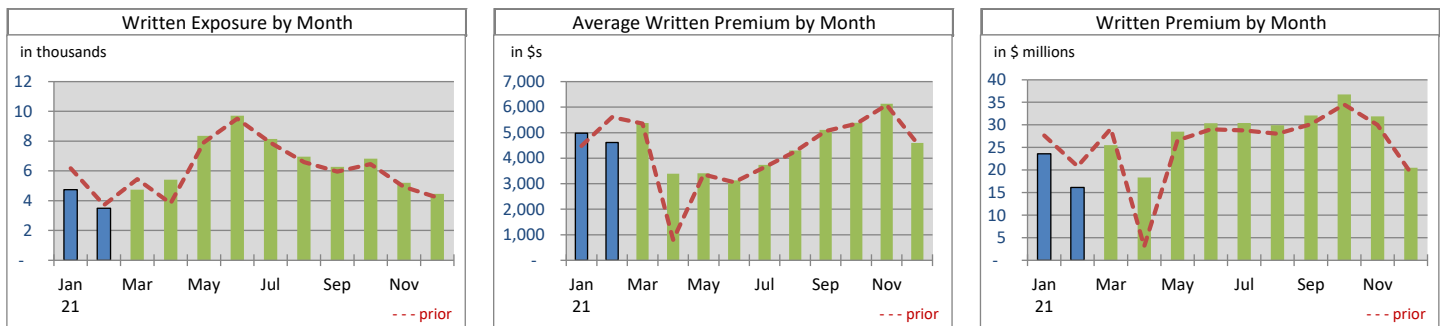
## Premium

### PPV premium drivers compared to prior year and outlook to year end



February 2021's Private Passenger vehicle count was 2,521 vehicles, down 4.2% compared with prior year; written premium was \$7.8 million, down 12.2% compared with prior year.

### NPPV premium drivers compared to prior year and outlook to year end



February 2021's Non-Private Passenger vehicle count was 3,498 vehicles, down 5.8% compared with prior year; written premium was \$16.1 million, down 22.4% compared with prior year.

Average written premium for PPV and NPPV was both down compared to prior year; the more significant decrease in NPPV, down 18%, was primarily due to the unprocessed business being processed in February 2020, of which the majority of them being higher rated classes. As a result, the lower than prior year level written premium, down 5.8 million or 19%, in February 2021 was expected.

It is important to note that Non-Private Passenger counts and premiums are influenced by change in mix. As shown in the following table, the increase in Non-Private Passenger vehicle counts is mainly driven by increases in commercial vehicles and interurban vehicles while the increase in written premium is mainly driven by commercial vehicles and taxis. Note that the rapid growth in interurban vehicle counts across jurisdictions, observed over the last few years has slowed with a recent decrease in Ontario; overall, interurban counts are still up for the rest of the jurisdictions.

**FARM Vehicle Counts and Written Premium – Rolling 12-months to February 2021**

Business Segment	FA Minor Rating Class Desc	2021 rolling 12 to month 02			% Change in Amount			Change in Amount			2020 rolling 12 to month 02		
		Annualize Vehicle Count	Sum of Written Premium	AWP	Annualize Vehicle Count	Sum of Written Premium	AWP	Annualize Vehicle Count	Sum of Written Premium	AWP	Annualize Vehicle Count	Sum of Written Premium	AWP
PPV	Private Passenger (x Farmers)	40,236	125,637,402	3,122	1.7%	3.6%	1.8%	687	4,354,436	55	39,549	121,282,966	3,067
	Farmer	-	81	81	-	100.0%	100.0%	-	81	81	-	-	-
<b>PPV Total</b>		<b>40,236</b>	<b>125,637,483</b>	<b>3,122</b>	<b>1.7%</b>	<b>3.6%</b>	<b>1.8%</b>	<b>687</b>	<b>4,354,517</b>	<b>55</b>	<b>39,549</b>	<b>121,282,966</b>	<b>3,067</b>
non-PPV	Private Passenger (x Farmers)	720	1,062,088	1,475	11.0%	53.4%	38.4%	71	369,919	409	649	692,169	1,066
	Commercial	20,519	116,494,536	5,677	10.8%	18.2%	6.7%	1,994	17,932,867	357	18,526	98,561,669	5,320
	Interurban	8,970	100,234,764	11,174	19.5%	(3.6%)	(19.3%)	1,461	(3,723,690)	(2,670)	7,509	103,958,454	13,844
	Public Bus	674	2,270,532	3,369	(62.0%)	(71.5%)	(25.0%)	(1,098)	(5,693,577)	(1,125)	1,772	7,964,109	4,494
	Private Bus & Misc Public	1,400	5,865,986	4,189	(12.2%)	(5.6%)	7.5%	(195)	(350,922)	292	1,595	6,216,908	3,897
	School Bus	1,220	1,928,280	1,581	4.2%	1.0%	(3.1%)	50	18,452	(51)	1,170	1,909,828	1,632
	Hotel & Country Club Bus	444	1,035,897	2,332	(35.1%)	(37.2%)	(3.2%)	(240)	(613,258)	(78)	684	1,649,155	2,410
	Taxi	4,868	35,593,788	7,311	(4.0%)	24.2%	29.3%	(202)	6,928,490	1,658	5,070	28,665,298	5,653
	Funeral	4	12,674	3,169	100.0%	236.2%	68.1%	2	8,904	1,284	2	3,770	1,885
	Ambulance	89	352,274	3,962	144.7%	143.0%	(0.7%)	53	207,328	(27)	36	144,946	3,989
	Motorcycle	18,329	13,568,502	740	1.8%	9.9%	7.9%	329	1,221,470	54	18,001	12,347,032	686
	All Terrain Vehicle	9,736	4,408,187	453	4.7%	12.3%	7.3%	434	481,488	31	9,302	3,926,699	422
	Snow Vehicle	3,567	1,532,032	429	(7.6%)	(6.0%)	1.7%	(294)	(96,949)	7	3,861	1,628,981	422
	Antique	3	9,226	2,768	(43.7%)	8.2%	92.1%	(3)	703	1,327	6	8,523	1,441
	Motor Home	344	802,986	2,331	3.5%	(5.6%)	(8.8%)	12	(47,647)	(226)	333	850,633	2,557
	Trailer Home	-	71,625	71,625	-	133.0%	133.0%	-	40,890	40,890	-	30,735	30,735
	Garage	-	12,080,427	12,080,427	-	26.8%	26.8%	-	2,552,288	2,552,288	-	9,528,139	9,528,139
	Non-Owned	-	907,956	907,956	-	144.6%	144.6%	-	536,809	536,809	-	371,147	371,147
	Drivers Policy	82	123,367	1,506	(6.6%)	5.4%	12.9%	(6)	6,323	172	88	117,044	1,334
<b>non-PPV Total</b>		<b>70,972</b>	<b>298,355,127</b>	<b>4,204</b>	<b>3.4%</b>	<b>7.1%</b>	<b>3.5%</b>	<b>2,366</b>	<b>19,779,888</b>	<b>143</b>	<b>68,606</b>	<b>278,575,239</b>	<b>4,061</b>
<b>TOTAL</b>		<b>111,209</b>	<b>423,992,610</b>	<b>3,813</b>	<b>2.8%</b>	<b>6.0%</b>	<b>3.1%</b>	<b>3,054</b>	<b>24,134,405</b>	<b>116</b>	<b>108,155</b>	<b>399,858,205</b>	<b>3,697</b>

**Incurred Losses**

Incurred losses in February 2021 was \$20.7 million; and loss ratio was at 64.3%, up 2.6 percentage points compared with our projection last month and up 8.6 percentage points compared with prior year. The higher than prior year losses level was primarily driven by the timing difference in the Prior Accident Year retroactive claims expense adjustment made in the two years. As a result, losses year to date were above prior year, up \$3.6 million and 0.7 percentage point on the loss ratio.

Reported losses in February 2021 was \$1.5 million lower than projected. The Current Accident Year had a \$2.1 million favourable variance in reported losses, while the Prior Accident Years had an approximately \$0.6 million unfavourable variance. Of all the Prior Accident Years, 2019 had the largest variance in reported losses at \$1.0 million unfavourable. No other single Prior Accident Year had a reported loss variance in excess of \$1.0 million.

**Underwriting and Admin Expenses**

Expenses for February 2021 was \$5.7 million; the expense ratio was 4.8 percentage point lower than projected, and 2.9 percentage point lower than prior year. As underwriting expenses are largely a function of servicing carrier compensation arrangements, these variances were primary driven by the lower written premium while premium deficiency reserve and administrative expenses remained relatively constant.

**Projection to year-end 2021**

Updated projections to year-end 2021 will be presented in the March 2021 results updates together with the impact of the 2020 Q4 valuation implementation.

Should you require any further information, please call Sheetal Savani, VP Finance, Compliance and CFO at (416) 863-1750 x5626.

Saskia Matheson  
President & CEO

**Related link:**

[FARM February 2021 Participation Report Actuarial Highlights](#)

\*For additional details on Actual vs Projected variances, IBNR, and valuation (if applicable)

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - ALL JURISDICTIONS BY MONTH**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$32,218	\$23,963	\$56,181	\$460,642	\$436,343
CHANGE IN UNEARNED PREMIUMS	5,065	8,172	13,237	-14,811	-38,855
<b>NET PREMIUMS EARNED</b>	<b>\$37,283</b>	<b>\$32,135</b>	<b>\$69,418</b>	<b>\$445,831</b>	<b>\$397,488</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	601	-12	589	6,533	35,287
EFFECT OF DISCOUNTING	-1,787	-1,313	-3,100	-12,254	5,214
DISCOUNTED	-1,186	-1,325	-2,511	-5,721	40,501
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	22,314	20,039	42,353	272,926	230,836
EFFECT OF DISCOUNTING	2,311	1,943	4,254	21,293	16,816
DISCOUNTED	24,625	21,982	46,607	294,219	247,652
<b>CLAIMS INCURRED</b>	<b>\$23,439</b>	<b>\$20,657</b>	<b>\$44,096</b>	<b>\$288,498</b>	<b>\$288,153</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	3,332	2,475	5,807	47,625	45,057
AGENTS COMMISSIONS	2,396	1,814	4,210	35,013	33,564
DRIVER RECORD ABSTRACTS	237	249	486	5,572	4,063
BAD DEBTS	507	-2	505	507	-165
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	404	620	1,024	-1,036	-2,839
EFFECT OF DISCOUNTING	0		0	0	-47
DISCOUNTED	404	620	1,024	-1,036	-2,886
<b>UNDERWRITING EXPENSES</b>	<b>\$6,876</b>	<b>\$5,156</b>	<b>\$12,032</b>	<b>\$87,681</b>	<b>\$79,633</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$6,968</b>	<b>\$6,322</b>	<b>\$13,290</b>	<b>\$69,652</b>	<b>\$29,702</b>
ADMINISTRATIVE EXPENSES	445	525	970	10,861	6,161
PREMIUM FINANCE FEE	-13	-13	-26	-13	-149
INVESTMENT INCOME	32	29	61	300	626
<b>OPERATING RESULTS</b>	<b>\$6,542</b>	<b>\$5,813</b>	<b>\$12,355</b>	<b>\$59,078</b>	<b>\$24,018</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-3.2%	-4.1%	-3.6%	-1.3%	10.2%
Current Accident Year	66.0%	68.4%	67.1%	66.0%	62.3%
All Accident Years Combined	62.8%	64.3%	63.5%	64.7%	72.5%
Underwriting & Admin Exp.(Earned)	19.6%	17.7%	18.7%	22.1%	21.6%
COMBINED OPERATING RATIO	82.4%	82.0%	82.2%	86.8%	94.1%

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

Rounding Difference may apply

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - ALL JURISDICTIONS**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	Alberta	Ontario	NS	PE	NB	NL	Yukon	NWT	Nunavut	Total	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>												
PREMIUMS WRITTEN	\$14,452	\$24,284	\$7,326	\$715	\$3,911	\$4,508	\$156	\$679	\$150	\$56,181	\$460,642	\$436,343
CHANGE IN UNEARNED PREMIUMS	5,261	3,897	728	358	1,251	1,481	191	54	16	13,237	-14,811	-38,855
<b>NET PREMIUMS EARNED</b>	<b>\$19,713</b>	<b>\$28,181</b>	<b>\$8,054</b>	<b>\$1,073</b>	<b>\$5,162</b>	<b>\$5,989</b>	<b>\$347</b>	<b>\$733</b>	<b>\$166</b>	<b>\$69,418</b>	<b>\$445,831</b>	<b>\$397,488</b>
<b>CLAIMS INCURRED</b>												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	8	250	164	17	42	86	-3	24	1	589	6,533	35,287
EFFECT OF DISCOUNTING	-764	-1,349	-266	-40	-202	-414	-21	-42	-2	-3,100	-12,254	5,214
DISCOUNTED	-756	-1,099	-102	-23	-160	-328	-24	-18	-1	-2,511	-5,721	40,501
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	13,289	14,485	5,308	696	3,401	4,505	217	386	66	42,353	272,926	230,836
EFFECT OF DISCOUNTING	1,362	1,606	488	55	314	366	21	37	5	4,254	21,293	16,816
DISCOUNTED	14,651	16,091	5,796	751	3,715	4,871	238	423	71	46,607	294,219	247,652
<b>CLAIMS INCURRED</b>	<b>\$13,895</b>	<b>\$14,992</b>	<b>\$5,694</b>	<b>\$728</b>	<b>\$3,555</b>	<b>\$4,543</b>	<b>\$214</b>	<b>\$405</b>	<b>\$70</b>	<b>\$44,096</b>	<b>\$288,498</b>	<b>\$288,153</b>
<b>UNDERWRITING EXPENSES</b>												
OPERATING & SERVICE FEES	1,438	2,624	733	72	391	452	15	67	15	5,807	47,625	45,057
AGENTS COMMISSIONS	1,098	1,595	613	67	369	373	15	67	13	4,210	35,013	33,564
DRIVER RECORD ABSTRACTS	56	81	162	28	82	71	0	6	0	486	5,572	4,063
BAD DEBTS	1	512	0	0	-1	-7	0	0	0	505	507	-165
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	417	242	61	29	111	144	16	2	2	1,024	-1,036	-2,839
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	-47
DISCOUNTED	417	242	61	29	111	144	16	2	2	1,024	-1,036	-2,886
<b>UNDERWRITING EXPENSES</b>	<b>\$3,010</b>	<b>\$5,054</b>	<b>\$1,569</b>	<b>\$196</b>	<b>\$952</b>	<b>\$1,033</b>	<b>\$46</b>	<b>\$142</b>	<b>\$30</b>	<b>\$12,032</b>	<b>\$87,681</b>	<b>\$79,633</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$2,808</b>	<b>\$8,135</b>	<b>\$791</b>	<b>\$149</b>	<b>\$655</b>	<b>\$413</b>	<b>\$87</b>	<b>\$186</b>	<b>\$66</b>	<b>\$13,290</b>	<b>\$69,652</b>	<b>\$29,702</b>
ADMINISTRATIVE EXPENSES	240	362	121	28	76	78	19	27	19	970	10,861	6,161
PREMIUM FINANCE FEE	-6	-14	-2	0	-2	-2	0	0	0	-26	-13	-149
INVESTMENT INCOME	18	23	6	2	5	7	0	0	0	61	300	626
<b>OPERATING RESULTS</b>	<b>\$2,580</b>	<b>\$7,782</b>	<b>\$674</b>	<b>\$123</b>	<b>\$582</b>	<b>\$340</b>	<b>\$68</b>	<b>\$159</b>	<b>\$47</b>	<b>\$12,355</b>	<b>\$59,078</b>	<b>\$24,018</b>
<b>RATIOS:</b>												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	-3.8%	-3.9%	-1.3%	-2.1%	-3.1%	-5.5%	-6.9%	-2.5%	-0.6%	-3.6%	-1.3%	10.2%
Current Accident Year	74.3%	57.1%	72.0%	70.0%	72.0%	81.3%	68.6%	57.7%	42.8%	67.1%	66.0%	62.3%
All Accident Years Combined	70.5%	53.2%	70.7%	67.9%	68.9%	75.8%	61.7%	55.2%	42.2%	63.5%	64.7%	72.5%
Underwriting & Admin Exp.(Earned)	16.5%	19.2%	21.0%	20.9%	19.9%	18.6%	18.7%	23.1%	29.5%	18.7%	22.1%	21.6%
COMBINED OPERATING RATIO	87.0%	72.4%	91.7%	88.8%	88.8%	94.4%	80.4%	78.3%	71.7%	82.2%	86.8%	94.1%

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

Rounding Difference may apply

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - ALBERTA**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	<u>January</u>	<u>February</u>	<u>CY2021 YTD</u>	<u>CY2021 12 Months Updated Projections</u>	<u>CY2020 12 Months Actual</u>
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$9,190	\$5,262	\$14,452	131,917	\$133,693
CHANGE IN UNEARNED PREMIUMS	1,432	3,829	5,261	-4,240	-11,134
<b>NET PREMIUMS EARNED</b>	<b><u>\$10,622</u></b>	<b><u>\$9,091</u></b>	<b><u>\$19,713</u></b>	<b><u>\$127,677</u></b>	<b><u>\$122,559</u></b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	120	-112	8	173	15,076
EFFECT OF DISCOUNTING	-366	-398	-764	-3,675	1,380
DISCOUNTED	-246	-510	-756	-3,502	16,456
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	7,020	6,269	13,289	85,725	75,154
EFFECT OF DISCOUNTING	733	629	1,362	5,697	4,946
DISCOUNTED	7,753	6,898	14,651	91,422	80,100
<b>CLAIMS INCURRED</b>	<b><u>\$7,507</u></b>	<b><u>\$6,388</u></b>	<b><u>\$13,895</u></b>	<b><u>\$87,920</u></b>	<b><u>\$96,556</u></b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	918	520	1,438	13,195	13,370
AGENTS COMMISSIONS	672	426	1,098	10,411	10,716
DRIVER RECORD ABSTRACTS	32	24	56	1,381	842
BAD DEBTS	0	1	1	0	125
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	118	299	417	-338	-773
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	118	299	417	-338	-773
<b>UNDERWRITING EXPENSES</b>	<b><u>\$1,740</u></b>	<b><u>\$1,270</u></b>	<b><u>\$3,010</u></b>	<b><u>\$24,649</u></b>	<b><u>\$24,280</u></b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b><u>\$1,375</u></b>	<b><u>\$1,433</u></b>	<b><u>\$2,808</u></b>	<b><u>\$15,108</u></b>	<b><u>\$1,723</u></b>
ADMINISTRATIVE EXPENSES	123	117	240	3,126	1,638
PREMIUM FINANCE FEE	-3	-3	-6	-3	-42
INVESTMENT INCOME	9	9	18	84	181
<b>OPERATING RESULTS</b>	<b><u>\$1,258</u></b>	<b><u>\$1,322</u></b>	<b><u>\$2,580</u></b>	<b><u>\$12,063</u></b>	<b><u>\$224</u></b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$1,258</b>	<b>\$1,290</b>	<b>\$1,290</b>	<b>\$1,005</b>	<b>\$19</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-2.3%	-5.6%	-3.8%	-2.7%	13.4%
Current Accident Year	73.0%	75.9%	74.3%	71.6%	65.4%
All Accident Years Combined	70.7%	70.3%	70.5%	68.9%	78.8%
Underwriting & Admin Exp.(Earned)	17.5%	15.3%	16.5%	21.8%	21.1%
COMBINED OPERATING RATIO	88.2%	85.6%	87.0%	90.7%	99.9%

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

Rounding Difference may apply

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - ONTARIO**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	<u>January</u>	<u>February</u>	<u>CY2021 YTD</u>	<u>CY2021 12 Months Updated Projections</u>	<u>CY2020 12 Months Actual</u>
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$13,685	\$10,599	\$24,284	\$194,173	\$171,969
CHANGE IN UNEARNED PREMIUMS	1,546	2,351	3,897	-8,727	-17,853
<b>NET PREMIUMS EARNED</b>	<b><u>\$15,231</u></b>	<b><u>\$12,950</u></b>	<b><u>\$28,181</u></b>	<b><u>\$185,446</u></b>	<b><u>\$154,116</u></b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	289	-39	250	4,657	29,948
EFFECT OF DISCOUNTING	-898	-451	-1,349	-4,433	3,723
DISCOUNTED	-609	-490	-1,099	224	33,671
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	7,659	6,826	14,485	96,140	75,996
EFFECT OF DISCOUNTING	870	736	1,606	9,038	6,205
DISCOUNTED	8,529	7,562	16,091	105,178	82,201
<b>CLAIMS INCURRED</b>	<b><u>\$7,920</u></b>	<b><u>\$7,072</u></b>	<b><u>\$14,992</u></b>	<b><u>\$105,402</u></b>	<b><u>\$115,872</u></b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	1,479	1,145	2,624	20,967	18,572
AGENTS COMMISSIONS	898	697	1,595	12,229	10,909
DRIVER RECORD ABSTRACTS	40	41	81	943	471
BAD DEBTS	513	-1	512	513	-156
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	95	147	242	-542	-1,211
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	95	147	242	-542	-1,211
<b>UNDERWRITING EXPENSES</b>	<b><u>\$3,025</u></b>	<b><u>\$2,029</u></b>	<b><u>\$5,054</u></b>	<b><u>\$34,110</u></b>	<b><u>\$28,585</u></b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b><u>\$4,286</u></b>	<b><u>\$3,849</u></b>	<b><u>\$8,135</u></b>	<b><u>\$45,934</u></b>	<b><u>\$9,659</u></b>
ADMINISTRATIVE EXPENSES	156	206	362	4,531	2,182
PREMIUM FINANCE FEE	-7	-7	-14	-7	-72
INVESTMENT INCOME	12	11	23	117	236
<b>OPERATING RESULTS</b>	<b><u>\$4,135</u></b>	<b><u>\$3,647</u></b>	<b><u>\$7,782</u></b>	<b><u>\$41,513</u></b>	<b><u>\$7,641</u></b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$4,135</b>	<b>\$3,891</b>	<b>\$3,891</b>	<b>\$3,459</b>	<b>\$637</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-4.0%	-3.8%	-3.9%	0.1%	21.8%
Current Accident Year	56.0%	58.4%	57.1%	56.7%	53.3%
All Accident Years Combined	52.0%	54.6%	53.2%	56.8%	75.1%
Underwriting & Admin Exp.(Earned)	20.9%	17.3%	19.2%	20.8%	20.0%
COMBINED OPERATING RATIO	72.9%	71.9%	72.4%	77.6%	95.1%

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

Rounding Difference may apply



**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - NOVA SCOTIA**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$3,956	\$3,370	\$7,326	\$48,541	\$47,047
CHANGE IN UNEARNED PREMIUMS	367	361	728	-576	-5,704
<b>NET PREMIUMS EARNED</b>	<b>\$4,323</b>	<b>\$3,731</b>	<b>\$8,054</b>	<b>\$47,965</b>	<b>\$41,343</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	152	12	164	846	-3,904
EFFECT OF DISCOUNTING	-131	-135	-266	-1,008	-172
DISCOUNTED	21	-123	-102	-162	-4,076
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	2,773	2,535	5,308	32,358	26,504
EFFECT OF DISCOUNTING	273	215	488	2,265	1,868
DISCOUNTED	3,046	2,750	5,796	34,623	28,372
<b>CLAIMS INCURRED</b>	<b>\$3,067</b>	<b>\$2,627</b>	<b>\$5,694</b>	<b>\$34,461</b>	<b>\$24,296</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	396	337	733	4,856	4,704
AGENTS COMMISSIONS	322	291	613	4,275	4,048
DRIVER RECORD ABSTRACTS	73	89	162	1,945	1,125
BAD DEBTS	0	0	0	0	-50
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	33	28	61	-44	-456
EFFECT OF DISCOUNTING	0	0	0	0	-47
DISCOUNTED	33	28	61	-44	-503
<b>UNDERWRITING EXPENSES</b>	<b>\$824</b>	<b>\$745</b>	<b>\$1,569</b>	<b>\$11,032</b>	<b>\$9,324</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$432</b>	<b>\$359</b>	<b>\$791</b>	<b>\$2,472</b>	<b>\$7,723</b>
ADMINISTRATIVE EXPENSES	53	68	121	1,131	682
PREMIUM FINANCE FEE	-1	-1	-2	-1	-13
INVESTMENT INCOME	3	3	6	31	62
<b>OPERATING RESULTS</b>	<b>\$381</b>	<b>\$293</b>	<b>\$674</b>	<b>\$1,371</b>	<b>\$7,090</b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$381</b>	<b>\$337</b>	<b>\$337</b>	<b>\$114</b>	<b>\$591</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	0.5%	-3.3%	-1.3%	-0.3%	-9.9%
Current Accident Year	70.5%	73.7%	72.0%	72.2%	68.6%
All Accident Years Combined	71.0%	70.4%	70.7%	71.9%	58.7%
Underwriting & Admin Exp.(Earned)	20.3%	21.8%	21.0%	25.4%	24.2%
<b>COMBINED OPERATING RATIO</b>	<b>91.3%</b>	<b>92.2%</b>	<b>91.7%</b>	<b>97.3%</b>	<b>82.9%</b>

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

Rounding Difference may apply

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - PRINCE EDWARD ISLAND**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$362	\$353	\$715	\$6,724	\$6,737
CHANGE IN UNEARNED PREMIUMS	184	174	358	-156	-481
<b>NET PREMIUMS EARNED</b>	<b>\$546</b>	<b>\$527</b>	<b>\$1,073</b>	<b>\$6,568</b>	<b>\$6,256</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	-1	18	17	171	-910
EFFECT OF DISCOUNTING	-10	-30	-40	-198	106
DISCOUNTED	-11	-12	-23	-27	-804
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	358	338	696	4,231	4,287
EFFECT OF DISCOUNTING	32	23	55	333	359
DISCOUNTED	390	361	751	4,564	4,646
<b>CLAIMS INCURRED</b>	<b>\$379</b>	<b>\$349</b>	<b>\$728</b>	<b>\$4,537</b>	<b>\$3,842</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	37	35	72	672	676
AGENTS COMMISSIONS	36	31	67	622	613
DRIVER RECORD ABSTRACTS	14	14	28	235	215
BAD DEBTS	0	0	0	0	165
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	16	13	29	-14	-38
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	16	13	29	-14	-38
<b>UNDERWRITING EXPENSES</b>	<b>\$103</b>	<b>\$93</b>	<b>\$196</b>	<b>\$1,515</b>	<b>\$1,631</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$64</b>	<b>\$85</b>	<b>\$149</b>	<b>\$516</b>	<b>\$783</b>
ADMINISTRATIVE EXPENSES	13	15	28	174	207
PREMIUM FINANCE FEE	0	0	0	0	0
INVESTMENT INCOME	1	1	2	6	14
<b>OPERATING RESULTS</b>	<b>\$52</b>	<b>\$71</b>	<b>\$123</b>	<b>\$348</b>	<b>\$590</b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$52</b>	<b>\$62</b>	<b>\$62</b>	<b>\$29</b>	<b>\$49</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-2.0%	-2.3%	-2.1%	-0.4%	-12.9%
Current Accident Year	71.4%	68.5%	70.0%	69.5%	74.3%
All Accident Years Combined	69.4%	66.2%	67.9%	69.1%	61.4%
Underwriting & Admin Exp.(Earned)	21.2%	20.5%	20.9%	25.7%	29.4%
<b>COMBINED OPERATING RATIO</b>	<b>90.6%</b>	<b>86.7%</b>	<b>88.8%</b>	<b>94.8%</b>	<b>90.8%</b>

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2021  
FACILITY ASSOCIATION RESIDUAL MARKET - NEW BRUNSWICK  
Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)  
Source: Monthly (Accident Year) Member Participation Report as at 02/2021  
(thousands of dollars)

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$2,283	\$1,628	\$3,911	\$31,935	\$32,343
CHANGE IN UNEARNED PREMIUMS	461	790	1,251	63	-1,855
<b>NET PREMIUMS EARNED</b>	<b>\$2,744</b>	<b>\$2,418</b>	<b>\$5,162</b>	<b>\$31,998</b>	<b>\$30,488</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	11	31	42	323	-959
EFFECT OF DISCOUNTING	-136	-66	-202	-1,091	224
DISCOUNTED	-125	-35	-160	-768	-735
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	1,794	1,607	3,401	21,234	20,394
EFFECT OF DISCOUNTING	176	138	314	1,514	1,447
DISCOUNTED	1,970	1,745	3,715	22,748	21,841
<b>CLAIMS INCURRED</b>	<b>\$1,845</b>	<b>\$1,710</b>	<b>\$3,555</b>	<b>\$21,980</b>	<b>\$21,106</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	228	163	391	3,194	3,231
AGENTS COMMISSIONS	206	163	369	2,968	3,008
DRIVER RECORD ABSTRACTS	39	43	82	512	733
BAD DEBTS	0	-1	-1	0	-55
UNDISCOUNTED	44	67	111	4	-162
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	44	67	111	4	-162
<b>UNDERWRITING EXPENSES</b>	<b>\$517</b>	<b>\$435</b>	<b>\$952</b>	<b>\$6,678</b>	<b>\$6,755</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$382</b>	<b>\$273</b>	<b>\$655</b>	<b>\$3,340</b>	<b>\$2,627</b>
ADMINISTRATIVE EXPENSES	35	41	76	761	493
PREMIUM FINANCE FEE	-1	-1	-2	-1	-9
INVESTMENT INCOME	3	2	5	26	55
<b>OPERATING RESULTS</b>	<b>\$349</b>	<b>\$233</b>	<b>\$582</b>	<b>\$2,604</b>	<b>\$2,180</b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$349</b>	<b>\$291</b>	<b>\$291</b>	<b>\$217</b>	<b>\$182</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-4.6%	-1.4%	-3.1%	-2.4%	-2.4%
Current Accident Year	71.8%	72.2%	72.0%	71.1%	71.6%
All Accident Years Combined	67.2%	70.8%	68.9%	68.7%	69.2%
Underwriting & Admin Exp.(Earned)	20.1%	19.7%	19.9%	23.2%	23.8%
COMBINED OPERATING RATIO	87.3%	90.5%	88.8%	91.9%	93.0%

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

Rounding Difference may apply

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - NEWFOUNDLAND & LABRADOR**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$2,238	\$2,270	\$4,508	\$39,155	\$36,555
CHANGE IN UNEARNED PREMIUMS	933	548	1,481	-874	-1,471
<b>NET PREMIUMS EARNED</b>	<b>\$3,171</b>	<b>\$2,818</b>	<b>\$5,989</b>	<b>\$38,281</b>	<b>\$35,084</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	24	62	86	65	-1,754
EFFECT OF DISCOUNTING	-223	-191	-414	-1,688	40
DISCOUNTED	-199	-129	-328	-1,623	-1,714
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	2,361	2,144	4,505	28,994	24,658
EFFECT OF DISCOUNTING	194	172	366	2,098	1,727
DISCOUNTED	2,555	2,316	4,871	31,092	26,385
<b>CLAIMS INCURRED</b>	<b>\$2,356</b>	<b>\$2,187</b>	<b>\$4,543</b>	<b>\$29,469</b>	<b>\$24,671</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	224	228	452	3,914	3,703
AGENTS COMMISSIONS	213	160	373	3,739	3,521
DRIVER RECORD ABSTRACTS	33	38	71	440	606
BAD DEBTS	-6	-1	-7	-6	-248
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	87	57	144	-74	-164
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	87	57	144	-74	-164
<b>UNDERWRITING EXPENSES</b>	<b>\$551</b>	<b>\$482</b>	<b>\$1,033</b>	<b>\$8,013</b>	<b>\$7,418</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$264</b>	<b>\$149</b>	<b>\$413</b>	<b>\$799</b>	<b>\$2,995</b>
ADMINISTRATIVE EXPENSES	31	47	78	920	543
PREMIUM FINANCE FEE	-1	-1	-2	-1	-13
INVESTMENT INCOME	4	3	7	31	68
<b>OPERATING RESULTS</b>	<b>\$236</b>	<b>\$104</b>	<b>\$340</b>	<b>-\$91</b>	<b>\$2,507</b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$236</b>	<b>\$170</b>	<b>\$170</b>	<b>-\$8</b>	<b>\$209</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-6.3%	-4.6%	-5.5%	-4.2%	-4.9%
Current Accident Year	80.6%	82.2%	81.3%	81.2%	75.2%
All Accident Years Combined	74.3%	77.6%	75.8%	77.0%	70.3%
Underwriting & Admin Exp.(Earned)	18.4%	18.8%	18.6%	23.3%	22.7%
<b>COMBINED OPERATING RATIO</b>	<b>92.7%</b>	<b>96.4%</b>	<b>94.4%</b>	<b>100.3%</b>	<b>93.0%</b>

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

Rounding Difference may apply

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - YUKON**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$81	\$75	\$156	\$2,384	\$2,163
CHANGE IN UNEARNED PREMIUMS	101	90	191	-153	-63
<b>NET PREMIUMS EARNED</b>	<b>\$182</b>	<b>\$165</b>	<b>\$347</b>	<b>\$2,231</b>	<b>\$2,100</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	1	-4	-3	86	-987
EFFECT OF DISCOUNTING	-13	-8	-21	-58	-40
DISCOUNTED	-12	-12	-24	28	-1,027
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	114	103	217	1,415	1,132
EFFECT OF DISCOUNTING	12	9	21	125	86
DISCOUNTED	126	112	238	1,540	1,218
<b>CLAIMS INCURRED</b>	<b>\$114</b>	<b>\$100</b>	<b>\$214</b>	<b>\$1,568</b>	<b>\$191</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	8	7	15	239	217
AGENTS COMMISSIONS	8	7	15	207	189
DRIVER RECORD ABSTRACTS	0	0	0	31	8
BAD DEBTS	0	0	0	0	45
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	9	7	16	-13	-6
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	9	7	16	-13	-6
<b>UNDERWRITING EXPENSES</b>	<b>\$25</b>	<b>\$21</b>	<b>\$46</b>	<b>\$464</b>	<b>\$453</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$43</b>	<b>\$44</b>	<b>\$87</b>	<b>\$199</b>	<b>\$1,456</b>
ADMINISTRATIVE EXPENSES	10	9	19	68	134
PREMIUM FINANCE FEE	0	0	0	0	0
INVESTMENT INCOME	0	0	0	1	3
<b>OPERATING RESULTS</b>	<b>\$33</b>	<b>\$35</b>	<b>\$68</b>	<b>\$132</b>	<b>\$1,325</b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$33</b>	<b>\$34</b>	<b>\$34</b>	<b>\$11</b>	<b>\$110</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-6.6%	-7.3%	-6.9%	1.3%	-48.9%
Current Accident Year	69.2%	67.9%	68.6%	69.0%	58.0%
All Accident Years Combined	62.6%	60.6%	61.7%	70.3%	9.1%
Underwriting & Admin Exp.(Earned)	19.2%	18.2%	18.7%	23.8%	28.0%
<b>COMBINED OPERATING RATIO</b>	<b>81.8%</b>	<b>78.8%</b>	<b>80.4%</b>	<b>94.1%</b>	<b>37.1%</b>

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

Rounding Difference may apply

**SUMMARY OF OPERATIONS - CALENDAR YEAR 2021**  
**FACILITY ASSOCIATION RESIDUAL MARKET - NWT**  
**Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)**  
**Source: Monthly (Accident Year) Member Participation Report as at 02/2021**  
**(thousands of dollars)**

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$314	\$365	\$679	\$4,824	\$4,762
CHANGE IN UNEARNED PREMIUMS	66	-12	54	-175	-241
<b>NET PREMIUMS EARNED</b>	<b>\$380</b>	<b>\$353</b>	<b>\$733</b>	<b>\$4,649</b>	<b>\$4,521</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	6	18	24	176	-790
EFFECT OF DISCOUNTING	-9	-33	-42	-93	-22
DISCOUNTED	-3	-15	-18	83	-812
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	202	184	386	2,440	2,339
EFFECT OF DISCOUNTING	19	18	37	198	147
DISCOUNTED	221	202	423	2,638	2,486
<b>CLAIMS INCURRED</b>	<b>\$218</b>	<b>\$187</b>	<b>\$405</b>	<b>\$2,721</b>	<b>\$1,674</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	31	36	67	486	476
AGENTS COMMISSIONS	32	35	67	475	468
DRIVER RECORD ABSTRACTS	6	0	6	75	62
BAD DEBTS	0	0	0	0	19
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	5	-3	2	-17	-24
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	5	-3	2	-17	-24
<b>UNDERWRITING EXPENSES</b>	<b>\$74</b>	<b>\$68</b>	<b>\$142</b>	<b>\$1,019</b>	<b>\$1,001</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$88</b>	<b>\$98</b>	<b>\$186</b>	<b>\$909</b>	<b>\$1,846</b>
ADMINISTRATIVE EXPENSES	13	14	27	121	160
PREMIUM FINANCE FEE	0	0	0	0	0
INVESTMENT INCOME	0	0	0	3	6
<b>OPERATING RESULTS</b>	<b>\$75</b>	<b>\$84</b>	<b>\$159</b>	<b>\$791</b>	<b>\$1,692</b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$75</b>	<b>\$80</b>	<b>\$80</b>	<b>\$66</b>	<b>\$141</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-0.8%	-4.2%	-2.5%	1.8%	-18.0%
Current Accident Year	58.2%	57.2%	57.7%	56.7%	55.0%
All Accident Years Combined	57.4%	53.0%	55.2%	58.5%	37.0%
Underwriting & Admin Exp.(Earned)	22.9%	23.2%	23.1%	24.5%	25.7%
<b>COMBINED OPERATING RATIO</b>	<b>80.3%</b>	<b>76.2%</b>	<b>78.3%</b>	<b>83.0%</b>	<b>62.7%</b>

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2021  
FACILITY ASSOCIATION RESIDUAL MARKET - NUNAVUT  
Operating Results for the 2 months ended February 28, 2021 (Discounted Basis)  
Source: Monthly (Accident Year) Member Participation Report as at 02/2021  
(thousands of dollars)

	January	February	CY2021 YTD	CY2021 12 Months Updated Projections	CY2020 12 Months Actual
<b>UNDERWRITING REVENUE:</b>					
PREMIUMS WRITTEN	\$109	\$41	\$150	\$989	\$1,074
CHANGE IN UNEARNED PREMIUMS	-25	41	16	27	-53
<b>NET PREMIUMS EARNED</b>	<b>\$84</b>	<b>\$82</b>	<b>\$166</b>	<b>\$1,016</b>	<b>\$1,021</b>
<b>CLAIMS INCURRED</b>					
PRIOR ACCIDENT YEARS					
UNDISCOUNTED	-1	2	1	36	-433
EFFECT OF DISCOUNTING	-1	-1	-2	-10	-25
DISCOUNTED	-2	1	-1	26	-458
CURRENT ACCIDENT YEAR					
UNDISCOUNTED	33	33	66	389	372
EFFECT OF DISCOUNTING	2	3	5	25	31
DISCOUNTED	35	36	71	414	403
<b>CLAIMS INCURRED</b>	<b>\$33</b>	<b>\$37</b>	<b>\$70</b>	<b>\$440</b>	<b>-\$55</b>
<b>UNDERWRITING EXPENSES</b>					
OPERATING & SERVICE FEES	11	4	15	102	108
AGENTS COMMISSIONS	9	4	13	87	92
DRIVER RECORD ABSTRACTS	0	0	0	10	1
BAD DEBTS	0	0	0	0	-10
PREMIUM DEFICIENCY/(DPAC)					
UNDISCOUNTED	-3	5	2	2	-5
EFFECT OF DISCOUNTING	0	0	0	0	0
DISCOUNTED	-3	5	2	2	-5
<b>UNDERWRITING EXPENSES</b>	<b>\$17</b>	<b>\$13</b>	<b>\$30</b>	<b>\$201</b>	<b>\$186</b>
<b>NET UNDERWRITING GAIN (LOSS)</b>	<b>\$34</b>	<b>\$32</b>	<b>\$66</b>	<b>\$375</b>	<b>\$890</b>
ADMINISTRATIVE EXPENSES	11	8	19	29	122
PREMIUM FINANCE FEE	0	0	0	0	0
INVESTMENT INCOME	0	0	0	1	1
<b>OPERATING RESULTS</b>	<b>\$23</b>	<b>\$24</b>	<b>\$47</b>	<b>\$347</b>	<b>\$769</b>
<b>AVERAGE YTD OPERATING RESULT</b>	<b>\$23</b>	<b>\$24</b>	<b>\$24</b>	<b>\$29</b>	<b>\$64</b>
<b>RATIOS:</b>					
Claims & Adj Expenses Incurred (Earned)					
Prior Accident Years	-2.4%	1.2%	-0.6%	2.6%	-44.9%
Current Accident Year	41.7%	43.9%	42.8%	40.7%	39.5%
All Accident Years Combined	39.3%	45.1%	42.2%	43.3%	-5.4%
Underwriting & Admin Exp.(Earned)	33.3%	25.6%	29.5%	22.6%	30.2%
COMBINED OPERATING RATIO	72.6%	70.7%	71.7%	65.9%	24.8%

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

Rounding Difference may apply