

TO: MEMBERS OF THE FACILITY ASSOCIATION
ATTENTION: CHIEF EXECUTIVE OFFICER
BULLETIN NO: F2026 – 017
DATE: May 29, 2026
SUBJECT: Risk Sharing Pool – April 2026 Operational Report

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

Please be advised that the April 2026 Risk Sharing Pool IFRS 17 Operational Report is available on the Facility Association (FA) Portal at <https://portal.facilityassociation.com>. The results in this report are shown on the IFRS 17 accounting basis. However, please note that for interested members, the RSP operational report on the IFRS 4 basis is available on The FA Portal. The results presented in this bulletin reflect the combined results of the six pools unless otherwise specified.

Amounts in \$000s	Actual (April 2026)	Prior Year (April 2025)	% Change	2026 year-end Projection	2025 year-end Actual	% Change
Income Statement Highlights						
Insurance Revenue	79,555	71,867	10.7%	985,695	905,847	8.8%
Operating Result	(4,947)	(7,577)	(34.7%)	(378,735)	(590,594)	(35.9%)
Written Vehicle Counts	36,529	38,240	(4.5%)	440,522	458,609	(3.9%)
Average Written Premium (\$s)	3,463	3,049	13.6%	3,402	3,156	7.8%
Combined Operating Ratio (%)	106.2%	110.5%	(4.3%) pts	138.4%	165.2%	(26.8%) pts
Balance Sheet Snapshot						
LIC	2,281,527	2,119,953	7.6%	2,464,705	2,255,709	9.3%
Nominal Unpaid Claims	2,340,856	2,187,751	7.0%	2,534,216	2,310,111	9.7%
Discount Amount	(224,911)	(215,244)	4.5%	(242,587)	(217,631)	11.5%
Risk Adjustment	165,582	147,446	12.3%	173,076	163,229	6.0%
LRC	1,330,680	1,522,477	(12.6%)	983,085	1,148,267	(14.4%)
LRC Excluding Loss Component	406,900	378,581	7.5%	440,550	431,835	2.0%
Loss Component	923,780	1,143,896	(19.2%)	542,535	716,432	(24.3%)

Related Links:

- [LRC Calculation File](#)
- [RSP Catastrophe Report](#)
- [RSP Summary of Operations - Calendar Year 2026](#)
- [Quarterly Financial Results](#)

RSP Summary of Financial Results

RSP Summary of IFRS17 Financial Results	Actual	Projection	Prior Year	2026 year-to-date	2025 year-to-date	2026 year-end	Outlook*	2025 year-end
Amounts in \$000s	(April 2026)	(April 2026)	(April 2025)	as at 4 months	as at 4 months	Projection	Full year 2026	Actual
Written Premium	126,484	126,628	116,584	457,950	418,537	1,498,503	1,419,853	1,447,483
Received Premium	118,609	120,109	116,968	442,989	416,400	1,506,765	1,423,462	1,449,542
Earned Premium	121,130	125,137	109,518	483,780	435,443	1,502,777	1,439,709	1,381,500
Earned Expense Allowance	(41,574)	(43,116)	(37,650)	(167,062)	(149,344)	(517,082)	(496,499)	(475,653)
Insurance Revenue	79,555	82,021	71,867	316,718	286,100	985,695	943,210	905,847
Total Claims Incurred	120,448	123,807	119,808	430,856	477,033	1,449,606	1,582,611	1,347,854
<i>Claims incurred (CAY)</i>	<i>125,663</i>	<i>127,783</i>	<i>124,396</i>	<i>498,922</i>	<i>495,238</i>	<i>1,546,554</i>	<i>1,636,493</i>	<i>1,404,124</i>
<i>Adjustments to Liabilities for Incurred Claims (PAYs)</i>	<i>(5,215)</i>	<i>(3,975)</i>	<i>(4,587)</i>	<i>(68,066)</i>	<i>(18,206)</i>	<i>(96,947)</i>	<i>(53,883)</i>	<i>(56,270)</i>
Administrative Expense	527	804	605	3,627	3,018	10,653	10,719	9,458
Losses on Onerous Contracts	1,586	0	3,416	434,983	671,159	434,983	671,202	631,836
Reversal of Losses on Onerous Contracts	(47,461)	(47,461)	(54,110)	(231,747)	(220,110)	(628,784)	(733,857)	(648,639)
Insurance Service Expenses	75,100	77,150	69,720	637,718	931,100	1,266,458	1,530,675	1,340,508
Insurance Service Result	4,455	4,871	2,147	(321,000)	(645,001)	(280,764)	(587,464)	(434,661)
Insurance Finance Expense from PV FCF	(6,179)	(6,179)	(5,634)	(21,301)	(24,433)	(72,412)	(88,386)	(85,765)
<i>Discount Unwind Loss Component</i>	<i>(6,179)</i>	<i>(6,179)</i>	<i>(5,634)</i>	<i>(27,211)</i>	<i>(29,989)</i>	<i>(78,322)</i>	<i>(88,386)</i>	<i>(81,155)</i>
<i>Yield Impact Loss Component</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>5,910</i>	<i>5,556</i>	<i>5,910</i>	<i>0</i>	<i>(4,609)</i>
Insurance Finance Expense from Risk Adjustment	(490)	(490)	(430)	(1,666)	(1,719)	(5,656)	(6,779)	(6,309)
<i>Discount Unwind Loss Component</i>	<i>(490)</i>	<i>(490)</i>	<i>(430)</i>	<i>(2,125)</i>	<i>(2,143)</i>	<i>(6,115)</i>	<i>(6,779)</i>	<i>(6,076)</i>
<i>Yield Impact Loss Component</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>459</i>	<i>424</i>	<i>459</i>	<i>0</i>	<i>(232)</i>
Insurance Finance Expense from Loss Component	(2,734)	(2,734)	(3,660)	(4,112)	(23,471)	(19,904)	(33,685)	(63,860)
<i>Discount Unwind Loss Component</i>	<i>(2,734)</i>	<i>(2,734)</i>	<i>(3,660)</i>	<i>(13,661)</i>	<i>(16,512)</i>	<i>(29,453)</i>	<i>(33,685)</i>	<i>(36,225)</i>
<i>Yield Impact Loss Component</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>9,549</i>	<i>(6,959)</i>	<i>9,549</i>	<i>0</i>	<i>(27,635)</i>
Insurance Finance Income (Expense)	(9,402)	(9,402)	(9,724)	(27,079)	(49,624)	(97,971)	(128,850)	(155,933)
Operating Result	(4,947)	(4,531)	(7,577)	(348,078)	(694,624)	(378,735)	(716,314)	(590,594)
Key Ratios:								
Loss Ratio	151.4%	150.9%	166.7%	136.0%	166.7%	147.1%	167.8%	148.8%
<i>CAY Loss Ratio</i>	158.0%	155.8%	173.1%	157.5%	173.1%	156.9%	173.5%	155.0%
<i>PAY Loss Ratio</i>	(6.6%)	(4.8%)	(6.4%)	(21.5%)	(6.4%)	(9.8%)	(5.7%)	(6.2%)
Onerous Contract Ratio (excluding IFIE)	(57.7%)	(57.9%)	(70.5%)	64.2%	157.7%	(19.7%)	(6.6%)	(1.9%)
<i>Earned Expense allowance</i>	34.3%	34.5%	34.4%	34.5%	34.3%	34.4%	34.5%	34.4%
Administrative Expenses	0.7%	1.0%	0.8%	1.1%	1.1%	1.1%	1.1%	1.0%
Insurance Service Ratio	94.4%	94.1%	97.0%	201.4%	325.4%	128.5%	162.3%	148.0%
Combined Operating Ratio	106.2%	105.5%	110.5%	209.9%	342.8%	138.4%	175.9%	165.2%

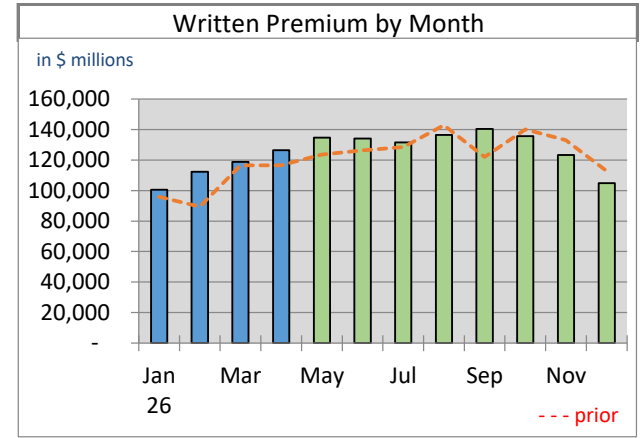
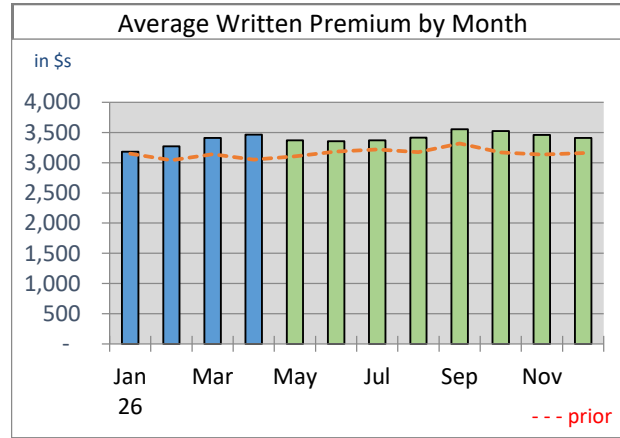
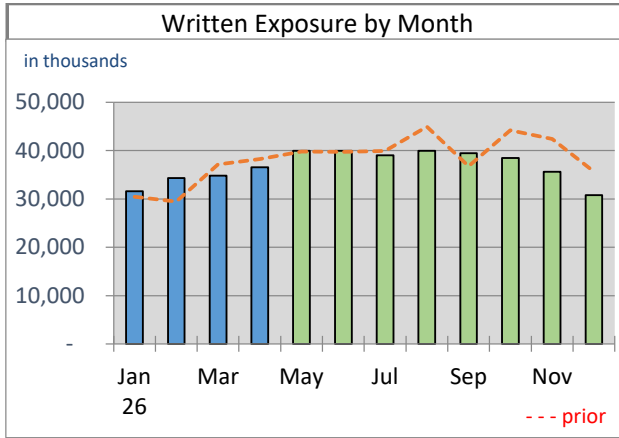
rounding differences may occur
*as posted to FA's website Dec 23, 2025

- **Claims Incurred:** The liabilities are assumed to be the best estimate, which means the view of ultimate losses remains fixed until the next quarterly valuation is implemented. Overall, the total loss ratio is lower than the projected loss ratio for the current month, as well as year-end compared to The Outlook.
- **Losses on Onerous Contracts:** This represents a change in the loss component during the reporting period arising from initial recognition and subsequent re-estimation of the loss component (due to changes in premium or loss ratio projections, for example). This month the losses on onerous contracts **increased by \$1.6 million.**
- **Reversal of Losses on Onerous Contracts:** This represents changes in the loss component during the reporting period arising from the portion of the opening LRC earned during the period. Excludes the impact of change in discount rates and completely aligns with projection.

- **Insurance Finance income/expense):** This is comprised of both the release of the effect of discounting due to the passage of time (also known as discount unwinding) and the effect due to changes in discounting assumptions. The latter is only reflected in implementation months (March, May, September, and November), when the yield curve is updated.

Premium

The charts below show the exposure by month where the blue bars represent the actual metric, the green bars represent the projected metric, and the orange dotted line represents the prior year metric.



The vehicle count transfer for the month was 36,529 vehicles, which was lower than prior year by 1,711 vehicles and 785 vehicles lower than The Outlook for the month. This is primarily driven by a decrease in the Alberta Grid and Alberta Non-Grid pool. Average Written Premiums for the month are up by 12% primarily driven by increase in the Ontario, Alberta Grid, and Alberta Non-Grid RSP.

Should you require any further information, please contact Philippe Gosselin, VP Actuarial and CRO at pgosselin@facilityassociation.com or at (416) 863-1750 x4968.

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