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TO: MEMBERS OF THE FACILITY ASSOCIATION

ATTENTION: CHIEF EXECUTIVE OFFICER

BULLETIN NO.: F16 – 037

DATE: MAY 27, 2016

**SUBJECT: FARM OUTLOOK FOR CALENDAR YEAR 2017
(BASED ON MARCH 2016 PARTICIPATION REPORT)**

To assist member companies in planning for their share of the Facility Association Residual Market (FARM) results for the next calendar year, Facility Association prepares a FARM “Outlook” which projects Net Results from Operations. The Outlook presentation format is very similar to that of the “Participation Report– Calendar Year” exhibits of the monthly Participation Reports Member Bulletins (“Bulletins”).

The attached is the preliminary calendar year 2017 FARM Outlook based on the actual results as found in the March 2016 Participation Reports. We anticipate that an updated FARM Outlook will be made available to members in August 2016 based on the May 2016 Participation Report. In addition, updated projections will be made throughout 2017 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.

The attached FARM 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, FARM premium volumes have in the past varied in ways that are difficult to model or project (charts showing history of premium volumes can be found at the “Provincial Profiles” section of our website). **As such, we stress it is important to recognize that future Operating Results may deviate from these projections by material amounts.**

Questions regarding the Outlook should be directed to Norm Seeney, VP, Finance & Member Services, Facility Association, (416) 644-4914 or nseeney@facilityassociation.com.

David J. Simpson, M.B.A., FCIP, C. Dir.
President & CEO

Attach.

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



OUTLOOK TO CALENDAR YEAR 2017

FACILITY ASSOCIATION RESIDUAL MARKET

(FARM)

MAY 2016

BASED ON MARCH 2016 PARTICIPATION REPORT

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

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OUTLOOK TO CALENDAR YEAR 2017
FACILITY ASSOCIATION RESIDUAL MARKET (FARM)
MAY 2016
BASED ON MARCH 2016 PARTICIPATION REPORT

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1. Introduction

1.1 Summary of Results

Introductory Comments

This “FARM Outlook” is a projection of the Facility Association Residual Market (“FARM”) 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 FARM experience, to the results of the December 31, 2015 valuation of the FARM policy liabilities, and to monthly premium projections developed for the FARM Monthly Member Participation Reports.

As will be noted in the next section, there are notable differences between the overall operating result projected for calendar year **2017** in this Outlook and two comparable projections for calendar year **2016**, being our calendar year projection posted on October 28, 2015 (the “*Oct 28 2015 Outlook*”) and our current projection (“*Mar 31 2016 Projection*”). These differences are mainly due to prior accident year impacts. In particular, like our *Oct 28 2015 Outlook* for calendar year **2016**, this Outlook’s projection for calendar year **2017** assumes no nominal changes to our estimates of ultimate for prior accident years¹, whereas the current projection for calendar year **2016** (*Mar 31 2016 Projection*) includes nominal prior accident year changes as booked during the first three months of **2016**. Differences in the projections are discussed at a high level in the next section. Given the importance of accident year impacts, we have separated the Operating Results summary to show “prior accident years” (PAYs) from the “current accident year” (CAY).

Otherwise, we are projecting calendar year **2017** to be reasonably aligned with our current projection of calendar year **2016**, as shown in the summary of key aspects of the operating results provided in the tables in the next section. Projected volumes are discussed in section 2.1 and the **2017** “current accident year” loss ratios are discussed in section 2.2.

Our projections of the number of vehicles insured through the FARM generally assume a continuation of decreases experienced by the FARM over the last several years, albeit at a slower rate. Given the nature of the FARM (as a market of last resort), volumes can change rapidly in response to external events, so Members should bear in mind that volumes may change dramatically from those projected here. This is discussed in more detail in section 1.2.

Summary of Calendar Year 2017 Operating Results

The estimated calendar year **2017** Operating Results are summarized at the top of the next page. Policy liabilities and associated changes are presented on an actuarial present value basis as found in the Participation 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 **2016** as per the

¹In 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.

Oct 28 2015 Outlook and with the *Mar 31 2016 Projection*².

Projection Summary – Calendar Year 2017 – Amounts

Calendar Year 2017 Projections (\$000s)			
All Jurisdictions	Private Passenger	Non-Private Passenger	TOTAL
Written Premium	72,538	113,230	185,768
Earned Premium	71,969	111,931	183,900
Prior Accident Years	(3,168)	(4,655)	(7,823)
Current Accident Year	53,796	80,155	133,951
Total Claims Incurred	50,628	75,500	126,128
Operating & Service Fees	7,355	11,548	18,903
Agent's Commissions	6,985	8,644	15,629
Driver Record Abstracts	1,138	1,525	2,663
Bad Debts	-	-	-
Change in Prem. Def / (DPAC)	(21)	11	(10)
Underwriting Expenses	15,457	21,728	37,185
Net U/Wing gain / (loss)	5,884	14,703	20,587
Administrative Expenses	1,734	2,721	4,455
Miscellaneous income	-	-	-
Investment Income	86	108	194
2017 Projected Operating Result	4,236	12,090	16,326
misc. & investment income:	86	108	194
attributed to PAYs:	3,168	4,655	7,823
attributed to CAY:	982	7,327	8,309
2016 Projected Operating Result			
Oct 28 2015 Outlook	4,672	7,760	12,432
misc. & investment income:	127	151	278
attributed to PAYs:	2,635	3,877	6,512
attributed to CAY:	1,910	3,732	5,642
Mar 31, 2016 Projection	10,540	10,149	20,689
misc. & investment income:	82	98	180
attributed to PAYs:	7,952	2,559	10,511
attributed to CAY:	2,506	7,492	9,998

In comparing the calendar year **2017** operating result projection against the two projections for calendar year **2016**, **2017** is showing an improvement relative to the *Oct 28 2015 Outlook projection for 2016*, but a deterioration from the *Mar 31 2016 Projection for 2016*. The components of the projection for **2017** compared with the same components for the two projections for **2016** show a higher level of similarity with the *Oct 28 2015 Outlook*, in relation to the operating result attributed to prior accident years (PAYs), whereas the 2017 “misc. & investment income” and “attributed CAY” components are more aligned with the *Mar 31 2016 Projection*. These alignments are to be expected, as the **2017** projection for the contribution of the prior accident years has the same base

²The Mar 31 2016 Projection for calendar year 2016 and this Outlook’s projection for calendar year 2017 were derived at the same time, using consistent assumptions.

assumption for the prior accident years as found in *Oct 28 2015 Outlook* (i.e. no “nominal” changes in claims liabilities, so the prior accident years impact is driven by releases of actuarial present value adjustments as claims are settled), whereas the *Mar 31 2016 Projection* includes actual prior accident year activity included up to the Dec 31, 2015 valuation. In contrast, the updated valuation and more recent investment assumptions leads to closer alignment with the *Mar 31 2016 Projection* (updated investment yields and updated accident years 2016 and 2017 loss ratios).

Operating Result Projection Summary – Calendar Year 2017 vs 2016

in \$ thousands	2017 TOTAL	2016 TOTAL	2017 less 2016	% change
Underwriting Revenue				
written premium	185,768	182,323	3,445	1.9%
decrease / (increase) in unearned	(1,868)	577	(2,445)	(424.0%)
earned premium	183,900	182,899	1,001	0.5%
Claims Incurred				
Prior Accident Years				
Undiscounted	-	(2,684)	2,684	(100.0%)
effect of discounting	(7,823)	(7,827)	4	(0.1%)
Discounted	(7,823)	(10,511)	2,688	(25.6%)
Current Accident Year				
Undiscounted	126,793	124,950	1,843	1.5%
effect of discounting	7,158	6,931	227	3.3%
Discounted	133,951	131,881	2,070	1.6%
Claims Incurred	126,128	121,370	4,758	3.9%
Underwriting Expenses	37,185	36,460	725	2.0%
Net Underwriting Gain (Loss)	20,587	25,069	(4,482)	(17.9%)
Administrative Expenses	4,455	4,560	(105)	(2.3%)
Miscellaneous income / (expense)	-	(18)	18	(100.0%)
Investment Income	194	198	(4)	(1.9%)
Operating Result	16,326	20,689	(4,363)	(21.1%)
Ratios				
Claims & Adj. Expenses to EP				
Prior Accident Year	(4.3%)	(5.7%)	1.4%	(24.6%)
Current Accident Year	72.8%	72.1%	0.7%	1.0%
All Accident Years Combined	68.6%	66.4%	2.2%	3.3%
Underwriting & Admin Exp (EP)	22.6%	22.4%	0.2%	0.9%
Combined Operating Ratio	91.2%	88.8%	2.4%	2.7%
Current Accident Year only*	8,309	9,998	(1,689)	(16.9%)

*excluding miscellaneous income/(expense) and investment income

Note: FARM operating results do not include all expenses – for example, premium taxes and health levies are applied at member companies based on their share of FARM 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 here relates only to investment income earned on funds held by FA – it does NOT include any investment income earned by members on FARM related funds held by members.

As at December 31, 2015, nominal unpaid claims balances for the FARM amounted to \$369.3 million³. The nominal prior accident year change in 2016 at \$2.7 million (favourable) represents 0.7% of the beginning balance. The nominal unpaid claims balance for the FARM at December 31, 2016 is projected to be \$343.4 million and changes of +/-5% of this balance (\$17.2 million) would not be unusual (see table at the top of the next page for changes that occurred

³See the December 2015 Actuarial Highlights claims liability table found on page 8 at \$400.1 million member statement (M/S) total balance, less the \$30.8 million of actuarial present value adjustments.

during the last 3 calendar years). The projected *nominal*⁴ claims development provision for adverse deviation (PfAD) is \$35.9 million. The projected nominal unpaid claims balance at December 31, 2017 is \$329.9 million (*nominal* claims development PfAD of \$34.8 million).

FARM PAYs' Ultimate Changes vs Beginning Balances (nominal, indemnity only)

Cal Yr	nominal unpaid indemnity liability (\$ millions)				
	nominal beginning amounts			chg in PAYs' ultimates	
	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					
2013	389.8	40.6	10.4%	(16.0)	(4.1%)
2014	360.4	40.8	11.3%	5.2	1.4%
2015	349.3	40.2	11.5%	(15.1)	(4.3%)
projections					
2016	334.8	38.1	11.4%	(2.7)	(0.8%)
2017	343.4	35.9	10.5%	-	-

In addition, changes in yield curves used to determine the discount rates used in our projections are subject to change. For example, the ***Oct 28 2015 Outlook*** used a discount rate of 1.07% whereas with the ***Mar 31 2016 projection*** we are now using 0.81%. However, the Dec 31, 2015 valuation discount rate *change* does not have a direct impact on the 2017 projection. As the change occurs in calendar year **2016**, both the beginning and ending claims liabilities for calendar year **2017** 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 projected December 31, 2017 policy liability discount amount is \$8.0 million, with an associated interest rate PfAD of \$2.4 million, indicating the net discount impact of approximately \$5.6 million – moving this 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 **2017** projections are presented in the table at the top of the next page, including the Combined Operating Ratios (COR) for the two calendar year **2016** projections.

⁴Claims development PfADs are displayed in Exhibit C on a discounted basis, whereas the values here are presented on a nominal basis to remove the impact of varying discount rates. The discount amounts associated with the claims development PfADs in Exhibit C are \$0.9 million for calendar year 2016 and \$0.8 million for calendar year 2017.

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 2017 – Key Ratios

Calendar Year 2017 Projections (Key Ratios)			
All Jurisdictions	Private Passenger	Non-Private Passenger	TOTAL
Claims Incurred Ratios (% EP)			
Prior Accident Years	(4.4%)	(4.2%)	(4.3%)
Current Accident Year	74.7%	71.6%	72.8%
Total Claims Incurred	70.3%	67.5%	68.6%
Expense Ratios			
General Expenses (% WP)	21.3%	19.2%	20.0%
Chg in Prem. Def / (DPAC) (% EP)	-	-	-
Underwriting Expenses (% EP)	21.5%	19.4%	20.2%
Administrative Expense (% EP)	2.4%	2.4%	2.4%
U/Wing & Admin Exp (% EP)	23.9%	21.8%	22.6%
2017 Combined Operating Ratio (% EP)	94.2%	89.3%	91.2%
attributed to PAYS:	(4.4%)	(4.2%)	(4.3%)
attributed to CAY:	98.6%	93.5%	95.5%
2016 Combined Operating Ratio			
Oct 28 2015 Outlook	94.0%	93.7%	93.7%
attributed to PAYS:	(3.5%)	(3.2%)	(3.3%)
attributed to CAY:	97.5%	96.9%	97.0%
Mar 31, 2016 Projection	85.5%	91.0%	88.8%
attributed to PAYS:	(11.0%)	(2.3%)	(5.7%)
attributed to CAY:	96.5%	93.3%	94.5%

For details, please refer to Exhibits B-1 through B-3. Detailed information regarding the projections and associated assumptions for calendar year **2017** are discussed in section 2. In particular, premium projections are discussed in section 2.1 and claims projections are discussed in section 2.2.

Our projections of the number of vehicles written are based on management’s view of writings, taking into account recent volume changes, rate changes, and anticipated policyholder and member company behaviours in reaction to rate increases. However, FARM volumes can change rapidly in a short period of time, as we have seen in the past. The table at the top of the next page shows the FARM private passenger market share at March 2016 (rolling twelve month basis) compared with the most recent peak levels.

FARM

March 2016

Market Share - Developed by Month (Non-cumulative)

Written Private Passenger Vehicles (Excluding Farmers)

Province	February 2016	March 2016			Recent Peak		
	Market Share	Written Vehicle Count	Market Share	Change	Written Vehicle Count	Mth. / Yr.	Market Share
Alberta	0.1%	2,832	0.1%	0.0	74,658	Sept. 2004	4.2%
Nova Scotia	0.7%	3,674	0.7%	0.0	37,157	Sept. 2004	7.9%
New Brunswick	1.6%	7,465	1.6%	0.0	25,327	April 2003	6.8%
Newfoundland & Labrador	3.4%	11,114	3.5%	0.1	17,569	Sept. 2003	8.0%
Prince Edward Island	1.9%	1,641	1.9%	0.0	6,307	April 2004	8.4%
Ontario	0.0%	1,871	0.0%	0.0	226,108	March 2004	3.8%
Nunavut	21.9%	600	21.5%	-0.4	1,113	Dec 2008	50.0%
N.W.T	13.5%	2,570	13.6%	0.1	4,844	Nov 2005	32.7%
Yukon	1.6%	396	1.5%	-0.1	1,416	Jun 2005	7.3%

* February 2016 market share percentages may have been adjusted based on revised figures received from Actuarial Dept.

- Market Share based on 2014 Industry Data (AIX - AUTO7001/1005/1010)

- Vehicle Count based on report from Data Analyst of Actuarial Dept. (Rolling 12 Months)

Net cash flows from operations for the FARM are projected to be an overall inflow of \$4.1 million for calendar year **2017** as presented in detail in section 2.7. Lower projected premium is the main driver of the difference between the calendar year **2017** projection and the calendar year **2016** projection for the Outlook posted October 28, 2015 (the updated projection for 2016 reflects premium and claims payments updates). Should volumes decline during 2017 more than anticipated or indemnity payments prove higher than expected, net operating cash flows would be negatively impacted. For example, should written premium be 2.7% less than projected, the cash inflow would move to a cash outflow position.

Projections for Calendar Year 2016

As indicated in the table at the top of the next page, there have been changes both to earned premium and the Combined Operating Ratios (COR) between the **Oct 28 2015 Outlook** and the **Mar 31 2016 Projection**, the latter of which includes the implementation of the 2015 Q3 and Q4 valuations, with the changes in operating result largely driven by the impact of the updated valuations on CORs.

Calendar Year 2016 Oct 28 2015 Outlook vs updated Mar 31 2016 Projection

\$000s	Outlook Posted October 28, 2015			Updated Year-end Projection		
	Earned Premium	Operating Result	COR	Earned Premium	Operating Result	COR
Ontario	45,033	2,790	94.0%	39,489	11,683	70.6%
Alberta	70,498	7,300	89.8%	63,671	7,680	88.0%
Newfoundland & Labrador	28,662	(3,666)	112.9%	28,275	(2,752)	109.8%
New Brunswick	20,601	2,010	90.4%	20,745	2,766	86.7%
Nova Scotia	16,312	1,584	90.4%	17,231	155	99.2%
Prince Edward Island	4,520	307	93.3%	4,845	953	80.4%
Yukon	2,163	221	89.9%	2,159	(235)	111.0%
Northwest Territories	5,159	1,430	72.3%	4,888	(286)	105.9%
Nunavut	1,631	457	72.1%	1,597	724	54.8%
TOTAL	194,579	12,432	93.7%	182,899	20,689	88.8%

In the table at the top of the next page, we attributed the overall \$8.3 million operating result improvement (from \$12.4 million to \$20.7 million) to the change in earned premium (by multiplying the earned premium change by [1 – COR]), with the remaining difference attributed to the change in COR (which is driven by changes in discount rates and margins, nominal changes in prior accident year claims liabilities, current accident year loss ratios, the next future accident year loss ratio impact on premium liabilities, and expenses). Earned premium changes have had an estimated overall \$0.9 million unfavourable impact on the projected Operating Result⁶, offset by a \$9.2 million favourable change in operating result due to changes in CORs and changes in projected miscellaneous/investment income⁷.

⁶In attributing changes in operating result to changes in earned premium and changes in COR, we assume that earned premium reductions are due to reductions in exposures (i.e. vehicles insured) – as the 2016 Final Outlook had a COR of 93.7%, there was an implied operating surplus associated with insured vehicles, so a reduction in earned premium (i.e. reduction in earned vehicle count) would result in a reduction in operating result under the assumption that the COR has not changed. Any remaining change in operating result is then attributed to the change in COR and miscellaneous / investment income.

⁷Investment income reflects income on cash and cash equivalents held and invested at Facility Association to accommodate current cash flow needs. The vast majority of funds supporting the FARM are held by members. As per the FARM financial statements for fiscal year-end 2015, cash and cash equivalents were \$37.1 million compared with funds held by members at \$1,149.8 million.

Calendar Year 2016 Change Oct 28 2015 Outlook vs updated Mar 31 2016 Projection

\$000s	Total Change (Update less Outlook)			Change Attributed to Earned Premium Change		Change Attributed to misc/investment income & COR Changes	
	Earned Premium	Operating Result	COR	Earned Premium	Operating Result	Operating Result	COR
Ontario	(5,544)	8,893	(23.4%)	(5,544)	(333)	9,226	(23.4%)
Alberta	(6,827)	380	(1.8%)	(6,827)	(696)	1,076	(1.8%)
Newfoundland & Labrador	(387)	914	(3.1%)	(387)	50	864	(3.1%)
New Brunswick	144	756	(3.7%)	144	14	742	(3.7%)
Nova Scotia	919	(1,429)	8.8%	919	88	(1,517)	8.8%
Prince Edward Island	325	646	(12.9%)	325	22	624	(12.9%)
Yukon	(4)	(456)	21.1%	(4)	-	(456)	21.1%
Northwest Territories	(271)	(1,716)	33.6%	(271)	(75)	(1,641)	33.6%
Nunavut	(34)	267	(17.3%)	(34)	(9)	276	(17.3%)
TOTAL	(11,680)	8,257	(4.9%)	(11,680)	(939)	9,196	(4.9%)

The key drivers of changes in COR are changes in selected ultimate loss ratios and the discount rate, updated with each valuation⁸. More information on the results of valuations and the associated impacts are available in the Actuarial Highlights for October 2015 (implementation of the 2015 Q3 valuation) and March 2016 (implementation of the 2015 Q4 valuation).

Of the \$9.2 million improvement in operating result attributed to COR changes and changes in miscellaneous/investment income, all of the change was driven by the former. The main driver of the 4.9 percentage point decrease in COR is the 5.0 percentage point decrease in incurred claims ratio (on an “actuarial present value” basis) as shown in the table below. As evident in that table, the prior accident years’ impacts have generally been more favourable than expected, and the current accident year has been better than expected.

Calendar Year 2016 Oct 28 2015 Outlook Loss Ratios vs updated Mar 31 2016 Projection

2016 Calendar Year	Claims Incurred Ratio			Current Accident Year LR			Prior Accident Year LR		
	Mar 31 2016 Projection	Oct 28 2015 Outlook	point chg	Mar 31 2016 Projection	Oct 28 2015 Outlook	point chg	Mar 31 2016 Projection	Oct 28 2015 Outlook	point chg
Ontario	51.1	74.3	(23.2)	70.0	79.2	(9.2)	(18.9)	(4.9)	(14.0)
Alberta	65.9	67.7	(1.8)	69.1	70.8	(1.7)	(3.2)	(3.1)	(0.1)
NFLD & Labrador	87.1	89.4	(2.3)	90.9	92.8	(1.9)	(3.8)	(3.4)	(0.4)
New Brunswick	62.9	66.9	(4.0)	68.8	68.6	0.2	(5.9)	(1.7)	(4.2)
Nova Scotia	73.1	64.9	8.2	71.8	68.5	3.3	1.3	(3.6)	4.9
Prince Edward Is.	54.3	67.9	(13.6)	64.0	69.6	(5.6)	(9.7)	(1.7)	(8.0)
Yukon	87.0	66.6	20.4	70.5	68.7	1.8	16.5	(2.1)	18.6
Northwest Terr.	81.0	48.2	32.8	51.1	50.1	1.0	29.9	(1.9)	31.8
Nunavut	30.5	48.6	(18.1)	46.8	51.3	(4.5)	(16.3)	(2.7)	(13.6)
TOTAL	66.4	71.4	(5.0)	72.1	74.8	(2.7)	(5.7)	(3.4)	(2.3)

Again, the ratios in the above table include actuarial present value adjustments, so changes to discount rates and margins (blended rate) have also had impacts that are included in the changes in

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.

those claims ratios.

In particular, the **Oct 28 2015 Outlook** discount rate was 1.07% compared with 0.81% used in the **Mar 31 2016 Projection** (the investment return margin for adverse deviation was left unchanged at 25 basis points). Discount rate changes mid-year will result in an immediate adjustment when the change occurs but if we consider the overall change from 1.07% to 0.81%, it is estimated to have had an approximate unfavourable impact of \$2.6 million *overall*, due to an increase in the ending unpaid claims liabilities, based on the interest rate sensitivity Table F for all jurisdictions in the March 2016 Actuarial Highlights – as shown in the table below.

Estimated Unpaid Claims Liabilities Impact from Discount Rate and associated Margin Changes (2016)

	2016 Outlook	This Outlook	Est. Impact
dsct rate	1.07%	0.81%	+\$2.6 million
margin	25 basis pts	25 basis pts	\$0.0 million
TOTAL			+\$2.6 million

Source: Estimated from Interest Rate Sensitivity Tables

A comparison of the claims incurred (including actuarial present value adjustments, as well as the impact of retroactive claims adjustments and allowed claims expenses) is provided in the table below. The current accident year change in this table shows a reduction of \$13.6 million in total. However, part of this change is due to the \$11.7 million decrease in earned premium relative to the 2016 Outlook. Had this earned premium decrease not occurred, the current accident year incurred would have shown a decrease of \$5.5 million, rather than the \$13.6 million decrease shown (applying the current accident year loss ratio changes to the **Oct 28 2015 Outlook** earned premium at the jurisdiction level). Obviously, earned premium projection variances do not have an impact on prior accident year claims liabilities levels.

*Calendar Year **2016 Oct 28 2015 Outlook** Claims Incurred vs updated **Mar 31 2016 Projection***

2016 Calendar Year	Claims Incurred \$m				Current Accident Year Claims Incurred \$m				Prior Accident Year Claims Incurred \$m		
	Mar 31 2016 Projection	Oct 28 2015 Outlook	change	% chg	Mar 31 2016 Projection	Oct 28 2015 Outlook	change	% chg	Mar 31 2016 Projection	Oct 28 2015 Outlook	change
Ontario	20.2	33.5	(13.3)	(39.7)	27.7	35.7	(8.0)	(22.5)	(7.5)	(2.2)	(5.3)
Alberta	41.9	47.7	(5.8)	(12.1)	44.0	49.9	(5.9)	(11.7)	(2.1)	(2.2)	0.1
NFLD & Labrador	24.6	25.6	(1.0)	(3.9)	25.7	26.6	(0.9)	(3.4)	(1.1)	(1.0)	(0.1)
New Brunswick	13.1	13.8	(0.7)	(5.3)	14.3	14.1	0.1	1.0	(1.2)	(0.3)	(0.9)
Nova Scotia	12.6	10.6	2.0	19.0	12.4	11.2	1.2	10.8	0.2	(0.6)	0.8
Prince Edward Is.	2.6	3.1	(0.4)	(14.3)	3.1	3.1	(0.0)	(1.4)	(0.5)	(0.1)	(0.4)
Yukon	1.9	1.4	0.4	30.4	1.5	1.5	0.0	2.4	0.4	(0.0)	0.4
Northwest Terr.	4.0	2.5	1.5	59.1	2.5	2.6	(0.1)	(3.3)	1.5	(0.1)	1.6
Nunavut	0.5	0.8	(0.3)	(38.4)	0.7	0.8	(0.1)	(10.8)	(0.3)	(0.0)	(0.2)
TOTAL	121.4	139.0	(17.6)	(12.7)	131.9	145.5	(13.6)	(9.4)	(10.5)	(6.5)	(4.0)

chg using Oct 28 2015 Outlook EP: (5.5)

1.2 Outlook Purpose and Projection Uncertainty

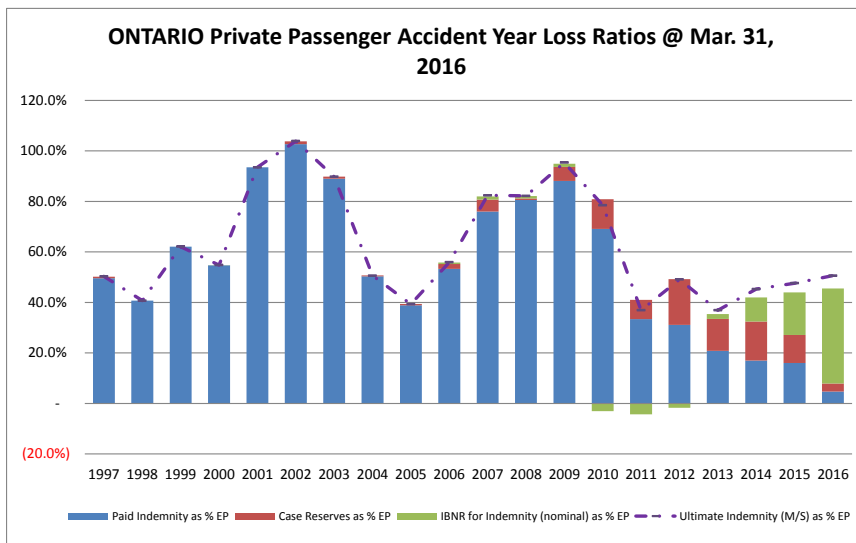
This Outlook was prepared for the Member companies of Facility Association to assist Member companies in estimating their share of FARM results for planning purposes. It is not intended, nor is it necessarily suitable, for any other purpose.

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.

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. **The user of this Outlook should recognize that future Operating Results may deviate from these projections by material amounts.**

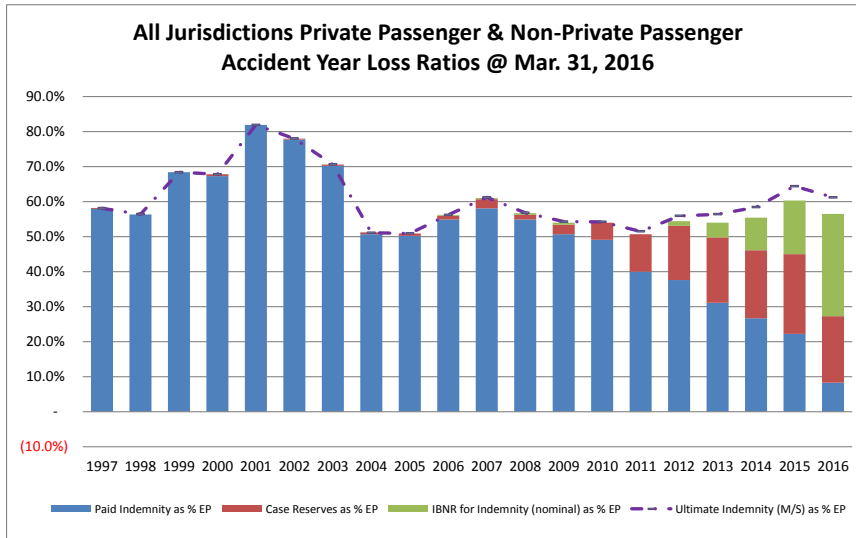
The historical loss ratios for Ontario Private Passenger Vehicles provide a good example of the potential cyclical volatility of the FARM results within a jurisdiction / business segment, and the speed with which loss ratios can deteriorate or improve between accident years.

FARM Ontario Private Passenger Indemnity Loss Ratios



While each individual member is exposed to differing shares of FARM results at the jurisdiction, business segment, and accident year level, the loss ratios of the FARM overall have benefited from diversification across jurisdictions and rating classes to the extent that the FARM loss ratio volatility over time is lower than that at the jurisdiction / business segment level (see chart at the top of the next page).

FARM All Jurisdictions, All Business Segments Ultimate Indemnity Loss Ratios



Our annual rate review cycle encompasses the six provinces (the northern territories are reviewed tri-annually), all rating classes, and includes individually-rated vs fleet-rated experience where such is warranted (generally on volume). In general, under the current investment environment (we assume risk-free investment yields) target indemnity only loss ratios fall in the range of 50% to 55%. This suggests accident years 2011 to 2016 inclusive have performed overall slightly worse than target, but still generate a positive return on investment.

For our projections, we have only included the impact of approved rate changes – we have not included projections of future approved rate changes, notwithstanding that at the time of writing, FA had 15 rate filings submissions made to regulators (mainly in the Atlantic provinces) where regulatory approvals have not yet been issued. Further, it is anticipated that rate submissions will be made in those jurisdictions where warranted during the latter part of 2016 and into 2017. However, as noted, potential outcomes of such submissions have not been included in our projections.

As previously discussed, we have assumed no prior accident year development in our projection for calendar year 2017. This assumes that the unpaid claims liabilities as booked at December 31, 2016 will be the exact provision as needed throughout calendar year 2017 for accident years 2016 and prior. As the provision that will be booked at December 31, 2016 will be an estimate and that estimate will be updated as valuations are conducted throughout 2017, a non-zero prior accident year development may arise.

Projections for cash flows from operations are dependent upon other projections and assumptions which may not materialize as projected, creating uncertainty around the projected net cash flows from operations. The most significant assumptions relate to written premium volumes (see sections 2.1) and claims payments (claims projections are discussed in sections 2.2 through 2.4) during calendar year 2017, both of which are subject to considerable projection uncertainty.

1.3 Definitions and Presentation

Accounting Periods

- Calendar Year 2015: actual results for 12 months ending December 31, 2015.
- Calendar Year 2016: actual results for 3 months ending March 31, 2016, plus projected results for 9 months ending December 31, 2016.
- Calendar Year 2017: projected results for 12 months ending December 31, 2017.

Definitions

- Claim Liabilities are made up of case reserves, provision for Incurred but not Recorded claims amounts (“IBNR”), related provisions for retroactive claims service fees and for allowed claims expenses (the latter two provisions collectively referred to as “Retro Claims Expense”⁹), and applicable actuarial present value adjustments.
- Premium Liabilities are made up of unearned premiums, Premium Deficiency Reserves or Deferred Policy Acquisition Costs (“DPAC”) as applicable, and applicable actuarial present value adjustments.
- 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, provisions for Retro Claims Expense, and premium deficiency/(DPAC) as applicable.
- (Calendar Period) Claims Incurred are computed as the sum of calendar period paid claims amounts, calendar period paid claims fees, and calendar period changes in claim liabilities. Claims fees paid to Servicing Carriers include an amount determined in relation to earned premium, retroactive adjustments to prior fees paid, and payments for reimbursement of specific allowed claims expenses (more detail is available in the Facility Association “Claims Guide”).

Data Sources & Related Valuations

- Actual results are taken from Participation Reports up to and including the month of March 2016. The March 2016 Participation Report reflects assumptions derived from the valuation as at Dec 31, 2015 as described in the March 2016 Actuarial Highlights.
- Projected results for the months of April and May 2016 are the projections reflected in the

⁹Servicing Carriers for the Residual Market are compensated via an initial claims fee paid as a percentage of earned premium. This fee is retroactively adjusted and settled at age 72 months for each accident year based on the formula as laid out in the Facility Association’s “Plan of Operation”. The claims fee is meant to cover Servicing Carrier costs for claims management and adjudication except for certain categories of claims expenses (first party legal and professional consulting fees as described in the Facility Association’s “Claims Guide” manual under the “Litigation” section). These latter expenses are directly reimbursable upon final settlement of the claim. We refer to these fees/expenses collectively as “claims fees and allowed claims expense” or alternately as “retro claims expenses”.

March 2016 Participation Reports, and are based on assumptions derived for this purpose from the valuation as at Dec 31, 2015, and other information.

- Projected results for the months of June 2016 through December 2017 inclusive are also based on assumptions derived for this purpose from the valuation as at Dec 31, 2015, and other information, extended to encompass calendar year 2017.

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 of 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 cost of capital), and any investment income that Member companies might earn on assets held by Member companies in support of their FARM liabilities.
- “Ratios” are expressed relative to calendar period earned premiums, unless otherwise indicated.

2. Basis for Projections

The commentary that follows describes the basis for projecting premiums, claims and claims expense amounts and other expenses, and provides summaries of key assumptions. Exhibit A in Section 3 provides additional detail regarding these assumptions.

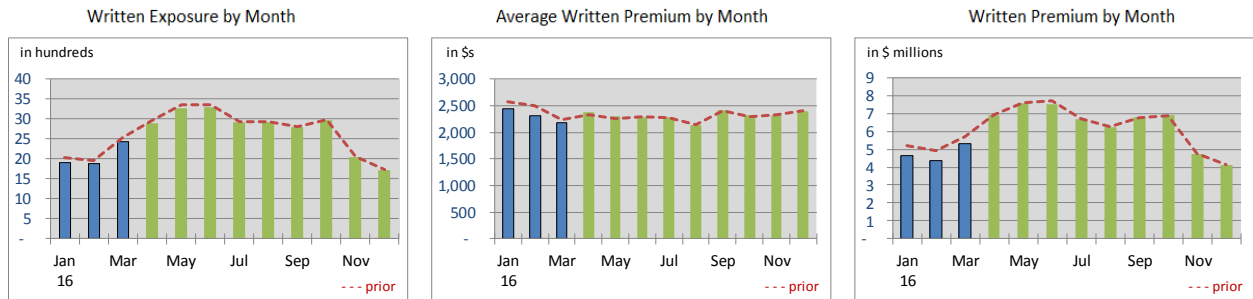
2.1 Premiums

A model has been established to project by month the number of (annualized) vehicles underwritten and to project the associated average written premium (with projected premium being the product of these two). The vehicle counts used are derived from transaction histories and are part of the FARM operational data. Earned premium was estimated from written.

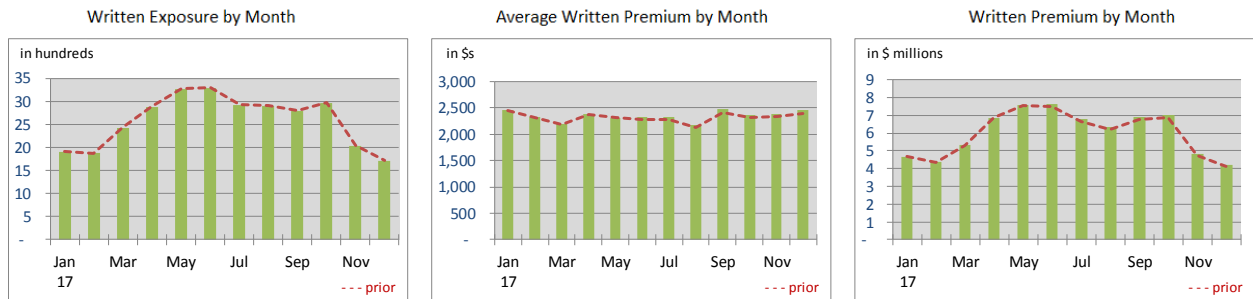
Summaries of the projections are provided on the next page for 2016 and 2017. In the charts, blue

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.

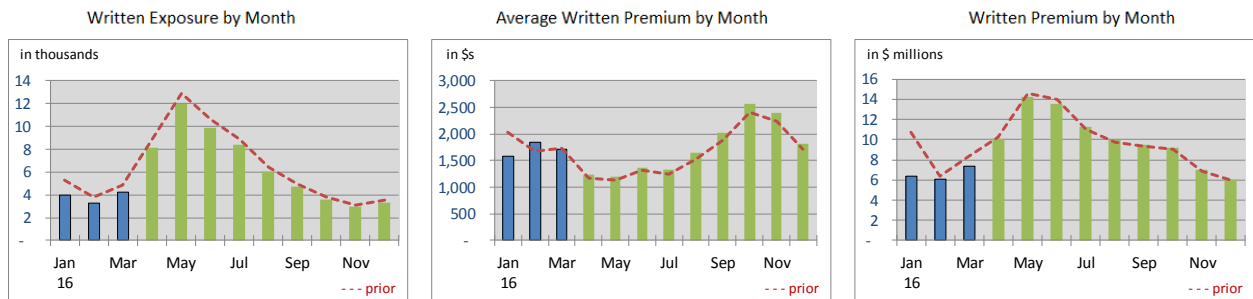
Private Passenger 2016 projected count **31,029**; projected premium: \$71.7 million



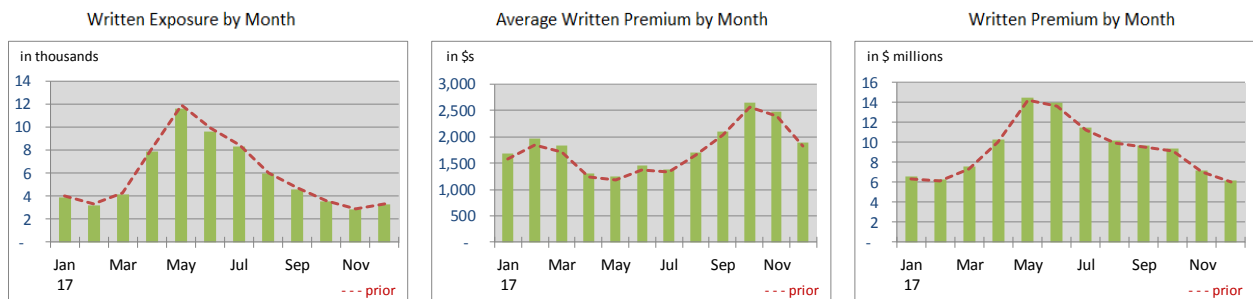
Private Passenger 2017 projected count **30,940**; projected premium: \$72.5 million



Non-Private Passenger 2016 projected count **70,527**; projected premium: \$110.6 million



Non-Private Passenger 2017 projected count **68,859**; projected premium: \$113.2 million



Monthly earned premium was projected based on the known terms of the current unearned premium

and from projected written based on the estimated average terms of policies.

The next table compares the written and earned premium projections for calendar year 2017 in this Outlook compared with the projections for calendar year 2016.

Projection Summary – Calendar Year 2017 – Premium

Premium Comparisons (Amounts in \$000s)			
All Jurisdictions	Private Passenger	Non-Private Passenger	TOTAL
2017 Written Premium	72,538	113,230	185,768
2016 Written Premium			
2016 Oct 28 2015 Outlook	75,120	119,017	194,137
2016 Mar 31, 2016 Projection	71,695	110,627	182,323
2017 Earned Premium	71,969	111,931	183,900
2016 Earned Premium			
2016 Oct 28 2015 Outlook	75,255	119,324	194,579
2016 Mar 31, 2016 Projection	72,068	110,832	182,899

It is possible for FARM volumes to grow quickly and that the projections above prove to be well off the mark. For example, earned premium increased from \$308 million for accident year 2002 to \$841 million for accident year 2003 and to over \$1 billion for accident year 2004. In Alberta, restrictions on access to the FARM for private passenger vehicles will act as a limiter in that province, but otherwise, swift and significant volume increases may occur.

As an example, Ontario reforms announced / implemented throughout 2015 and 2016 have resulted in a regulatory view that the reforms will have a meaningful impact on reducing claims costs and that those reductions should be reflected in lower rates for consumers. With the Superintendent’s authority to force rate reductions, it is possible that the reforms and the associated rate review processes creates sufficient uncertainty to alter insurer appetite for automobile insurance for a period, potentially resulting in availability issues and increased FARM volumes. This projection does not anticipate this outcome, but users should bear this in mind in assessing this projection and uncertainties surrounding it.

If a sudden written premium volume increase occurs during 2017, the actual impact on the operating results will depend upon the timing of the increase to some extent, with some of the writings flowing to earned premium, with the remainder flowing to the unearned premium liability, to be earned then in calendar year 2017.

2.2 Claims Amounts (for Indemnity)

The most recent valuation of the policy liabilities of the FARM was based on FARM experience as at December 31, 2015. As per the Facility Association’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 March 2016 Participation Reports and discussed in the associated Actuarial Highlights.

For accident year 2017, the estimated nominal loss ratios for indemnity amounts reflected in the

FARM Outlook are “a priori” or “expected” loss ratios modelled based on the September 30, 2015¹⁰ valuation, including estimates of causes and impacts of historical changes in average earned premium (particularly that attributed to rate changes), and historical claims amount levels (including loss cost trends and product reforms). It is important to note that 2017 is built from the 2016 a priori loss ratio – **not** from the current selected ultimate loss ratio for accident year 2016. The a priori loss ratios are estimated at the accident half and coverage level, and summed to arrive at the accident year and all coverages level. A priori loss ratios are summarized in the Appendix. The “ep factor” is the adjustment applied for drivers of changes in earned premium per exposure (rate change, rate group drift, product reform etc.) while “clms factor” accounts for changes in loss cost levels. Summarized assumptions for the a priori loss ratios are available in Exhibit A.

Please note that in determining the rate change impact for the earned premium factors, only rate changes that have been approved by applicable regulatory bodies have been included. In particular, we have NOT made any adjustments in our projections to take into account potential outcomes related to rate filings currently submitted but not yet approved, nor for future rate filings / changes.

The operating results for calendar year **2016** include actual development on accident years 2016 and prior incurred claims amounts, up to and including activity in the month of March 2016. 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 **2017**, but actuarial present value adjustment changes are projected to occur as claims liabilities are unwound. The discount rates and margins for adverse deviation are unchanged throughout the projection period.

2.3 Claims Expenses

Claims expenses paid to Servicing Carriers for administering and adjudicating claims settlement on behalf of the Facility Association are comprised of “Claims Fees” and “Excess Legal & Other Professional Fees.” (we also refer to the latter as “allowed claims expenses”).

The Claims Fees in each jurisdiction are determined on a formula basis, using the (indemnity) loss ratio in that jurisdiction.

The Excess Legal & Other Professional Fees are based on the June 30, 2015 valuation¹¹, the results of which were fully reflected initially in the August 2015 Participation Report.

2.4 Simulated 2017 Accident Year Nominal Claims Ratio

Bringing together the claims related costs discussed in sections 2.2 and 2.3, for “normal course” for accident year 2017, assuming no correlation among jurisdictions and business segments (i.e. private passenger vs non-private passenger), the overall nominal claims¹² ratio (**including indemnity**,

¹⁰The 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 recent completed valuations. Hence, the a priori loss ratios used for the December 31, 2015 valuation reflect selections of ultimate from the September 30, 2015 valuation.

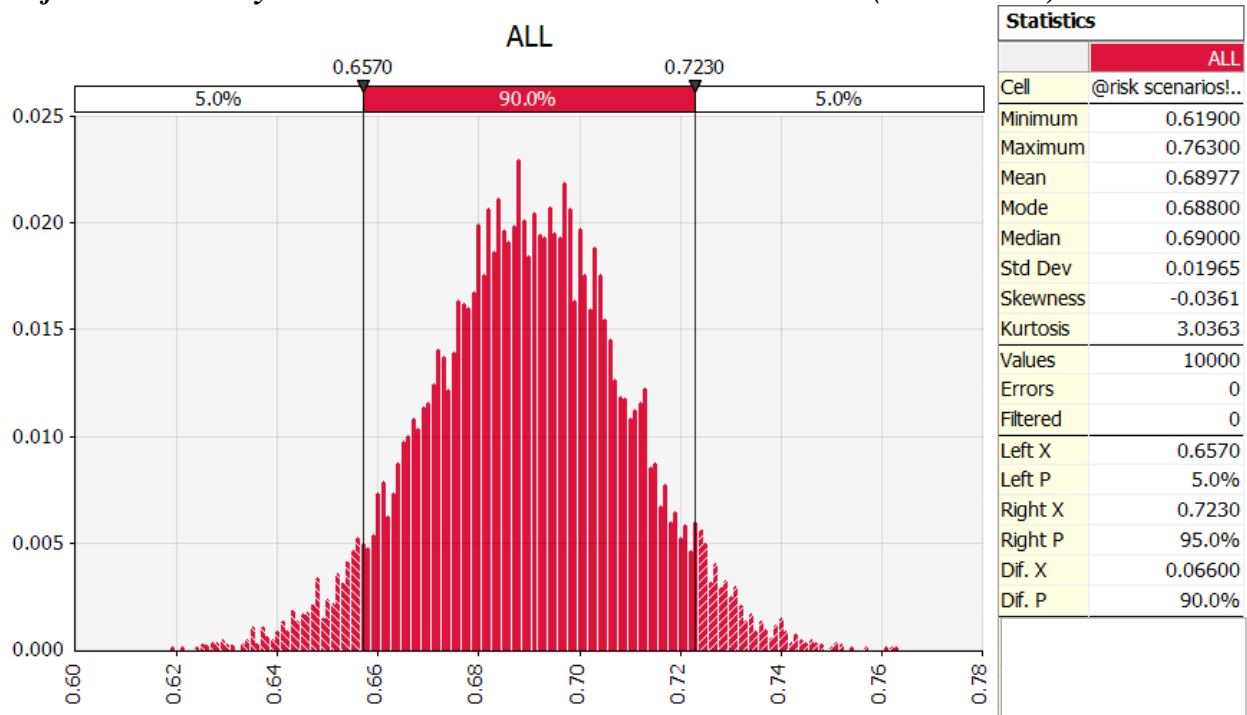
¹¹Assumptions for these fees are reviewed annually with the June 30 valuations.

¹²We use “claims ratio” (where claims include indemnity, Servicing Carrier claims fees, and allowed claims expenses) to distinguish this ratio from the “loss ratio” which would include indemnity only. In the narrative, we will sometimes

Servicing Carrier claims fees, and allowed claims expenses) at 69.0% could be modelled using a normal distribution with a mean 69.0% and standard deviation of 2.7%¹³, based on our a priori loss ratios (indemnity only) by accident half for 2004-2015 put on-level, and smoothed. This would put the 95th percentile claims ratio at 72.3% (again, under “normal course” assumptions – this would not take into account “stress” events like the rapid claims ratio increases experienced in Ontario from 2008 to 2010). Further, this assumes that the “69.0%” as a baseline a priori estimate will prove to be the “best estimate” claims ratio for accident year 2017 – this estimate may change over time due to modelling differences, changes in historical loss ratios etc. that are used to derive this estimate.

The claims ratio modelling result for the total jurisdictions, all business segments for accident year 2017 is presented below based on latin hypercube sampling (10,000 samples) using @risk simulation software.

Projection Summary – Accident Year 2017 Nominal Claims Ratio (non-stressed)



The above histogram of simulated results for the 2017 accident year nominal claims ratio was based on simulated (generated) claims ratios by jurisdiction and business segment assuming the base line loss ratios and associated standard deviations as presented in the next table.

make these differences explicit. Note that in the Participation Report and the Statements of Operating Results provided for this Outlook, “claims incurred” follows this definition (i.e. includes indemnity plus fees and expenses).

¹³This standard deviation is estimated from on-level a priori loss ratios across all jurisdictions. When modelled at the individual jurisdiction and business segment level using coefficients of variations for loss ratios from the a priori loss ratio process, the total standard deviation decreased to 2.0%, again under “base line” assumptions – not “stressed” assumptions.

Projection Summary – Accident Year 2017 Nominal Loss Ratio – Generator Assumptions

Facility Association

a priori LRs - distribution estimates

 for valuation: **Dec 31, 2015**

 FARM: **TOTAL**

 Bus. Segment: **Private Passenger & Non-Private Passenger**

Amounts in: \$1,000s

Claims Ratios include indemnity, SC fees, and clms expenses

Projection: 2017 Preliminary Outlook		From Projection			From a priori Model		Scenario Claims	
Jurisdiction	Business Segment	EP	CAY Claims Ratios (nominal)	CAY claims	Claims Ratio CV	estimated Claims Ratio std dev	generated claims	generated Claims Ratio
Ontario	Private Passenger	11,531	63.5%	7,322	6.3%	4.0%	7,322	63.5%
	Non-Private Passenger	26,796	67.9%	18,194	7.5%	5.1%	18,194	67.9%
	Total	38,327	66.6%	25,516		3.8%	25,516	66.6%
Alberta	Private Passenger	10,380	70.3%	7,297	14.2%	10.0%	7,297	70.3%
	Non-Private Passenger	53,610	65.3%	35,007	5.2%	3.4%	35,007	65.3%
	Total	63,990	66.1%	42,304		3.3%	42,304	66.1%
Newfoundland & Labrador	Private Passenger	20,917	78.9%	16,504	6.7%	5.3%	16,504	78.9%
	Non-Private Passenger	7,586	105.6%	8,011	22.1%	23.3%	8,011	105.6%
	Total	28,503	86.0%	24,515		7.3%	24,515	86.0%
New Brunswick	Private Passenger	13,581	73.3%	9,955	6.9%	5.1%	9,955	73.3%
	Non-Private Passenger	7,646	59.3%	4,534	10.0%	5.9%	4,534	59.3%
	Total	21,227	68.3%	14,489		3.9%	14,489	68.3%
Nova Scotia	Private Passenger	7,516	72.6%	5,457	17.2%	12.5%	5,457	72.6%
	Non-Private Passenger	10,781	65.1%	7,018	7.5%	4.9%	7,018	65.1%
	Total	18,297	68.2%	12,475		5.9%	12,475	68.2%
Prince Edward Island	Private Passenger	3,002	55.3%	1,660	18.5%	10.2%	1,660	55.3%
	Non-Private Passenger	1,962	65.7%	1,289	27.4%	18.0%	1,289	65.7%
	Total	4,964	59.4%	2,949		9.4%	2,949	59.4%
Yukon	Private Passenger	859	72.6%	624	36.8%	26.7%	624	72.6%
	Non-Private Passenger	1,324	62.5%	828	21.6%	13.5%	828	62.5%
	Total	2,183	66.5%	1,452		13.4%	1,452	66.5%
Northwest Territories	Private Passenger	3,410	54.2%	1,848	19.8%	10.7%	1,848	54.2%
	Non-Private Passenger	1,424	40.7%	580	23.2%	9.4%	580	40.7%
	Total	4,834	50.2%	2,428		8.1%	2,428	50.2%
Nunavut	Private Passenger	765	38.8%	297	21.6%	8.4%	297	38.8%
	Non-Private Passenger	802	52.0%	417	38.2%	19.9%	417	52.0%
	Total	1,567	45.6%	714		10.9%	714	45.6%
ALL	Private Passenger	71,961	70.8%	50,964	14.2%	2.8%	50,964	70.8%
	Non-Private Passenger	111,931	67.8%	75,878	5.2%	2.7%	75,878	67.8%
	Total	183,892	69.0%	126,842		2.0%	126,842	69.0%

Please see the Appendix for a priori loss ratios (indemnity only) and associated charts by jurisdiction and business segment.

2.5 Expenses

Operating & Service Fees, Agents' Commissions, Driver Record Abstracts expenses, Bad Debts, and Miscellaneous income / (expense) are all projected as percentages of written premiums, based on the projected expense ratios for 2017.

Calendar year 2017 changes in premium deficiency / (deferred policy acquisition costs) are estimated by applying claims ratios (for indemnity and claims expenses) and future servicing cost ratios to the starting and ending projected unearned premiums. The underlying premium deficiency / (deferred policy acquisition) ratios were derived on the basis of the expected claims ratios for accident year 2016 and 2017 as applicable, and expected future servicing costs estimated at the rate of 50% of administrative expenses. Where the sum of these ratios was less than 100% (i.e. giving rise to an asset rather than a liability), the asset value was capped on the basis of the expense allowance ratio.

Administrative Expenses for calendar year 2017 were projected as percentages of written premiums based on actual expenses-to-written premium ratios in recent years (see table immediately below).

Projection Summary – Calendar Year 2017 Expense Ratios

Expense Ratio Projections			
All Jurisdictions	Private Passenger	Non-Private Passenger	TOTAL
General Expenses (% WP)	21.3%	19.2%	20.0%
Administrative Expense (% WP)	2.4%	2.4%	2.4%

The Outlook does not reflect costs incurred directly by Member companies as a result of their compulsory participation in the FARM. Examples of such costs are premium taxes, health levies and income taxes.

2.6 Investment Income

The investment income reflected in the Outlook for calendar year **2017** represents the income expected to be earned on the portion of FARM assets that are held and invested by Facility Association. Most of the assets related to FARM business are held directly by Member companies. FARM investment income amounts are projected as flat amounts, based on recent actual reported levels.

2.7 Operating Cash Flows

Net cash flows from operations for the FARM are projected to be an overall inflow of \$4.1 million for calendar year **2017** as presented in the table at the top of the next page. Lower projected premium is the main driver of the difference between the calendar year **2017** projection and the calendar year **2016** projection for the Outlook posted October 28, 2015 (the updated projection for 2016 reflects premium and claims payments updates). Should volumes decline during 2017 more than anticipated or indemnity payments prove higher than expected, net operating cash flows would be negatively impacted – that is, as discussed on the next page, a relatively small (2.7%) reduction in written premium relative to our projection would move the projected cash inflow to a cash outflow.

Projection Summary – Calendar Year 2017 – Operating Cashflow

Calendar Year 2017 Net Operating Cashflow Projections (\$000s)			
All Jurisdictions	Private Passenger	Non-Private Passenger	TOTAL
Written Premium	72,538	113,230	185,768
PAYs Paid Claims			
paid indemnity	35,988	47,625	83,613
paid Clms Fee & Allowed Clms Exp.	3,635	977	4,612
PAYs Paid Claims	39,623	48,602	88,225
CAYs Paid Claims			
paid indemnity	12,316	19,518	31,834
paid Clms Fee & Allowed Clms Exp.	8,005	12,207	20,212
CAYs Paid Claims	20,321	31,725	52,046
All AYs Paid Claims			
paid indemnity	48,304	67,143	115,447
paid Clms Fee & Allowed Clms Exp.	11,640	13,184	24,824
All AYs Paid Claims	59,944	80,327	140,271
"Cash" Expenses			
Operating & Service Fees	7,355	11,548	18,903
Agent's Commissions	6,985	8,644	15,629
Driver Record Abstracts	1,138	1,525	2,663
Administrative Expenses	1,734	2,721	4,455
"Cash" Expenses	17,212	24,438	41,650
Investment Income	86	108	194
2017 Net Operating Cash Flow	(4,532)	8,573	4,041
2016 Net Operating Cash Flow			
2016 Oct 28 2015 Outlook	(2,226)	14,928	12,702
2016 Mar 31, 2016 Projection	(10,798)	3,977	(6,821)

Operating cash flows are held by FA as “cash” at target levels designed to ensure liquidity of operating cash over an 8 to 12 month period. Excess cash is distributed to members or required cash provided from members throughout the year as needed. “True-ups” among members (based on jurisdiction, business segment, and accident year needs) will occur throughout the year (typically aligned with valuation implementations in the March, May, August and October Participation months) that are generally a “zero” sum transfer overall. As indicated above, the current projection for calendar year 2017 suggests that some cash may be distributed to members at some point during the calendar year. However, the \$4.0 million of net operating cash flow is only 2.7% of the \$151.2 million projected written premium net of Servicing Carrier costs and Agent’s Commissions. Specifically, a small reduction in projected written premium would move the cash available to a cash need.

2.8 Distributed (Charged) To Member Companies' Accounts

Amounts distributed (charged) to Member companies' accounts have not been projected for the purpose of this Outlook. Net operating results for the FARM are accumulated for the benefit of members, and it is assumed that members are able to reflect this in their own financial statements based on information provided in the monthly Participation Reports.

In an effort to clarify the distinction between "Funds held by members" (that is, cash generated through operations over cash requirements to date which has been distributed to members until such time as it is required for operations) and amounts "Due to members" (which represents the accumulated results of operations that have not formally been "distributed" to members from a financial statement perspective), an additional reporting line has been added to the Participation Report to show these two distinct amounts. This distinction current exists in the FARM financial statements (which differ from member statements in that policy liabilities are discounted at a 0.0% rate) as indicated in the January 31, 2016 statement presentation below.

FARM Statement of Financial Position (unaudited) as at Jan. 31, 2016

FARM ONLY ytd @ Q1 F/S Basis (0% discount rate) (unaudited)	\$ millions			
	as at Jan 31, 2016	as at Oct 31, 2015	\$ change	% change
Statement of Financial Position				
Assets				
Cash & short term deposits	28.4	37.1	(8.8)	(23.6%)
Funds held by members	1,150.0	1,149.8	0.2	-
Transfer of funds due from members	4.5	0.1	4.4	>999.9%
Premium receivable	38.1	44.6	(6.6)	(14.7%)
Accrued investment income	0.0	0.0	0.0	5.0%
Deferred policy acquisition costs (DPAC)	6.1	6.8	(0.7)	(10.1%)
Other assets	2.4	1.6	0.7	45.8%
	1,229.5	1,240.1	(10.7)	(0.9%)
Liabilities				
Accounts payable	2.8	2.8	0.0	1.3%
Transfer of funds due to members	4.5	0.0	4.5	>999.9%
Servicing Carrier fees payable	4.0	5.2	(1.2)	(23.0%)
Unearned premium reserve (UPR)	84.9	99.1	(14.2)	(14.3%)
Claims liabilities	405.0	411.0	(6.0)	(1.5%)
Due to members	728.2	722.0	6.3	0.9%
	1,229.5	1,240.1	(10.7)	(0.9%)

During calendar year 2016, it is anticipated that a significant portion of the "Due to members" will be formally "distributed" to members via reduction of the "Funds held by members" asset, reducing the overall FARM balance sheet. It is not anticipated that this will impact the membership through the Participation Report, as "ownership" rights to the "Due to members" is assumed to have been recognized in members financial statements as operating results are incurred each month.

2.9 De-population Efforts

As part of the annual rate review cycle, FA management is able to identify certain classes of business in certain jurisdictions that are projected to generate loss ratios that would support de-population. Bulletins are regularly circulated to membership reminding them that there may be opportunities for FARM de-population to their benefit. Members are encouraged to reach out to FA at any time in support of the de-population efforts. Specific de-population, other than a continuation of the general decline in FARM risks, has not been included in the current projection for 2017.

3. EXHIBITS & APPENDIX

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

EXHIBIT A Key Assumptions

- A-1 Ontario
- A-2 Alberta
- A-3 Newfoundland & Labrador
- A-4 New Brunswick
- A-5 Nova Scotia
- A-6 Prince Edward Island
- A-7 Yukon
- A-8 Northwest Territories
- A-9 Nunavut

EXHIBIT B 2016 Projected Summary of Operations (by Jurisdiction)

- B-1 Private Passenger
- B-2 Non-Private Passenger
- B-3 Private Passenger & Non-Private Passenger

EXHIBIT C Projected Policy Liabilities

- C-1 Ontario
- C-2 Alberta
- C-3 Newfoundland & Labrador
- C-4 New Brunswick
- C-5 Nova Scotia
- C-6 Prince Edward Island
- C-7 Yukon
- C-8 Northwest Territories
- C-9 Nunavut
- C-10 All Jurisdictions

APPENDIX a priori loss ratios and associated charts
(by jurisdiction and business segment)

Exhibit A-1 – Key Assumptions – Ontario

Key Assumptions - Ontario - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	12,746	14,073			46.5%
2016	11,666	12,133			45.5%
2017	11,604	11,531	(6.1%)	1.0%	49.0%
Change	%	%	pts	pts	pts
2016	(8.5%)	(13.8%)	-	-	(1.0)
2017	(0.5%)	(5.0%)	(6.1)	1.0	3.5

Key Assumptions - Ontario - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	31,099	31,459			53.6%
2016	26,795	27,356			52.9%
2017	26,933	26,796	-	0.9%	53.4%
Change	%	%	pts	pts	pts
2016	(13.8%)	(13.0%)	-	-	(0.7)
2017	0.5%	(2.0%)	-	0.9	0.5

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				Selected Margins for Adverse Development			
	Third Party Liability	Accident Benefits	Other Coverages	TOTAL	Third Party Liability	Accident Benefits	Other Coverages	TOTAL
1996	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
1997	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
1998	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
1999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2000	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2001	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2002	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2003	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2004	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2005	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
2011	9.0%	10.0%	10.0%	9.7%	10.0%	10.0%	5.0%	10.0%
2012	12.5%	12.5%	11.5%	12.5%	12.5%	12.5%	12.5%	12.5%
2013	12.3%	12.5%	6.4%	12.3%	12.4%	12.5%	6.2%	12.4%
2014	14.9%	15.0%	6.3%	14.6%	14.9%	15.0%	15.0%	15.0%
2015	14.6%	15.0%	10.9%	14.9%	14.7%	15.0%	9.3%	14.9%
2016	15.0%	15.0%	15.0%	14.4%	15.0%	15.0%	15.0%	14.5%
2017	15.0%	15.0%	15.0%	14.4%	15.0%	15.0%	15.0%	14.5%
prem liab	11.8%	15.0%	5.2%	11.5%	13.1%	15.0%	5.3%	13.1%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-2 – Key Assumptions – Alberta

Key Assumptions - Alberta - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	11,410	12,658			58.8%
2016	10,267	10,378			60.0%
2017	10,542	10,380	2.5%	3.4%	60.5%
Change	%	%	pts	pts	pts
2016	(10.0%)	(18.0%)	-	-	1.2
2017	2.7%	-	2.5	3.4	0.5

Key Assumptions - Alberta - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	56,096	59,094			56.3%
2016	52,817	53,293			55.5%
2017	54,357	53,610	3.8%	3.8%	55.5%
Change	%	%	pts	pts	pts
2016	(5.8%)	(9.8%)	-	-	(0.8)
2017	2.9%	0.6%	3.8	3.8	-

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				TOTAL	Selected Margins for Adverse Development				TOTAL
	Third Party Liability	Accident Benefits	Other Coverages			Third Party Liability	Accident Benefits	Other Coverages		
1996	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1997	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1998	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1999	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2000	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2001	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2002	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2003	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2004	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2005	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2006	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2007	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2008	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2009	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2010	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2011	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2012	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2013	12.5%	10.8%	5.0%		12.5%	12.4%	10.2%	5.0%		12.1%
2014	12.5%	10.4%	5.0%		12.5%	12.3%	10.5%	5.0%		12.3%
2015	12.4%	10.4%	5.0%		12.4%	12.1%	10.5%	5.0%		12.2%
2016	12.5%	12.5%	5.0%		12.0%	12.5%	12.5%	5.0%		10.9%
2017	12.5%	12.5%	5.0%		12.0%	12.5%	12.5%	5.0%		10.9%
prem liab	12.0%	10.2%	5.0%		10.6%	11.6%	10.3%	5.0%		9.4%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-3 – Key Assumptions – Newfoundland & Labrador

Key Assumptions - Newfoundland & Labrador - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	21,324	21,818			72.1%
2016	20,917	21,205			66.0%
2017	20,916	20,917	2.1%	3.6%	67.0%
Change	%	%	pts	pts	pts
2016	(1.9%)	(2.8%)	-	-	(6.1)
2017	-	(1.4%)	2.1	3.6	1.0

Key Assumptions - Newfoundland & Labrador - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	6,687	6,565			115.9%
2016	7,412	7,070			99.1%
2017	7,631	7,586	9.0%	3.0%	93.7%
Change	%	%	pts	pts	pts
2016	10.8%	7.7%	-	-	(16.8)
2017	3.0%	7.3%	9.0	3.0	(5.4)

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				TOTAL	Selected Margins for Adverse Development				TOTAL
	Third Party Liability	Accident Benefits	Other Coverages			Third Party Liability	Accident Benefits	Other Coverages		
1996	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1997	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1998	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1999	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2000	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2001	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2002	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2003	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2004	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2005	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2006	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2007	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2008	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2009	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2010	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2011	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2012	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2013	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2014	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2015	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2016	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2017	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
prem liab	10.0%	10.0%	5.0%		9.1%	10.0%	10.0%	5.0%		9.2%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-4 – Key Assumptions – New Brunswick

Key Assumptions - New Brunswick - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	12,971	12,630			58.4%
2016	13,396	13,147			57.0%
2017	13,798	13,581	(3.1%)	2.8%	60.5%
Change	%	%	pts	pts	pts
2016	3.3%	4.1%	-	-	(1.4)
2017	3.0%	3.3%	(3.1)	2.8	3.5

Key Assumptions - New Brunswick - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	7,684	7,773			51.9%
2016	7,555	7,598			46.0%
2017	7,735	7,646	-	1.0%	46.5%
Change	%	%	pts	pts	pts
2016	(1.7%)	(2.3%)	-	-	(5.9)
2017	2.4%	0.6%	-	1.0	0.5

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				Selected Margins for Adverse Development			
	Third Party Liability	Accident Benefits	Other Coverages	TOTAL	Third Party Liability	Accident Benefits	Other Coverages	TOTAL
1996	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
1997	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
1998	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
1999	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2000	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2001	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2002	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2003	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2004	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2005	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2006	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2007	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2008	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2009	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2010	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2011	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2012	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2013	12.5%	10.0%	5.0%	12.1%	12.4%	10.1%	5.0%	12.1%
2014	12.4%	10.3%	5.0%	11.9%	12.4%	10.2%	5.0%	11.7%
2015	12.4%	10.1%	5.0%	11.9%	12.4%	10.2%	5.0%	11.5%
2016	12.5%	12.5%	5.0%	11.5%	12.5%	12.5%	5.0%	11.0%
2017	12.5%	12.5%	5.0%	11.5%	12.5%	12.5%	5.0%	11.0%
prem liab	9.9%	10.1%	5.0%	8.8%	8.7%	10.1%	5.0%	8.2%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-5 – Key Assumptions – Nova Scotia

Key Assumptions - Nova Scotia - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	6,898	6,960			54.7%
2016	7,346	7,124			58.5%
2017	7,713	7,516	0.2%	2.7%	60.0%
Change	%	%	pts	pts	pts
2016	6.5%	2.4%	-	-	3.8
2017	5.0%	5.5%	0.2	2.7	1.5

Key Assumptions - Nova Scotia - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	9,630	9,497			57.8%
2016	10,583	10,107			53.5%
2017	11,008	10,781	3.4%	1.5%	52.5%
Change	%	%	pts	pts	pts
2016	9.9%	6.4%	-	-	(4.3)
2017	4.0%	6.7%	3.4	1.5	(1.0)

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				TOTAL	Selected Margins for Adverse Development			
	Third Party Liability	Accident Benefits	Other Coverages			Third Party Liability	Accident Benefits	Other Coverages	
1996	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
1997	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
1998	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
1999	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2000	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2001	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2002	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2003	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2004	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2005	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2006	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2007	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2008	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2009	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2010	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2011	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2012	12.5%	10.0%	5.0%		11.8%	12.5%	10.3%	5.0%	11.6%
2013	12.5%	10.1%	5.0%		12.2%	12.5%	10.1%	5.0%	11.9%
2014	12.5%	10.0%	5.0%		11.9%	12.5%	10.3%	5.0%	11.7%
2015	12.4%	10.1%	5.0%		12.1%	12.4%	10.2%	5.0%	11.8%
2016	12.5%	12.5%	5.0%		11.8%	12.5%	12.5%	5.0%	11.4%
2017	12.5%	12.5%	5.0%		11.8%	12.5%	12.5%	5.0%	11.4%
prem liab	11.8%	10.1%	5.0%		10.2%	11.5%	10.2%	5.0%	10.3%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-6 – Key Assumptions – Prince Edward Island

Key Assumptions - Prince Edward Island - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	2,840	2,733			50.6%
2016	3,029	2,935			46.0%
2017	2,970	3,002	4.3%	-	43.5%
Change	%	%	pts	pts	pts
2016	6.6%	7.4%	-	-	(4.6)
2017	(1.9%)	2.3%	4.3	-	(2.5)

Key Assumptions - Prince Edward Island - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	1,854	1,807			58.3%
2016	1,936	1,910			53.5%
2017	1,993	1,962	1.4%	0.3%	54.0%
Change	%	%	pts	pts	pts
2016	4.4%	5.7%	-	-	(4.8)
2017	2.9%	2.7%	1.4	0.3	0.5

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				Selected Margins for Adverse Development			
	Third Party Liability	Accident Benefits	Other Coverages	TOTAL	Third Party Liability	Accident Benefits	Other Coverages	TOTAL
1996	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
1997	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
1998	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
1999	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2000	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2001	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2002	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2003	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2004	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2005	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2006	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2007	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2008	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2009	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2010	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2011	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2012	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2013	10.0%	10.0%	5.0%	10.0%	10.0%	10.0%	5.0%	10.0%
2014	12.4%	10.2%	5.0%	12.4%	12.5%	10.3%	5.0%	11.5%
2015	12.4%	10.1%	5.0%	12.2%	12.4%	10.6%	5.0%	11.2%
2016	12.5%	12.5%	5.0%	12.0%	12.5%	12.5%	5.0%	11.4%
2017	12.5%	12.5%	5.0%	12.0%	12.5%	12.5%	5.0%	11.4%
prem liab	11.7%	10.1%	5.0%	11.1%	11.5%	10.3%	5.0%	9.3%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-7 – Key Assumptions – Yukon

Key Assumptions - Yukon - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	836	898			138.7%
2016	869	835			64.5%
2017	838	859	9.0%	3.2%	61.1%
Change	%	%	pts	pts	pts
2016	3.9%	(7.0%)	-	-	(74.2)
2017	(3.6%)	2.9%	9.0	3.2	(3.4)

Key Assumptions - Yukon - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	1,265	1,260			79.4%
2016	1,323	1,324			49.0%
2017	1,323	1,324	(0.4%)	3.7%	51.0%
Change	%	%	pts	pts	pts
2016	4.6%	5.0%	-	-	(30.4)
2017	-	-	(0.4)	3.7	2.0

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				TOTAL	Selected Margins for Adverse Development				TOTAL
	Third Party Liability	Accident Benefits	Other Coverages			Third Party Liability	Accident Benefits	Other Coverages		
1996	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1997	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1998	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
1999	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2000	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2001	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2002	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2003	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2004	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2005	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2006	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2007	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2008	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2009	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2010	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2011	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2012	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%		10.0%
2013	12.5%	10.4%	5.0%		12.5%	12.4%	11.9%	5.0%		12.5%
2014	12.5%	10.6%	5.0%		12.4%	12.3%	11.4%	5.0%		12.1%
2015	12.5%	10.6%	5.0%		12.5%	12.2%	12.3%	5.0%		12.4%
2016	12.5%	12.5%	5.0%		12.2%	12.5%	12.5%	5.0%		11.0%
2017	12.5%	12.5%	5.0%		12.2%	12.5%	12.5%	5.0%		11.0%
prem liab	12.2%	10.5%	5.0%		12.1%	12.0%	12.2%	5.0%		11.4%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-8 – Key Assumptions – Northwest Territories

Key Assumptions - Northwest Territories - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	3,681	3,832			37.9%
2016	3,428	3,523			42.5%
2017	3,392	3,410	(0.5%)	3.1%	44.0%
Change	%	%	pts	pts	pts
2016	(6.9%)	(8.1%)	-	-	4.6
2017	(1.0%)	(3.2%)	(0.5)	3.1	1.5

Key Assumptions - Northwest Territories - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	1,284	1,274			29.3%
2016	1,404	1,364			29.5%
2017	1,447	1,424	0.7%	3.9%	30.5%
Change	%	%	pts	pts	pts
2016	9.4%	7.1%	-	-	0.2
2017	3.0%	4.4%	0.7	3.9	1.0

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development				TOTAL	Selected Margins for Adverse Development			
	Third Party Liability	Accident Benefits	Other Coverages			Third Party Liability	Accident Benefits	Other Coverages	
1996	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
1997	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
1998	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
1999	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2000	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2001	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2002	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2003	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2004	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2005	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2006	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2007	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2008	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2009	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2010	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2011	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2012	10.0%	10.0%	5.0%		10.0%	10.0%	10.0%	5.0%	10.0%
2013	12.5%	10.9%	5.0%		12.5%	12.5%	10.9%	5.0%	12.5%
2014	12.5%	11.5%	5.0%		12.4%	12.4%	11.1%	5.0%	12.0%
2015	12.2%	11.3%	5.0%		12.5%	12.1%	11.2%	5.0%	11.4%
2016	12.5%	12.5%	5.0%		12.0%	12.5%	12.5%	5.0%	10.9%
2017	12.5%	12.5%	5.0%		12.0%	12.5%	12.5%	5.0%	10.9%
prem liab	11.6%	11.2%	5.0%		9.7%	11.8%	11.0%	5.0%	8.9%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit A-9 – Key Assumptions – Nunavut

Key Assumptions - Nunavut - Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	783	851			31.0%
2016	777	787			28.9%
2017	765	773	1.7%	2.2%	29.0%
Change	%	%	pts	pts	pts
2016	(0.8%)	(7.5%)	-	-	(2.1)
2017	(1.6%)	(1.8%)	1.7	2.2	0.1

Key Assumptions - Nunavut - Non Private Passenger (indemnity only)					
	Written Premium (\$000s)	Earned Premium (\$000s)	earned premium adjustments	claims adjustments	Ultimate CAY Loss Ratio (nominal)
Amounts					
2015	761	746			40.5%
2016	802	810			40.2%
2017	803	802	(0.5%)	4.4%	42.3%
Change	%	%	pts	pts	pts
2016	5.4%	8.5%	-	-	(0.3)
2017	0.2%	(1.0%)	(0.5)	4.4	2.1

Private Passenger

Non-Private Passenger

Accident Year	Selected Margins for Adverse Development			
	Third Party Liability	Accident Benefits	Other Coverages	TOTAL
1999	10.0%	10.0%	5.0%	10.0%
2000	10.0%	10.0%	5.0%	10.0%
2001	10.0%	10.0%	5.0%	10.0%
2002	10.0%	10.0%	5.0%	10.0%
2003	10.0%	10.0%	5.0%	10.0%
2004	10.0%	10.0%	5.0%	10.0%
2005	10.0%	10.0%	5.0%	10.0%
2006	10.0%	10.0%	5.0%	10.0%
2007	10.0%	10.0%	5.0%	10.0%
2008	10.0%	10.0%	5.0%	10.0%
2009	10.0%	10.0%	5.0%	10.0%
2010	10.0%	10.0%	5.0%	10.0%
2011	10.0%	10.0%	5.0%	10.0%
2012	10.0%	10.0%	5.0%	10.0%
2013	12.5%	12.5%	5.0%	12.5%
2014	12.4%	11.3%	5.0%	11.2%
2015	12.2%	11.4%	5.0%	12.3%
2016	12.5%	12.5%	5.0%	12.1%
2017	12.5%	12.5%	5.0%	12.1%
prem liab	12.0%	11.2%	5.0%	10.5%

Accident Year	Selected Margins for Adverse Development			
	Third Party Liability	Accident Benefits	Other Coverages	TOTAL
1999	10.0%	10.0%	5.0%	10.0%
2000	10.0%	10.0%	5.0%	10.0%
2001	10.0%	10.0%	5.0%	10.0%
2002	10.0%	10.0%	5.0%	10.0%
2003	10.0%	10.0%	5.0%	10.0%
2004	10.0%	10.0%	5.0%	10.0%
2005	10.0%	10.0%	5.0%	10.0%
2006	10.0%	10.0%	5.0%	10.0%
2007	10.0%	10.0%	5.0%	10.0%
2008	10.0%	10.0%	5.0%	10.0%
2009	10.0%	10.0%	5.0%	10.0%
2010	10.0%	10.0%	5.0%	10.0%
2011	10.0%	10.0%	5.0%	10.0%
2012	10.0%	10.0%	5.0%	10.0%
2013	12.5%	10.4%	5.0%	12.4%
2014	10.5%	10.9%	5.0%	10.2%
2015	12.4%	11.0%	5.0%	12.2%
2016	12.5%	12.5%	5.0%	11.6%
2017	12.5%	12.5%	5.0%	11.6%
prem liab	12.1%	10.8%	5.0%	9.5%

discount rate: 0.81%
margin (basis points): 25

discount rate: 0.81%
margin (basis points): 25

Exhibit B-1

2017 Projected Summary of Operations - Private Passenger

in \$ thousands	Alberta	Ontario	Nova Scotia	Prince Edward Island	New Brunswick	Newfoundland & Labrador	Yukon	Northwest Territories	Nunavut	2017 TOTAL
Underwriting Revenue										
written premium	10,542	11,604	7,713	2,970	13,798	20,916	838	3,392	765	72,538
decrease / (increase) in unearned	(162)	(73)	(197)	32	(217)	1	21	18	8	(569)
earned premium	10,380	11,531	7,516	3,002	13,581	20,917	859	3,410	773	71,969
Claims Incurred										
Prior Accident Years										
Undiscounted	-	-	-	-	-	-	-	-	-	-
effect of discounting	(532)	(867)	(243)	(82)	(413)	(886)	(52)	(83)	(10)	(3,168)
Discounted	(532)	(867)	(243)	(82)	(413)	(886)	(52)	(83)	(10)	(3,168)
Current Accident Year										
Undiscounted	7,292	7,319	5,458	1,659	9,954	16,497	624	1,847	300	50,950
effect of discounting	436	481	291	90	544	843	42	101	18	2,846
Discounted	7,728	7,800	5,749	1,749	10,498	17,340	666	1,948	318	53,796
Claims Incurred	7,196	6,933	5,506	1,667	10,085	16,454	614	1,865	308	50,628
Underwriting Expenses										
Operating & Service Fees	1,053	1,254	775	299	1,383	2,089	84	342	76	7,355
Agent's Commissions	1,129	614	825	320	1,449	2,111	89	366	82	6,985
Driver Record Abstracts	117	59	326	102	221	231	14	56	12	1,138
Bad Debts	-	-	-	-	-	-	-	-	-	-
Premium Deficiency / (DPAC)										
Undiscounted	(17)	(3)	(21)	3	(23)	-	2	2	1	(56)
effect of discounting	-	-	-	-	-	35	-	-	-	35
Discounted	(17)	(3)	(21)	3	(23)	35	2	2	1	(21)
Underwriting Expenses	2,282	1,924	1,905	724	3,030	4,466	189	766	171	15,457
Net Underwriting Gain (Loss)	902	2,674	105	611	466	(3)	56	779	294	5,884
Administrative Expenses	253	277	185	71	329	501	19	80	19	1,734
Miscellaneous income / (expense)	-	-	-	-	-	-	-	-	-	-
Investment Income	11	25	8	4	12	22	1	3	1	86
Operating Result	660	2,422	(72)	544	149	(482)	38	702	276	4,236
Ratios										
Claims & Adj. Expenses to EP										
Prior Accident Year	(5.1%)	(7.5%)	(3.2%)	(2.7%)	(3.0%)	(4.2%)	(6.1%)	(2.4%)	(1.3%)	(4.4%)
Current Accident Year	74.5%	67.6%	76.5%	58.3%	77.3%	82.9%	77.5%	57.1%	41.1%	74.7%
All Accident Years Combined	69.3%	60.1%	73.3%	55.5%	74.3%	78.7%	71.5%	54.7%	39.8%	70.3%
Underwriting & Admin Exp (EP)	24.4%	19.1%	27.8%	26.5%	24.7%	23.7%	24.2%	24.8%	24.6%	23.9%
Combined Operating Ratio	93.7%	79.2%	101.1%	82.0%	99.0%	102.4%	95.7%	79.5%	64.4%	94.2%
Current Accident Year only*	117	1,530	(323)	458	(276)	(1,390)	(15)	616	265	982

*excluding premium finance fees and investment income

Exhibit B-2

2017 Projected Summary of Operations - Non-Private Passenger

in \$ thousands	Alberta	Ontario	Nova Scotia	Prince Edward Island	New Brunswick	Newfoundland & Labrador	Yukon	Northwest Territories	Nunavut	2017 TOTAL
Underwriting Revenue										
written premium	54,357	26,933	11,008	1,993	7,735	7,631	1,323	1,447	803	113,230
decrease / (increase) in unearned	(747)	(137)	(227)	(31)	(89)	(45)	1	(23)	(1)	(1,299)
earned premium	53,610	26,796	10,781	1,962	7,646	7,586	1,324	1,424	802	111,931
Claims Incurred										
Prior Accident Years										
Undiscounted	-	-	-	-	-	-	-	-	-	-
effect of discounting	(1,848)	(1,704)	(339)	(38)	(219)	(416)	(31)	(40)	(20)	(4,655)
Discounted	(1,848)	(1,704)	(339)	(38)	(219)	(416)	(31)	(40)	(20)	(4,655)
Current Accident Year										
Undiscounted	34,981	18,186	7,021	1,290	4,533	8,008	828	579	417	75,843
effect of discounting	1,623	1,458	356	65	196	509	45	33	27	4,312
Discounted	36,604	19,644	7,377	1,355	4,729	8,517	873	612	444	80,155
Claims Incurred	34,756	17,940	7,038	1,317	4,510	8,101	842	572	424	75,500
Underwriting Expenses										
Operating & Service Fees	5,439	2,908	1,101	200	778	764	131	147	80	11,548
Agent's Commissions	4,513	1,697	829	155	594	571	106	117	62	8,644
Driver Record Abstracts	601	133	463	67	123	84	20	24	10	1,525
Bad Debts	-	-	-	-	-	-	-	-	-	-
Premium Deficiency / (DPAC)										
Undiscounted	(62)	(8)	(17)	(2)	(7)	98	-	(1)	-	1
effect of discounting	-	-	-	-	-	10	-	-	-	10
Discounted	(62)	(8)	(17)	(2)	(7)	108	-	(1)	-	11
Underwriting Expenses	10,491	4,730	2,376	420	1,488	1,527	257	287	152	21,728
Net Underwriting Gain (Loss)	8,363	4,126	1,367	225	1,648	(2,042)	225	565	226	14,703
Administrative Expenses	1,304	647	267	47	186	182	32	34	22	2,721
Miscellaneous income / (expense)	-	-	-	-	-	-	-	-	-	-
Investment Income	37	38	8	1	8	11	1	2	1	108
Operating Result	7,096	3,517	1,108	179	1,470	(2,213)	194	533	205	12,090
Ratios										
Claims & Adj. Expenses to EP										
Prior Accident Year	(3.4%)	(6.4%)	(3.1%)	(1.9%)	(2.9%)	(5.5%)	(2.3%)	(2.8%)	(2.5%)	(4.2%)
Current Accident Year	68.3%	73.3%	68.4%	69.1%	61.8%	112.3%	65.9%	43.0%	55.4%	71.6%
All Accident Years Combined	64.8%	67.0%	65.3%	67.1%	59.0%	106.8%	63.6%	40.2%	52.9%	67.5%
Underwriting & Admin Exp (EP)	22.0%	20.1%	24.5%	23.8%	21.9%	22.5%	21.8%	22.5%	21.7%	21.8%
Combined Operating Ratio	86.8%	87.1%	89.8%	90.9%	80.9%	129.3%	85.4%	62.7%	74.6%	89.3%
Current Accident Year only*	5,211	1,775	761	140	1,243	(2,640)	162	491	184	7,327

*excluding premium finance fees and investment income

Exhibit B-3

2017 Projected Summary of Operations - Private Passenger & Non-Private Passenger

in \$ thousands	Alberta	Ontario	Nova Scotia	Prince Edward Island	New Brunswick	Newfoundland & Labrador	Yukon	Northwest Territories	Nunavut	2017 TOTAL
Underwriting Revenue										
written premium	64,899	38,537	18,721	4,963	21,533	28,547	2,161	4,839	1,568	185,768
decrease / (increase) in unearned	(909)	(210)	(424)	1	(306)	(44)	22	(5)	7	(1,868)
earned premium	63,990	38,327	18,297	4,964	21,227	28,503	2,183	4,834	1,575	183,900
Claims Incurred										
Prior Accident Years										
Undiscounted	-	-	-	-	-	-	-	-	-	-
effect of discounting	(2,380)	(2,571)	(582)	(120)	(632)	(1,302)	(83)	(123)	(30)	(7,823)
Discounted	(2,380)	(2,571)	(582)	(120)	(632)	(1,302)	(83)	(123)	(30)	(7,823)
Current Accident Year										
Undiscounted	42,273	25,505	12,479	2,949	14,487	24,505	1,452	2,426	717	126,793
effect of discounting	2,059	1,939	647	155	740	1,352	87	134	45	7,158
Discounted	44,332	27,444	13,126	3,104	15,227	25,857	1,539	2,560	762	133,951
Claims Incurred	41,952	24,873	12,544	2,984	14,595	24,555	1,456	2,437	732	126,128
Underwriting Expenses										
Operating & Service Fees	6,492	4,162	1,876	499	2,161	2,853	215	489	156	18,903
Agent's Commissions	5,642	2,311	1,654	475	2,043	2,682	195	483	144	15,629
Driver Record Abstracts	718	192	789	169	344	315	34	80	22	2,663
Bad Debts	-	-	-	-	-	-	-	-	-	-
Premium Deficiency / (DPAC)										
Undiscounted	(79)	(11)	(38)	1	(30)	98	2	1	1	(55)
effect of discounting	-	-	-	-	-	45	-	-	-	45
Discounted	(79)	(11)	(38)	1	(30)	143	2	1	1	(10)
Underwriting Expenses	12,773	6,654	4,281	1,144	4,518	5,993	446	1,053	323	37,185
Net Underwriting Gain (Loss)	9,265	6,800	1,472	836	2,114	(2,045)	281	1,344	520	20,587
Administrative Expenses	1,557	924	452	118	515	683	51	114	41	4,455
Miscellaneous income / (expense)	-	-	-	-	-	-	-	-	-	-
Investment Income	48	64	17	5	20	32	2	4	2	194
Operating Result	7,756	5,940	1,037	723	1,619	(2,696)	232	1,234	481	16,326
Ratios										
Claims & Adj. Expenses to EP										
Prior Accident Year	(3.7%)	(6.7%)	(3.2%)	(2.4%)	(3.0%)	(4.6%)	(3.8%)	(2.5%)	(1.9%)	(4.3%)
Current Accident Year	69.3%	71.6%	71.7%	62.5%	71.7%	90.7%	70.5%	53.0%	48.4%	72.8%
All Accident Years Combined	65.6%	64.9%	68.6%	60.1%	68.8%	86.1%	66.7%	50.4%	46.5%	68.6%
Underwriting & Admin Exp (EP)	22.4%	19.8%	25.9%	25.4%	23.7%	23.4%	22.8%	24.1%	23.1%	22.6%
Combined Operating Ratio	88.0%	84.7%	94.5%	85.5%	92.5%	109.5%	89.5%	74.5%	69.6%	91.2%
Current Accident Year only*	5,328	3,305	438	598	967	(4,030)	147	1,107	449	8,309

*excluding premium finance fees and investment income

Exhibit C-1

Projected Policy Liabilities – Ontario

page 1 of 3

Private Passenger ending 2017	Ontario - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
prior	3,381	(46)	27	3,362	(10)	3	339	332	3,694	
1998	-	13	16	29	-	-	1	1	30	
1999	-	-	-	-	-	-	-	-	-	
2000	-	14	14	28	-	-	1	1	29	
2001	-	6	(34)	(28)	-	-	1	1	(27)	
2002	633	(24)	121	730	-	-	61	61	791	
2003	2,111	(17)	387	2,481	(84)	25	201	142	2,623	
2004	1,444	(309)	721	1,856	(50)	15	108	73	1,929	
2005	773	(62)	543	1,254	(35)	11	68	44	1,298	
2006	1,722	542	569	2,833	(115)	34	214	133	2,966	
2007	2,828	771	823	4,422	(184)	54	342	212	4,634	
2008	264	393	623	1,280	(34)	11	63	40	1,320	
2009	1,785	369	504	2,658	(75)	24	207	156	2,814	
2010	3,045	(809)	548	2,784	(69)	20	217	168	2,952	
2011	1,905	(1,071)	471	1,305	(24)	8	79	63	1,368	
2012	3,834	(362)	585	4,057	(118)	35	419	336	4,393	
2013	2,027	194	384	2,605	(76)	22	264	210	2,815	
2014	2,523	359	333	3,215	(63)	20	412	369	3,584	
2015	739	65	234	1,038	(15)	5	118	108	1,146	
2016	1,674	56	317	2,047	(35)	10	244	219	2,266	
PAYs (sub-total):	30,688	82	7,186	37,956	(987)	297	3,359	2,669	40,625	
CAY (2017)	1,751	2,147	285	4,183	(94)	27	548	481	4,664	
claims liabilities:	32,439	2,229	7,471	42,139	(1,081)	324	3,907	3,150	45,289	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	5,694	(301)		5,393	(61)	20	330	289	5,393	
policy liabilities:				47,532	(1,142)	344	4,237	3,439	50,682	

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

Exhibit C-1

Projected Policy Liabilities – Ontario

Non Private Passenger ending 2017	Ontario - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)				TOTAL	
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD		Total apvs
prior	271	15	6	292	-	-	31	31	323	
1998	-	(2)	3	1	-	-	-	-	1	
1999	-	1	-	1	-	-	-	-	1	
2000	418	(15)	5	408	-	-	40	40	448	
2001	-	(6)	(18)	(24)	-	-	1	1	(23)	
2002	-	7	37	44	-	-	1	1	45	
2003	-	(13)	66	53	-	-	1	1	54	
2004	841	6	142	989	-	-	85	85	1,074	
2005	1,109	43	210	1,362	(55)	16	109	70	1,432	
2006	97	36	306	439	(7)	2	12	7	446	
2007	1,429	24	474	1,927	(81)	25	137	81	2,008	
2008	452	77	356	885	(30)	9	50	29	914	
2009	877	191	355	1,423	(40)	12	103	75	1,498	
2010	301	509	494	1,304	(23)	7	79	63	1,367	
2011	2,773	(151)	462	3,084	(73)	21	255	203	3,287	
2012	5,061	(16)	651	5,696	(136)	40	614	518	6,214	
2013	8,063	1,744	737	10,544	(216)	69	1,189	1,042	11,586	
2014	3,843	3,531	768	8,142	(140)	44	1,085	989	9,131	
2015	4,534	2,087	671	7,292	(126)	40	967	881	8,173	
2016	4,879	1,902	811	7,592	(156)	47	960	851	8,443	
PAYs (sub-total):	34,948	9,970	6,536	51,454	(1,083)	332	5,719	4,968	56,422	
CAY (2017)	4,078	7,870	661	12,609	(323)	96	1,685	1,458	14,067	
claims liabilities:	39,026	17,840	7,197	64,063	(1,406)	428	7,404	6,426	70,489	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	12,995	(818)		12,177	(194)	58	918	782	12,177	
policy liabilities:				76,240	(1,600)	486	8,322	7,208	82,666	

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

Exhibit C-1

Projected Policy Liabilities – Ontario

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PPV & non-PPV ending 2017	Ontario - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	3,652	(31)	33	3,654	(10)	3	370	363	4,017	
1998	-	11	19	30	-	-	1	1	31	
1999	-	1	-	1	-	-	-	-	1	
2000	418	(1)	19	436	-	-	41	41	477	
2001	-	-	(52)	(52)	-	-	2	2	(50)	
2002	633	(17)	158	774	-	-	62	62	836	
2003	2,111	(30)	453	2,534	(84)	25	202	143	2,677	
2004	2,285	(303)	863	2,845	(50)	15	193	158	3,003	
2005	1,882	(19)	753	2,616	(90)	27	177	114	2,730	
2006	1,819	578	875	3,272	(122)	36	226	140	3,412	
2007	4,257	795	1,297	6,349	(265)	79	479	293	6,642	
2008	716	470	979	2,165	(64)	20	113	69	2,234	
2009	2,662	560	859	4,081	(115)	36	310	231	4,312	
2010	3,346	(300)	1,042	4,088	(92)	27	296	231	4,319	
2011	4,678	(1,222)	933	4,389	(97)	29	334	266	4,655	
2012	8,895	(378)	1,236	9,753	(254)	75	1,033	854	10,607	
2013	10,090	1,938	1,121	13,149	(292)	91	1,453	1,252	14,401	
2014	6,366	3,890	1,101	11,357	(203)	64	1,497	1,358	12,715	
2015	5,273	2,152	905	8,330	(141)	45	1,085	989	9,319	
2016	6,553	1,958	1,128	9,639	(191)	57	1,204	1,070	10,709	
PAYs (sub-total):	65,636	10,052	13,722	89,410	(2,070)	629	9,078	7,637	97,047	
CAY (2017)	5,829	10,017	946	16,792	(417)	123	2,233	1,939	18,731	
claims liabilities:	71,465	20,069	14,668	106,202	(2,487)	752	11,311	9,576	115,778	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	18,689	(1,119)		17,570	(255)	78	1,248	1,071	17,570	
policy liabilities:				123,772	(2,742)	830	12,559	10,647	133,348	

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

Exhibit C-2

Projected Policy Liabilities – Alberta

page 1 of 3

Private Passenger ending 2017	Alberta - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)				TOTAL	
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD		Total apvs
prior	42	(48)	15	9	-	-	8	8	17	
1998	-	2	(2)	-	-	-	-	-	-	
1999	-	11	9	20	-	-	1	1	21	
2000	-	(16)	14	(2)	-	-	2	2	-	
2001	-	12	19	31	-	-	1	1	32	
2002	-	(15)	24	9	-	-	2	2	11	
2003	20	(24)	43	39	-	-	-	-	39	
2004	177	(35)	70	212	(6)	2	13	9	221	
2005	156	(39)	(53)	64	(6)	2	11	7	71	
2006	344	17	41	402	(19)	6	34	21	423	
2007	361	(20)	67	408	(18)	5	32	19	427	
2008	90	24	80	194	(4)	1	11	8	202	
2009	-	58	67	125	(1)	-	6	5	130	
2010	1,343	131	70	1,544	(29)	9	144	124	1,668	
2011	1,068	756	73	1,897	(31)	9	179	157	2,054	
2012	1,636	790	77	2,503	(41)	12	239	210	2,713	
2013	1,025	1,278	71	2,374	(44)	14	283	253	2,627	
2014	1,612	1,538	68	3,218	(66)	19	386	339	3,557	
2015	1,454	1,311	88	2,853	(69)	22	334	287	3,140	
2016	1,243	1,397	64	2,704	(74)	21	308	255	2,959	
PAYs (sub-total):	10,571	7,128	905	18,604	(408)	122	1,994	1,708	20,312	
CAY (2017)	1,758	2,826	(25)	4,559	(138)	41	533	436	4,995	
claims liabilities:	12,329	9,954	880	23,163	(546)	163	2,527	2,144	25,307	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	5,596	(599)		4,997	(94)	29	375	310	4,997	
policy liabilities:				28,160	(640)	192	2,902	2,454	30,304	

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

Exhibit C-2

Projected Policy Liabilities – Alberta

page 2 of 3

Non Private Passenger ending 2017	Alberta - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
prior	-	2	5	7	-	-	4	4	11	
1998	-	12	(1)	11	-	-	1	1	12	
1999	-	-	4	4	-	-	-	-	4	
2000	-	-	7	7	-	-	-	-	7	
2001	-	12	10	22	-	-	1	1	23	
2002	-	4	22	26	-	-	-	-	26	
2003	17	19	27	63	-	-	4	4	67	
2004	55	(17)	44	82	(2)	1	4	3	85	
2005	102	(10)	(49)	43	(5)	1	9	5	48	
2006	81	(10)	114	185	(4)	1	7	4	189	
2007	434	4	268	706	(24)	7	42	25	731	
2008	729	11	343	1,083	(24)	7	72	55	1,138	
2009	527	68	297	892	(14)	4	58	48	940	
2010	843	55	310	1,208	(13)	4	89	80	1,288	
2011	3,286	54	316	3,656	(47)	13	329	295	3,951	
2012	2,844	157	352	3,353	(54)	15	295	256	3,609	
2013	4,874	299	350	5,523	(93)	26	615	548	6,071	
2014	4,170	1,393	369	5,932	(106)	33	671	598	6,530	
2015	6,232	4,221	475	10,928	(230)	73	1,247	1,090	12,018	
2016	6,315	4,609	352	11,276	(273)	87	1,161	975	12,251	
PAYs (sub-total):	30,509	10,883	3,615	45,007	(889)	272	4,609	3,992	48,999	
CAY (2017)	9,819	7,885	(133)	17,571	(372)	106	1,889	1,623	19,194	
claims liabilities:	40,328	18,768	3,482	62,578	(1,261)	378	6,498	5,615	68,193	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	26,531	(2,202)		24,329	(282)	89	1,370	1,177	24,329	
policy liabilities:				86,907	(1,543)	467	7,868	6,792	92,522	

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

Exhibit C-2

Projected Policy Liabilities – Alberta

PPV & non-PPV ending 2017	Alberta - Projected Balances as at Dec. 31, 2017 (\$000s)								
	nominal values				actuarial present value adjustments (apvs)				TOTAL
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	
prior	42	(46)	20	16	-	-	12	12	28
1998	-	14	(3)	11	-	-	1	1	12
1999	-	11	13	24	-	-	1	1	25
2000	-	(16)	21	5	-	-	2	2	7
2001	-	24	29	53	-	-	2	2	55
2002	-	(11)	46	35	-	-	2	2	37
2003	37	(5)	70	102	-	-	4	4	106
2004	232	(52)	114	294	(8)	3	17	12	306
2005	258	(49)	(102)	107	(11)	3	20	12	119
2006	425	7	155	587	(23)	7	41	25	612
2007	795	(16)	335	1,114	(42)	12	74	44	1,158
2008	819	35	423	1,277	(28)	8	83	63	1,340
2009	527	126	364	1,017	(15)	4	64	53	1,070
2010	2,186	186	380	2,752	(42)	13	233	204	2,956
2011	4,354	810	389	5,553	(78)	22	508	452	6,005
2012	4,480	947	429	5,856	(95)	27	534	466	6,322
2013	5,899	1,577	421	7,897	(137)	40	898	801	8,698
2014	5,782	2,931	437	9,150	(172)	52	1,057	937	10,087
2015	7,686	5,532	563	13,781	(299)	95	1,581	1,377	15,158
2016	7,558	6,006	416	13,980	(347)	108	1,469	1,230	15,210
PAYs (sub-total):	41,080	18,011	4,520	63,611	(1,297)	394	6,603	5,700	69,311
CAY (2017)	11,577	10,711	(158)	22,130	(510)	147	2,422	2,059	24,189
claims liabilities:	52,657	28,722	4,362	85,741	(1,807)	541	9,025	7,759	93,500
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	32,127	(2,801)		29,326	(376)	118	1,745	1,487	29,326
policy liabilities:				115,067	(2,183)	659	10,770	9,246	122,826

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

Exhibit C-3

Projected Policy Liabilities – Newfoundland & Labrador

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Private Passenger ending 2017	Newfoundland & Labrador - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	(12)	-	(12)	-	-	1	1	(11)	
1998	-	5	-	5	-	-	1	1	6	
1999	-	4	(42)	(38)	-	-	-	-	(38)	
2000	-	(3)	(9)	(12)	-	-	-	-	(12)	
2001	-	(4)	7	3	-	-	-	-	3	
2002	-	-	28	28	-	-	-	-	28	
2003	-	1	51	52	-	-	-	-	52	
2004	456	(9)	74	521	-	-	45	45	566	
2005	-	3	29	32	-	-	-	-	32	
2006	-	1	50	51	-	-	-	-	51	
2007	153	(3)	81	231	-	-	15	15	246	
2008	142	1	33	176	(3)	1	14	12	188	
2009	426	(3)	85	508	(5)	2	41	38	546	
2010	228	(64)	124	288	(3)	1	16	14	302	
2011	1,766	(53)	164	1,877	(33)	10	168	145	2,022	
2012	2,841	58	311	3,210	(52)	17	285	250	3,460	
2013	3,546	229	177	3,952	(60)	19	372	331	4,283	
2014	5,532	450	219	6,201	(102)	30	588	516	6,717	
2015	4,796	193	211	5,200	(85)	25	491	431	5,631	
2016	5,139	394	232	5,765	(105)	33	542	470	6,235	
PAYs (sub-total):	25,025	1,188	1,825	28,038	(448)	138	2,579	2,269	30,307	
CAY (2017)	7,217	2,943	391	10,551	(213)	61	995	843	11,394	
claims liabilities:	32,242	4,131	2,216	38,589	(661)	199	3,574	3,112	41,701	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	10,574	(1,068)		9,506	(136)	43	642	549	9,541	
*Total may not be sum of parts, as apvs apply to future costs within UPR										
policy liabilities:				48,095	(797)	242	4,216	3,661	51,242	

Exhibit C-3

Projected Policy Liabilities – Newfoundland & Labrador

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Non Private Passenger ending 2017	Newfoundland & Labrador - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	(2)	-	(2)	-	-	-	-	-	(2)
1998	-	-	-	-	-	-	-	-	-	-
1999	-	1	(12)	(11)	-	-	-	-	-	(11)
2000	-	-	(2)	(2)	-	-	-	-	-	(2)
2001	-	1	2	3	-	-	-	-	-	3
2002	-	1	6	7	-	-	-	-	-	7
2003	-	(1)	14	13	-	-	-	-	-	13
2004	-	(1)	22	21	-	-	-	-	-	21
2005	6	1	8	15	-	-	1	1	-	16
2006	-	3	25	28	-	-	-	-	-	28
2007	586	(116)	33	503	-	-	47	47	-	550
2008	-	27	20	47	(1)	-	3	2	-	49
2009	-	3	33	36	-	-	-	-	-	36
2010	117	5	33	155	-	-	12	12	-	167
2011	823	41	44	908	(9)	3	85	79	-	987
2012	1,911	126	77	2,114	(29)	8	201	180	-	2,294
2013	997	217	44	1,258	(18)	5	119	106	-	1,364
2014	1,663	793	61	2,517	(29)	10	243	224	-	2,741
2015	2,339	368	65	2,772	(38)	14	267	243	-	3,015
2016	2,929	601	81	3,611	(56)	18	347	309	-	3,920
PAYs (sub-total):	11,371	2,068	554	13,993	(180)	58	1,325	1,203	-	15,196
CAY (2017)	3,874	2,097	141	6,112	(113)	36	586	509	-	6,621
claims liabilities:	15,245	4,165	695	20,105	(293)	94	1,911	1,712	-	21,817
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs		TOTAL*
premium liabilities:	3,678	490		4,168	(72)	21	320	269		4,437
policy liabilities:				24,273	(365)	115	2,231	1,981		26,254

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

Exhibit C-3

Projected Policy Liabilities – Newfoundland & Labrador

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PPV & non-PPV ending 2017	Newfoundland & Labrador - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	(14)	-	(14)	-	-	1	1	(13)	
1998	-	5	-	5	-	-	1	1	6	
1999	-	5	(54)	(49)	-	-	-	-	(49)	
2000	-	(3)	(11)	(14)	-	-	-	-	(14)	
2001	-	(3)	9	6	-	-	-	-	6	
2002	-	1	34	35	-	-	-	-	35	
2003	-	-	65	65	-	-	-	-	65	
2004	456	(10)	96	542	-	-	45	45	587	
2005	6	4	37	47	-	-	1	1	48	
2006	-	4	75	79	-	-	-	-	79	
2007	739	(119)	114	734	-	-	62	62	796	
2008	142	28	53	223	(4)	1	17	14	237	
2009	426	-	118	544	(5)	2	41	38	582	
2010	345	(59)	157	443	(3)	1	28	26	469	
2011	2,589	(12)	208	2,785	(42)	13	253	224	3,009	
2012	4,752	184	388	5,324	(81)	25	486	430	5,754	
2013	4,543	446	221	5,210	(78)	24	491	437	5,647	
2014	7,195	1,243	280	8,718	(131)	40	831	740	9,458	
2015	7,135	561	276	7,972	(123)	39	758	674	8,646	
2016	8,068	995	313	9,376	(161)	51	889	779	10,155	
PAYs (sub-total):	36,396	3,256	2,379	42,031	(628)	196	3,904	3,472	45,503	
CAY (2017)	11,091	5,040	532	16,663	(326)	97	1,581	1,352	18,015	
claims liabilities:	47,487	8,296	2,911	58,694	(954)	293	5,485	4,824	63,518	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	14,252	(578)		13,674	(208)	64	962	818	13,978	
policy liabilities:				72,368	(1,162)	357	6,447	5,642	77,496	

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

Exhibit C-4

Projected Policy Liabilities – New Brunswick

page 1 of 3

Private Passenger ending 2017	New Brunswick - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	11	5	16	-	-	2	2	18	
1998	-	1	3	4	-	-	-	-	4	
1999	-	3	3	6	-	-	-	-	6	
2000	-	3	2	5	-	-	-	-	5	
2001	-	(1)	9	8	-	-	-	-	8	
2002	-	(5)	24	19	-	-	1	1	20	
2003	199	(18)	(8)	173	-	-	18	18	191	
2004	-	8	(11)	(3)	-	-	1	1	(2)	
2005	87	12	(45)	54	-	-	10	10	64	
2006	-	13	45	58	(1)	-	1	-	58	
2007	-	9	69	78	-	-	1	1	79	
2008	499	93	83	675	(15)	5	57	47	722	
2009	179	24	85	288	(5)	1	20	16	304	
2010	289	(347)	99	41	2	(1)	6	7	48	
2011	1,347	(71)	121	1,397	(24)	8	126	110	1,507	
2012	1,499	(63)	182	1,618	(30)	10	141	121	1,739	
2013	1,771	210	107	2,088	(34)	10	236	212	2,300	
2014	2,699	311	113	3,123	(45)	12	353	320	3,443	
2015	1,817	144	126	2,087	(33)	10	229	206	2,293	
2016	2,147	177	154	2,478	(49)	16	261	228	2,706	
PAYs (sub-total):	12,533	514	1,166	14,213	(234)	71	1,463	1,300	15,513	
CAY (2017)	3,575	2,136	108	5,819	(137)	40	641	544	6,363	
claims liabilities:	16,108	2,650	1,274	20,032	(371)	111	2,104	1,844	21,876	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	6,817	(716)		6,101	(82)	25	355	298	6,101	
policy liabilities:				26,133	(453)	136	2,459	2,142	27,977	

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

Exhibit C-4

Projected Policy Liabilities – New Brunswick

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Non Private Passenger ending 2017	New Brunswick - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	(3)	1	(2)	-	-	-	-	-	(2)
1998	-	1	1	2	-	-	-	-	-	2
1999	-	(2)	2	-	-	-	-	-	-	-
2000	-	(2)	2	-	-	-	-	-	-	-
2001	-	-	6	6	-	-	-	-	-	6
2002	1	4	16	21	-	-	1	1	-	22
2003	-	(2)	(2)	(4)	-	-	-	-	-	(4)
2004	-	-	(6)	(6)	-	-	-	-	-	(6)
2005	69	4	(39)	34	-	-	7	7	-	41
2006	167	-	43	210	(8)	3	16	11	-	221
2007	61	4	70	135	(2)	1	7	6	-	141
2008	281	40	86	407	(17)	5	30	18	-	425
2009	381	4	89	474	(13)	4	37	28	-	502
2010	236	13	103	352	(6)	2	24	20	-	372
2011	817	13	113	943	(11)	3	82	74	-	1,017
2012	781	28	156	965	(10)	3	80	73	-	1,038
2013	2,392	3	97	2,492	(36)	12	286	262	-	2,754
2014	1,054	74	94	1,222	(20)	7	130	117	-	1,339
2015	647	214	94	955	(17)	5	97	85	-	1,040
2016	462	446	102	1,010	(22)	6	98	82	-	1,092
PAYs (sub-total):	7,349	839	1,028	9,216	(162)	51	895	784	-	10,000
CAY (2017)	1,155	1,049	60	2,264	(55)	15	236	196	-	2,460
claims liabilities:	8,504	1,888	1,088	11,480	(217)	66	1,131	980	-	12,460
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs		TOTAL*
premium liabilities:	3,668	(283)		3,385	(30)	9	143	122		3,385
policy liabilities:				14,865	(247)	75	1,274	1,102		15,845

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

Exhibit C-4

Projected Policy Liabilities – New Brunswick

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PPV & non-PPV ending 2017	New Brunswick - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	8	6	14	-	-	2	2	16	
1998	-	2	4	6	-	-	-	-	6	
1999	-	1	5	6	-	-	-	-	6	
2000	-	1	4	5	-	-	-	-	5	
2001	-	(1)	15	14	-	-	-	-	14	
2002	1	(1)	40	40	-	-	2	2	42	
2003	199	(20)	(10)	169	-	-	18	18	187	
2004	-	8	(17)	(9)	-	-	1	1	(8)	
2005	156	16	(84)	88	-	-	17	17	105	
2006	167	13	88	268	(9)	3	17	11	279	
2007	61	13	139	213	(2)	1	8	7	220	
2008	780	133	169	1,082	(32)	10	87	65	1,147	
2009	560	28	174	762	(18)	5	57	44	806	
2010	525	(334)	202	393	(4)	1	30	27	420	
2011	2,164	(58)	234	2,340	(35)	11	208	184	2,524	
2012	2,280	(35)	338	2,583	(40)	13	221	194	2,777	
2013	4,163	213	204	4,580	(70)	22	522	474	5,054	
2014	3,753	385	207	4,345	(65)	19	483	437	4,782	
2015	2,464	358	220	3,042	(50)	15	326	291	3,333	
2016	2,609	623	256	3,488	(71)	22	359	310	3,798	
PAYs (sub-total):	19,882	1,353	2,194	23,429	(396)	122	2,358	2,084	25,513	
CAY (2017)	4,730	3,185	168	8,083	(192)	55	877	740	8,823	
claims liabilities:	24,612	4,538	2,362	31,512	(588)	177	3,235	2,824	34,336	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	10,485	(999)		9,486	(112)	34	498	420	9,486	
policy liabilities:				40,998	(700)	211	3,733	3,244	43,822	

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

Exhibit C-5

Projected Policy Liabilities – Nova Scotia

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Private Passenger ending 2017	Nova Scotia - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
prior	-	1	(26)	(25)	-	-	2	2	(23)	
1998	-	4	3	7	-	-	-	-	7	
1999	-	(2)	2	-	-	-	-	-	-	
2000	-	-	4	4	-	-	-	-	4	
2001	-	3	11	14	-	-	-	-	14	
2002	-	12	1	13	-	-	1	1	14	
2003	-	(17)	35	18	-	-	2	2	20	
2004	313	24	75	412	-	-	34	34	446	
2005	303	(27)	13	289	(14)	4	27	17	306	
2006	654	(49)	216	821	(31)	9	58	36	857	
2007	259	(1)	184	442	(13)	4	25	16	458	
2008	249	(49)	277	477	(9)	3	19	13	490	
2009	580	(51)	189	718	(15)	5	51	41	759	
2010	635	(95)	130	670	(12)	4	53	45	715	
2011	199	6	106	311	(4)	1	20	17	328	
2012	1,217	44	136	1,397	(25)	8	146	129	1,526	
2013	1,070	(17)	81	1,134	(23)	6	125	108	1,242	
2014	969	378	71	1,418	(34)	9	156	131	1,549	
2015	981	323	83	1,387	(33)	9	154	130	1,517	
2016	1,224	471	84	1,779	(44)	14	195	165	1,944	
PAYs (sub-total):	8,653	958	1,675	11,286	(257)	76	1,068	887	12,173	
CAY (2017)	1,736	1,263	46	3,045	(78)	24	345	291	3,336	
claims liabilities:	10,389	2,221	1,721	14,331	(335)	100	1,413	1,178	15,509	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	3,778	(404)		3,374	(48)	14	229	195	3,374	
policy liabilities:				17,705	(383)	114	1,642	1,373	18,883	

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

Exhibit C-5

Projected Policy Liabilities – Nova Scotia

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Non Private Passenger ending 2017	Nova Scotia - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
prior	-	2	(7)	(5)	-	-	-	-	(5)	
1998	-	2	1	3	-	-	-	-	3	
1999	-	1	1	2	-	-	-	-	2	
2000	-	1	2	3	-	-	-	-	3	
2001	-	1	4	5	-	-	-	-	5	
2002	-	2	-	2	-	-	-	-	2	
2003	-	(5)	11	6	-	-	1	1	7	
2004	-	5	24	29	-	-	1	1	30	
2005	-	3	3	6	-	-	-	-	6	
2006	43	3	53	99	-	-	5	5	104	
2007	-	(4)	43	39	-	-	-	-	39	
2008	196	(7)	83	272	-	-	19	19	291	
2009	-	(6)	76	70	-	-	1	1	71	
2010	280	(1)	92	371	-	-	28	28	399	
2011	1,040	(136)	104	1,008	(26)	8	87	69	1,077	
2012	601	128	151	880	(15)	4	83	72	952	
2013	1,206	108	99	1,413	(26)	8	153	135	1,548	
2014	1,566	110	96	1,772	(35)	10	192	167	1,939	
2015	1,147	579	114	1,840	(38)	12	200	174	2,014	
2016	1,602	370	120	2,092	(45)	14	220	189	2,281	
PAYs (sub-total):	7,681	1,156	1,070	9,907	(185)	56	990	861	10,768	
CAY (2017)	2,123	1,613	66	3,802	(90)	30	416	356	4,158	
claims liabilities:	9,804	2,769	1,136	13,709	(275)	86	1,406	1,217	14,926	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	5,340	(400)		4,940	(58)	17	293	252	4,940	
policy liabilities:				18,649	(333)	103	1,699	1,469	19,866	

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

Exhibit C-5

Projected Policy Liabilities – Nova Scotia

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PPV & non-PPV ending 2017	Nova Scotia - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	3	(33)	(30)	-	-	2	2	(28)	
1998	-	6	4	10	-	-	-	-	10	
1999	-	(1)	3	2	-	-	-	-	2	
2000	-	1	6	7	-	-	-	-	7	
2001	-	4	15	19	-	-	-	-	19	
2002	-	14	1	15	-	-	1	1	16	
2003	-	(22)	46	24	-	-	3	3	27	
2004	313	29	99	441	-	-	35	35	476	
2005	303	(24)	16	295	(14)	4	27	17	312	
2006	697	(46)	269	920	(31)	9	63	41	961	
2007	259	(5)	227	481	(13)	4	25	16	497	
2008	445	(56)	360	749	(9)	3	38	32	781	
2009	580	(57)	265	788	(15)	5	52	42	830	
2010	915	(96)	222	1,041	(12)	4	81	73	1,114	
2011	1,239	(130)	210	1,319	(30)	9	107	86	1,405	
2012	1,818	172	287	2,277	(40)	12	229	201	2,478	
2013	2,276	91	180	2,547	(49)	14	278	243	2,790	
2014	2,535	488	167	3,190	(69)	19	348	298	3,488	
2015	2,128	902	197	3,227	(71)	21	354	304	3,531	
2016	2,826	841	204	3,871	(89)	28	415	354	4,225	
PAYs (sub-total):	16,334	2,114	2,745	21,193	(442)	132	2,058	1,748	22,941	
CAY (2017)	3,859	2,876	112	6,847	(168)	54	761	647	7,494	
claims liabilities:	20,193	4,990	2,857	28,040	(610)	186	2,819	2,395	30,435	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	9,118	(804)		8,314	(106)	31	522	447	8,314	
policy liabilities:				36,354	(716)	217	3,341	2,842	38,749	

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

Exhibit C-6

Projected Policy Liabilities – Prince Edward Island

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Private Passenger ending 2017	Prince Edward Island - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	-	1	1	-	-	-	-	-	1
1998	-	-	1	1	-	-	-	-	-	1
1999	-	(1)	1	-	-	-	-	-	-	-
2000	-	(1)	2	1	-	-	-	-	-	1
2001	-	(1)	2	1	-	-	-	-	-	1
2002	-	1	10	11	-	-	-	-	-	11
2003	-	(1)	14	13	-	-	-	-	-	13
2004	-	4	14	18	-	-	-	-	-	18
2005	165	-	44	209	-	-	17	17	-	226
2006	-	-	(104)	(104)	-	-	-	-	-	(104)
2007	-	(1)	20	19	-	-	-	-	-	19
2008	-	(1)	24	23	-	-	-	-	-	23
2009	-	3	24	27	-	-	-	-	-	27
2010	257	49	(2)	304	(10)	3	30	23	-	327
2011	526	14	(7)	533	(9)	3	53	47	-	580
2012	209	37	8	254	(4)	1	25	22	-	276
2013	134	88	24	246	(4)	1	22	19	-	265
2014	248	185	24	457	(10)	3	53	46	-	503
2015	290	212	19	521	(11)	3	60	52	-	573
2016	100	275	34	409	(8)	2	44	38	-	447
PAYs (sub-total):	1,929	862	153	2,944	(56)	16	304	264	-	3,208
CAY (2017)	471	411	(7)	875	(20)	6	104	90	-	965
claims liabilities:	2,400	1,273	146	3,819	(76)	22	408	354	-	4,173
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs		TOTAL*
premium liabilities:	1,430	(153)		1,277	(14)	4	67	57		1,277
*Total may not be sum of parts, as apvs apply to future costs within UPR										
policy liabilities:				5,096	(90)	26	475	411		5,450

Exhibit C-6

Projected Policy Liabilities – Prince Edward Island

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Non Private Passenger ending 2017	Prince Edward Island - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL	
prior	-	-	-	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-	-	-
2001	-	-	1	-	1	-	-	-	-	1
2002	-	-	(1)	2	1	-	-	-	-	1
2003	-	-	(1)	2	1	-	-	-	-	1
2004	-	-	-	3	3	-	-	-	-	3
2005	-	-	-	14	14	-	-	-	-	14
2006	-	-	-	(24)	(24)	-	-	-	-	(24)
2007	-	-	-	8	8	-	-	-	-	8
2008	-	-	-	19	19	-	-	-	-	19
2009	-	-	-	19	19	-	-	-	-	19
2010	-	-	-	(1)	(1)	-	-	-	-	(1)
2011	208	6	-	(4)	210	-	-	21	21	231
2012	672	59	-	4	735	(30)	10	70	50	785
2013	18	51	-	24	93	(2)	1	7	6	99
2014	158	150	-	24	332	(8)	2	34	28	360
2015	129	245	-	20	394	(10)	3	41	34	428
2016	181	274	-	24	479	(11)	3	51	43	522
PAYs (sub-total):	1,366	784	134	2,284	(61)	19	224	182	2,466	
CAY (2017)	344	334	(5)	673	(14)	4	75	65	738	
claims liabilities:	1,710	1,118	129	2,957	(75)	23	299	247	3,204	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	934	(73)		861	(7)	2	47	42	861	
policy liabilities:				3,818	(82)	25	346	289	4,065	

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

Exhibit C-6

Projected Policy Liabilities – Prince Edward Island

page 3 of 3

PPV & non-PPV ending 2017	Prince Edward Island - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	-	1	1	-	-	-	-	-	1
1998	-	-	1	1	-	-	-	-	-	1
1999	-	(1)	1	-	-	-	-	-	-	-
2000	-	(1)	2	1	-	-	-	-	-	1
2001	-	-	2	2	-	-	-	-	-	2
2002	-	-	12	12	-	-	-	-	-	12
2003	-	(2)	16	14	-	-	-	-	-	14
2004	-	4	17	21	-	-	-	-	-	21
2005	165	-	58	223	-	-	17	17	-	240
2006	-	-	(128)	(128)	-	-	-	-	-	(128)
2007	-	(1)	28	27	-	-	-	-	-	27
2008	-	(1)	43	42	-	-	-	-	-	42
2009	-	3	43	46	-	-	-	-	-	46
2010	257	49	(3)	303	(10)	3	30	23	-	326
2011	734	20	(11)	743	(9)	3	74	68	-	811
2012	881	96	12	989	(34)	11	95	72	-	1,061
2013	152	139	48	339	(6)	2	29	25	-	364
2014	406	335	48	789	(18)	5	87	74	-	863
2015	419	457	39	915	(21)	6	101	86	-	1,001
2016	281	549	58	888	(19)	5	95	81	-	969
PAYs (sub-total):	3,295	1,646	287	5,228	(117)	35	528	446	-	5,674
CAY (2017)	815	745	(12)	1,548	(34)	10	179	155	-	1,703
claims liabilities:	4,110	2,391	275	6,776	(151)	45	707	601	-	7,377
premium liabilities:	2,364	(226)		2,138	(21)	6	114	99	-	2,138
policy liabilities:				8,914	(172)	51	821	700	-	9,515

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

Exhibit C-7

Projected Policy Liabilities – Yukon

page 1 of 3

Private Passenger ending 2017	Yukon - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	2	-	2	-	-	-	-	-	2
1998	-	-	-	-	-	-	-	-	-	-
1999	-	1	-	1	-	-	-	-	-	1
2000	-	-	-	-	-	-	-	-	-	-
2001	-	1	-	1	-	-	-	-	-	1
2002	-	-	-	-	-	-	-	-	-	-
2003	-	1	-	1	-	-	-	-	-	1
2004	-	-	-	-	-	-	-	-	-	-
2005	-	-	(32)	(32)	-	-	-	-	-	(32)
2006	-	-	11	11	-	-	-	-	-	11
2007	-	-	12	12	-	-	-	-	-	12
2008	-	5	12	17	-	-	1	1	1	18
2009	(2)	26	8	32	(1)	-	2	1	1	33
2010	126	13	5	144	(3)	1	14	12	12	156
2011	113	48	7	168	(3)	1	16	14	14	182
2012	-	61	7	68	(1)	-	6	5	5	73
2013	(10)	118	4	112	(2)	1	14	13	13	125
2014	15	224	7	246	(5)	1	29	25	25	271
2015	923	140	18	1,081	(26)	7	130	111	111	1,192
2016	305	41	6	352	(10)	3	41	34	34	386
PAYs (sub-total):	1,470	681	65	2,216	(51)	14	253	216	216	2,432
CAY (2017)	265	181	(2)	444	(14)	4	52	42	42	486
claims liabilities:	1,735	862	63	2,660	(65)	18	305	258	258	2,918
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs		TOTAL*
premium liabilities:	416	(45)		371	(10)	3	30	23		371
policy liabilities:				3,031	(75)	21	335	281		3,289

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

Exhibit C-7

Projected Policy Liabilities – Yukon

page 2 of 3

Non Private Passenger ending 2017	Yukon - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL	
prior	-	-	-	-	-	-	-	-	-	-
1998	-	1	-	1	-	-	-	-	-	1
1999	-	-	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-
2005	-	-	(24)	(24)	-	-	-	-	-	(24)
2006	-	-	6	6	-	-	-	-	-	6
2007	-	-	7	7	-	-	-	-	-	7
2008	-	2	7	9	-	-	-	-	-	9
2009	-	-	7	7	-	-	-	-	-	7
2010	-	5	6	11	-	-	1	1	1	12
2011	60	9	9	78	(1)	-	7	6	6	84
2012	29	21	10	60	(1)	-	5	4	4	64
2013	1	78	6	85	(2)	-	10	8	8	93
2014	48	90	10	148	(3)	1	17	15	15	163
2015	416	120	24	560	(12)	4	65	57	57	617
2016	154	108	10	272	(7)	2	28	23	23	295
PAYs (sub-total):	708	434	78	1,220	(26)	7	133	114	114	1,334
CAY (2017)	280	206	(6)	480	(10)	3	52	45	45	525
claims liabilities:	988	640	72	1,700	(36)	10	185	159	159	1,859
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	592	(47)		545	(10)	3	35	28	545	
policy liabilities:				2,245	(46)	13	220	187	187	2,404

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

Exhibit C-7

Projected Policy Liabilities – Yukon

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PPV & non-PPV ending 2017	Yukon - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
prior	-	2	-	2	-	-	-	-	-	2
1998	-	1	-	1	-	-	-	-	-	1
1999	-	1	-	1	-	-	-	-	-	1
2000	-	-	-	-	-	-	-	-	-	-
2001	-	1	-	1	-	-	-	-	-	1
2002	-	-	-	-	-	-	-	-	-	-
2003	-	1	-	1	-	-	-	-	-	1
2004	-	-	-	-	-	-	-	-	-	-
2005	-	-	(56)	(56)	-	-	-	-	-	(56)
2006	-	-	17	17	-	-	-	-	-	17
2007	-	-	19	19	-	-	-	-	-	19
2008	-	7	19	26	-	-	1	1	1	27
2009	(2)	26	15	39	(1)	-	2	1	1	40
2010	126	18	11	155	(3)	1	15	13	13	168
2011	173	57	16	246	(4)	1	23	20	20	266
2012	29	82	17	128	(2)	-	11	9	9	137
2013	(9)	196	10	197	(4)	1	24	21	21	218
2014	63	314	17	394	(8)	2	46	40	40	434
2015	1,339	260	42	1,641	(38)	11	195	168	168	1,809
2016	459	149	16	624	(17)	5	69	57	57	681
PAYs (sub-total):	2,178	1,115	143	3,436	(77)	21	386	330	330	3,766
CAY (2017)	545	387	(8)	924	(24)	7	104	87	87	1,011
claims liabilities:	2,723	1,502	135	4,360	(101)	28	490	417	417	4,777
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs		TOTAL*
premium liabilities:	1,008	(92)		916	(20)	6	65	51		916
policy liabilities:				5,276	(121)	34	555	468		5,693

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

Exhibit C-8

Projected Policy Liabilities – Northwest Territories

page 1 of 3

Private Passenger ending 2017	Northwest Territories - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	(1)	-	(1)	-	-	-	-	-	(1)
1998	-	1	-	1	-	-	-	-	-	1
1999	-	1	-	1	-	-	-	-	-	1
2000	-	(1)	-	(1)	-	-	-	-	-	(1)
2001	-	1	-	1	-	-	-	-	-	1
2002	-	1	-	1	-	-	-	-	-	1
2003	-	1	-	1	-	-	-	-	-	1
2004	-	(2)	-	(2)	-	-	-	-	-	(2)
2005	-	-	13	13	-	-	-	-	-	13
2006	-	(3)	15	12	-	-	-	-	-	12
2007	-	3	24	27	-	-	-	-	-	27
2008	-	21	34	55	(1)	-	2	1	-	56
2009	172	(31)	31	172	(4)	1	14	11	-	183
2010	-	3	33	36	-	-	-	-	-	36
2011	78	18	34	130	(2)	1	10	9	-	139
2012	41	131	32	204	(3)	1	17	15	-	219
2013	103	156	38	297	(5)	2	31	28	-	325
2014	710	145	29	884	(18)	5	104	91	-	975
2015	1,071	69	90	1,230	(28)	9	138	119	-	1,349
2016	544	103	26	673	(19)	6	76	63	-	736
PAYs (sub-total):	2,719	616	399	3,734	(80)	25	392	337	-	4,071
CAY (2017)	585	465	(62)	988	(29)	8	122	101	-	1,089
claims liabilities:	3,304	1,081	337	4,722	(109)	33	514	438	-	5,160
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs		TOTAL*
premium liabilities:	1,257	(136)		1,121	(12)	3	54	45		1,121
policy liabilities:				5,843	(121)	36	568	483		6,281

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

Exhibit C-8

Projected Policy Liabilities – Northwest Territories

page 2 of 3

Non Private Passenger ending 2017	Northwest Territories - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs		
prior	-	1	-	1	-	-	-	-	-	1
1998	-	-	-	-	-	-	-	-	-	-
1999	-	1	-	1	-	-	-	-	-	1
2000	-	-	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-	-	-
2003	-	(1)	-	(1)	-	-	-	-	-	(1)
2004	-	-	-	-	-	-	-	-	-	-
2005	-	-	4	4	-	-	-	-	-	4
2006	-	1	4	5	-	-	-	-	-	5
2007	-	-	7	7	-	-	-	-	-	7
2008	-	-	10	10	-	-	-	-	-	10
2009	-	1	9	10	-	-	-	-	-	10
2010	-	1	11	12	-	-	-	-	-	12
2011	-	-	11	11	-	-	-	-	-	11
2012	-	20	11	31	-	-	2	2	-	33
2013	335	35	14	384	(7)	2	45	40	-	424
2014	618	98	10	726	(14)	4	84	74	-	800
2015	65	89	30	184	(3)	1	18	16	-	200
2016	111	84	10	205	(5)	1	20	16	-	221
PAYs (sub-total):	1,129	330	131	1,590	(29)	8	169	148		1,738
CAY (2017)	180	180	(24)	336	(8)	3	38	33		369
claims liabilities:	1,309	510	107	1,926	(37)	11	207	181		2,107
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs		TOTAL*
premium liabilities:	623	(49)		574	(4)	1	18	15		574
*Total may not be sum of parts, as apvs apply to future costs within UPR										
policy liabilities:				2,500	(41)	12	225	196		2,681

Exhibit C-8

Projected Policy Liabilities – Northwest Territories

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PPV & non-PPV ending 2017	Northwest Territories - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	-	-	-	-	-	-	-	-	-
1998	-	-	1	-	1	-	-	-	-	1
1999	-	-	2	-	2	-	-	-	-	2
2000	-	-	(1)	-	(1)	-	-	-	-	(1)
2001	-	-	1	-	1	-	-	-	-	1
2002	-	-	1	-	1	-	-	-	-	1
2003	-	-	-	-	-	-	-	-	-	-
2004	-	-	(2)	-	(2)	-	-	-	-	(2)
2005	-	-	-	17	17	-	-	-	-	17
2006	-	-	(2)	19	17	-	-	-	-	17
2007	-	-	3	31	34	-	-	-	-	34
2008	-	-	21	44	65	(1)	-	2	1	66
2009	172	-	(30)	40	182	(4)	1	14	11	193
2010	-	-	4	44	48	-	-	-	-	48
2011	78	-	18	45	141	(2)	1	10	9	150
2012	41	-	151	43	235	(3)	1	19	17	252
2013	438	-	191	52	681	(12)	4	76	68	749
2014	1,328	-	243	39	1,610	(32)	9	188	165	1,775
2015	1,136	-	158	120	1,414	(31)	10	156	135	1,549
2016	655	-	187	36	878	(24)	7	96	79	957
PAYs (sub-total):	3,848	946	530	5,324	(109)	33	561	485	5,809	
CAY (2017)	765	645	(86)	1,324	(37)	11	160	134	1,458	
claims liabilities:	4,613	1,591	444	6,648	(146)	44	721	619	7,267	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	1,880	(185)		1,695	(16)	4	72	60	1,695	
policy liabilities:				8,343	(162)	48	793	679	8,962	

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

Exhibit C-9

Projected Policy Liabilities – Nunavut

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Private Passenger ending 2017	Nunavut - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	-	-	-	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-	-	-
2001	-	(1)	-	(1)	-	-	-	-	-	(1)
2002	-	(1)	-	(1)	-	-	-	-	-	(1)
2003	-	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	3	3	6	-	-	-	-	-	6
2008	-	1	5	6	-	-	-	-	-	6
2009	-	1	6	7	-	-	-	-	-	7
2010	-	6	8	14	-	-	1	1	15	15
2011	(1)	25	9	33	-	-	2	2	35	35
2012	48	(24)	9	33	-	-	2	2	35	35
2013	(24)	166	3	145	(3)	1	18	16	161	161
2014	41	45	7	93	(2)	1	10	9	102	102
2015	29	124	6	159	(4)	1	19	16	175	175
2016	62	56	6	124	(3)	1	14	12	136	136
PAYs (sub-total):	155	401	62	618	(12)	4	66	58	676	676
CAY (2017)	32	148	(15)	165	(5)	2	21	18	183	183
claims liabilities:	187	549	47	783	(17)	6	87	76	859	859
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	393	(42)		351	(3)	1	12	10	351	
*Total may not be sum of parts, as apvs apply to future costs within UPR										
policy liabilities:				1,134	(20)	7	99	86	1,210	

Exhibit C-9

Projected Policy Liabilities – Nunavut

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Non Private Passenger ending 2017	Nunavut - Projected Balances as at Dec. 31, 2017 (\$000s)								
	nominal values				actuarial present value adjustments (apvs)				TOTAL
Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
prior	-	-	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-
2007	-	-	2	2	-	-	-	-	2
2008	-	-	2	2	-	-	-	-	2
2009	-	1	4	5	-	-	-	-	5
2010	-	-	6	6	-	-	-	-	6
2011	-	-	6	6	-	-	-	-	6
2012	-	21	6	27	-	-	2	2	29
2013	(3)	49	2	48	(1)	-	6	5	53
2014	369	79	6	454	(9)	3	45	39	493
2015	(5)	158	6	159	(3)	1	19	17	176
2016	137	65	6	208	(5)	1	22	18	226
PAYs (sub-total):	498	373	46	917	(18)	5	94	81	998
CAY (2017)	152	136	(17)	271	(7)	2	32	27	298
claims liabilities:	650	509	29	1,188	(25)	7	126	108	1,296
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	412	(33)		379	(4)	1	19	16	379
policy liabilities:				1,567	(29)	8	145	124	1,675

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

Exhibit C-9

Projected Policy Liabilities – Nunavut

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PPV & non-PPV ending 2017	Nunavut - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values				actuarial present value adjustments (apvs)					TOTAL
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
prior	-	-	-	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-	-	-	-
2001	-	(1)	-	(1)	-	-	-	-	-	(1)
2002	-	(1)	-	(1)	-	-	-	-	-	(1)
2003	-	-	-	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-	-
2007	-	3	5	8	-	-	-	-	-	8
2008	-	1	7	8	-	-	-	-	-	8
2009	-	2	10	12	-	-	-	-	-	12
2010	-	6	14	20	-	-	1	1	2	21
2011	(1)	25	15	39	-	-	2	2	4	41
2012	48	(3)	15	60	-	-	4	4	8	64
2013	(27)	215	5	193	(4)	1	24	21	26	214
2014	410	124	13	547	(11)	4	55	48	52	595
2015	24	282	12	318	(7)	2	38	33	36	351
2016	199	121	12	332	(8)	2	36	30	30	362
PAYs (sub-total):	653	774	108	1,535	(30)	9	160	139	139	1,674
CAY (2017)	184	284	(32)	436	(12)	4	53	45	45	481
claims liabilities:	837	1,058	76	1,971	(42)	13	213	184	184	2,155
premium liabilities:	805	(75)		730	(7)	2	31	26	26	730
policy liabilities:				2,701	(49)	15	244	210	210	2,885

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

Exhibit C-10

Projected Policy Liabilities – ALL JURISDICTIONS COMBINED

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Private Passenger ending 2017	ALL JURISDICTIONS - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	3,423	(93)	22	3,352	(10)	3	352	345	3,697	
1998	-	26	21	47	-	-	2	2	49	
1999	-	17	(27)	(10)	-	-	1	1	(9)	
2000	-	(4)	27	23	-	-	3	3	26	
2001	-	16	14	30	-	-	2	2	32	
2002	633	(31)	208	810	-	-	65	65	875	
2003	2,330	(74)	522	2,778	(84)	25	221	162	2,940	
2004	2,390	(319)	943	3,014	(56)	17	201	162	3,176	
2005	1,484	(113)	512	1,883	(55)	17	133	95	1,978	
2006	2,720	521	843	4,084	(166)	49	307	190	4,274	
2007	3,601	761	1,283	5,645	(215)	63	415	263	5,908	
2008	1,244	488	1,171	2,903	(66)	21	167	122	3,025	
2009	3,140	396	999	4,535	(106)	33	341	268	4,803	
2010	5,923	(1,113)	1,015	5,825	(124)	37	481	394	6,219	
2011	7,001	(328)	978	7,651	(130)	41	653	564	8,215	
2012	11,325	672	1,347	13,344	(274)	84	1,280	1,090	14,434	
2013	9,642	2,422	889	12,953	(251)	76	1,365	1,190	14,143	
2014	14,349	3,635	871	18,855	(345)	100	2,091	1,846	20,701	
2015	12,100	2,581	875	15,556	(304)	91	1,673	1,460	17,016	
2016	12,438	2,970	923	16,331	(347)	106	1,725	1,484	17,815	
PAYs (sub-total):	93,743	12,430	13,436	119,609	(2,533)	763	11,478	9,708	129,317	
CAY (2017)	17,390	12,520	719	30,629	(728)	213	3,361	2,846	33,475	
claims liabilities:	111,133	24,950	14,155	150,238	(3,261)	976	14,839	12,554	162,792	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	35,955	(3,464)		32,491	(460)	142	2,094	1,776	32,526	
policy liabilities:				182,729	(3,721)	1,118	16,933	14,330	195,318	

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

Exhibit C-10

Projected Policy Liabilities – ALL JURISDICTIONS COMBINED

page 2 of 3

ALL JURISDICTIONS - Projected Balances as at Dec. 31, 2017 (\$000s)									
Non Private Passenger ending 2017	nominal values				actuarial present value adjustments (apvs)				
Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	271	15	5	291	-	-	35	35	326
1998	-	14	4	18	-	-	1	1	19
1999	-	2	(5)	(3)	-	-	-	-	(3)
2000	418	(16)	14	416	-	-	40	40	456
2001	-	9	4	13	-	-	2	2	15
2002	1	17	83	101	-	-	2	2	103
2003	17	(4)	118	131	-	-	6	6	137
2004	896	(7)	229	1,118	(2)	1	90	89	1,207
2005	1,286	41	127	1,454	(60)	17	126	83	1,537
2006	388	33	527	948	(19)	6	40	27	975
2007	2,510	(88)	912	3,334	(107)	33	233	159	3,493
2008	1,658	150	926	2,734	(72)	21	174	123	2,857
2009	1,785	262	889	2,936	(67)	20	199	152	3,088
2010	1,777	587	1,054	3,418	(42)	13	233	204	3,622
2011	9,007	(164)	1,061	9,904	(167)	48	866	747	10,651
2012	11,899	544	1,418	13,861	(275)	80	1,352	1,157	15,018
2013	17,883	2,584	1,373	21,840	(401)	123	2,430	2,152	23,992
2014	13,489	6,318	1,438	21,245	(364)	114	2,501	2,251	23,496
2015	15,504	8,081	1,499	25,084	(477)	153	2,921	2,597	27,681
2016	16,770	8,459	1,516	26,745	(580)	179	2,907	2,506	29,251
PAYs (sub-total):	95,559	26,837	13,192	135,588	(2,633)	808	14,158	12,333	147,921
CAY (2017)	22,005	21,370	743	44,118	(992)	295	5,009	4,312	48,430
claims liabilities:	117,564	48,207	13,935	179,706	(3,625)	1,103	19,167	16,645	196,351
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	54,773	(3,415)		51,358	(661)	201	3,163	2,703	51,627
policy liabilities:				231,064	(4,286)	1,304	22,330	19,348	247,978

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

Exhibit C-10

Projected Policy Liabilities – ALL JURISDICTIONS COMBINED

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PPV & non-PPV ending 2017	ALL JURISDICTIONS - Projected Balances as at Dec. 31, 2017 (\$000s)									
	nominal values					actuarial present value adjustments (apvs)				
	Acc Yr	Case	IBNR	Retro Claims Fee & Expense	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	3,694	(78)	27	3,643	(10)	3	387	380	4,023	
1998	-	40	25	65	-	-	3	3	68	
1999	-	19	(32)	(13)	-	-	1	1	(12)	
2000	418	(20)	41	439	-	-	43	43	482	
2001	-	25	18	43	-	-	4	4	47	
2002	634	(14)	291	911	-	-	67	67	978	
2003	2,347	(78)	640	2,909	(84)	25	227	168	3,077	
2004	3,286	(326)	1,172	4,132	(58)	18	291	251	4,383	
2005	2,770	(72)	639	3,337	(115)	34	259	178	3,515	
2006	3,108	554	1,370	5,032	(185)	55	347	217	5,249	
2007	6,111	673	2,195	8,979	(322)	96	648	422	9,401	
2008	2,902	638	2,097	5,637	(138)	42	341	245	5,882	
2009	4,925	658	1,888	7,471	(173)	53	540	420	7,891	
2010	7,700	(526)	2,069	9,243	(166)	50	714	598	9,841	
2011	16,008	(492)	2,039	17,555	(297)	89	1,519	1,311	18,866	
2012	23,224	1,216	2,765	27,205	(549)	164	2,632	2,247	29,452	
2013	27,525	5,006	2,262	34,793	(652)	199	3,795	3,342	38,135	
2014	27,838	9,953	2,309	40,100	(709)	214	4,592	4,097	44,197	
2015	27,604	10,662	2,374	40,640	(781)	244	4,594	4,057	44,697	
2016	29,208	11,429	2,439	43,076	(927)	285	4,632	3,990	47,066	
PAYs (sub-total):	189,302	39,267	26,628	255,197	(5,166)	1,571	25,636	22,041	277,238	
CAY (2017)	39,395	33,890	1,462	74,747	(1,720)	508	8,370	7,158	81,905	
claims liabilities:	228,697	73,157	28,090	329,944	(6,886)	2,079	34,006	29,199	359,143	
	Unearned Premium	Premium Deficiency / (DPAC)		Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*	
premium liabilities:	90,728	(6,879)		83,849	(1,121)	343	5,257	4,479	84,153	
policy liabilities:				413,793	(8,007)	2,422	39,263	33,678	443,296	

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