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TO: MEMBERS OF THE FACILITY ASSOCIATION

ATTENTION: CHIEF EXECUTIVE OFFICER

NEWFOUNDLAND AND LABRADOR RISK SHARING POOL PROJECT MANAGER

BULLETIN NO.: F2021 – 016

DATE: FEBRUARY 25, 2021

SUBJECT: NEWFOUNDLAND AND LABRADOR RISK SHARING POOL

- JANUARY 2021 OPERATIONAL REPORT

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

Please be advised that the January 2021 Newfoundland and Labrador (NL) Risk Sharing Pool Operational Report is available on the Facility Association (FA) Portal at https://portal.facilityassociation.com.

Highlights

- (a) *Written premium* transferred in January 2021 was \$185 thousand and the *net operating deficit was* \$122 thousand, with a COR of 458.8% on earned premium of \$34 thousand; and
- (b) Note that there are changes in the format of this bulletin compared to previous months, as we review our reporting and ensure we continue to meet member needs.

Summary of Financial Results

NL RSP Summary of Financial Results

NL RSP 2021 Summary	Actual	Projection	Prior Year	Outlook*
Amounts in \$000s	January 2021	January 2021	January 2020	Full year 2021
Premium Written	185	268	-	8,994
Premium Earned	34	27	-	6,035
Incurred Losses	37	29	-	6,509
Underwriting & Admin Expense	119	113	-	3,384
Net Result from Operations	(122)	(115)	-	(3,858)
Ratios:				
Loss ratio - Prior Accident Years	0.0%	(3.7%)	-	0.0%
- Current Accident Year	108.8%	111.1%	-	107.9%
Total	108.8%	107.4%	-	107.9%
Underwriting & Admin Expense	350.0%	418.5%	-	56.1%
Combined Operating Ratio	458.8%	525.9%	-	164.0%

rounding differences may occur

*as posted to FA's website Nov. 18, 2020

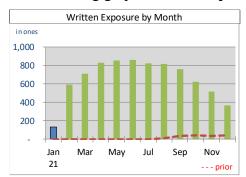
Newfoundland and Labrador Risk Sharing Pool - January 2021 Operational Report

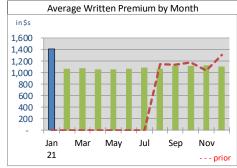
The Newfoundland and Labrador Risk Sharing Pool produced a \$122 thousand operating deficit in the month of January 2021 and calendar year-to-date. The year-to-date combined operating ratio at the end of one month was 458.8%.

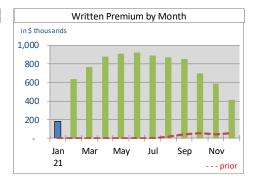
Premium

As shown in the preceding table, written premium transferred in January 2021 was \$185 thousand, \$83 thousand lower than our projection last month.

The following graphs shows the premium drivers compared to prior year and outlook to year end







January's vehicle count transfer was 131 vehicles, representing a variance of 71 vehicles from our projection of from last month.

Incurred Losses

Incurred losses in January 2021 was \$37 thousand, fairly consistent with our projection from last month, Reported losses were \$7 thousand higher than projected, mainly driven by the Current Accident Year.

Underwriting and Admin Expenses

Expenses for January 2021 were \$119 thousand, consistent with our projection from last month.

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

Saskia Matheson President & CEO

SUMMARY OF OPERATIONS - CALENDAR YEAR 2021

Risk Sharing Pool - Newfoundland and Labrador Operating Results for the 1 Month Ended January 31, 2021 (Discounted basis) Source: Monthly Operational Report

(thousands of dollars)

Net Premiums Written \$185 \$185 \$8,610 \$203 Decrease (Increase) in Unearned Premiums \$185 \$185 \$8,610 \$203 Decrease (Increase) in Unearned Premiums \$185 \$34 \$4,307 \$54 Net Premiums Earned \$34 \$34 \$4,307 \$54 Claims Incurred:		January	CY2021 YTD	CY2021 12 MONTHS Updated Projection	CY2020 6 MONTHS Actual
Decrease (Increase) in Unearned Premiums	Underwriting Revenue:	-			
Net Premiums Earned \$34	Net Premiums Written	\$185	\$185	\$8,610	\$203
Claims Incurred: Prior Accident Years: Undiscounted \$0 \$0 \$0 Effect of Discounting - - (2) - Discounted \$0 \$0 (\$2) \$0 Current Accident Year: Undiscounted \$34 \$34 \$4,308 \$55 Effect of Discounting 3 3 387 6 Discounted \$37 \$37 \$4,695 \$61 Claims Incurred \$37 \$37 \$4,693 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,9	Decrease (Increase) in Unearned Premiums	(151)	(151)	(4,303)	(149)
Prior Accident Years: Undiscounted \$0 \$0 \$0 Effect of Discounting - - - (2) - Discounted \$0 \$0 \$0 \$2 \$0 Current Accident Year: ************************************	Net Premiums Earned	\$34	\$34	\$4,307	\$54
Undiscounted \$0 \$0 \$0 \$0 Effect of Discounting - - (2) - Discounted \$0 \$0 (\$2) \$0 Current Accident Year: Undiscounted \$34 \$34 \$4,308 \$55 Effect of Discounting 3 3 387 6 Discounted \$37 \$37 \$4,695 \$61 Claims Incurred \$37 \$37 \$4,695 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234	Claims Incurred:				
Effect of Discounting - - (2) - Discounted \$0 \$0 \$2 \$0 Current Accident Year: Undiscounted \$34 \$34 \$44,308 \$55 Effect of Discounting 3 3 387 6 Discounted \$37 \$37 \$4,695 \$61 Claims Incurred \$37 \$37 \$4,693 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Claims & Expenses Incurred (Earned) (\$122) (\$122) <td< td=""><td>Prior Accident Years:</td><td></td><td></td><td></td><td></td></td<>	Prior Accident Years:				
Discounted \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$	Undiscounted	\$0	\$0	\$0	\$0
Current Accident Year: Undiscounted \$34 \$34 \$4,308 \$55 Effect of Discounting 3 3 387 6 Discounted \$37 \$37 \$4,695 \$61 Claims Incurred \$37 \$37 \$4,693 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) 0.0% 0.0% 0.0% 0.0% 0.0%	Effect of Discounting	-	-	(2)	-
Undiscounted \$34 \$34 \$4,308 \$55 Effect of Discounting 3 3 387 6 Discounted \$37 \$37 \$4,695 \$61 Claims Incurred \$37 \$37 \$4,693 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Current Accident Years 0.0% 0.0% 0.0% Current Accident Years 0.0% 0.0%	Discounted	\$0	\$0	(\$2)	\$0
Effect of Discounting 3 3 387 6 Discounted \$37 \$37 \$4,695 \$61 Claims Incurred \$37 \$37 \$4,693 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Current Accident Years 0.0% 0.0% 0.0% Current Accident Year 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 109.0%	Current Accident Year:				
Discounted \$37 \$37 \$4,695 \$61 Claims Incurred \$37 \$37 \$4,693 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Un	Undiscounted	\$34	\$34	\$4,308	\$55
Claims Incurred \$37 \$37 \$4,693 \$61 Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) 0.0% 0.0% 0.0% 0.0% Current Accident Years 0.0% 0.0% 0.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Effect of Discounting	3	3	387	6
Underwriting Expenses: Expense Allowance \$53 \$53 \$2,453 \$60 Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) 0.0% 0.0% 0.0% 0.0% Current Accident Years 0.0% 0.0% 0.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Discounted	\$37	\$37	\$4,695	\$61
Expense Allowance \$53 \$53 \$2,453 \$60	Claims Incurred	\$37	\$37	\$4,693	\$61
Change in UPDR/DPAC: Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 577.8% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Underwriting Expenses:				
Undiscounted 2 2 84 3 Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% 113.0% 113.0% 100.0% 113.0% 113.0% 113.0% 100.0% 113.0% 113.0% 100.0% 113.0% 113.0% 100.0% 113.0% 100.0% 113.0% 100.0% 113.0% 100.0% 113.0% 100.0% 113.0% 100.0% 113.0%	Expense Allowance	\$53	\$53	\$2,453	\$60
Effect of Discounting 14 14 419 15 Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% 113.0% 4.0% 109.0% 113.0% 113.0% 100.0% 577.8% 577.8%	Change in UPDR/DPAC:				
Discounted 16 16 503 18 Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Undiscounted	2	2	84	3
Underwriting Expenses \$69 \$69 \$2,956 \$78 Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Effect of Discounting	14	14	419	15
Net Underwriting Gain (Loss) (\$72) (\$72) (\$3,342) (\$85) Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Discounted	16	16	503	18
Administrative Expenses \$50 \$50 \$330 \$234 Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Underwriting Expenses	\$69	\$69	\$2,956	\$78
Operating Result (\$122) (\$122) (\$3,672) (\$319) Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Net Underwriting Gain (Loss)	(\$72)	(\$72)	(\$3,342)	(\$85)
Ratios: Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Administrative Expenses	\$50_	\$50	\$330	\$234
Claims & Expenses Incurred (Earned) Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%	Operating Result	(\$122)	(\$122)	(\$3,672)	(\$319)
Prior Accident Years 0.0% 0.0% 0.0% 0.0% Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%					
Current Accident Year 108.8% 108.8% 109.0% 113.0% All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%					
All Accident Years Combined 108.8% 108.8% 109.0% 113.0% Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%					
Underwriting & Administrative Expenses (Earned) 350.0% 350.0% 76.3% 577.8%					
	All Accident Todio Compilied	100.076	100.0 /	103.070	113.070
	Underwriting & Administrative Expenses (Earned)	350.0%	350.0%	76.3%	577.8%
	Combined Operating Ratio	458.8%	458.8%	185.3%	690.8%

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

Rounding difference may apply

EXHIBIT 1