

TO: MEMBERS OF THE FACILITY ASSOCIATION

ATTENTION: CHIEF EXECUTIVE OFFICER

BULLETIN NO.: F18 – 053

DATE: JULY 19, 2018

SUBJECT: PRELIMINARY RISK SHARING POOLS’ OUTLOOK FOR CALENDAR YEAR 2019 BASED ON MAY 2018 OPERATIONAL REPORTS

To assist member companies in planning for their share of Risk Sharing Pools’ (RSP) results for the next calendar year, Facility Association prepares RSP “Outlook” projections of Net Results from Operations. The Outlook presentation format (Exhibits B1 – B5) is very similar to that of the “Summary of Operations – Calendar Year” exhibits of the monthly Operational Reports Member Bulletins (“Bulletins”).

The attached is the *preliminary* calendar year 2019 RSP Outlook by pool, based on actual results as found in the May 2018 Operational Reports. A *final* calendar year 2019 RSP Outlook by pool, based on actual results up to August 2018, is expected to be released during September 2018.

The attached Preliminary RSP Outlook is derived through a projection process that attempts to model future outcomes based on a set of simplifying assumptions. As with any such process of projecting future outcomes, inherent uncertainty exists. For example, RSP premium volumes have in the past varied in ways that are difficult to model or project (charts showing history of premium volumes can be found at the “Provincial Profiles” section of our website). **As such, we stress that it is important to recognize that future Operating Results may deviate from these projections by material amounts.**

Volume projections are based on projections provided by larger users of the RSPs. The tables below provide a summary of the projections for calendar years 2019 and 2018 and the actuals for calendar year 2017 for reference purposes.

Actual and Projected Calendar Year Results					
Ontario RSP		2019	2018	Change (to 2019 from 2018)	
Written	Premium (\$000s)	430,336	408,191	22,145	5.4%
	Vehicle Count	218,855	215,155	3,700	1.7%
Earned	Premium (\$000s)	427,274	367,999	59,275	16.1%
Net Operating Result (\$000s)		(279,536)	(245,974)	(33,562)	13.6%
	COR	165.5%	166.8%	(1.3%)	(0.8%)
Prior Accident Years' incurred claims (\$000s)		(25,256)	(36,740)	11,484	(31.3%)

Bulletin F18 – 053

**PRELIMINARY RISK SHARING POOLS' OUTLOOK FOR CALENDAR YEAR 2019
BASED ON MAY 2018 OPERATIONAL REPORTS**

Actual and Projected Calendar Year Results						
Alberta Grid RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	159,083	152,048	7,035	4.6%	160,018
	Vehicle Count	60,641	58,392	2,249	3.9%	66,524
Earned	Premium (\$000s)	158,963	163,969	(5,006)	(3.1%)	149,501
Net Operating Result (\$000s)		(38,820)	(47,282)	8,462	(17.9%)	(49,783)
	COR	124.5%	128.9%	(4.4%)	(3.4%)	133.3%
Prior Accident Years' incurred claims (\$000s)		(4,982)	1,396	(6,378)	(456.9%)	6,535

Actual and Projected Calendar Year Results						
Alberta Non-Grid RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	141,645	121,780	19,865	16.3%	99,014
	Vehicle Count	87,716	77,795	9,921	12.8%	66,417
Earned	Premium (\$000s)	134,601	108,098	26,503	24.5%	96,926
Net Operating Result (\$000s)		(63,823)	(50,138)	(13,685)	27.3%	(47,049)
	COR	147.5%	146.4%	1.1%	0.8%	148.5%
Prior Accident Years' incurred claims (\$000s)		(3,143)	(8,549)	5,406	(63.2%)	(2,482)

Actual and Projected Calendar Year Results						
New Brunswick RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	17,957	14,981	2,976	19.9%	11,775
	Vehicle Count	13,253	11,354	1,899	16.7%	9,402
Earned	Premium (\$000s)	17,041	13,441	3,600	26.8%	10,613
Net Operating Result (\$000s)		(1,904)	(860)	(1,044)	121.5%	(30)
	COR	111.2%	106.4%	4.8%	4.5%	100.3%
Prior Accident Years' incurred claims (\$000s)		(160)	(734)	574	(78.2%)	(1,254)

Actual and Projected Calendar Year Results						
Nova Scotia RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	32,469	30,053	2,416	8.0%	25,298
	Vehicle Count	20,956	19,809	1,147	5.8%	17,388
Earned	Premium (\$000s)	31,709	28,260	3,449	12.2%	18,963
Net Operating Result (\$000s)		(10,952)	(8,659)	(2,293)	26.5%	(3,412)
	COR	134.5%	130.7%	3.8%	2.9%	118.1%
Prior Accident Years' incurred claims (\$000s)		(329)	(1,330)	1,001	(75.3%)	(3,972)

Questions regarding the Outlook should be directed to Shawn Doherty, SVP, Actuarial and CFO at Facility Association, (416) 644-4968 or sdoherty@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.



CALENDAR YEAR 2019 PRELIMINARY RSP OUTLOOK

(RISK SHARING POOLS)

JULY 2018

BASED ON MAY 2018 OPERATIONAL REPORTS

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

Should you require any further information, please call:

Shawn Doherty, FCIA, FCAS
SVP Actuarial & CFO
(416) 644-4968.

CALENDAR YEAR 2019 PRELIMINARY RSPs OUTLOOK**RISK SHARING POOLS (RSPs)****JULY 2018****BASED ON MAY 2018 OPERATIONAL REPORTS**

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LIST OF EXHIBITS**EXHIBIT A Key Assumptions (counts, premium, loss ratios)**

- A-1 Ontario
- A-2 Alberta Grid
- A-3 Alberta Non-Grid
- A-4 New Brunswick
- A-5 Nova Scotia

Continued...

EXHIBIT B RSP Outlook – Summary of Operations

- B-1 Ontario
- B-2 Alberta Grid
- B-3 Alberta Non-Grid
- B-4 New Brunswick
- B-5 Nova Scotia

EXHIBIT C RSP Outlook – Projected Policy Liabilities

- C-1 Ontario
- C-2 Alberta Grid
- C-3 Alberta Non-Grid
- C-4 New Brunswick
- C-5 Nova Scotia

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

LINKS TO SPECIFIC REFERENCED DOCUMENTS

Actuarial Highlights - Monthly Operational - May 2018

[Ontario RSP May 2018 Operational Report - Actuarial Highlights](#)

[Alberta Grid RSP May 2018 Operational Report - Actuarial Highlights](#)

[Alberta Non-Grid RSP May 2018 Operational Report - Actuarial Highlights](#)

[New Brunswick RSP May 2018 Operational Report - Actuarial Highlights](#)

[Nova Scotia RSP May 2018 Operational Report - Actuarial Highlights](#)

Outlook

[Risk Sharing Pools' Final Outlook for Calendar Year 2018](#)

1. Executive Summary

This “Preliminary RSP Outlook” is a projection of Facility Association Risk Sharing Pools (“RSP”) Operating Results for a future complete calendar year using actual experience available up to a specific point in time, and based on assumptions developed for this specific purpose. Consideration has been given to recent RSP experience, to the results of the Mar 31, 2018 valuation of the RSP policy liabilities, and to monthly premium projections developed for RSP Monthly Member Operational Reports.

Annually, 2 RSP Outlooks are released for members, being “Preliminary” and “Final” versions in relation to the next calendar year. The former is released earlier in the current year to allow members to consider the projected results early on in their planning process, but necessarily includes significant projection error, as almost two full calendar years require projecting. The latter is released in the fall of the current year.

This release is the **Preliminary RSP Outlook for Calendar Year 2019** based on the actual results as found in the May 2018 Operational Reports. We anticipate that the Final RSP Outlook for calendar year 2019 will be made available to members in September 2018 based on the August 2018 Operational Reports. In addition, updated projections will be made throughout 2018 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 tables that follow provide a high-level summary of key metrics projected for calendar years 2019 and 2018, with actuals for 2017 provided for reference. Supporting details related to the projections are provided in the body of this report.

Projection Summaries – Calendar Year 2019 – Key Amounts (\$000s) and Key Ratios

Actual and Projected Calendar Year Results						
Ontario RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	430,336	408,191	22,145	5.4%	362,505
	Vehicle Count	218,855	215,155	3,700	1.7%	199,082
Earned	Premium (\$000s)	427,274	367,999	59,275	16.1%	373,658
Net Operating Result (\$000s)		(279,536)	(245,974)	(33,562)	13.6%	(118,336)
	COR	165.5%	166.8%	(1.3%)	(0.8%)	131.8%
Prior Accident Years' incurred claims (\$000s)		(25,256)	(36,740)	11,484	(31.3%)	(114,104)

Actual and Projected Calendar Year Results						
Alberta Grid RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	159,083	152,048	7,035	4.6%	160,018
	Vehicle Count	60,641	58,392	2,249	3.9%	66,524
Earned	Premium (\$000s)	158,963	163,969	(5,006)	(3.1%)	149,501
Net Operating Result (\$000s)		(38,820)	(47,282)	8,462	(17.9%)	(49,783)
	COR	124.5%	128.9%	(4.4%)	(3.4%)	133.3%
Prior Accident Years' incurred claims (\$000s)		(4,982)	1,396	(6,378)	(456.9%)	6,535

Actual and Projected Calendar Year Results						
Alberta Non-Grid RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	141,645	121,780	19,865	16.3%	99,014
	Vehicle Count	87,716	77,795	9,921	12.8%	66,417
Earned	Premium (\$000s)	134,601	108,098	26,503	24.5%	96,926
Net Operating Result (\$000s)		(63,823)	(50,138)	(13,685)	27.3%	(47,049)
	COR	147.5%	146.4%	1.1%	0.8%	148.5%
Prior Accident Years' incurred claims (\$000s)		(3,143)	(8,549)	5,406	(63.2%)	(2,482)

Actual and Projected Calendar Year Results						
New Brunswick RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	17,957	14,981	2,976	19.9%	11,775
	Vehicle Count	13,253	11,354	1,899	16.7%	9,402
Earned	Premium (\$000s)	17,041	13,441	3,600	26.8%	10,613
Net Operating Result (\$000s)		(1,904)	(860)	(1,044)	121.5%	(30)
	COR	111.2%	106.4%	4.8%	4.5%	100.3%
Prior Accident Years' incurred claims (\$000s)		(160)	(734)	574	(78.2%)	(1,254)

Actual and Projected Calendar Year Results						
Nova Scotia RSP		2019	2018	Change (to 2019 from 2018)		2017
Written	Premium (\$000s)	32,469	30,053	2,416	8.0%	25,298
	Vehicle Count	20,956	19,809	1,147	5.8%	17,388
Earned	Premium (\$000s)	31,709	28,260	3,449	12.2%	18,963
Net Operating Result (\$000s)		(10,952)	(8,659)	(2,293)	26.5%	(3,412)
	COR	134.5%	130.7%	3.8%	2.9%	118.1%
Prior Accident Years' incurred claims (\$000s)		(329)	(1,330)	1,001	(75.3%)	(3,972)

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

Readers are also reminded that, while we work hard to ensure the projections are based on assumptions we feel are solid given our current information, **there is significant uncertainty related to these projections.** For example, one additional source of uncertainty is related to how the 5.0% cap on rate changes imposed in December 2017 by the Alberta Government would impact insurers RSP usage. As usual, our projected vehicle counts and projected written premium is largely provided by significant RSP users. Projection updates are requested from the larger users quarterly, and FA management follows-up for confirmation of projected amounts where significant changes in a member’s projections occur (FA does not ask for nor receive information on the “why” of a member projection, as this is viewed as confidential – management simply asks for confirmation that the member themselves believe the projection to be reasonable). Another example of additional uncertainty relates to the May 2018 “MIR clarification” regulation released – we have not, at this time, attempted to estimate or include any impact for this in this Preliminary Outlook.

2. Introduction

2.1 Introductory Comments

This “Preliminary RSP Outlook” is a projection of Facility Association Risk Sharing Pools (“RSP”) Operating Results for a future complete calendar year using actual experience available up to a specific point in time, and based on assumptions developed for this specific purpose. Consideration has been given to recent RSP experience, to the results of the Mar 31, 2018 valuation of the RSP policy liabilities, and to monthly premium projections developed for RSP Monthly Member Operational Reports.

The table below summarizes the Calendar Year **2019** projection by RSP – greater detail is provided in section 2.2 and 3.

Projection Summary – Calendar Year 2019 – Amounts (\$000s)

Calendar Year 2019 Projections (\$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Written Premium	430,336	159,083	141,645	17,957	32,469	781,490
Earned Premium	427,274	158,963	134,601	17,041	31,709	769,588
Prior Accident Years (PAYs)	(25,256)	(4,982)	(3,143)	(160)	(329)	(33,870)
Current Accident Year (CAY)	594,136	152,400	154,251	13,094	31,498	945,379
Total Claims Incurred	568,880	147,418	151,108	12,934	31,169	911,509
Expense Allowance	128,671	47,249	42,069	5,136	9,805	232,930
Change in Prem. Def / (DPAC)	7,194	2,099	3,891	(40)	550	13,694
Underwriting Expenses	135,865	49,348	45,960	5,096	10,355	246,624
	-	-	-	-	-	-
Net U/Wing gain / (loss)	(277,471)	(37,803)	(62,467)	(989)	(9,815)	(388,545)
Administrative Expense	2,065	1,017	1,356	915	1,137	6,490
2019 Operating Result	(279,536)	(38,820)	(63,823)	(1,904)	(10,952)	(395,035)
attributed to PAYs:	25,256	4,982	3,143	160	329	33,870
attributed to CAY:	(304,792)	(43,802)	(66,966)	(2,064)	(11,281)	(428,905)

As noted in section 2.2, there are notable differences between the overall operating result projected for Calendar Year **2019** in this Preliminary Outlook and two comparable projections for calendar year **2018**, being our calendar year projection posted on October 3, 2017 (“**Oct 3 2017 Outlook**”) and our current projection (“**May 31 2018 Projections**”). These differences are mainly due to current accident year impacts due to changes in premium volume.

Like our **Oct 3 2017 Outlook** for calendar year **2018**, this Outlook’s projection for Calendar Year **2019** assumes no nominal changes to our estimates of ultimate for prior accident years¹, whereas the current projection for calendar year **2018** (**May 31 2018 Projections**) includes nominal prior accident

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.

year changes as booked during the first five months of **2018**. 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).

Our projections of the number of vehicles transferred to the RSPs are based on feedback provided by large users of the RSPs. Some of the RSPs have specific limits to the number of risks that can be transferred in a given period. For example, the transfer limit of the Ontario RSP is 5.0% of exposures written in the prior year at the member company group level (that is, within a group under common management or ownership, a single member can transfer the entire transfer limit for the group). System programming prevents member groups from exceeding their transfer limits. However, member groups can transfer their entire limit for a given year at any time throughout the year including, for example, the last day of that year. As a result, volumes may change dramatically from those projected here. This potential for these variances are highlighted in the table below, comparing different projections for calendar year written premium amounts.

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

Calendar Year	Preliminary 2018 Outlook	Final 2018 Outlook	Preliminary 2019 Outlook	Final 2019 Outlook
2017	\$353.8	\$376.7	\$362.5	n/a
2018	\$327.6	\$413.2	\$408.2	n/a
2019	not projected	not projected	\$430.3	n/a

Source: FA Outlooks. Preliminary Outlooks are based on data as at May of the preceding year, whereas the Final Outlook is based on August data from the preceding year. For example, the Preliminary and Final 2018 Outlooks were based on actual and projected results as at May 2017 and August 2017 respectively.

Projected volumes are discussed in section 3.1.

2.2 Summary of Results

Summary of Calendar Year 2019 Operating Results

The estimated Calendar Year **2019** 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 Operational Reports (that is, “Total Claims Incurred” and “Change in Prem. Def / (DPAC)” include actuarial present value adjustments, commonly described as “discounted”). We have included at the bottom of the table the projected Operating Results for calendar year **2018** as per the ***Oct 3 2017 Outlook*** and with the ***May 31 2018 Projections***².

²The ***May 31 2018 Projections*** for calendar year 2018 and this Outlook’s projections for Calendar Year 2019 were derived at the same time, using consistent assumptions.

Projection Summary – Calendar Year 2019 – Amounts (\$000s)

Calendar Year 2019 Projections (\$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Written Premium	430,336	159,083	141,645	17,957	32,469	781,490
Earned Premium	427,274	158,963	134,601	17,041	31,709	769,588
Prior Accident Years (PAYs)	(25,256)	(4,982)	(3,143)	(160)	(329)	(33,870)
Current Accident Year (CAY)	594,136	152,400	154,251	13,094	31,498	945,379
Total Claims Incurred	568,880	147,418	151,108	12,934	31,169	911,509
Expense Allowance	128,671	47,249	42,069	5,136	9,805	232,930
Change in Prem. Def / (DPAC)	7,194	2,099	3,891	(40)	550	13,694
Underwriting Expenses	135,865	49,348	45,960	5,096	10,355	246,624
	-	-	-	-	-	-
Net U/Wing gain / (loss)	(277,471)	(37,803)	(62,467)	(989)	(9,815)	(388,545)
Administrative Expense	2,065	1,017	1,356	915	1,137	6,490
2019 Operating Result	(279,536)	(38,820)	(63,823)	(1,904)	(10,952)	(395,035)
attributed to PAYs:	25,256	4,982	3,143	160	329	33,870
attributed to CAY:	(304,792)	(43,802)	(66,966)	(2,064)	(11,281)	(428,905)
2018 Operating Result						
Oct. 3, 2017 Outlook	(253,404)	(42,351)	(43,686)	(1,453)	(12,656)	(353,550)
attributed to PAYs:	28,700	7,147	4,392	265	580	41,084
attributed to CAY:	(282,104)	(49,498)	(48,078)	(1,718)	(13,236)	(394,634)
May 31, 2018 Projection	(245,974)	(47,282)	(50,138)	(860)	(8,659)	(352,913)
attributed to PAYs:	36,740	(1,396)	8,549	734	1,330	45,957
attributed to CAY:	(282,714)	(45,886)	(58,687)	(1,594)	(9,989)	(398,870)

In comparing the Calendar Year **2019** operating result projection against the two projections for calendar year **2018**, **2019** has a significantly (12%) larger projected operating deficit resulting from the significant increase in volume, with the current projections showing an increase of 7.5% in written premium and 12.9% increase in earned premium (see table below).

Calendar Year 2019 Premium Comparisons (Amounts in \$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
2019 Written Premium	430,336	159,083	141,645	17,957	32,469	781,490
Change from 2018	22,145	7,035	19,865	2,976	2,416	54,437
% Change from 2018	5.4%	4.6%	16.3%	19.9%	8.0%	7.5%
2019 Earned Premium	427,274	158,963	134,601	17,041	31,709	769,588
Change from 2018	59,275	(5,006)	26,503	3,600	3,449	87,821
% Change from 2018	16.1%	(3.1%)	24.5%	26.8%	12.2%	12.9%

As a result, projection comparisons related to the operating result attributed to current accident year is better achieved through key ratio comparisons as will be discussed later in this section.

The table above shows variations in the current written premium projections for calendar years **2019**

vs **2018**, with **all RSPs showing increases**. The written changes also generate changes for earned premium, expenses, and the current accident year claims. However, volume changes do not impact differences in prior accident years (both projections assume no nominal changes). While we believe our claims liabilities estimates are “best estimates”, potential variances are discussed below.

The components of the projection for **2019** compared with the same components for the two projections for **2018** show a higher level of similarity with the **Oct 3 2017 Outlook** in relation to the operating result attributed to prior accident years (PAYs) at the RSP level, whereas the **2019** “attributed CAY” components are generally more aligned with the **May 31 2018 Projections**. These alignments are to be expected, as the **2019** projection for the contribution of the prior accident years has the same base assumption for the prior accident years as found in the **Oct 3 2017 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 **May 31 2018 Projections** includes actual prior accident year activity included up to the Mar 31, 2018 valuation. In contrast, the updated valuation and more recent discount rate assumptions leads to closer alignment with the **May 31 2018 Projections** (updated yield curves and updated accident years **2018** and **2019** loss ratios), such that remaining differences are driven by differences in volume and loss ratios.

The table below provides the difference between the **2019** calendar year results and the **2018** results as currently projected (**May 31 2018 Projections**).

Projection Summary –2019 less 2018 Calendar Year Amounts (\$000s) – current projections

2019 less 2018 Calendar Year Projections (\$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Written Premium	22,145	7,035	19,865	2,976	2,416	54,437
Earned Premium	59,275	(5,006)	26,503	3,600	3,449	87,821
Prior Accident Years (PAYs)	11,484	(6,378)	5,406	574	1,001	12,087
Current Accident Year (CAY)	92,004	(5,127)	29,531	2,947	3,720	123,075
Total Claims Incurred	103,488	(11,505)	34,937	3,521	4,721	135,162
Expense Allowance	6,432	2,071	5,896	856	732	15,987
Change in Prem. Def / (DPAC)	(17,294)	(4,028)	(829)	131	132	(21,888)
Underwriting Expenses	(10,862)	(1,957)	5,067	987	864	(5,901)
	-	-	-	-	-	-
Net U/Wing gain / (loss)	(33,351)	8,456	(13,501)	(908)	(2,136)	(41,440)
Administrative Expense	211	(6)	184	136	157	682
Operating Result	(33,562)	8,462	(13,685)	(1,044)	(2,293)	(42,122)
attributed to PAYs:	(11,484)	6,378	(5,406)	(574)	(1,001)	(12,087)
attributed to CAY:	(22,078)	2,084	(8,279)	(470)	(1,292)	(30,035)

The table at the top of the next page summarizes differences in key ratios for projections for Calendar Year **2019** vs **2018**.

Projection Summary –2019 less 2018 Calendar Year (Key Ratios) – current projections

2019 less 2018 Calendar Year Projections (Key Ratios)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Loss Ratios (% EP)						
Prior Accident Years (PAYs)	4.1%	(4.0%)	5.6%	4.6%	3.7%	2.3%
Current Accident Year (CAY)	2.7%	(0.2%)	(0.8%)	1.3%	1.0%	2.2%
Total Claims Incurred	6.8%	(4.2%)	4.8%	5.9%	4.7%	4.5%
Expense Ratios						
Expense Allowance (% WP)	-	-	-	-	-	-
Chg in Prem. Def / (DPAC) (% EP)	(5.0%)	(2.4%)	(1.5%)	1.1%	0.2%	(3.4%)
Underwriting Expenses (% EP)	(8.1%)	(0.2%)	(3.6%)	(0.7%)	(1.0%)	(4.9%)
Administrative Expense (% EP)	-	-	(0.1%)	(0.4%)	0.1%	(0.1%)
U/Wing & Admin Exp (% EP)	(8.1%)	(0.2%)	(3.7%)	(1.1%)	(0.9%)	(5.0%)
Combined Operating Ratio (% EP)	(1.3%)	(4.4%)	1.1%	4.8%	3.8%	(0.5%)
attributed to PAYs:	4.1%	(4.0%)	5.6%	4.6%	3.7%	2.3%
attributed to CAY:	(5.4%)	(0.4%)	(4.5%)	0.2%	0.1%	(2.8%)

As a reminder, PAYs for **2019** have no projected “undiscounted” impact, as we assume our liabilities are best estimates – the **2018** projection includes implemented valuation impacts for **2018**. The “effect of discounting” for **2018** also reflects valuation impacts (particularly apv releases with nominal releases) not expected for **2019**.

It is also important to keep in mind when considering the operating results for the RSPs as shown in the two preceding tables that they do not include all expenses – for example, premium taxes and health levies are applied at member companies based on their share of RSPs’ written premium – these expenses are not included here. As such, the Combined Operating Ratio may not be comparable to a member’s own such ratio. Similarly, operating cash flows are shared immediately among members – as such, there is no investment income included in the RSP operating results, although members may generate such income on RSP generated operating cash flows for their own accounts.

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

For the Ontario RSP, nominal (i.e. excluding actuarial present value adjustments) claims liabilities amounted to \$904.8 million as at December 31, 2017 (representing then the beginning prior accident years’ claims liabilities for calendar year **2018**). The nominal prior accident years’ change booked year-to-date during **2018** at \$14.1 million (favourable) represents 1.6% of the beginning claims liabilities. The nominal claims liabilities for the Ontario RSP are projected to be \$990.6 million at December 31, 2018 (and hence is the projected beginning prior accident years’ claims liabilities for Calendar Year **2019**), and **changes of +/-5% (\$49.5 million)** of these liabilities would not be

unusual (see table below for actual changes that occurred during the last 5 calendar years – while these historical changes have all been more than 5% and all favourable, we do see this as unusual, and not necessarily indicative of future development), whereas carried *nominal* claims development provision for adverse deviation (PfAD) are roughly three times this level (MfAD is over 15%).

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

nominal unpaid indemnity claims liability (\$ millions)					
ON	nominal beginning amounts			chg in PAYs' ultimates	
	unpaid indemnity [1] mthly calc	PfAD for dev'l [2] mthly calc	MfAD for dev'l [3] =[2]/[1]	amount [4] mthly calc	% beginning [5] =[4]/[1]
Cal Yr					
actuals					
2013	1,009.1	140.2	13.9%	(87.3)	(8.7%)
2014	1,025.5	179.8	17.5%	(91.0)	(8.9%)
2015	1,005.5	181.5	18.1%	(146.2)	(14.5%)
2016	889.6	147.1	16.5%	(70.5)	(7.9%)
2017	838.7	133.7	15.9%	(47.6)	(5.7%)
projections					
2018	904.8	142.7	15.8%	(14.1)	(1.6%)
2019	990.6	169.0	17.1%	-	-

For the Alberta Grid RSP, nominal claims liabilities amounted to \$307.0 million as at December 31, 2017 (representing then the beginning prior accident years' claims liabilities for calendar year **2018**). The nominal prior accident years' change booked year-to-date during 2018 at \$6.2 million (unfavourable) represents 2.0% of the beginning liabilities. The nominal claims liabilities for the Alberta Grid RSP are projected to be \$321.7 million at December 31, 2018 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2019**), and **changes of +/-5% (\$16.1 million)** of these liabilities would not be unusual (see table at the top of the next page for actual changes that occurred during the last 5 calendar years – while these historical changes have largely been more than 5% and unfavourable, we do see this as unusual, and not necessarily indicative of future development), whereas carried *nominal* claims development provision for adverse deviation (PfAD) are roughly two times this level (MfAD is over 11%).

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

nominal unpaid indemnity claims liability (\$ millions)					
AB Grid	nominal beginning amounts			chg in PAYS' ultimates	
	unpaid indemnity [1] mthly calc	PfAD for dev'l [2] mthly calc	MfAD for dev'l [3] =[2]/[1]	amount [4] mthly calc	% beginning [5] =[4]/[1]
Cal Yr					
actuals					
2013	278.9	27.2	9.8%	22.3	8.0%
2014	264.3	25.9	9.8%	30.0	11.4%
2015	268.8	30.6	11.4%	(4.1)	(1.5%)
2016	243.8	27.3	11.2%	41.2	16.9%
2017	281.5	32.0	11.4%	21.1	7.5%
projections					
2018	307.0	35.2	11.5%	6.2	2.0%
2019	321.7	37.8	11.8%	-	-

For the Alberta non-Grid RSP, nominal claims liabilities amounted to \$181.4 million as at December 31, 2017 (representing then the beginning prior accident years' claims liabilities for calendar year **2018**). The nominal prior accident years' change booked year-to-date during **2018** at \$4.9 million (favourable) represents 2.7% of the beginning liabilities. The nominal claims liabilities for the Alberta non-Grid RSP are projected to be \$196.1 million at December 31, 2018 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2019**), and **changes of +/-5% (\$9.8 million)** of these liabilities would not be unusual (see table at the top of the next page for actual changes that occurred during the last 5 calendar years), whereas carried *nominal* claims development provision for adverse deviation (PfAD) are roughly two times this level (MfAD is over 11%).

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

AB non-Grid	nominal unpaid indemnity claims liability (\$ millions)				
	nominal beginning amounts			chg in PAYs' ultimates	
	unpaid indemnity	PfAD for dev'l	MfAD for dev'l	amount	% beginning
	[1]	[2]	[3]	[4]	[5]
Cal Yr	mthly calc	mthly calc	=[2]/[1]	mthly calc	=[4]/[1]
actuals					
2013	126.4	12.1	9.6%	13.6	10.8%
2014	147.9	14.4	9.7%	5.4	3.7%
2015	159.5	18.2	11.4%	(6.9)	(4.3%)
2016	159.5	18.2	11.4%	2.3	1.4%
2017	169.4	19.4	11.5%	6.9	4.1%
projections					
2018	181.4	20.8	11.5%	(4.9)	(2.7%)
2019	196.1	22.7	11.6%	-	-

For the New Brunswick RSP, nominal claims liabilities amounted to \$18.5 million as at December 31, 2017 (representing then the beginning prior accident years' claims liabilities for calendar year **2018**). The nominal prior accident years' change booked year-to-date during **2018** at \$0.4 million (favourable) represents 2.2% of the beginning liabilities. The nominal claims liabilities for the New Brunswick RSP are projected to be \$18.9 million at December 31, 2018 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2019**), and **changes of +/-5% (\$0.9 million)** of these liabilities would not be unusual (see table below for actual changes that occurred during the last 5 calendar years), whereas carried *nominal* claims development provision for adverse deviation (PfAD) are roughly two times this level (MfAD is over 10%).

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

NB	nominal unpaid indemnity claims liability (\$ millions)				
	nominal beginning amounts			chg in PAYs' ultimates	
	unpaid indemnity	PfAD for dev'l	MfAD for dev'l	amount	% beginning
	[1]	[2]	[3]	[4]	[5]
Cal Yr	mthly calc	mthly calc	=[2]/[1]	mthly calc	=[4]/[1]
actuals					
2013	15.1	1.8	11.9%	0.4	2.6%
2014	13.9	1.8	12.9%	1.2	8.6%
2015	16.0	2.1	13.1%	0.9	5.6%
2016	19.0	2.5	13.2%	(2.2)	(11.6%)
2017	18.0	2.0	11.1%	(0.4)	(2.2%)
projections					
2018	18.5	2.0	10.8%	(0.4)	(2.2%)
2019	18.9	2.1	11.1%	-	-

For the Nova Scotia RSP, nominal claims liabilities amounted to \$35.5 million as at December 31, 2017 (representing then the beginning prior accident years' claims liabilities for calendar year **2018**). The nominal prior accident years' change booked year-to-date during **2018** at \$1.0 million (favourable) represents 2.8% of the beginning liabilities. The nominal claims liabilities for the Nova Scotia RSP are projected to be \$46.0 million at December 31, 2018 (and hence is the projected beginning prior accident years' claims liabilities for Calendar Year **2019**), **changes of +/- 5% (\$2.3 million)** of these liabilities would not be unusual (see table below for actual changes that occurred during the last 5 calendar years), whereas carried *nominal* claims development provision for adverse deviation (PfAD) are roughly two times this level (MfAD is over 11%).

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

		nominal unpaid indemnity claims liability (\$ millions)				
		nominal beginning amounts			chg in PAYs' ultimates	
NS	Cal Yr	unpaid	PfAD for	MfAD for	amount	%
		indemnity	dev'l	dev'l		beginning
		[1]	[2]	[3]	[4]	[5]
		mthly calc	mthly calc	= [2]/[1]	mthly calc	= [4]/[1]
	actuals					
	2013	16.0	2.2	13.8%	1.7	10.6%
	2014	18.8	2.7	14.4%	1.8	9.6%
	2015	23.4	3.4	14.5%	0.4	1.7%
	2016	27.3	3.9	14.3%	0.5	1.8%
	2017	32.7	3.9	11.9%	(2.1)	(6.4%)
	projections					
	2018	35.5	4.1	11.5%	(1.0)	(2.8%)
	2019	46.0	5.4	11.7%	-	-

In addition, **changes in yield curves** used to determine the discount rates used in our projections are subject to change by RSP. For example, the *Oct 3 2017 Outlook* for the Ontario RSP used a discount rate of 1.23%, whereas with the *May 31 2018 Projections* for the Ontario RSP we are now using 1.89%. However, the Mar 31, 2018 valuation discount rate *changes* do not have a direct impact on the **2019** projections. As the changes occurs in calendar year **2018**, both the beginning and ending claims liabilities for Calendar Year **2019** 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, 2019 **policy liability discount amounts** are:

- ON RSP: \$79.1 million (associated interest rate PfAD of \$9.4 million, indicating the net discount impact of approximately \$69.8 million)
- AB Grid RSP: \$20.0 million (associated interest rate PfAD of \$2.5 million, indicating the net discount impact of approximately \$17.5 million)

- AB non-Grid RSP: \$14.9 million (associated interest rate PfAD of \$1.9 million, indicating the net discount impact of approximately \$13.0 million)
- NB RSP: \$1.5 million (associated interest rate PfAD of \$0.2 million, indicating the net discount impact of approximately \$1.3 million)
- NS RSP: \$3.6 million (associated interest rate PfAD of \$0.5 million, indicating the net discount impact of approximately \$3.1 million)

Moving the net discount impacts to \$0 could be considered a “worst case” scenario³ in relation to adverse changes in the yield curves.

Key Ratios associated with our Calendar Year **2019** projection are presented in the table at the top of the next page, including the Combined Operating Ratios for the two calendar year **2018** projections. For details related to the **2019** projections, please refer to Exhibits B-1 through B-5. The basis for the projection of premiums, claims amounts and expenses is described in Section 3. In particular, premium projections are discussed in section 3.1 and claims projections are discussed in section 3.2. Our projections of the number of vehicle transfers are based on projections provided by major users of the RSPs. However, RSP volumes can change rapidly in a short period of time, as we have seen in the past, as member groups can transfer their entire limit for a given year at any time throughout the year including, for example, the last day of that year. As a result, volumes may change dramatically from those projected here.

³That 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 2019 – Key Ratios⁴

Calendar Year 2019 Projections (Key Ratios)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Loss Ratios (% EP)	-	-	-	-	-	-
Prior Accident Years (PAYs)	(5.9%)	(3.1%)	(2.3%)	(0.9%)	(1.0%)	(4.4%)
Current Accident Year (CAY)	139.1%	95.9%	114.6%	76.8%	99.3%	122.8%
Total Claims Incurred	133.2%	92.8%	112.3%	75.9%	98.3%	118.4%
Expense Ratios	-	-	-	-	-	-
Expense Allowance (% WP)	29.9%	29.7%	29.7%	28.6%	30.2%	29.8%
Chg in Prem. Def / (DPAC) (% EP)	1.7%	1.3%	2.9%	(0.2%)	1.7%	1.8%
Underwriting Expenses (% EP)	31.8%	31.1%	34.2%	29.9%	32.6%	32.1%
Administrative Expense (% EP)	0.5%	0.6%	1.0%	5.4%	3.6%	0.8%
U/Wing & Admin Exp (% EP)	32.3%	31.7%	35.2%	35.3%	36.2%	32.9%
2019 Combined Operating Ratio (% EP)	165.5%	124.5%	147.5%	111.2%	134.5%	151.3%
attributed to PAYs:	(5.9%)	(3.1%)	(2.3%)	(0.9%)	(1.0%)	(4.4%)
attributed to CAY:	171.4%	127.6%	149.8%	112.1%	135.5%	155.7%
2018 Combined Operating Ratio						
Oct. 3, 2017 Outlook	166.3%	122.9%	144.9%	109.0%	136.0%	149.5%
attributed to PAYs:	(7.5%)	(3.9%)	(4.5%)	(1.7%)	(1.6%)	(5.7%)
attributed to CAY:	173.8%	126.8%	149.4%	110.7%	137.6%	155.2%
May 31, 2018 Projection	166.8%	128.9%	146.4%	106.4%	130.7%	151.8%
attributed to PAYs:	(10.0%)	0.9%	(7.9%)	(5.5%)	(4.7%)	(6.7%)
attributed to CAY:	176.8%	128.0%	154.3%	111.9%	135.4%	158.5%

Net cash flows from operations for the RSPs collectively are projected to be an overall outflow of \$130.3 million for Calendar Year **2019** as presented in detail in section 3.5 (we are currently projecting a \$127.7 million operating cash outflow for calendar year **2018**).

Operating cash outflows are funded by members, and the primary drivers of operating cash are premium collection and claims payments. The tables at the top of the next page summarize RSP operating cash flows over the last 6 calendar years (historic operating cash flows by RSP can be found in section 3.5).

⁴RSP operating results do not include all expenses – for example, premium taxes and health levies are applied at member companies based on their share of RSP written premium or vehicle counts as applicable – these expenses are not included here. As such, the Combined Operating Ratio may not be comparable to a member’s own such ratio.

ALL RSPs Historic Operating Cash Flows by Share Year

\$millions RSP All RSPs	Share (i.e. Calendar) Year					
	2017	2016	2015	2014	2013	2012
written premium	658.6	609.1	489.0	545.9	518.0	576.1
expense allowance	197.1	183.2	142.9	164.2	152.8	170.6
administration	4.6	4.1	4.0	3.7	4.0	4.0
prem net of expenses	456.8	421.9	342.1	378.0	361.2	401.4
paid claims						
PAYs indemnity	318.8	296.3	295.3	283.7	293.2	277.4
PAY claims expenses	25.8	33.4	32.4	35.0	33.9	30.9
CAY indemnity	252.5	197.7	182.3	170.9	165.1	161.0
CAY clms expenses	1.0	0.8	0.9	1.4	1.5	1.6
all yrs indemnity	571.3	494.1	477.6	454.6	458.3	438.4
all yrs clms expenses	26.9	34.2	33.2	36.4	35.4	32.6
total claims & expenses paid	598.2	528.2	510.8	491.0	493.8	470.9
operating cash flow	(141.3)	(106.4)	(168.7)	(112.9)	(132.6)	(69.5)

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

The current (May 31 2018) calendar year **2019 projection** is provided in more detail in the next section, but the table at the top of the next page provides details of changes in cash flow projections by RSP between calendar years **2018** and **2019**.

Projection Summary –2019 less 2018 Calendar Year Cash Flow Projections (\$000s)

2019 less 2018 Calendar Net Operating Cash Flow Projections (\$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Written Premium	22,145	7,035	19,865	2,976	2,416	54,437
PAYs Paid Claims						
paid indemnity	22,067	(4,207)	2,554	(1,151)	1,043	20,305
paid allowed claims expense	10,719	2,882	1,787	176	253	15,816
PAYs Paid Claims	32,786	(1,326)	4,341	(976)	1,296	36,122
CAYs Paid Claims						
paid indemnity	(5,045)	(3,260)	11,280	574	732	4,281
paid allowed claims expense	(51)	(13)	34	1	3	(26)
CAYs Paid Claims	(5,096)	(3,273)	11,314	575	735	4,255
All AYs Paid Claims						
paid indemnity	17,022	(7,467)	13,834	(577)	1,775	24,586
paid allowed claims expense	10,668	2,869	1,821	177	256	15,790
All AYs Paid Claims	27,690	(4,599)	15,655	(401)	2,031	40,377
"Cash" Expenses						
Member Expense Allowance	6,432	2,071	5,896	856	732	15,987
Administrative Expenses	211	(6)	184	136	157	682
"Cash" Expenses	6,643	2,065	6,080	992	889	16,669
Net Operating Cash Flow	(12,188)	9,569	(1,871)	2,384	(504)	(2,609)

2.3 Projections for Calendar Year 2018

The tables on the next page provide summaries for the *May 31 2018 Projection* of calendar year 2018.

Projection Summary –2018 Calendar Year Amounts (\$000s) – current projection

Calendar Year 2018 Projections (\$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Written Premium	408,191	152,048	121,780	14,981	30,053	727,053
Earned Premium	367,999	163,969	108,098	13,441	28,260	681,767
Prior Accident Years (PAYs)	(36,740)	1,396	(8,549)	(734)	(1,330)	(45,957)
Current Accident Year (CAY)	502,132	157,527	124,720	10,147	27,778	822,304
Total Claims Incurred	465,392	158,923	116,171	9,413	26,448	776,347
Expense Allowance	122,239	45,178	36,173	4,280	9,073	216,943
Change in Prem. Def / (DPAC)	24,488	6,127	4,720	(171)	418	35,582
Underwriting Expenses	146,727	51,305	40,893	4,109	9,491	252,525
	-	-	-	-	-	-
Net U/Wing gain / (loss)	(244,120)	(46,259)	(48,966)	(81)	(7,679)	(347,105)
Administrative Expense	1,854	1,023	1,172	779	980	5,808
2018 Operating Result	(245,974)	(47,282)	(50,138)	(860)	(8,659)	(352,913)
attributed to PAYs:	36,740	(1,396)	8,549	734	1,330	45,957
attributed to CAY:	(282,714)	(45,886)	(58,687)	(1,594)	(9,989)	(398,870)

Projection Summary –2018 Calendar Year (Key Ratios) – current projection

Calendar Year 2018 Projections (Key Ratios)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Loss Ratios (% EP)						
Prior Accident Years (PAYs)	(10.0%)	0.9%	(7.9%)	(5.5%)	(4.7%)	(6.7%)
Current Accident Year (CAY)	136.4%	96.1%	115.4%	75.5%	98.3%	120.6%
Total Claims Incurred	126.4%	97.0%	107.5%	70.0%	93.6%	113.9%
Expense Ratios						
Expense Allowance (% WP)	29.9%	29.7%	29.7%	28.6%	30.2%	29.8%
Chg in Prem. Def / (DPAC) (% EP)	6.7%	3.7%	4.4%	(1.3%)	1.5%	5.2%
Underwriting Expenses (% EP)	39.9%	31.3%	37.8%	30.6%	33.6%	37.0%
Administrative Expense (% EP)	0.5%	0.6%	1.1%	5.8%	3.5%	0.9%
U/Wing & Admin Exp (% EP)	40.4%	31.9%	38.9%	36.4%	37.1%	37.9%
2018 Combined Operating Ratio (% EP)	166.8%	128.9%	146.4%	106.4%	130.7%	151.8%
attributed to PAYs:	(10.0%)	0.9%	(7.9%)	(5.5%)	(4.7%)	(6.7%)
attributed to CAY:	176.8%	128.0%	154.3%	111.9%	135.4%	158.5%

As indicated in the tables at the top of the next page, there have been changes both to earned premium and the Combined Operating Ratios (COR) between the *Oct 3 2017 Outlook* and the *May 31 2018 Projections* as summarized above, the latter of which includes the implementation of the 2017 Q3, Q4 and 2018 Q1 valuations, with the changes in operating result largely driven by the impact of the updated valuations on CORs.

Calendar Year 2018 Oct 3 2017 Outlook vs current May 31 2018 Projection

\$000s	Outlook Posted October 3, 2017			Updated Year-end Projection		
	Earned Premium	Operating Result	COR	Earned Premium	Operating Result	COR
Ontario	382,147	(253,404)	166.3%	367,999	(245,974)	166.8%
Alberta Grid	184,393	(42,351)	122.9%	163,969	(47,282)	128.9%
Alberta non-Grid	97,354	(43,686)	144.9%	108,098	(50,138)	146.4%
New Brunswick	15,974	(1,453)	109.0%	13,441	(860)	106.4%
Nova Scotia	35,242	(12,656)	136.0%	28,260	(8,659)	130.7%
TOTAL	715,110	(353,550)	149.5%	681,767	(352,913)	151.8%

In the table below, we attribute the overall **\$0.6 million** operating result **improvement** in our projection for calendar year **2018** to components:

- \$12.0 million **improvement** to the change in earned premium (by multiplying the earned premium change by [1 - COR]);
- \$11.4 million **deterioration** attributed to the change in COR (which is driven by changes in nominal prior accident year claims liabilities, current accident year loss ratios, the next future accident year loss ratio impact on premium liabilities, discount rates and margins, and expenses).

Changes in Projections for Calendar Year 2018

\$000s	Total Change (Updated Year-end Projection less Outlook)			Change Attributed to Earned Premium Change		Change Attributed to COR Change	
	Earned Premium	Operating Result	COR	Earned Premium	Operating Result	Operating Result	COR
Ontario	(14,148)	7,430	0.5%	(14,148)	9,380	(1,950)	0.5%
Alberta Grid	(20,424)	(4,931)	6.0%	(20,424)	4,677	(9,608)	6.0%
Alberta non-Grid	10,744	(6,452)	1.5%	10,744	(4,824)	(1,628)	1.5%
New Brunswick	(2,533)	593	(2.6%)	(2,533)	228	365	(2.6%)
Nova Scotia	(6,982)	3,997	(5.3%)	(6,982)	2,514	1,483	(5.3%)
TOTAL	(33,343)	637	2.3%	(33,343)	11,975	(11,338)	2.3%

Of the \$0.6 million⁵ of operating result improvement shown above (of which \$11.3 million in deterioration is attributed to 2.3 points of change in COR), the overall driver is due to changes in the expense ratio (1.5 point deterioration), with the remaining 0.8 points related to claims incurred ratio changes, as indicated in the table at the top of the next page. The expense ratio is heavily influenced by volume changes and the associated impacts on premium deficiency liabilities.

⁵Changes in the projection of the current accident year incurred are impacted by changes in earned premium, hence the comparison to the overall change in operating result, rather than focusing on that component attributed to COR only.

Changes in COR Projections for Calendar Year 2018

2018 Calendar Yr	Combined Ratio			Claims Incurred Ratio			Expense Ratio		
	May 31 2018 Projection	Oct 3 2017 Outlook	point chg	May 31 2018 Projection	Oct 3 2017 Outlook	point chg	May 31 2018 Projection	Oct 3 2017 Outlook	point chg
Ontario	166.8	166.3	0.5	126.5	127.7	(1.2)	40.3	38.6	1.7
Alberta Grid	128.9	122.9	6.0	96.9	90.7	6.2	32.0	32.2	(0.2)
Alberta Non-Grid	146.4	144.9	1.5	107.5	110.6	(3.1)	38.9	34.3	4.6
New Brunswick	106.4	109.0	(2.6)	70.0	73.4	(3.4)	36.4	35.6	0.8
Nova Scotia	130.7	136.0	(5.3)	93.6	96.4	(2.8)	37.1	39.6	(2.5)
TOTAL	151.8	149.5	2.3	113.9	113.1	0.8	37.9	36.4	1.5

The key drivers of changes in COR are the selected ultimate loss ratios and the discount rates, updated with each valuation⁶. More information on the results of valuations and the associated impacts are available in the Actuarial Highlights for Aug 2017 (implementation of the 2017 Q2 valuation), Oct 2017 (implementation of the 2017 Q3 valuation), Mar 2018 (implementation of the 2017 Q4 valuation), and May 2018 (implementation of the 2018 Q1 valuation).

Included in the valuation assumptions were updated selected discount rates, and the impact of any changes are reflected in the claims incurred changes indicated in the table above. The selected discount rates have increased from those selected with the 2017 Q2 valuation (the basis for the **2018** Final Outlook), resulting in a decrease in the actuarial liabilities and having a favourable impact on the projected operating results for Calendar Year **2018**, accounting for an estimated \$34.6 million of favourable operating result change overall (see table below). As there have been no changes to margins for adverse deviations (MfADs) for investment return relative to the 2018 Q1 valuation, there is no associated impact.

Estimated 2018 Claims Liabilities Impact from Discount Rate Changes

RSP	2018 Final Outlook	May 31 2018 Projection	Est. Impact Discount Rate	Est. Impact MfAD Chg*
Ontario	1.23%	1.89%	-\$22.0 million	\$0.0 million
Alberta Grid	1.19%	1.92%	-\$7.0 million	\$0.0 million
Alberta Non-Grid	1.20%	1.93%	-\$4.3 million	\$0.0 million
New Brunswick	1.17%	1.93%	-\$0.4 million	\$0.0 million
Nova Scotia	1.17%	1.92%	-\$0.9 million	\$0.0 million
TOTAL			-\$34.6 million	\$0.0 million

Source: Estimated from Interest Rate Sensitivity Tables found in the May 2018 Actuarial Highlights

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

⁶Changes 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.

The 2018 Q1 valuation did include updated selections of claims development MfADs at the RSP/coverage/accident half level (generally reductions in the MfADs selected), resulting in no impact (see table below).

*Estimated 2018 Claims Liabilities
 Impact from Claims Development
 MfADs changes*

RSP	Est. Impact MfAD Chg*
Ontario	\$0.0 million
Alberta Grid	\$0.0 million
Alberta Non-Grid	\$0.0 million
New Brunswick	\$0.0 million
Nova Scotia	\$0.0 million
TOTAL	\$0.0 million

Source: FA internal data.

Based on the two preceding tables, overall, there has been a \$34.6 million favourable impact due to the increase in the risk-free yield curve (generating increased interest rates used for discounting) and changes in margins for adverse deviations (which varied by RSP, accident year, and coverage, but were not changed between projections).

That is to say, **the projected 2018 net operating deficit** of \$352.9 million (being a \$0.6 million improvement relative to the 2018 Final Outlook) **would have been \$34.6 million worse** (i.e. \$387.5 million) or a \$34.0 million deterioration from the 2018 Final Outlook, **if not for the change in the yield curve and changes in selected MfADs.**

2.4 Outlook Purpose and Projection Uncertainty, Historical AvsP Variances

Purpose

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

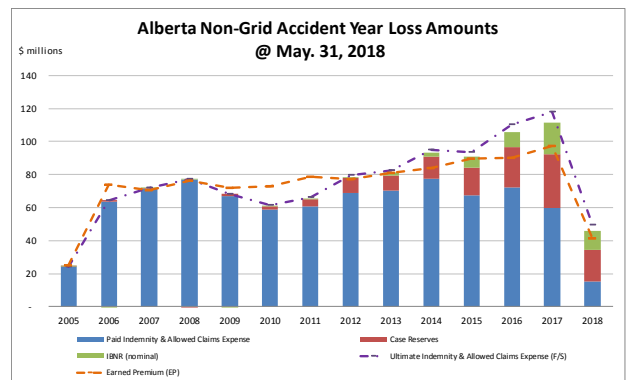
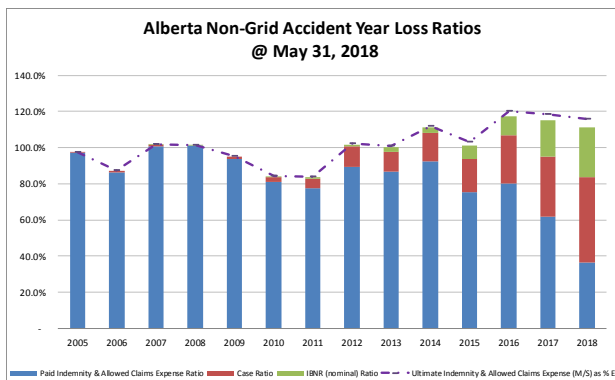
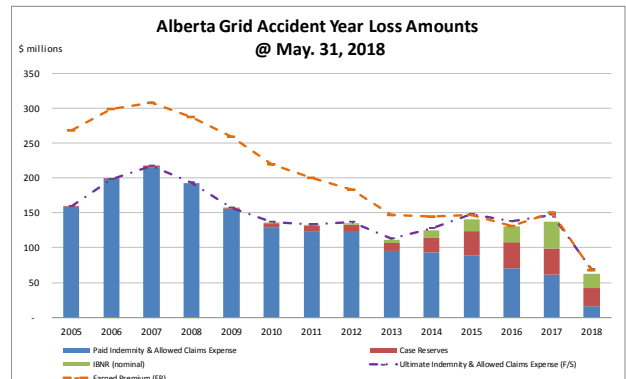
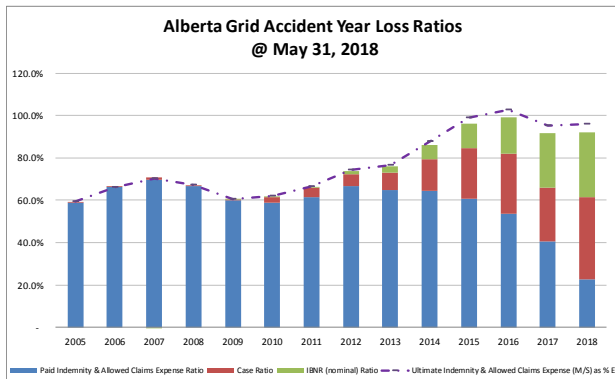
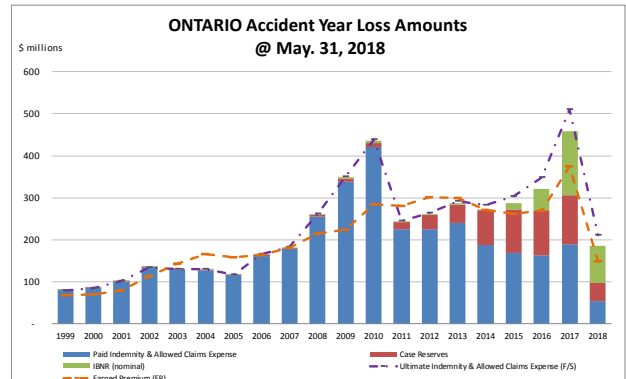
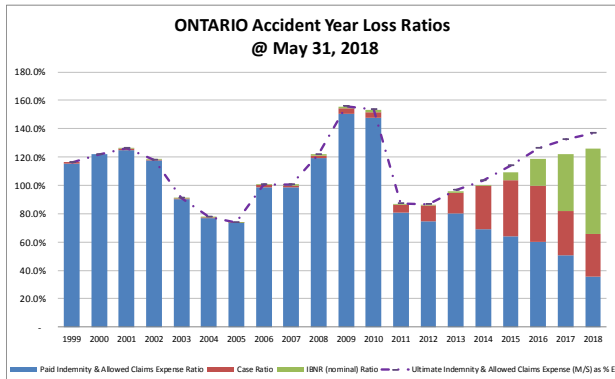
Unless specifically noted in this document, no explicit provision has been made for causes of loss which are not already reflected in the historical data, nor for otherwise unforeseen changes to the legal or economic environment in which claims are settled, including changes in the interpretation of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

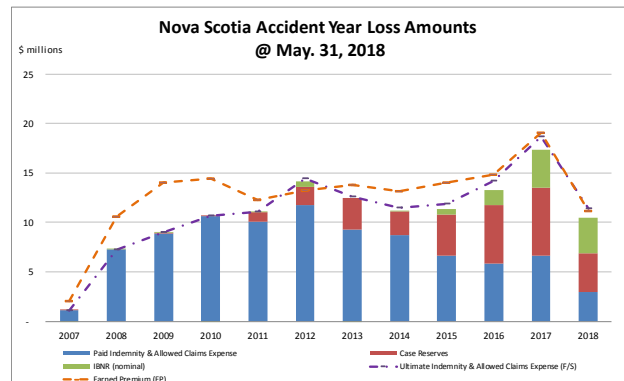
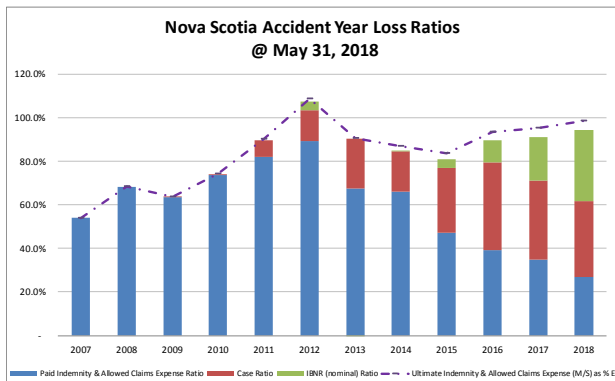
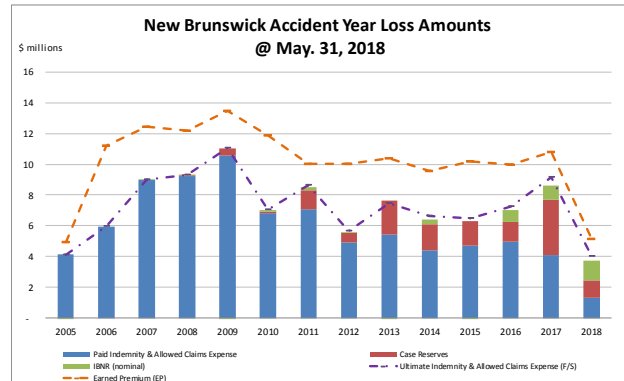
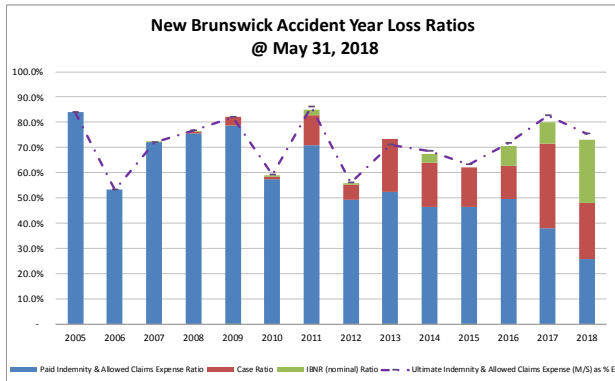
Uncertainty

This Outlook is a projection of future events based on models and assumptions believed to be realistic simplifications of the real world, but as simplifications, inherent uncertainty exists in relation to how actual events will unfold relative to these projections. **The user of this Outlook should recognize that future Operating Results may deviate from these projections by material**

amounts.

The historical loss ratios for the RSPs (left charts) and dollar amount of volume changes (right charts) for the RSPs are provided below to provide some historical context. Note that the scales differ by chart.





Historical Actual vs. Projected (AvsP) Variances

As discussed earlier, the purpose of providing members with Outlooks is to aid in their planning processes. An important question, then, is to what extent have the RSP Outlooks provided reliable and reasonably accurate projections for the next calendar year? As we produce 2 Outlooks annually, we believe the question applies to both.

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

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

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

All RSPs – AvsP (Preliminary Outlook projections)

 Facility Association
 Outlook Actual vs Projected
 Risk Sharing Pools (RSPs)

***PROJECTED IS BASED ON PRELIMINARY OUTLOOK**

RSP TOTAL			average A less P 2013 to 2017:						113.9	(18.9%)	38.5%
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	518.0	551.8	(90.6)	(16.4%)	612.6	111.0%	(101.6)	118.4%	
	[b]	Projected*	566.5	560.6	(29.2)	(5.2%)	665.1	118.6%	(271.8)	148.5%	
	[c]=[a]-[b]	A less P	(48.5)	(8.8)	(61.4)	(11.2%)	(52.5)	(7.6%)	170.2	(30.1%)	36.1%
	[d]=[c]/[b]	% of P	(8.6%)	(1.6%)	210.3%		(7.9%)		(62.6%)		
2014	[a]	Actual	545.9	521.9	(71.3)	(13.7%)	591.0	113.2%	(157.5)	130.2%	
	[b]	Projected*	586.1	579.6	(24.2)	(4.2%)	696.9	120.3%	(282.8)	148.8%	
	[c]=[a]-[b]	A less P	(40.2)	(57.6)	(47.1)	(9.5%)	(106.0)	(7.1%)	125.3	(18.6%)	37.6%
	[d]=[c]/[b]	% of P	(6.9%)	(9.9%)	194.9%		(15.2%)		(44.3%)		
2015	[a]	Actual	489.0	522.9	(206.3)	(39.4%)	580.6	111.0%	9.7	98.2%	
	[b]	Projected*	553.2	547.3	(33.4)	(6.1%)	649.1	118.6%	(246.9)	145.1%	
	[c]=[a]-[b]	A less P	(64.2)	(24.4)	(172.9)	(33.3%)	(68.5)	(7.6%)	256.6	(46.9%)	67.4%
	[d]=[c]/[b]	% of P	(11.6%)	(4.5%)	517.9%		(10.6%)		(103.9%)		
2016	[a]	Actual	609.1	517.9	(72.0)	(13.9%)	611.4	118.0%	(232.0)	144.7%	
	[b]	Projected*	537.7	536.3	(41.6)	(7.8%)	613.9	114.5%	(200.4)	137.4%	
	[c]=[a]-[b]	A less P	71.5	(18.4)	(30.4)	(6.1%)	(2.6)	3.5%	(31.5)	7.3%	(96.4%)
	[d]=[c]/[b]	% of P	13.3%	(3.4%)	73.0%		(0.4%)		15.7%		
2017	[a]	Actual	658.6	649.6	(115.3)	(17.7%)	778.3	119.8%	(218.5)	133.7%	
	[b]	Projected*	675.6	666.4	(43.2)	(6.5%)	753.1	113.0%	(267.3)	140.1%	
	[c]=[a]-[b]	A less P	(17.0)	(16.8)	(72.0)	(11.2%)	25.2	6.8%	48.7	(6.4%)	147.8%
	[d]=[c]/[b]	% of P	(2.5%)	(2.5%)	166.6%		3.3%		(18.2%)		

Over the 5 calendar year preliminary projections for the RSPs (total basis), the net operating result has been \$113.9 million (approximately 6.2%) better than projected on average, and the resulting Combined Operating Ratio (COR) has been on average 18.9 points lower than projected. Prior Accident Years' (PAYs) variances have generally accounted for a significant portion of the overall variance more than a third), but the bulk of the variances are driven by volume and current accident year (CAY) loss ratio variances.

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

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

respect to claims trends, we apply our view of industry wide trends, but trends applicable to transferred business may not follow those overall trends.

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

Preliminary Outlook variances against the actual at the jurisdiction level are provided in Exhibit D.

For completeness, we have also summarized differences between actuals and projections found in the Final Outlooks on the next page.

All RSPs – AvsP (Final Outlook projections)

Facility Association
Outlook Actual vs Projected
Risk Sharing Pools (RSPs)

***PROJECTED IS BASED ON FINAL OUTLOOK**

RSP TOTAL			average A less P 2013 to 2017: 102.3 (18.1%) (34.7%)								
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	518.0	551.8	(90.6)	(16.4%)	612.6	111.0%	(101.6)	118.4%	
	[b]	Projected*	587.3	574.2	(31.0)	(5.4%)	689.1	120.0%	(285.6)	149.7%	
	[c]=[a]-[b]	A less P	(69.3)	(22.4)	(59.6)	(11.0%)	(76.5)	(9.0%)	184.0	(31.3%)	32.4%
	[d]=[c]/[b]	% of P	(11.8%)	(3.9%)	192.7%		(11.1%)		(64.4%)		
2014	[a]	Actual	545.9	521.9	(71.3)	(13.7%)	591.0	113.2%	(157.5)	130.2%	
	[b]	Projected*	535.3	520.8	(27.3)	(5.3%)	606.7	116.5%	(232.3)	144.6%	
	[c]=[a]-[b]	A less P	10.6	1.1	(44.0)	(8.4%)	(15.7)	(3.3%)	74.8	(14.4%)	58.8%
	[d]=[c]/[b]	% of P	2.0%	0.2%	160.9%		(2.6%)		(32.2%)		
2015	[a]	Actual	489.0	522.9	(206.3)	(39.4%)	580.6	111.0%	9.7	98.2%	
	[b]	Projected*	550.6	547.9	(34.7)	(6.3%)	620.0	113.2%	(211.5)	138.6%	
	[c]=[a]-[b]	A less P	(61.6)	(24.9)	(171.6)	(33.1%)	(39.4)	(2.2%)	221.3	(40.4%)	77.6%
	[d]=[c]/[b]	% of P	(11.2%)	(4.6%)	495.1%		(6.4%)		(104.6%)		
2016	[a]	Actual	609.1	517.9	(72.0)	(13.9%)	611.4	118.0%	(232.0)	144.7%	
	[b]	Projected*	557.3	525.9	(33.8)	(6.4%)	606.3	115.3%	(224.8)	142.8%	
	[c]=[a]-[b]	A less P	51.8	(7.9)	(38.2)	(7.5%)	5.0	2.7%	(7.2)	1.9%	(530.5%)
	[d]=[c]/[b]	% of P	9.3%	(1.5%)	113.1%		0.8%		3.2%		
2017	[a]	Actual	658.6	649.6	(115.3)	(17.7%)	778.3	119.8%	(218.5)	133.7%	
	[b]	Projected*	643.5	645.6	(42.8)	(6.6%)	739.5	114.5%	(257.0)	139.8%	
	[c]=[a]-[b]	A less P	15.1	4.1	(72.5)	(11.1%)	38.9	5.3%	38.5	(6.1%)	188.3%
	[d]=[c]/[b]	% of P	2.3%	0.6%	169.4%		5.3%		(15.0%)		

As one might assume, variances from the Final Outlooks tend to be smaller than against the Preliminary Outlooks, as actuals are more up-to-date for the former.

2.5 Definitions and Presentation

Accounting Periods

- Calendar Year 2017: actual results for 12 months ending December 31, 2017.
- Calendar Year 2018: actual results for 5 months ending May 31, 2018, plus projected results for 7 months ending December 31, 2018.
- Calendar Year 2019: projected results for 12 months ending December 31, 2019.

Definitions

- Claim Liabilities are made up of case reserves and provision for Incurred but not Recorded

claims amounts (“IBNR”).

- Premium Liabilities are made up of unearned premiums, and Premium Deficiency Reserves or Deferred Policy Acquisition Costs (“DPAC”) as applicable.
- Policy Liabilities are comprised of claim liabilities and premium liabilities.
- Actuarial Present Value Adjustments include the recognition of the time value of money and includes explicit provisions for adverse deviations (“PFAD”) as applicable.
- Actuarial Provisions encompass all claim liabilities other than case reserves, and all premium liabilities other than unearned premiums. As such, they include IBNR, and premium deficiency/(DPAC) as applicable.
- (Calendar Period) Claims Incurred are computed as the sum of calendar period paid claims amounts and calendar period changes in claim liabilities. While the majority of claims adjustment expenses are included in the Expense Allowances paid to member companies, there are allowed amounts in addition to the level included in the allowance. These amounts are shown as “paid expenses” in Monthly Operational Reports and are included with paid indemnity for valuation purposes, and for presentation of Operating Results.

Data Sources & Related Valuations

- Actual results are taken from Operational Reports up to and including the month of May 2018. The May 2018 Operational Report reflects the results of recent valuations as at Mar 31, 2018 as described in the May 2018 Actuarial Highlights.
- Projected results for the months of Jun 2018 and Jul 2018 are the projections reflected in the May 2018 Operational Reports, and are based on assumptions derived for this purpose from the valuations at Mar 31, 2018 and other information.
- Projected results for the months of August 2018 through December 2019 are also based on assumptions derived for this purpose from the valuations as at Mar 31, 2018 and other information, extended to encompass Calendar Year **2019**.

Format

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

- “Claims Incurred” are divided between amounts pertaining to prior accident years, and those pertaining to the current accident year.
- “Claims Incurred” are further divided between nominal (i.e. “undiscounted”) incurred claims, and calendar period changes in the effect of actuarial present value adjustments (i.e. “discounting”). As our claims liabilities are estimated on a “best estimate” basis, there are no nominal incurred amounts projected for prior accident years. The effect of actuarial present value adjustments include the “unwinding” or “release” of the actuarial present value adjustments as claims payments are made, the addition of the actuarial present value adjustments pertaining to increases in claim liabilities, and changes in discount rate and margins for adverse deviations, if any.
- “Change in Premium Deficiency / (Deferred Policy Acquisition Costs)” is divided between

the change in the nominal (or “undiscounted”) premium deficiency / (deferred policy acquisition costs), and calendar period changes in the effect actuarial present value adjustments (“discounting”) akin to those in relation to claims liabilities.

- The “Net Result from Operations” excludes costs incurred directly by Members (e.g. premium tax, health levies, association dues), and any investment income that Member companies might earn on assets they hold in support of their RSP liabilities.
- “Ratios” are expressed relative to calendar period earned premiums, unless otherwise indicated.

3. Basis for Projections

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

3.1 Premiums

For each RSP, a model has been established to project by month the number of (annualized) vehicles being transferred to the pools and to project the associated average written premium (with projected premium being the product of these two). The projection model for each RSP considers the largest member company groups individually and sums the results of the projections at the member company group level (with an “all other” catch all). Select individual large member company groups were provided with their own results by RSP to populate with their own projections⁷. The final projections leverage this detailed projection information, as well as additional insight provided by member company project managers to Facility Association Member Services staff and by Facility Association management’s judgment otherwise.

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

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

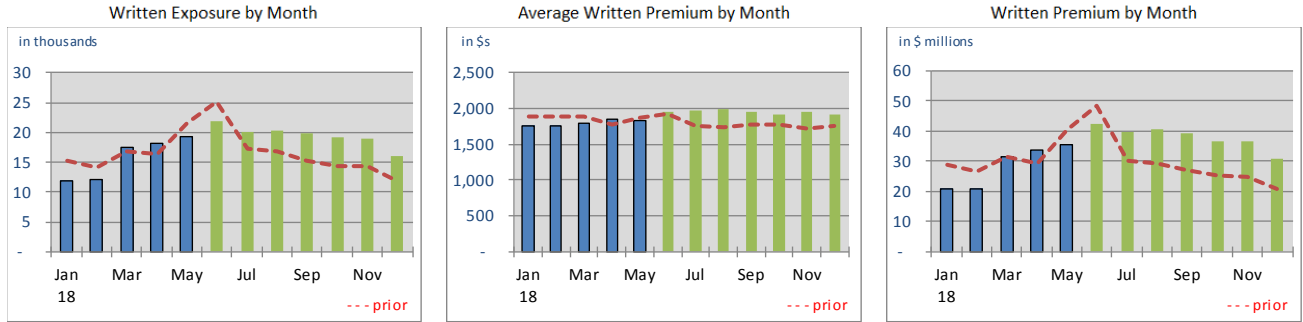
Calendar Year	Preliminary 2018 Outlook	Final 2018 Outlook	Preliminary 2019 Outlook	Final 2019 Outlook
2017	\$353.8	\$376.7	\$362.5	n/a
2018	\$327.6	\$413.2	\$408.2	n/a
2019	not projected	not projected	\$430.3	n/a

Source: FA Outlooks. Preliminary Outlooks are based on data as at May of the preceding year, whereas the Final Outlook is based on August data from the preceding year. For example, the Preliminary and Final 2018 Outlooks were based on actual and projected results as at May 2017 and August 2017 respectively.

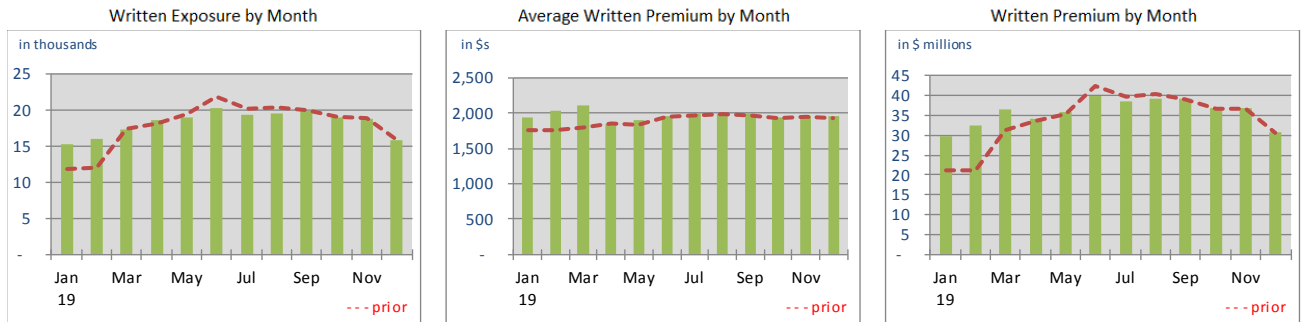
Summaries of the projections are provided at the top of the next page for **2018** and **2019**. In the charts, blue columns are actuals and green are projections. The dotted red line represents the values from the prior year. *Please take careful note of the scale in each chart, as we modify the scale to best fit the information being presented.*

⁷This process is updated quarterly – where a member changes their projection significantly from the previous quarter, FA management will ask the member to provide confirmation of the accuracy and reasonableness of the projection, but FA does not ask for, nor receive, information from members related to the “why” of their projections or changes of their projections, as this is deemed confidential.

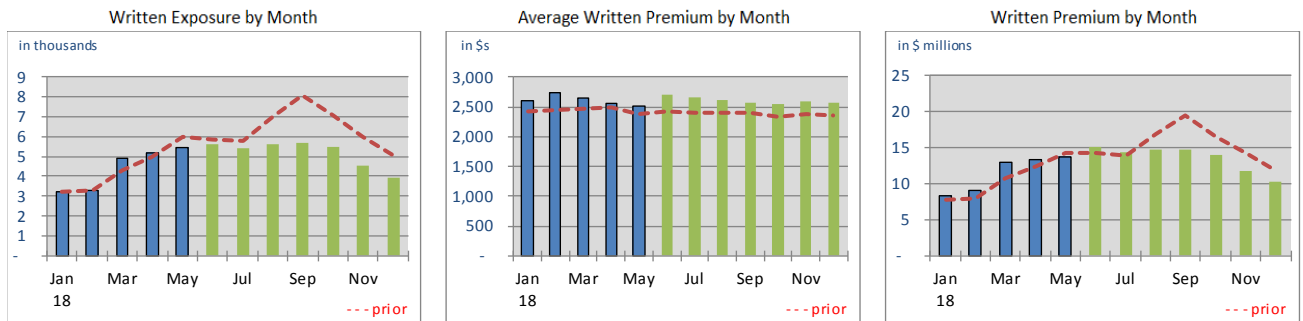
Ontario 2018 *projected count 215,155; approximate maximum that could be transferred: 380,000*



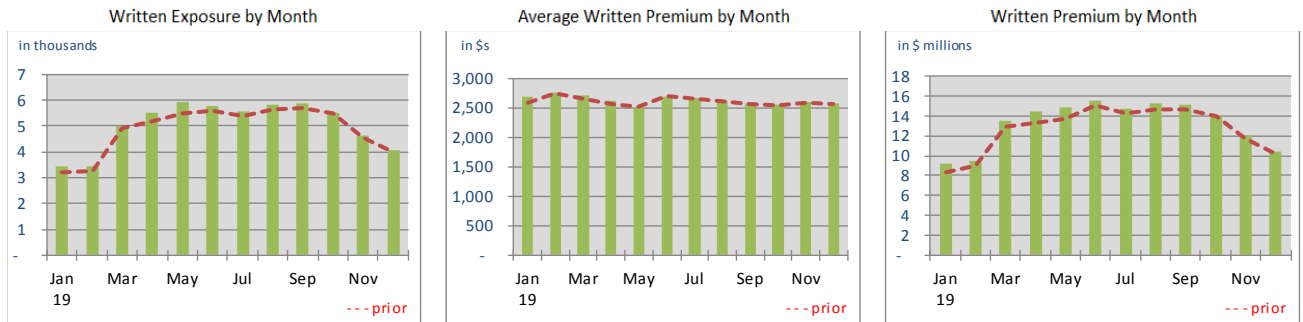
Ontario 2019 *projected count 218,855; approximate maximum that could be transferred: 380,000*



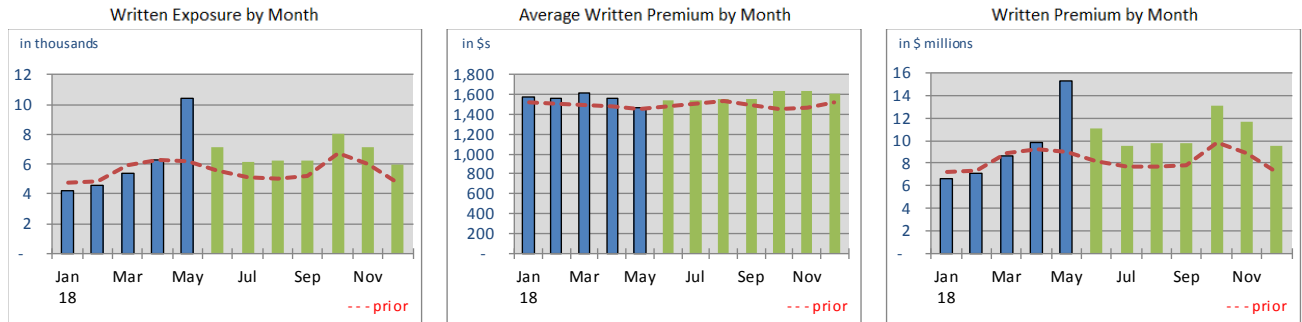
Alberta Grid 2018 *projected count 58,392; approximate maximum that could be transferred: unknown (based on number of risks subject to Grid rating – approximately 145,000 in 2016)*



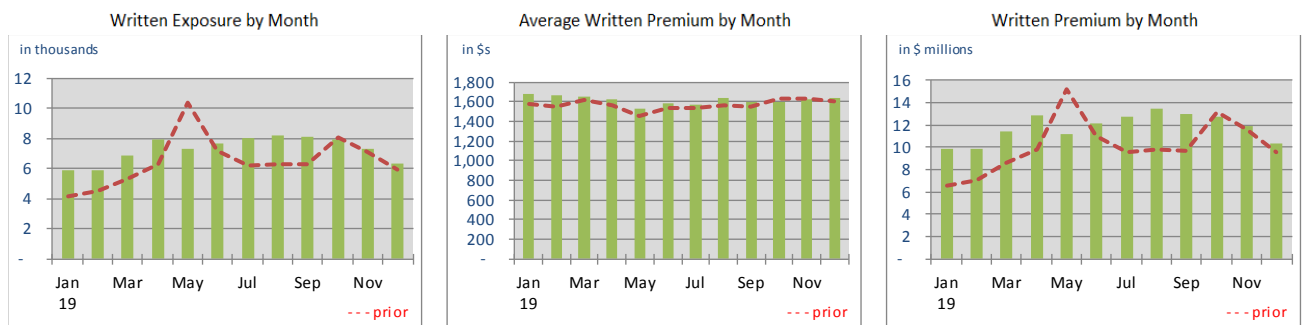
Alberta Grid 2019 *projected count 60,641; approximate maximum that could be transferred: unknown (based on number of risks subject to Grid rating – approximately 145,000 in 2016)*



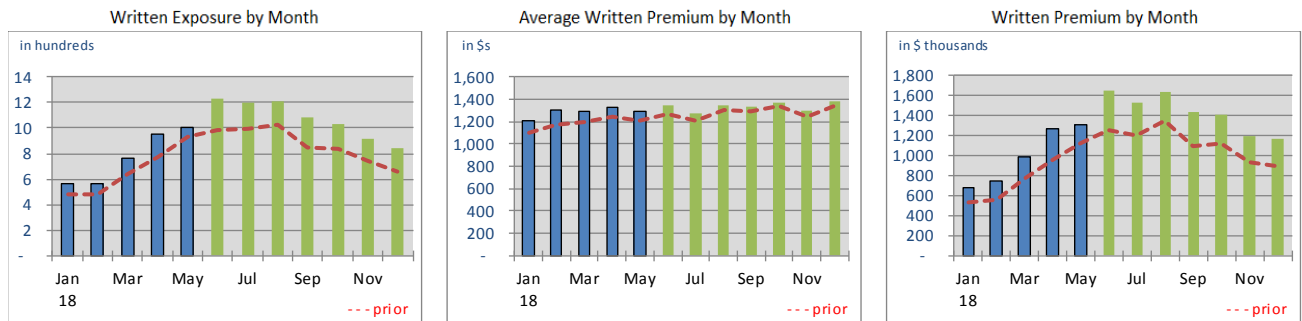
Alberta Non-Grid 2018 *projected count 77,795; approximate maximum that could be transferred: 105,000*



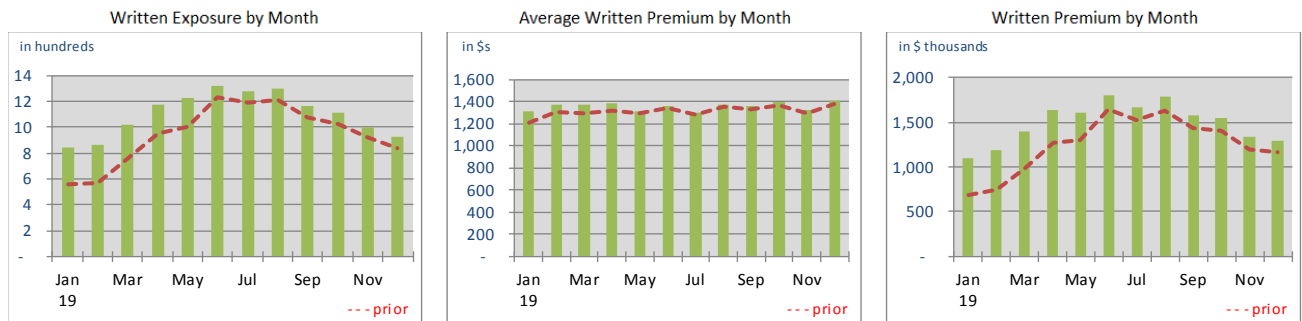
Alberta Non-Grid 2019 *projected count 87,716; approximate maximum that could be transferred: 105,000*



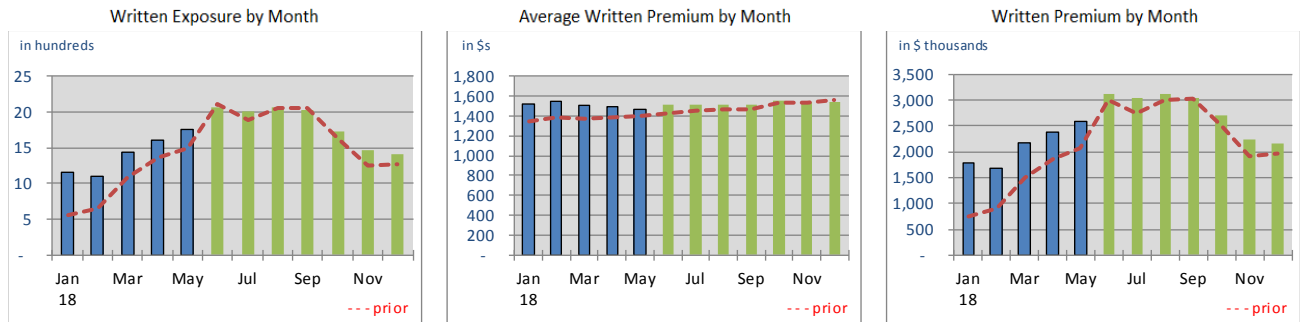
New Brunswick 2018 *projected count 11,354; approximate maximum that could be transferred: 40,000*



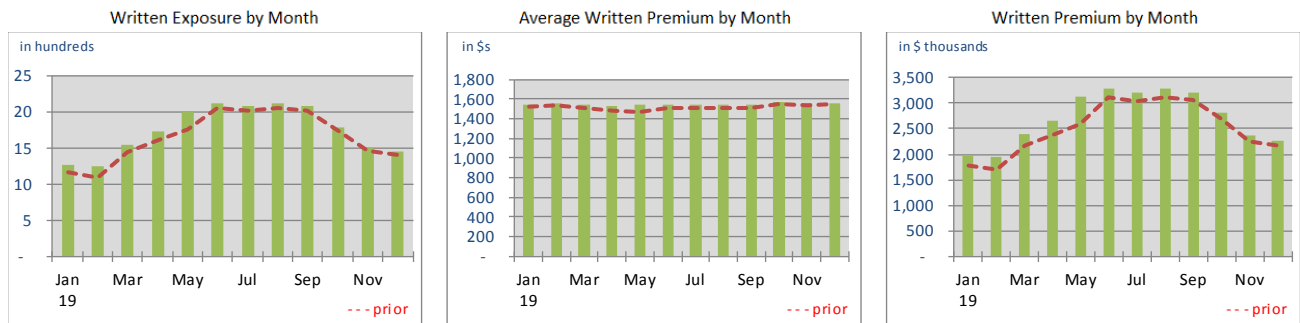
New Brunswick 2019 *projected count 13,253; approximate maximum that could be transferred: 40,000*



Nova Scotia 2018 *projected count 19,809; approximate maximum that could be transferred: unknown (based on number of risks deemed “inexperienced”)*



Nova Scotia 2019 *projected count 20,956; approximate maximum that could be transferred: unknown (based on number of risks deemed “inexperienced”)*



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

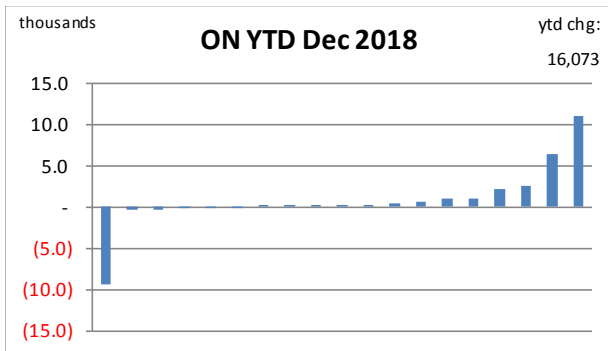
The table below summarizes the **2019** projected written and earned premium, and the change in both related to the current projection for **2018**.

Calendar Year 2019 Premium Comparisons (Amounts in \$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
2019 Written Premium	430,336	159,083	141,645	17,957	32,469	781,490
Change from 2018	22,145	7,035	19,865	2,976	2,416	54,437
% Change from 2018	5.4%	4.6%	16.3%	19.9%	8.0%	7.5%
2019 Earned Premium	427,274	158,963	134,601	17,041	31,709	769,588
Change from 2018	59,275	(5,006)	26,503	3,600	3,449	87,821
% Change from 2018	16.1%	(3.1%)	24.5%	26.8%	12.2%	12.9%

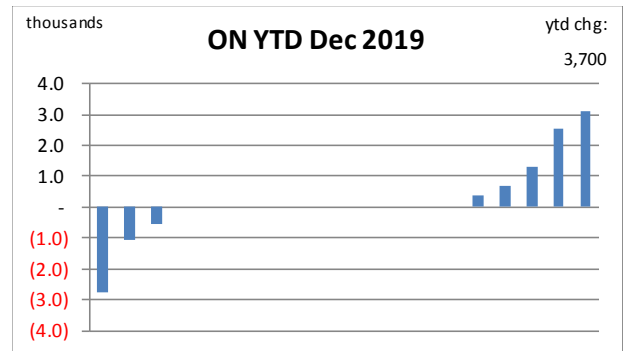
As usual, and as discussed in the opening, our projected vehicle counts and projected written premium is largely provided by significant RSP users. Projection updates are requested from the larger users quarterly, and FA management follows-up for confirmation of projected amounts where significant changes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

For example, while there were 19 active⁸ member groups identified for the Ontario RSP, the 9 member groups providing explicit projections account for 96% of the Ontario RSP vehicle counts transferred for the 12-month period ending May 2018. For the Alberta Grid RSP, while there were 17 active member groups identified, the 7 member groups that provided explicit projections account for 86% of the Alberta Grid RSP vehicle counts transferred for the 12-month period ending May 2018.

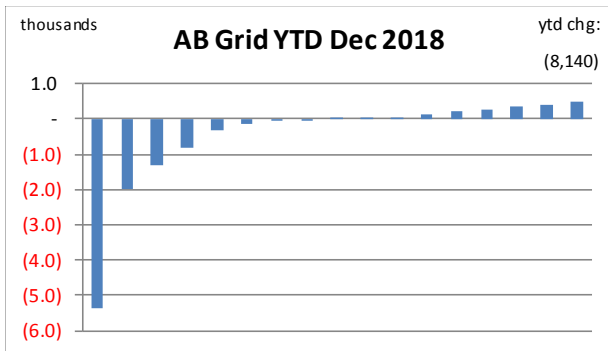
To provide some additional perspective on the projections, we've provided year-end projections summaries of the "decliners / growers" charts akin to those provided monthly in the Actuarial Highlights.



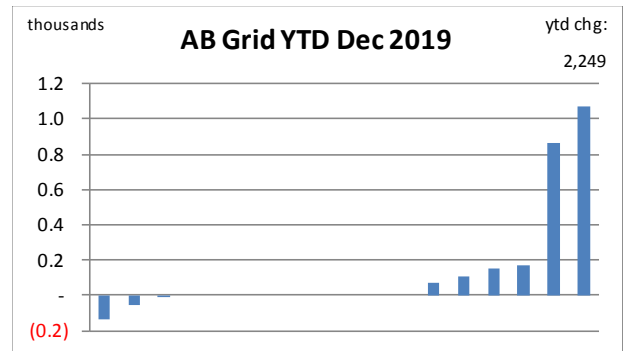
	# grps	chg
decliners:	6	(10,070)
no changers:	-	-
growers:	13	26,143



	# grps	chg
decliners:	4	(4,382)
no changers:	10	-
growers:	5	8,082

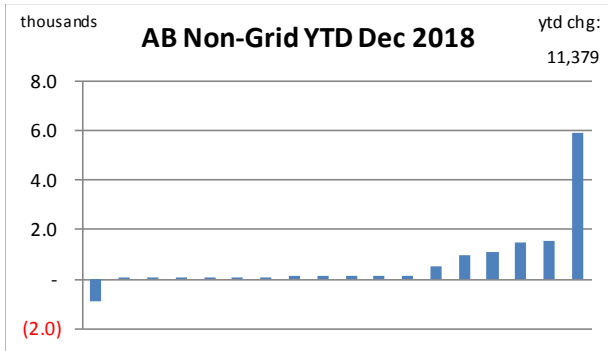


	# grps	chg
decliners:	8	(9,996)
no changers:	-	-
growers:	9	1,856

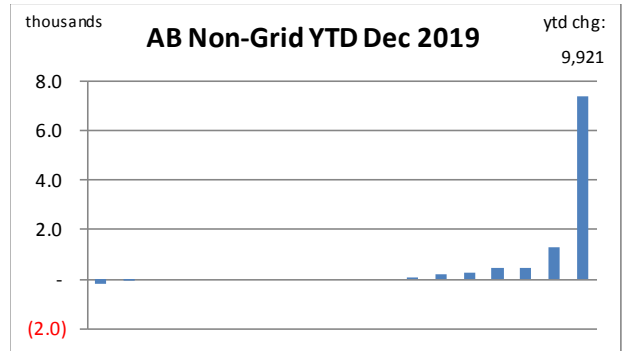


	# grps	chg
decliners:	5	(185)
no changers:	6	-
growers:	6	2,433

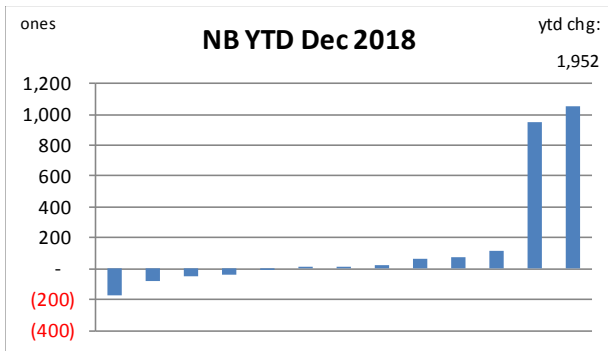
⁸We consider a member group to be "active" if they have non-zero transfer counts in at least 1 month in the current or prior calendar year. Members that are under common management for transfer limit purposes are considered a single "member group".



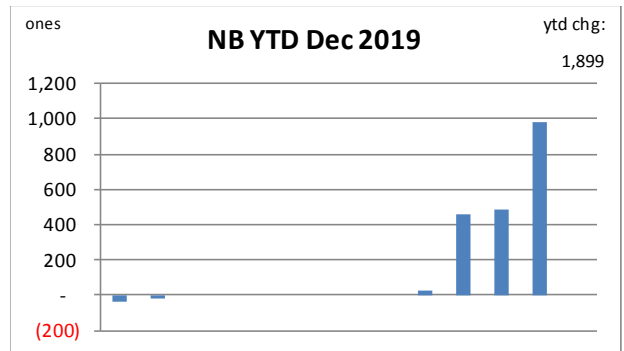
	# grps	chg
decliners:	1	(921)
no changers:	-	-
growers:	17	12,299



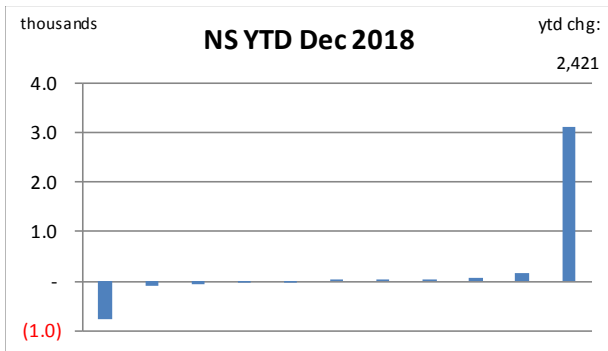
	# grps	chg
decliners:	3	(193)
no changers:	8	-
growers:	7	10,114



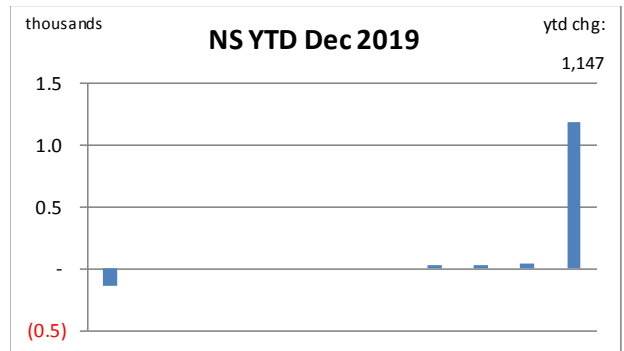
	# grps	chg
decliners:	5	(339)
no changers:	-	-
growers:	8	2,291



	# grps	chg
decliners:	2	(47)
no changers:	6	-
growers:	4	1,946



	# grps	chg
decliners:	5	(980)
no changers:	-	-
growers:	6	3,401



	# grps	chg
decliners:	1	(139)
no changers:	6	-
growers:	4	1,286

3.2 Claims Amounts

The most recent valuation of the policy liabilities of the RSPs was based on RSP experience at Mar 31, 2018. 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 May 2018 Operational Reports and discussed in the associated Actuarial Highlights.

For accident year (“AY”) **2019**, the estimated nominal loss ratios reflected in the RSP Outlook are “a priori” or “expected” loss ratios modeled based on the Sep 30, 2017⁹ valuation selections of ultimate claims incurred, augmented with updated estimated impacts of historical changes in average earned premium (particularly that attributed to rate changes), and historical claims amount levels (including loss cost trends and product reforms). It is important to note that **2019** is built from the **2018** a priori loss ratio – **not** from the current selected ultimate loss ratio for accident year **2018**. The a priori loss ratios are estimated at the coverage level and summed to arrive at the all coverages level.

a priori (aka "expected") Loss Ratio Comparisons						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Accident Year 2018 a priori LR	124.9%	90.7%	108.5%	73.2%	93.6%	intentionally left blank
divide by ep factor	1.023	1.036	1.031	1.012	1.027	
multiply by clms factor	1.044	1.053	1.052	1.030	1.046	
multiply by rounding correction	1.000	1.000	1.000	1.000	1.000	
Accident Year 2019 a priori LR	127.5%	92.2%	110.7%	74.5%	95.3%	

For the sake of brevity in presentation, we’ve included a single table displaying the accident year loss ratios used in the projections, as well as charts showing loss ratios by accident half-year, rolled up to the government line and total levels (a priori loss ratio selections are made at the coverage and accident half-year level).

⁹The a priori loss ratios are derived at the start of the valuation process, prior to updating for current actual results. The ultimates used for this process are based on the most recently completed valuations. For roll-forward valuations, a priori LRs are not always updated, but rather brought forward from the prior full valuation. Hence, the a priori loss ratios used for the Mar 31, 2018 valuation were the same as used for the Dec 31, 2017 valuation and reflected selections of ultimate from the Sep 30, 2017 valuation for all RSPs.

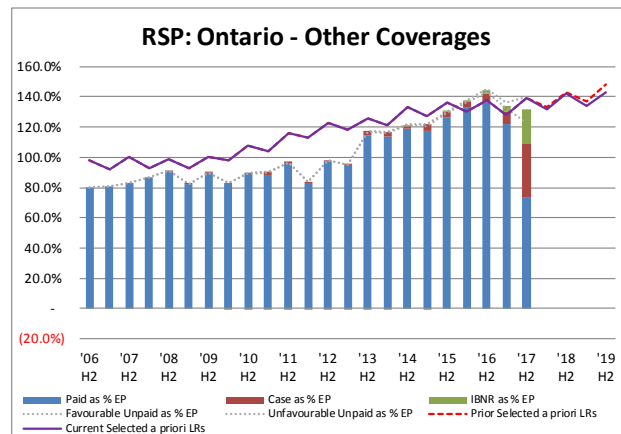
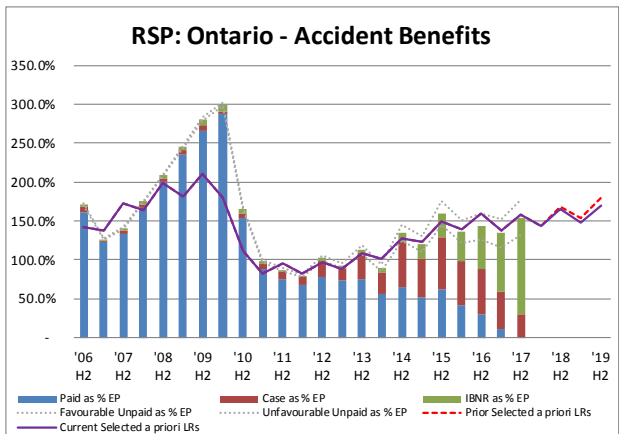
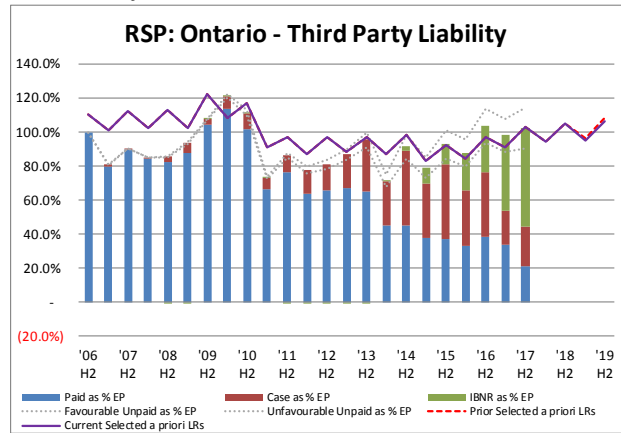
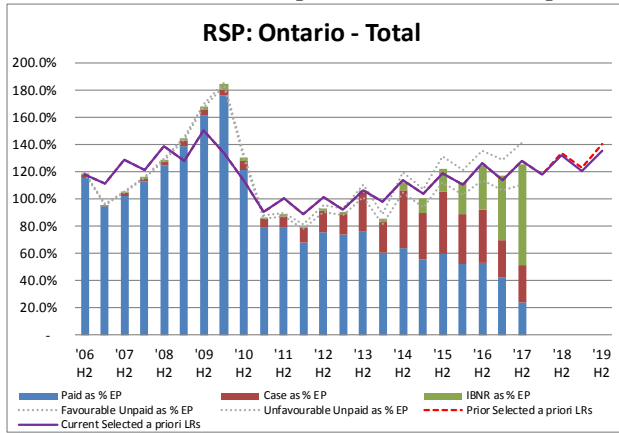
Selected Loss Ratios – table 1

Loss Ratios Accident Year	RSP ON			RSP AB Grid			RSP AB Non-Grid		
	EP in \$000s	Sel Ult in \$000s	Selected LR	EP in \$000s	Sel Ult in \$000s	Selected LR	EP in \$000s	Sel Ult in \$000s	Selected LR
1993	92,972	105,012	113.0%	-	-	-	-	-	-
1994	200,791	211,276	105.2%	-	-	-	-	-	-
1995	235,451	206,287	87.6%	-	-	-	-	-	-
1996	197,412	177,134	89.7%	-	-	-	-	-	-
1997	152,922	111,261	72.8%	-	-	-	-	-	-
1998	103,106	84,630	82.1%	-	-	-	-	-	-
1999	68,831	80,021	116.3%	-	-	-	-	-	-
2000	69,659	84,993	122.0%	-	-	-	-	-	-
2001	80,047	100,933	126.1%	-	-	-	-	-	-
2002	113,770	134,243	118.0%	-	-	-	-	-	-
2003	142,680	130,109	91.2%	-	-	-	-	-	-
2004	165,860	129,107	77.8%	47,289	24,418	51.6%	558	1,948	349.1%
2005	158,965	117,374	73.8%	268,326	159,148	59.3%	24,923	24,269	97.4%
2006	163,889	165,164	100.7%	298,762	198,204	66.3%	73,869	64,450	87.2%
2007	180,957	182,119	100.5%	308,216	216,667	70.3%	70,461	71,699	101.8%
2008	214,486	261,887	122.0%	287,800	193,049	67.1%	76,378	77,312	101.2%
2009	224,096	349,681	155.5%	259,257	156,803	60.5%	71,791	68,308	95.1%
2010	284,367	436,529	153.5%	219,022	135,671	61.9%	72,936	61,056	83.9%
2011	280,097	243,373	86.9%	200,097	132,352	66.1%	78,509	65,354	83.5%
2012	301,958	261,086	86.3%	183,211	135,448	73.9%	77,274	78,621	101.7%
2013	299,210	286,421	95.8%	146,821	111,589	76.0%	81,130	81,355	100.4%
2014	270,935	271,173	99.9%	144,696	124,877	86.3%	84,033	93,088	110.9%
2015	262,727	287,485	109.0%	146,711	140,959	96.1%	89,815	91,270	101.0%
2016	269,626	322,518	119.0%	130,838	129,999	99.4%	90,202	108,387	117.4%
2017	375,045	461,352	122.2%	150,224	137,778	91.7%	97,232	114,364	115.0%
2018			125.7%			91.9%			111.2%
2019			127.5%			92.2%			110.7%
2020			130.0%			94.7%			114.3%
	exp allowance:	future service cost:		exp allowance:	future service cost:		exp allowance:	future service cost:	
prem liab (FY2018)	29.90%	0.24%		29.70%	0.32%		29.70%	0.48%	
prem liab (FY2019)	29.90%	0.24%		29.70%	0.32%		29.70%	0.48%	

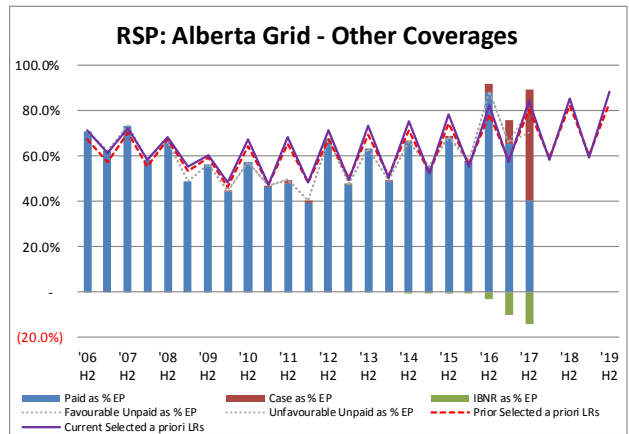
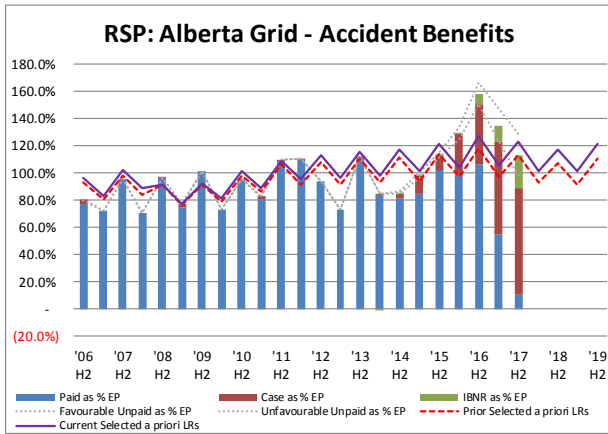
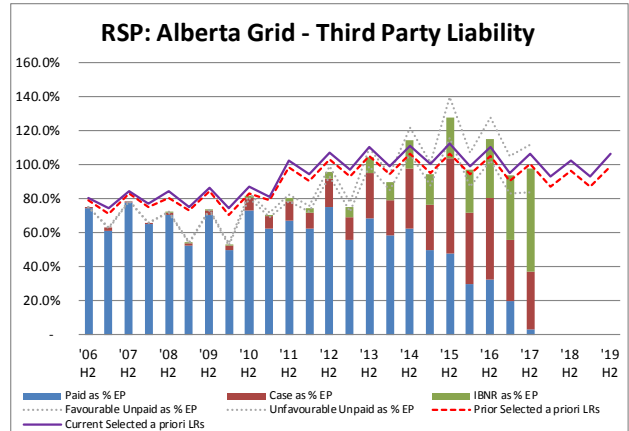
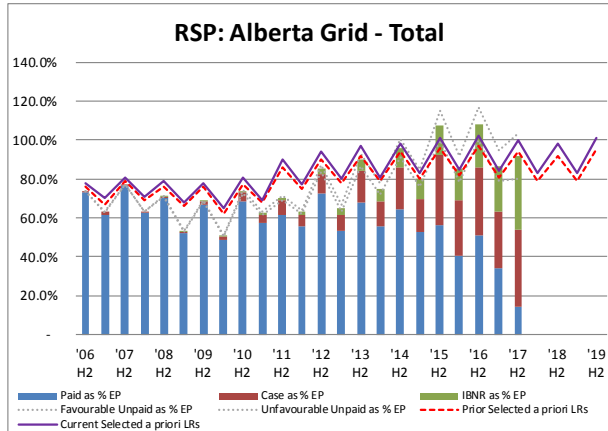
Selected Loss Ratios – table 2

Loss Ratios Accident Year	RSP NB			RSP NS		
	EP in \$000s	Sel Ult in \$000s	Selected LR	EP in \$000s	Sel Ult in \$000s	Selected LR
2005	4,932	4,145	84.0%	-	-	-
2006	11,215	5,966	53.2%	-	-	-
2007	12,451	8,975	72.1%	2,057	1,109	53.9%
2008	12,180	9,316	76.5%	10,620	7,252	68.3%
2009	13,459	10,995	81.7%	14,065	8,970	63.8%
2010	11,900	7,024	59.0%	14,454	10,697	74.0%
2011	10,010	8,399	85.1%	12,312	11,016	89.5%
2012	10,052	5,622	55.7%	13,197	14,201	107.3%
2013	10,403	7,277	69.8%	13,787	12,479	89.0%
2014	9,542	6,433	67.3%	13,172	11,226	84.9%
2015	10,181	6,774	62.0%	14,026	11,422	80.8%
2016	9,963	7,533	70.5%	14,856	13,856	89.4%
2017	10,797	8,753	80.1%	19,092	17,717	91.0%
2018			73.1%			94.2%
2019			74.5%			95.3%
2020			76.0%			98.3%
	exp allowance:	future service cost:		exp allowance:	future service cost:	
prem liab (FY2018)	28.60%	2.55%		30.20%	1.75%	
prem liab (FY2019)	28.60%	2.55%		30.20%	1.75%	

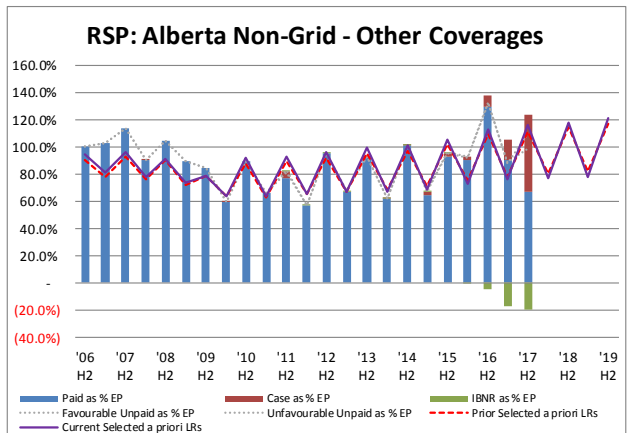
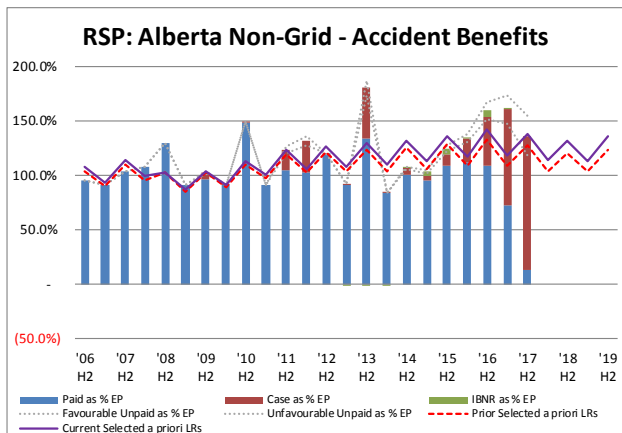
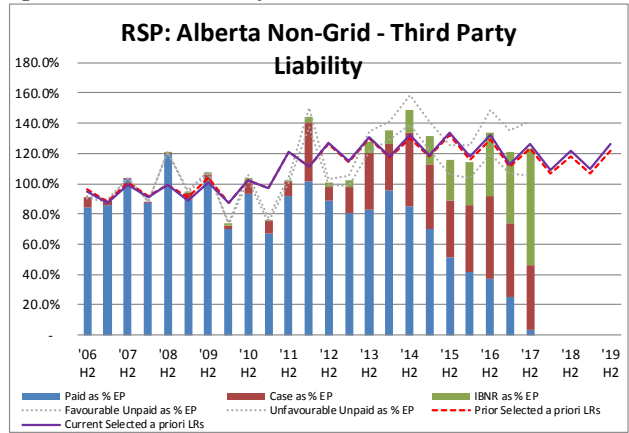
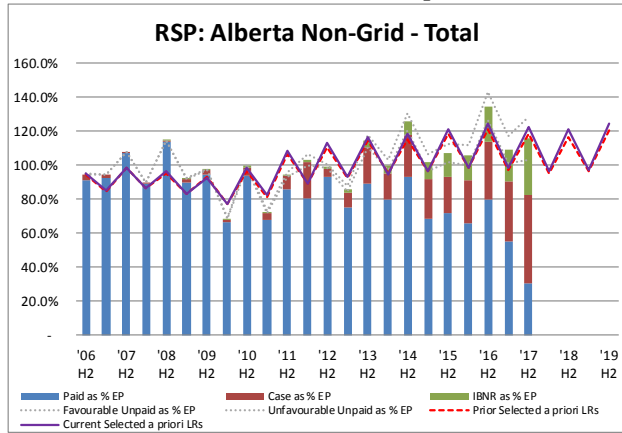
Ontario – Actual and a priori Loss Ratios (per 2017 Q4 used for the 2018 Q1 valuation)



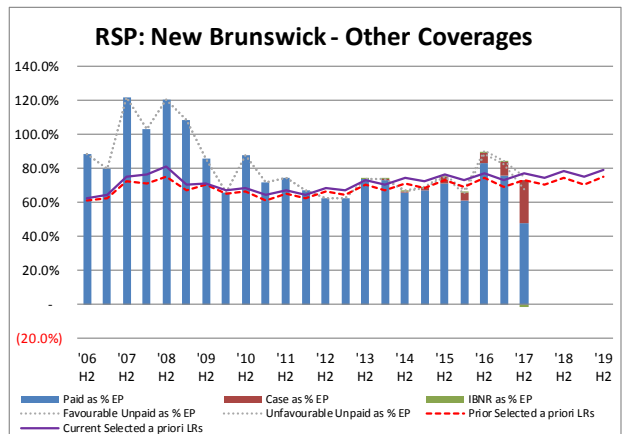
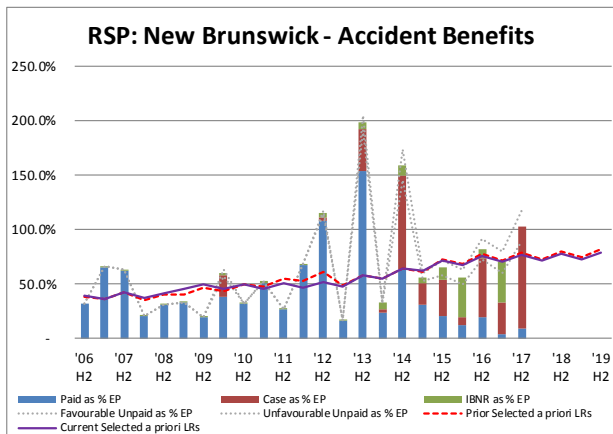
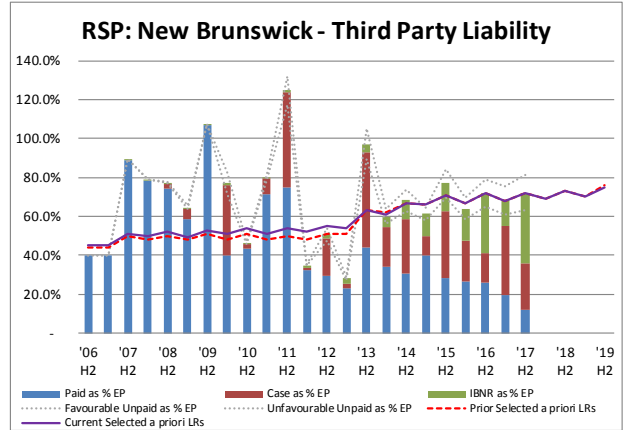
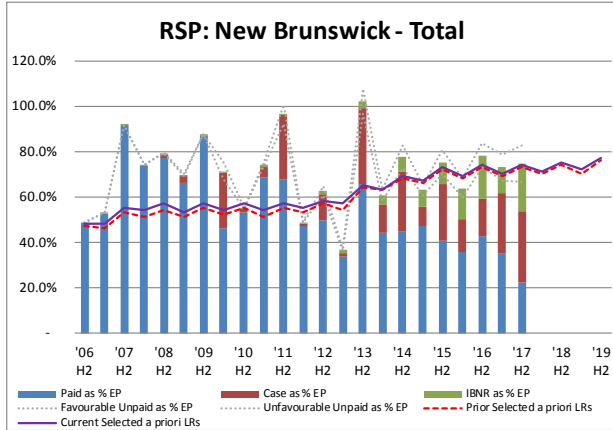
Alberta Grid – Actual and a priori Loss Ratios (per 2017 Q4 used for the 2018 Q1 valuation)



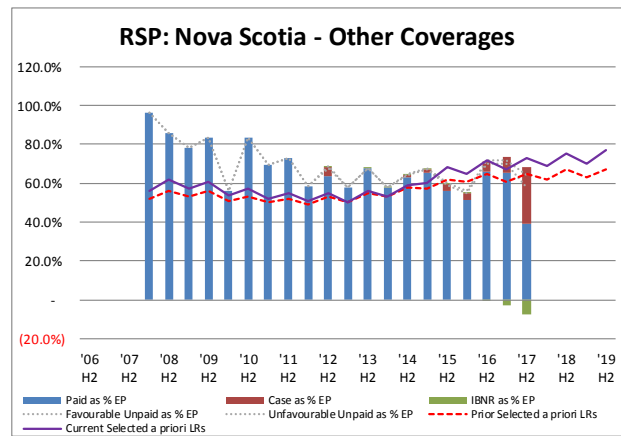
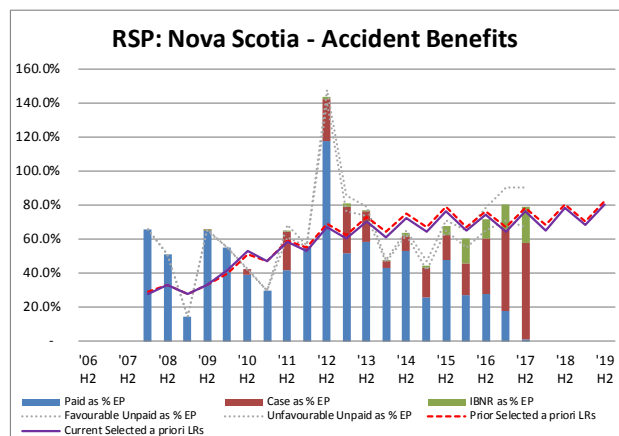
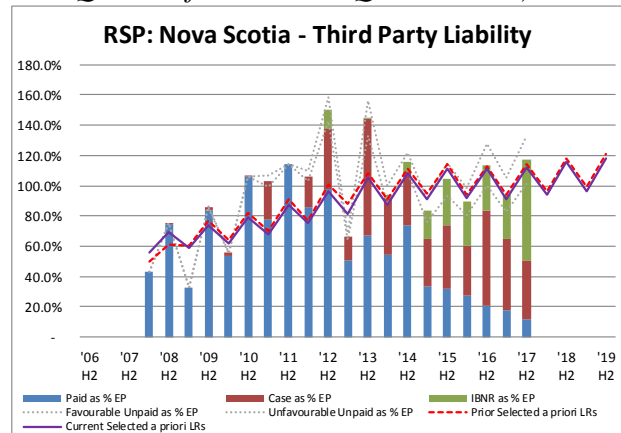
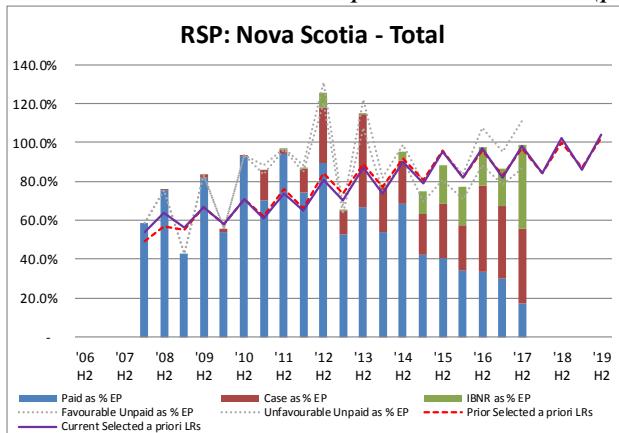
Alberta Non-Grid – Actual and a priori Loss Ratios (per 2017 Q4 used for the 2018 Q1 valuation)



New Brunswick – Actual and a priori Loss Ratios (per 2017 Q4 used for the 2018 Q1 valuation)



Nova Scotia – Actual and a priori Loss Ratios (per 2017 Q4 used for the 2018 Q1 valuation)



The operating results for calendar year **2018** include actual development on accident years 2018 and prior incurred claims amounts, up to and including activity in the month of May 2018. 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 **2019**, but actuarial present value adjustment changes are projected to occur as claims liabilities are unwound. The discount rates and margins for adverse development are unchanged throughout the projection period.

3.3 Simulated 2019 Accident Year Nominal Loss Ratio

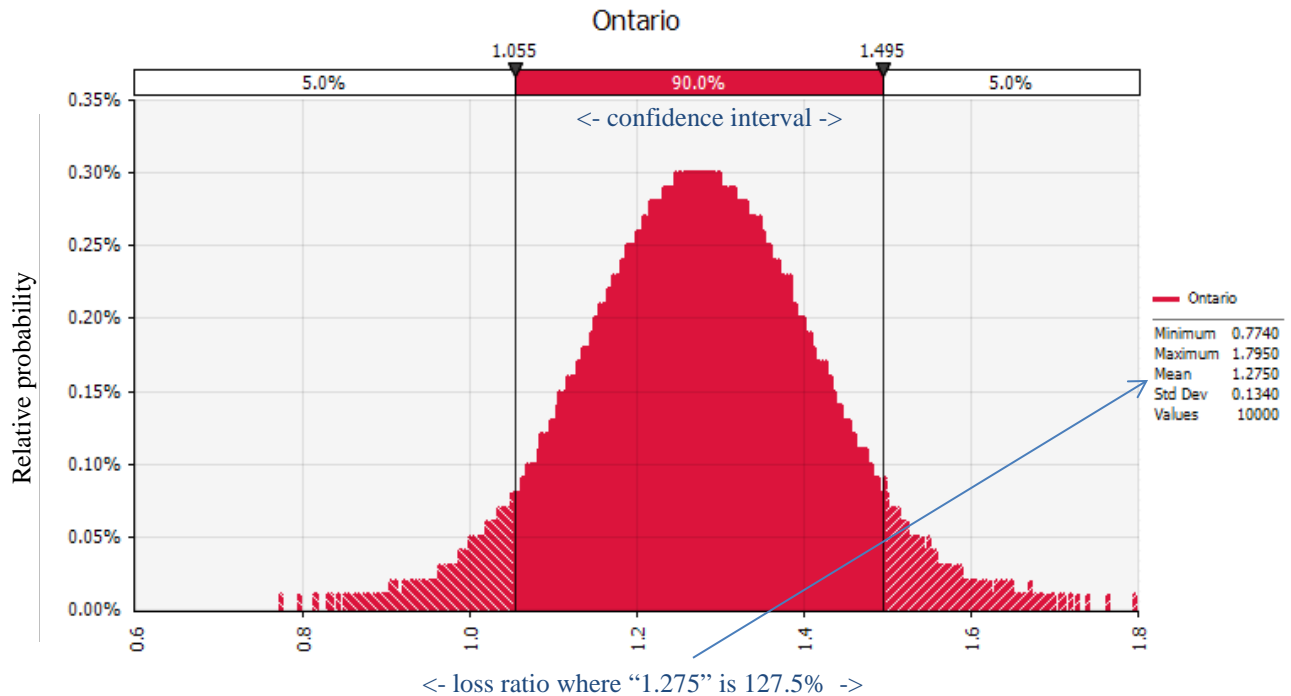
The overall “normal course” nominal loss ratio for accident year **2019** for each RSP could be modelled using a normal distribution with a mean set at the a priori loss ratio and standard deviations¹⁰ based on our a priori loss ratios (indemnity only) by accident half for 2007-2016 put on-level, and smoothed. This would not necessarily take into account “stress” events and users are strongly urged to consider “stress” scenarios in addition to these “normal course” simulated loss ratios. Further, this assumes that the baseline a priori estimates will prove to be the “best estimate”

¹⁰These standard deviations are estimated from on-level a priori loss ratios for each RSP under “base line” assumptions – not “stressed” assumptions.

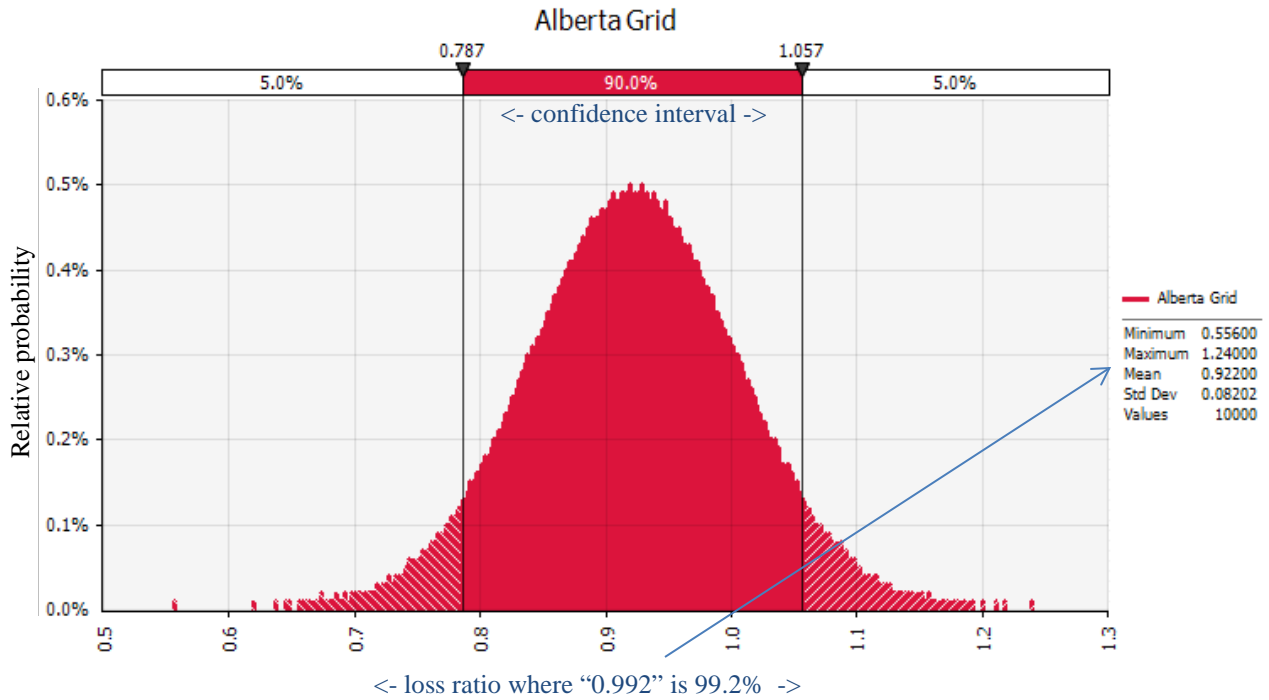
loss ratio for accident year **2019** – this estimate may change over time due to modelling differences and changes in historical loss ratios etc. that are used to derive this estimate.

Histograms for the loss ratio modeling by RSP for accident year **2019** is presented below based on latin hypercube sampling (10,000 samples) using @risk simulation software, and, again, assuming loss ratios follow a normal distribution under “non-stressed” scenarios.

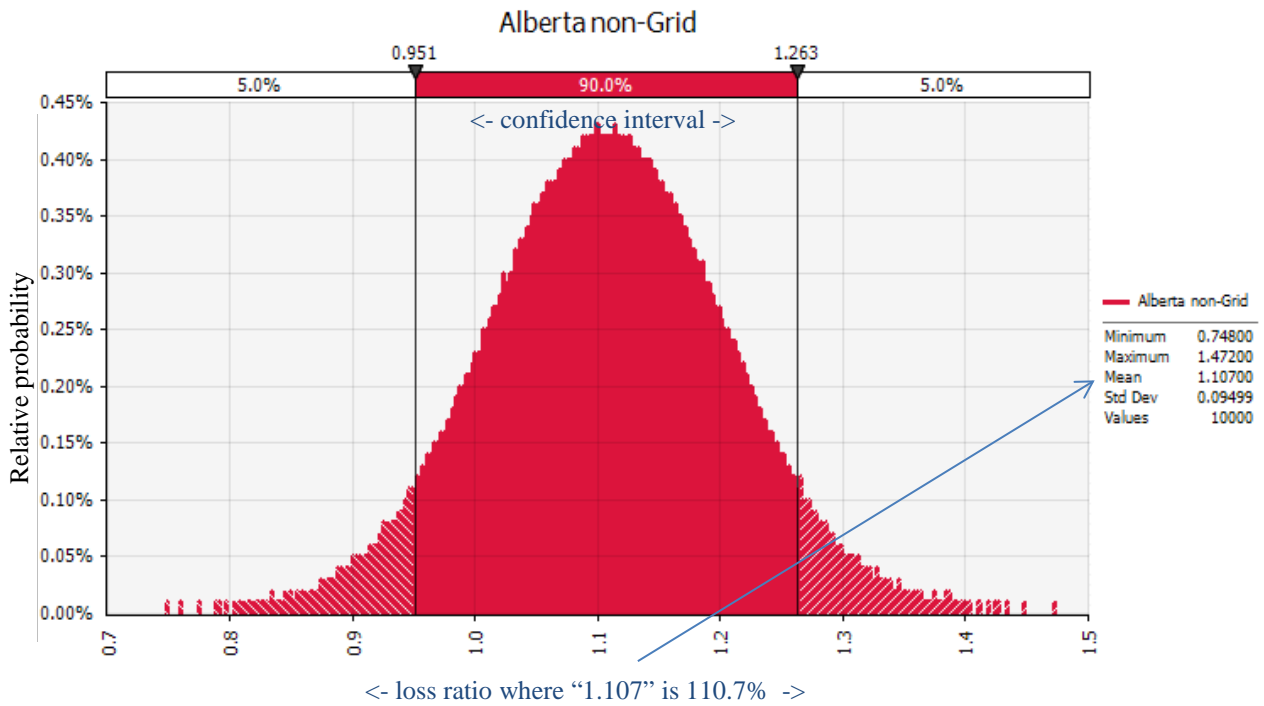
Projection Summary – Ontario RSP Accident Year 2019 Nominal Loss Ratio (non-stressed)



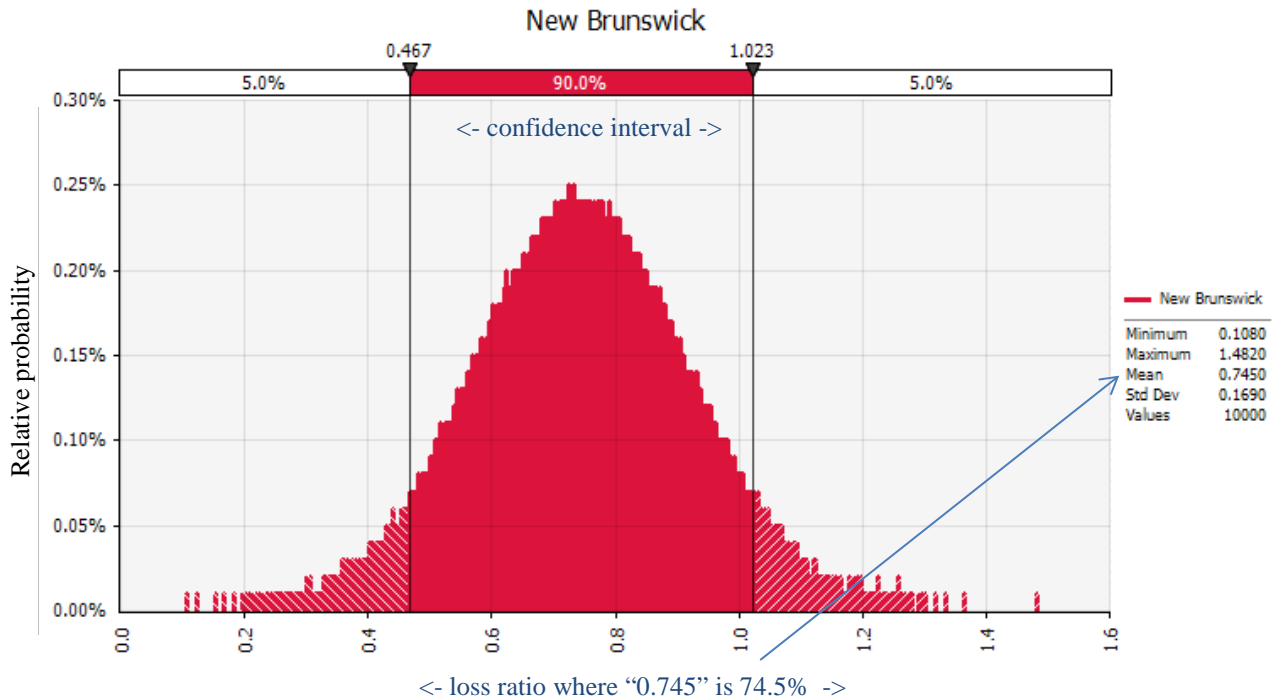
Projection Summary – Alberta Grid RSP Accident Year 2019 Nominal Loss Ratio (non-stressed)



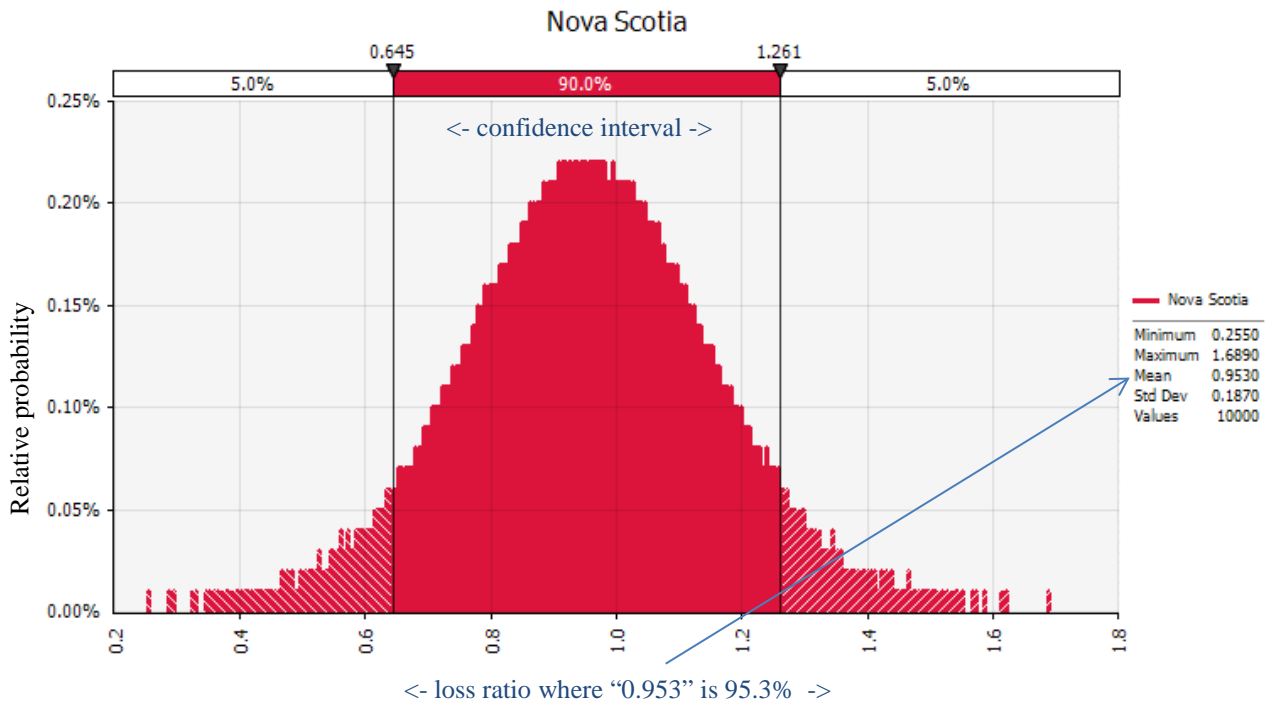
Projection Summary – Alberta Non-Grid RSP Accident Year 2019 Nominal Loss Ratio (non-stressed)



Projection Summary – New Brunswick RSP Accident Year 2019 Nominal Loss Ratio (non-stressed)



Projection Summary – Nova Scotia RSP Accident Year 2019 Nominal Loss Ratio (non-stressed)



The above histograms of simulated results for the RSPs' 2019 accident year nominal loss ratios were

based on simulated (generated) loss ratios assuming the base line loss ratios and associated standard deviations as presented in the next table.

Projection Summary – Accident Year 2019 Nominal Loss Ratio – Generator Assumptions

Facility Association

a priori LRs - distribution estimates

for valuation: **Mar 31, 2018**

RSP: **ALL**

Amounts in: \$1,000s

Jurisdiction	2019 From Projection			From a priori Model		Scenario Claims	
	EP	CAY Loss Ratios (nominal)	CAY claims	Loss Ratio CV	estimated Loss Ratio std dev	generated claims	generated Claims Ratio
Ontario	427,274	127.5%	544,774	10.5%	13.4%	544,774	127.5%
Alberta Grid	158,963	92.2%	146,564	8.9%	8.2%	146,564	92.2%
Alberta non-Grid	134,601	110.7%	149,003	8.6%	9.5%	149,003	110.7%
New Brunswick	17,041	74.5%	12,696	22.7%	16.9%	12,696	74.5%
Nova Scotia	31,709	95.3%	30,219	19.6%	18.7%	30,219	95.3%
ALL	769,588	114.8%	883,256	5.9%	6.8%	883,256	114.8%

Please see section 3.2 for a priori loss ratios and associated charts by RSP.

3.4 Expenses

Expense allowances are the amounts paid to Members as a percentage of (written) premiums transferred to an RSP, in respect of commissions and other underwriting expenses, as well as claims adjustment expenses. The expense allowance ratios applied to the estimated premiums transferred during Calendar Year **2019** were selected as follows (where 2019 currently follows 2018 as 2019 has not been reviewed / finalized / approved by the FA Board):

- **Ontario RSP.** The expense allowance ratios vary by Member, subject to a maximum (as approved annually by the FA Board) with the calendar year 2017 maximum communicated to Members in Bulletin F16-065 and the Calendar Year 2018 maximum via Bulletin F17-068.
- **Other RSPs.** The expense allowances for each calendar year and RSP are approved annually by the FA Board. The calendar year 2017 ratios are those approved for calendar year 2017, as communicated to Members in Bulletins F16-066 (Alberta), F16-067 (New Brunswick), and F16-068 (Nova Scotia). The Calendar Year 2018 ratios are those as communicated in Bulletins F17-069 (Alberta), F17-070 (New Brunswick), and F17-071 (Nova Scotia).

The table at the top of the next page summarizes the approved expense factors by RSP.

RSP / Jurisdiction	Approved Expense Factor CY 2018*	Approved Expense Factor CY 2017	Comments
Ontario (expense cap)	32.0% with prof fee ratio increased to 3.0%	32.0%	<u>no</u> change in cap, but <u>in</u> crease the professional fee offset by 1 point to 3.0% estimated effective expense ratio assumption is 30.2% for CY 2017 and 29.9% for CY 2018
Alberta	29.7%	28.9%	<u>in</u> crease by 0.8 percentage points mainly due to increase in assumed ratio for acquisition, underwriting, and admin expenses
New Brunswick	28.6%	31.9%	<u>de</u> crease by 3.3 percentage points mainly due to claims expense ratio changes
Nova Scotia	30.2%	31.0%	<u>de</u> crease by 0.8 percentage points mainly due to increase in assumed ratio for claims adjudication professional fees offset

*used for CY 2019 in 2019 Preliminary Outlook

Calendar Year **2019** changes in premium deficiency / (deferred policy acquisition costs) are estimated by applying loss ratios and future servicing cost ratios to the starting and ending projected unearned premiums. The underlying premium deficiency ratios were derived on the basis of the expected loss ratios for accident year **2019** and **2020** as applicable, and expected future servicing costs estimated at the rate of 50% of administration expenses. Where the sum of these ratios was less than 100% (i.e. thus giving rise to an asset rather than a liability), the asset value was capped on the basis of the expense allowance ratio.

Administration Expenses for Calendar Year **2019** were projected as percentages of written premiums based on actual expenses-to-written premium ratios in recent years.

Calendar Year 2019 Expense Ratio Projections						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Expense Allowance (% WP)	29.9%	29.7%	29.7%	28.6%	30.2%	29.8%
Administrative Expense (% WP)	0.5%	0.6%	1.0%	5.1%	3.5%	0.8%
prem def / (dpac) (% UP)	42.6%	0.3%	20.9%	(17.8%)	5.6%	n/a

3.5 Operating Cash Flows

Net cash flows from operations for the RSPs are projected to be an overall outflow of \$130.3 million for Calendar Year **2019** as presented in the table at the top of the next page. Differences between the Calendar Year **2019** projection and the calendar year **2018** projections are minor, notwithstanding

the increase in premium for **2019** over **2018**, largely as claims payments are also expected to increase in **2019** over **2018**. Should volumes not change during **2019** as anticipated or payments prove higher than expected, net operating cash flows would be adversely impacted.

Projection Summary – Calendar Year 2019 – Net Operating Cash Flows

Calendar Year 2019 Net Operating Cash Flow Projections (\$000s)						
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	TOTAL
Written Premium	430,336	159,083	141,645	17,957	32,469	781,490
PAYs Paid Claims						
paid indemnity	205,043	75,907	45,753	2,712	6,631	336,046
paid allowed claims expense	33,778	11,209	5,335	1,026	928	52,276
PAYs Paid Claims	238,821	87,116	51,088	3,738	7,559	388,322
CAYs Paid Claims						
paid indemnity	151,011	51,092	65,364	5,005	9,631	282,103
paid allowed claims expense	1,525	205	197	10	39	1,976
CAYs Paid Claims	152,536	51,297	65,561	5,015	9,670	284,079
All AYs Paid Claims						
paid indemnity	356,054	126,999	111,117	7,717	16,262	618,149
paid allowed claims expense	35,303	11,414	5,532	1,036	967	54,252
All AYs Paid Claims	391,357	138,413	116,649	8,753	17,229	672,401
"Cash" Expenses						
Member Expense Allowance	128,671	47,249	42,069	5,136	9,805	232,930
Administrative Expenses	2,065	1,017	1,356	915	1,137	6,490
"Cash" Expenses	130,736	48,266	43,425	6,051	10,942	239,420
2019 Net Operating Cash Flow	(91,757)	(27,596)	(18,429)	3,153	4,298	(130,331)
2018 Net Operating Cash Flow						
Oct. 3, 2017 Outlook	(89,802)	(20,233)	(35,538)	2,635	8,969	(133,969)
May 31, 2018 Projection	(79,569)	(37,165)	(16,558)	769	4,802	(127,722)

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

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

Ontario RSP Historic Operating Cash Flows by Share Year

\$millions RSP Ontario	Share (i.e. Calendar) Year					
	2017	2016	2015	2014	2013	2012
written premium	362.5	336.1	239.0	278.6	277.6	308.7
expense allowance	110.8	99.7	70.5	87.0	84.1	90.9
administration	1.4	1.3	1.3	1.2	1.4	1.4
prem net of expenses	250.3	235.0	167.2	190.4	192.1	216.4
paid claims						
PAYs indemnity	174.2	177.7	165.8	155.1	163.6	163.1
PAY claims expenses	18.0	24.3	23.4	25.5	24.5	21.3
CAY indemnity	149.2	101.5	87.7	80.9	80.9	71.2
CAY clms expenses	0.7	0.5	0.5	1.1	1.2	1.2
all yrs indemnity	323.3	279.2	253.5	235.9	244.5	234.3
all yrs clms expenses	18.6	24.8	23.9	26.6	25.7	22.5
total claims & expenses paid	342.0	303.9	277.4	262.5	270.2	256.9
operating cash flow	(91.7)	(68.9)	(110.2)	(72.2)	(78.1)	(40.4)

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

Alberta Grid RSP Historic Operating Cash Flows by Share Year

\$millions	RSP Alberta Grid					
	Share (i.e. Calendar) Year					
	2017	2016	2015	2014	2013	2012
written premium	160.0	148.5	138.3	155.8	135.9	160.3
expense allowance	46.2	44.7	39.1	44.4	38.1	47.0
administration	1.0	0.9	0.8	0.8	0.8	0.8
prem net of expenses	112.8	102.8	98.3	110.6	96.9	112.5
paid claims						
PAYs indemnity	81.0	68.7	79.4	81.3	84.9	74.8
PAY claims expenses	4.8	5.6	5.7	6.1	6.2	6.8
CAY indemnity	45.4	39.5	47.2	42.5	42.7	51.8
CAY clms expenses	0.2	0.1	0.2	0.2	0.2	0.3
all yrs indemnity	126.4	108.3	126.6	123.8	127.6	126.5
all yrs clms expenses	4.9	5.7	5.9	6.3	6.3	7.1
total claims & expenses paid	131.3	114.0	132.5	130.1	133.9	133.6
operating cash flow	(18.5)	(11.1)	(34.2)	(19.5)	(37.0)	(21.2)

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

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

\$millions RSP Alberta Non-Grid	Share (i.e. Calendar) Year					
	2017	2016	2015	2014	2013	2012
written premium	99.0	99.7	86.0	88.4	81.9	80.8
expense allowance	28.6	30.0	24.3	25.2	23.0	23.7
administration	1.0	0.9	0.8	0.8	0.8	0.8
prem net of expenses	69.4	68.8	60.9	62.5	58.1	56.3
paid claims						
PAYs indemnity	53.7	42.5	41.8	39.0	33.8	31.4
PAY claims expenses	2.2	2.5	2.4	2.5	2.4	2.1
CAY indemnity	48.8	49.7	40.0	40.5	34.2	31.0
CAY clms expenses	0.2	0.1	0.1	0.1	0.1	0.1
all yrs indemnity	102.5	92.1	81.9	79.5	68.1	62.4
all yrs clms expenses	2.4	2.6	2.5	2.6	2.5	2.3
total claims & expenses paid	104.9	94.8	84.4	82.1	70.6	64.7
operating cash flow	(35.5)	(26.0)	(23.5)	(19.7)	(12.5)	(8.4)

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

New Brunswick RSP Historic Operating Cash Flows by Share Year

\$millions	RSP New Brunswick					
	Share (i.e. Calendar) Year					
	2017	2016	2015	2014	2013	2012
written premium	11.8	9.7	11.2	9.5	9.6	11.3
expense allowance	3.7	3.4	3.9	3.1	3.2	3.9
administration	0.6	0.5	0.5	0.5	0.5	0.6
prem net of expenses	7.4	5.8	6.8	5.9	5.9	6.9
paid claims						
PAYs indemnity	3.3	2.6	2.5	3.1	5.3	3.2
PAY claims expenses	0.4	0.4	0.5	0.5	0.5	0.5
CAY indemnity	3.5	3.2	3.4	3.0	2.9	2.7
CAY clms expenses	0.0	0.0	0.0	0.0	0.0	0.0
all yrs indemnity	6.7	5.8	6.0	6.1	8.2	5.9
all yrs clms expenses	0.4	0.4	0.5	0.5	0.5	0.5
total claims & expenses paid	7.1	6.3	6.5	6.7	8.8	6.4
operating cash flow	0.3	(0.4)	0.2	(0.7)	(2.9)	0.5

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

Nova Scotia RSP Historic Operating Cash Flows by Share Year

\$millions	RSP Nova Scotia					
	Share (i.e. Calendar) Year					
	2017	2016	2015	2014	2013	2012
written premium	25.3	15.2	14.5	13.6	13.0	15.0
expense allowance	7.8	5.3	5.0	4.5	4.4	5.1
administration	0.6	0.5	0.5	0.4	0.5	0.5
prem net of expenses	16.9	9.4	9.0	8.7	8.2	9.4
paid claims						
PAYs indemnity	6.8	4.9	5.8	5.2	5.6	5.0
PAY claims expenses	0.5	0.6	0.3	0.3	0.3	0.2
CAY indemnity	5.6	3.8	3.9	4.0	4.4	4.2
CAY clms expenses	0.0	0.0	0.0	0.0	0.0	0.0
all yrs indemnity	12.3	8.7	9.7	9.2	10.0	9.2
all yrs clms expenses	0.5	0.6	0.3	0.3	0.3	0.2
total claims & expenses paid	12.8	9.3	10.0	9.5	10.4	9.4
operating cash flow	4.0	0.1	(1.1)	(0.9)	(2.2)	(0.1)

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

4. EXHIBITS

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

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

- A-1 Ontario
- A-2 Alberta Grid
- A-3 Alberta Non-Grid
- A-4 New Brunswick
- A-5 Nova Scotia

EXHIBIT B RSP Outlook – Summary of Operations

- B-1 Ontario
- B-2 Alberta Grid
- B-3 Alberta Non-Grid
- B-4 New Brunswick
- B-5 Nova Scotia

EXHIBIT C RSP Outlook – Projected Policy Liabilities

- C-1 Ontario
- C-2 Alberta Grid
- C-3 Alberta Non-Grid
- C-4 New Brunswick
- C-5 Nova Scotia

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

Exhibit A-1

Key Assumptions - Ontario RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2017	199,082	1,821	362,505	373,658	(0.8%)	1.1%	122.2%
2018	215,155	1,897	408,191	367,999	1.0%	4.0%	125.7%
2019	218,855	1,966	430,336	427,274	2.3%	4.4%	127.5%
Change	%	%	%	%	pts	pts	pts
2018	8.1%	4.2%	12.6%	(1.5%)	1.8	2.9	3.5
2019	1.7%	3.6%	5.4%	16.1%	1.3	0.4	1.8

Selected Claims Development MfADs (Mar. 31, 2018)

Accident Year	Third Party Liability	Accident Benefits	Other Coverages	Total
	Margins	Margins	Margins	Margins
1993	10.0%	10.0%	10.0%	10.0%
1994	10.0%	10.0%	10.0%	10.0%
1995	10.0%	10.0%	10.0%	10.0%
1996	10.0%	10.0%	10.0%	10.0%
1997	10.0%	10.0%	10.0%	10.0%
1998	10.0%	10.0%	10.0%	10.0%
1999	10.0%	10.0%	10.0%	10.0%
2000	10.0%	10.0%	10.0%	10.0%
2001	10.0%	10.0%	10.0%	10.0%
2002	8.9%	10.0%	10.0%	10.0%
2003	10.0%	10.0%	10.0%	10.0%
2004	10.0%	10.0%	10.0%	10.0%
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	9.8%	10.0%
2012	10.0%	10.0%	9.0%	10.0%
2013	12.5%	12.5%	12.1%	12.5%
2014	15.0%	15.0%	13.0%	15.0%
2015	14.9%	15.0%	11.1%	14.9%
2016	17.3%	17.5%	11.3%	17.3%
2017	19.7%	20.0%	10.0%	19.7%
2018	18.7%	20.0%	6.3%	18.9%
2019	14.0%	20.0%	5.2%	14.5%
prem liab	14.0%	20.0%	5.2%	14.5%

discount rate: 1.89%
margin (basis points): 25

Exhibit A-2

Key Assumptions - Alberta Grid RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2017	66,524	2,405	160,018	149,501	7.7%	5.2%	91.7%
2018	58,392	2,604	152,048	163,969	7.3%	5.2%	91.9%
2019	60,641	2,623	159,083	158,963	3.6%	5.3%	92.2%
Change	%	%	%	%	pts	pts	pts
2018	(12.2%)	8.3%	(5.0%)	9.7%	(0.4)	-	0.2
2019	3.9%	0.7%	4.6%	(3.1%)	(3.7)	0.1	0.3

Selected Claims Development MfADs (Mar. 31, 2018)

Accident Year	Third Party Liability Margins	Accident Benefits Margins	Other Coverages Margins	Total Margins
2004	10.0%	10.0%	10.0%	10.0%
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	9.9%	10.0%
2013	10.0%	10.0%	10.0%	10.0%
2014	10.0%	10.0%	10.0%	10.0%
2015	12.5%	10.0%	12.5%	12.5%
2016	12.5%	10.0%	12.5%	12.5%
2017	12.4%	10.0%	12.0%	12.3%
2018	12.1%	10.0%	7.0%	11.8%
2019	11.8%	10.0%	5.1%	10.1%
prem liab	11.8%	10.0%	5.1%	10.1%

discount rate: 1.92%
 margin (basis points): 25

Exhibit A-3

Key Assumptions - Alberta Non-Grid RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2017	66,417	1,491	99,014	96,926	6.5%	5.1%	115.0%
2018	77,795	1,565	121,780	108,098	6.3%	5.1%	111.2%
2019	87,716	1,615	141,645	134,601	3.1%	5.2%	110.7%
Change	%	%	%	%	pts	pts	pts
2018	17.1%	5.0%	23.0%	11.5%	(0.2)	-	(3.8)
2019	12.8%	3.2%	16.3%	24.5%	(3.2)	0.1	(0.5)

Selected Claims Development MfADs (Mar. 31, 2018)

Accident Year	Third Party Liability Margins	Accident Benefits Margins	Other Coverages Margins	Total Margins
2004	10.0%	10.0%	10.0%	10.0%
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	9.4%	10.0%
2014	10.0%	10.0%	8.8%	10.0%
2015	12.5%	10.0%	10.5%	12.4%
2016	12.5%	10.0%	9.9%	12.3%
2017	12.4%	10.0%	11.2%	12.3%
2018	12.1%	10.0%	7.1%	11.5%
2019	11.8%	10.0%	5.3%	9.1%
prem liab	11.8%	10.0%	5.3%	9.1%

discount rate: 1.93%
 margin (basis points): 25

Exhibit A-4

Key Assumptions - New Brunswick RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2017	9,402	1,252	11,775	10,613	3.8%	3.5%	80.1%
2018	11,354	1,319	14,981	13,441	1.7%	3.0%	73.1%
2019	13,253	1,355	17,957	17,041	1.2%	3.0%	74.5%
Change	%	%	%	%	pts	pts	pts
2018	20.8%	5.4%	27.2%	26.6%	(2.1)	(0.5)	(7.0)
2019	16.7%	2.7%	19.9%	26.8%	(0.5)	0.0	1.4

Selected Claims Development MfADs (Mar. 31, 2018)

Accident Year	Third Party Liability Margins	Accident Benefits Margins	Other Coverages Margins	Total Margins
2005	10.0%	10.0%	10.0%	10.0%
2006	10.0%	10.0%	10.0%	10.0%
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	10.0%	10.0%
2014	10.0%	10.0%	7.1%	10.0%
2015	12.3%	10.0%	6.0%	11.7%
2016	12.4%	10.0%	6.0%	11.7%
2017	12.5%	10.0%	6.5%	12.0%
2018	12.3%	10.0%	5.6%	11.4%
2019	12.0%	10.0%	5.1%	9.8%
prem liab	12.0%	10.0%	5.1%	9.8%

discount rate: 1.93%
margin (basis points): 25

Exhibit A-5

Key Assumptions - Nova Scotia RSP							
	Written Exposures	Average Written Premium	Written Premium (\$000s)	Earned Premium (\$000s)	earned rate change	claims trend	Ultimate Loss Ratio (nominal)
Amounts							
2017	17,388	1,455	25,298	18,963	4.1%	4.6%	91.0%
2018	19,809	1,517	30,053	28,260	2.7%	4.6%	94.2%
2019	20,956	1,549	32,469	31,709	2.7%	4.6%	95.3%
Change	%	%	%	%	pts	pts	pts
2018	13.9%	4.3%	18.8%	49.0%	(1.4)	-	3.2
2019	5.8%	2.1%	8.0%	12.2%	(0.0)	0.0	1.1

Selected Claims Development MfADs (Mar. 31, 2018)

Accident Year	Third Party Liability Margins	Accident Benefits Margins	Other Coverages Margins	Total Margins
2007	10.0%	10.0%	10.0%	10.0%
2008	10.0%	10.0%	10.0%	10.0%
2009	10.0%	10.0%	10.0%	10.0%
2010	10.0%	10.0%	10.0%	10.0%
2011	10.0%	10.0%	10.0%	10.0%
2012	10.0%	10.0%	10.0%	10.0%
2013	10.0%	10.0%	10.0%	10.0%
2014	12.5%	10.0%	6.4%	12.4%
2015	12.4%	10.0%	6.3%	12.0%
2016	12.4%	10.0%	6.5%	12.1%
2017	12.5%	10.0%	6.8%	12.2%
2018	12.4%	10.0%	5.7%	11.9%
2019	12.0%	10.0%	5.1%	10.4%
prem liab	12.0%	10.0%	5.1%	10.4%

discount rate: 1.92%
 margin (basis points): 25

Exhibit B-1
 Ontario RSP
 Summary of Operations

page 1 of 2

in \$ thousands	201901	201902	201903	201904	201905	201906	201907	201908	201909	201910	201911	201912
Underwriting Revenue												
written premium	29,741	32,456	36,466	34,327	36,003	39,772	38,507	39,221	39,319	36,893	36,795	30,836
decrease / (increase) in unearned	4,826	1,404	(725)	1,359	98	(3,162)	(2,057)	(2,292)	(2,750)	(974)	(1,611)	2,822
earned premium	34,567	33,860	35,741	35,686	36,101	36,610	36,450	36,929	36,569	35,919	35,184	33,658
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	(2,907)	(1,883)	(2,199)	(2,240)	(2,195)	(1,717)	(1,911)	(1,737)	(1,675)	(2,267)	(2,065)	(2,460)
Discounted	(2,907)	(1,883)	(2,199)	(2,240)	(2,195)	(1,717)	(1,911)	(1,737)	(1,675)	(2,267)	(2,065)	(2,460)
Current Accident Year												
Undiscounted	44,073	43,172	45,569	45,500	46,029	46,678	46,473	47,084	46,625	45,797	44,860	42,913
effect of discounting	5,159	4,185	3,877	4,373	4,343	4,327	4,183	4,148	4,009	3,840	3,598	3,321
Discounted	49,232	47,357	49,446	49,873	50,372	51,005	50,656	51,232	50,634	49,637	48,458	46,234
Claims Incurred	46,325	45,474	47,247	47,633	48,177	49,288	48,745	49,495	48,959	47,370	46,393	43,774
Underwriting Expenses												
Expense Allowance	8,892	9,704	10,903	10,264	10,765	11,892	11,514	11,727	11,757	11,031	11,002	9,220
% wp	29.9%	29.9%	29.9%	29.9%	29.9%	29.9%	29.9%	29.9%	29.9%	29.9%	29.9%	29.9%
Premium Deficiency / (DPAC)												
Undiscounted	(1,320)	(304)	369	(132)	302	1,334	1,115	1,258	1,466	1,008	1,256	(46)
effect of discounting	(585)	(161)	102	(141)	21	426	301	337	400	188	273	(273)
Discounted	(1,905)	(465)	471	(273)	323	1,760	1,416	1,595	1,866	1,196	1,529	(319)
Underwriting Expenses	6,987	9,239	11,374	9,991	11,088	13,652	12,930	13,322	13,623	12,227	12,531	8,901
Net Underwriting Gain (Loss)	(18,745)	(20,853)	(22,880)	(21,938)	(23,164)	(26,330)	(25,225)	(25,888)	(26,013)	(23,678)	(23,740)	(19,017)
Administrative Expenses	143	155	175	165	173	191	184	189	189	177	176	148
Operating Result	(18,888)	(21,008)	(23,055)	(22,103)	(23,337)	(26,521)	(25,409)	(26,077)	(26,202)	(23,855)	(23,916)	(19,165)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	(8.4%)	(5.6%)	(6.2%)	(6.3%)	(6.1%)	(4.7%)	(5.2%)	(4.7%)	(4.6%)	(6.3%)	(5.9%)	(7.3%)
Current Accident Year	142.4%	139.9%	138.3%	139.8%	139.5%	139.3%	139.0%	138.7%	138.5%	138.2%	137.7%	137.4%
All Accident Years Combined	134.0%	134.3%	132.1%	133.5%	133.4%	134.6%	133.8%	134.0%	133.9%	131.9%	131.8%	130.1%
Underwriting & Admin Exp (EP)	20.6%	27.7%	32.3%	28.5%	31.2%	37.8%	36.0%	36.6%	37.8%	34.5%	36.1%	26.9%
Combined Operating Ratio	154.6%	162.0%	164.4%	162.0%	164.6%	172.4%	169.8%	170.6%	171.7%	166.4%	167.9%	157.0%

Exhibit B-1
Ontario RSP
Summary of Operations

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Ontario ON	100	FULL YEAR					
in \$ thousands	2017	2018	2019	Change during 2018		Change during 2019	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	362,505	408,191	430,336	45,686	12.6%	22,145	5.4%
decrease / (increase) in unearned	11,153	(40,192)	(3,062)	(51,345)	(460.4%)	37,130	(92.4%)
earned premium	373,658	367,999	427,274	(5,659)	(1.5%)	59,275	16.1%
Claims Incurred							
Prior Accident Years							
Undiscounted	(47,673)	(14,079)	-	33,594	(70.5%)	14,079	(100.0%)
effect of discounting	(66,431)	(22,661)	(25,256)	43,770	(65.9%)	(2,595)	11.5%
Discounted	(114,104)	(36,740)	(25,256)	77,364	(67.8%)	11,484	(31.3%)
Current Accident Year							
Undiscounted	455,723	463,623	544,773	7,900	1.7%	81,150	17.5%
effect of discounting	39,948	38,509	49,363	(1,439)	(3.6%)	10,854	28.2%
Discounted	495,671	502,132	594,136	6,461	1.3%	92,004	18.3%
Claims Incurred	381,567	465,392	568,880	83,825	22.0%	103,488	22.2%
Underwriting Expenses							
Expense Allowance	110,765	122,239	128,671	11,474	10.4%	6,432	5.3%
% wp	30.6%	29.9%	29.9%	(0.7%)		-	
Premium Deficiency / (DPAC)							
Undiscounted	6,769	19,899	6,306	13,130	194.0%	(13,593)	(68.3%)
effect of discounting	(8,538)	4,589	888	13,127	(153.7%)	(3,701)	(80.6%)
Discounted	(1,769)	24,488	7,194	26,257	(1,484.3%)	(17,294)	(70.6%)
Underwriting Expenses	108,996	146,727	135,865	37,731	34.6%	(10,862)	(7.4%)
Net Underwriting Gain (Loss)	(116,905)	(244,120)	(277,471)	(127,215)	108.8%	(33,351)	13.7%
Administrative Expenses	1,431	1,854	2,065	423	29.6%	211	11.4%
Operating Result	(118,336)	(245,974)	(279,536)	(127,638)	107.9%	(33,562)	13.6%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	(30.5%)	(10.0%)	(5.9%)	20.5%		4.1%	
Current Accident Year	132.7%	136.4%	139.1%	3.7%		2.7%	
All Accident Years Combined	102.2%	126.4%	133.2%	24.2%		6.8%	
Underwriting & Admin Exp (EP)	29.6%	40.4%	32.3%	10.8%		(8.1%)	
Combined Operating Ratio	131.8%	166.8%	165.5%	35.0%		(1.3%)	

Exhibit B-2
Alberta Grid RSP
Summary of Operations

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in \$ thousands	201901	201902	201903	201904	201905	201906	201907	201908	201909	201910	201911	201912
Underwriting Revenue												
written premium	9,223	9,510	13,526	14,527	14,894	15,563	14,784	15,217	15,179	14,114	12,057	10,489
decrease / (increase) in unearned	4,155	3,195	(142)	(1,302)	(1,735)	(2,427)	(1,474)	(1,461)	(1,375)	(462)	1,093	1,815
earned premium	13,378	12,705	13,384	13,225	13,159	13,136	13,310	13,756	13,804	13,652	13,150	12,304
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	474	(617)	(633)	(464)	(559)	(513)	(374)	(339)	(370)	(428)	(579)	(580)
Discounted	474	(617)	(633)	(464)	(559)	(513)	(374)	(339)	(370)	(428)	(579)	(580)
Current Accident Year												
Undiscounted	12,334	11,714	12,340	12,194	12,133	12,111	12,272	12,683	12,727	12,587	12,124	11,344
effect of discounting	718	594	533	486	534	509	490	479	451	411	354	278
Discounted	13,052	12,308	12,873	12,680	12,667	12,620	12,762	13,162	13,178	12,998	12,478	11,622
Claims Incurred	13,526	11,691	12,240	12,216	12,108	12,107	12,388	12,823	12,808	12,570	11,899	11,042
Underwriting Expenses												
Expense Allowance	2,740	2,824	4,017	4,315	4,423	4,623	4,391	4,519	4,509	4,192	3,581	3,115
% wp	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%
Premium Deficiency / (DPAC)												
Undiscounted	312	263	53	2	6	(15)	81	125	163	245	353	395
effect of discounting	(212)	(161)	10	72	97	131	88	86	86	37	(40)	(78)
Discounted	100	102	63	74	103	116	169	211	249	282	313	317
Underwriting Expenses	2,840	2,926	4,080	4,389	4,526	4,739	4,560	4,730	4,758	4,474	3,894	3,432
Net Underwriting Gain (Loss)	(2,988)	(1,912)	(2,936)	(3,380)	(3,475)	(3,710)	(3,638)	(3,797)	(3,762)	(3,392)	(2,643)	(2,170)
Administrative Expenses	59	61	86	93	96	100	94	97	97	90	77	67
Operating Result	(3,047)	(1,973)	(3,022)	(3,473)	(3,571)	(3,810)	(3,732)	(3,894)	(3,859)	(3,482)	(2,720)	(2,237)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	3.5%	(4.9%)	(4.7%)	(3.5%)	(4.2%)	(3.9%)	(2.8%)	(2.5%)	(2.7%)	(3.1%)	(4.4%)	(4.7%)
Current Accident Year	97.6%	96.9%	96.2%	95.9%	96.3%	96.1%	95.9%	95.7%	95.5%	95.2%	94.9%	94.5%
All Accident Years Combined	101.1%	92.0%	91.5%	92.4%	92.1%	92.2%	93.1%	93.2%	92.8%	92.1%	90.5%	89.8%
Underwriting & Admin Exp (EP)	21.7%	23.5%	31.1%	33.9%	35.1%	36.8%	35.0%	35.1%	35.2%	33.4%	30.2%	28.4%
Combined Operating Ratio	122.8%	115.5%	122.6%	126.3%	127.2%	129.0%	128.1%	128.3%	128.0%	125.5%	120.7%	118.2%

Exhibit B-2
Alberta Grid RSP
Summary of Operations

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Alberta Grid 200 AB Grid	FULL YEAR						
in \$ thousands	2017	2018	2019	Change during 2018		Change during 2019	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	160,018	152,048	159,083	(7,970)	(5.0%)	7,035	4.6%
decrease / (increase) in unearned	(10,517)	11,921	(120)	22,438	(213.3%)	(12,041)	(101.0%)
earned premium	149,501	163,969	158,963	14,468	9.7%	(5,006)	(3.1%)
Claims Incurred							
Prior Accident Years							
Undiscounted	21,038	6,123	-	(14,915)	(70.9%)	(6,123)	(100.0%)
effect of discounting	(14,503)	(4,727)	(4,982)	9,776	(67.4%)	(255)	5.4%
Discounted	6,535	1,396	(4,982)	(5,139)	(78.6%)	(6,378)	(456.9%)
Current Accident Year							
Undiscounted	135,790	151,583	146,563	15,793	11.6%	(5,020)	(3.3%)
effect of discounting	5,930	5,944	5,837	14	0.2%	(107)	(1.8%)
Discounted	141,720	157,527	152,400	15,807	11.2%	(5,127)	(3.3%)
Claims Incurred	148,255	158,923	147,418	10,668	7.2%	(11,505)	(7.2%)
Underwriting Expenses							
Expense Allowance	46,196	45,178	47,249	(1,018)	(2.2%)	2,071	4.6%
% wp	28.9%	29.7%	29.7%	0.8%		-	
Premium Deficiency / (DPAC)							
Undiscounted	4,959	6,745	1,983	1,786	36.0%	(4,762)	(70.6%)
effect of discounting	(1,106)	(618)	116	488	(44.1%)	734	(118.8%)
Discounted	3,853	6,127	2,099	2,274	59.0%	(4,028)	(65.7%)
Underwriting Expenses	50,049	51,305	49,348	1,256	2.5%	(1,957)	(3.8%)
Net Underwriting Gain (Loss)	(48,803)	(46,259)	(37,803)	2,544	(5.2%)	8,456	(18.3%)
Administrative Expenses	980	1,023	1,017	43	4.4%	(6)	(0.6%)
Operating Result	(49,783)	(47,282)	(38,820)	2,501	(5.0%)	8,462	(17.9%)
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	4.4%	0.9%	(3.1%)	(3.5%)		(4.0%)	
Current Accident Year	94.8%	96.1%	95.9%	1.3%		(0.2%)	
All Accident Years Combined	99.2%	97.0%	92.8%	(2.2%)		(4.2%)	
Underwriting & Admin Exp (EP)	34.1%	31.9%	31.7%	(2.2%)		(0.2%)	
Combined Operating Ratio	133.3%	128.9%	124.5%	(4.4%)		(4.4%)	

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

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in \$ thousands	201901	201902	201903	201904	201905	201906	201907	201908	201909	201910	201911	201912
Underwriting Revenue												
written premium	9,869	9,886	11,438	12,918	11,205	12,204	12,714	13,413	12,994	12,799	11,858	10,347
decrease / (increase) in unearned	702	384	(500)	(1,855)	(204)	(1,345)	(1,502)	(1,703)	(1,022)	(688)	(103)	792
earned premium	10,571	10,270	10,938	11,063	11,001	10,859	11,212	11,710	11,972	12,111	11,755	11,139
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	(334)	(401)	(342)	(212)	(224)	(255)	(258)	(157)	(228)	(224)	(231)	(277)
Discounted	(334)	(401)	(342)	(212)	(224)	(255)	(258)	(157)	(228)	(224)	(231)	(277)
Current Accident Year												
Undiscounted	11,703	11,368	12,108	12,247	12,178	12,021	12,411	12,963	13,253	13,407	13,013	12,330
effect of discounting	692	511	481	536	502	462	444	423	394	347	272	185
Discounted	12,395	11,879	12,589	12,783	12,680	12,483	12,855	13,386	13,647	13,754	13,285	12,515
Claims Incurred	12,061	11,478	12,247	12,571	12,456	12,228	12,597	13,229	13,419	13,530	13,054	12,238
Underwriting Expenses												
Expense Allowance	2,931	2,936	3,397	3,837	3,327	3,625	3,776	3,984	3,860	3,801	3,522	3,073
% wp	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%	29.7%
Premium Deficiency / (DPAC)												
Undiscounted	(71)	(7)	132	333	167	341	411	489	442	440	389	273
effect of discounting	(42)	(19)	33	115	21	89	102	116	80	60	26	(29)
Discounted	(113)	(26)	165	448	188	430	513	605	522	500	415	244
Underwriting Expenses	2,818	2,910	3,562	4,285	3,515	4,055	4,289	4,589	4,382	4,301	3,937	3,317
Net Underwriting Gain (Loss)	(4,308)	(4,118)	(4,871)	(5,793)	(4,970)	(5,424)	(5,674)	(6,108)	(5,829)	(5,720)	(5,236)	(4,416)
Administrative Expenses	94	94	109	124	107	117	122	129	124	123	114	99
Operating Result	(4,402)	(4,212)	(4,980)	(5,917)	(5,077)	(5,541)	(5,796)	(6,237)	(5,953)	(5,843)	(5,350)	(4,515)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	(3.2%)	(3.9%)	(3.1%)	(1.9%)	(2.0%)	(2.3%)	(2.3%)	(1.3%)	(1.9%)	(1.8%)	(2.0%)	(2.5%)
Current Accident Year	117.3%	115.7%	115.1%	115.5%	115.3%	115.0%	114.7%	114.3%	114.0%	113.6%	113.0%	112.4%
All Accident Years Combined	114.1%	111.8%	112.0%	113.6%	113.3%	112.7%	112.4%	113.0%	112.1%	111.8%	111.0%	109.9%
Underwriting & Admin Exp (EP)	27.5%	29.3%	33.6%	39.9%	32.9%	38.4%	39.3%	40.3%	37.6%	36.5%	34.5%	30.7%
Combined Operating Ratio	141.6%	141.1%	145.6%	153.5%	146.2%	151.1%	151.7%	153.3%	149.7%	148.3%	145.5%	140.6%

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

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Alberta non-Grid 250 AB non-Grid	FULL YEAR						
in \$ thousands	2017	2018	2019	Change during 2018		Change during 2019	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	99,014	121,780	141,645	22,766	23.0%	19,865	16.3%
decrease / (increase) in unearned	(2,088)	(13,682)	(7,044)	(11,594)	555.3%	6,638	(48.5%)
earned premium	96,926	108,098	134,601	11,172	11.5%	26,503	24.5%
Claims Incurred							
Prior Accident Years							
Undiscounted	6,939	(4,897)	-	(11,836)	(170.6%)	4,897	(100.0%)
effect of discounting	(9,421)	(3,652)	(3,143)	5,769	(61.2%)	509	(13.9%)
Discounted	(2,482)	(8,549)	(3,143)	(6,067)	244.4%	5,406	(63.2%)
Current Accident Year							
Undiscounted	109,960	120,549	149,002	10,589	9.6%	28,453	23.6%
effect of discounting	4,086	4,171	5,249	85	2.1%	1,078	25.8%
Discounted	114,046	124,720	154,251	10,674	9.4%	29,531	23.7%
Claims Incurred	111,564	116,171	151,108	4,607	4.1%	34,937	30.1%
Underwriting Expenses							
Expense Allowance	28,602	36,173	42,069	7,571	26.5%	5,896	16.3%
% wp	28.9%	29.7%	29.7%	0.8%		-	
Premium Deficiency / (DPAC)							
Undiscounted	3,745	3,990	3,339	245	6.5%	(651)	(16.3%)
effect of discounting	(918)	730	552	1,648	(179.5%)	(178)	(24.4%)
Discounted	2,827	4,720	3,891	1,893	67.0%	(829)	(17.6%)
Underwriting Expenses	31,429	40,893	45,960	9,464	30.1%	5,067	12.4%
Net Underwriting Gain (Loss)	(46,067)	(48,966)	(62,467)	(2,899)	6.3%	(13,501)	27.6%
Administrative Expenses	982	1,172	1,356	190	19.3%	184	15.7%
Operating Result	(47,049)	(50,138)	(63,823)	(3,089)	6.6%	(13,685)	27.3%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	(2.6%)	(7.9%)	(2.3%)	(5.3%)		5.6%	
Current Accident Year	117.7%	115.4%	114.6%	(2.3%)		(0.8%)	
All Accident Years Combined	115.1%	107.5%	112.3%	(7.6%)		4.8%	
Underwriting & Admin Exp (EP)	33.4%	38.9%	35.2%	5.5%		(3.7%)	
Combined Operating Ratio	148.5%	146.4%	147.5%	(2.1%)		1.1%	

Exhibit B-4
 New Brunswick RSP
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in \$ thousands	201901	201902	201903	201904	201905	201906	201907	201908	201909	201910	201911	201912
Underwriting Revenue												
written premium	1,099	1,191	1,402	1,636	1,609	1,800	1,675	1,783	1,584	1,551	1,331	1,296
decrease / (increase) in unearned	174	68	(53)	(265)	(212)	(363)	(201)	(261)	(68)	(37)	153	149
earned premium	1,273	1,259	1,349	1,371	1,397	1,437	1,474	1,522	1,516	1,514	1,484	1,445
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	50	(33)	(31)	(17)	(25)	(14)	(12)	(17)	(28)	(14)	(9)	(10)
Discounted	50	(33)	(31)	(17)	(25)	(14)	(12)	(17)	(28)	(14)	(9)	(10)
Current Accident Year												
Undiscounted	949	938	1,005	1,021	1,041	1,071	1,098	1,134	1,129	1,128	1,106	1,076
effect of discounting	40	34	30	35	35	34	34	36	33	31	29	27
Discounted	989	972	1,035	1,056	1,076	1,105	1,132	1,170	1,162	1,159	1,135	1,103
Claims Incurred	1,039	939	1,004	1,039	1,051	1,091	1,120	1,153	1,134	1,145	1,126	1,093
Underwriting Expenses												
Expense Allowance	314	341	401	468	460	515	479	510	453	443	381	371
% wp	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%	28.6%
Premium Deficiency / (DPAC)												
Undiscounted	39	19	(9)	(55)	(40)	(71)	(34)	(42)	(1)	10	53	53
effect of discounting	(5)	(2)	2	8	8	15	8	10	1	4	(6)	(5)
Discounted	34	17	(7)	(47)	(32)	(56)	(26)	(32)	-	14	47	48
Underwriting Expenses	348	358	394	421	428	459	453	478	453	457	428	419
Net Underwriting Gain (Loss)	(114)	(38)	(49)	(89)	(82)	(113)	(99)	(109)	(71)	(88)	(70)	(67)
Administrative Expenses	56	60	71	84	82	92	85	91	81	79	68	66
Operating Result	(170)	(98)	(120)	(173)	(164)	(205)	(184)	(200)	(152)	(167)	(138)	(133)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	3.9%	(2.6%)	(2.3%)	(1.2%)	(1.8%)	(1.0%)	(0.8%)	(1.1%)	(1.8%)	(0.9%)	(0.6%)	(0.7%)
Current Accident Year	77.7%	77.2%	76.7%	77.0%	77.0%	76.9%	76.8%	76.9%	76.6%	76.6%	76.5%	76.3%
All Accident Years Combined	81.6%	74.6%	74.4%	75.8%	75.2%	75.9%	76.0%	75.8%	74.8%	75.7%	75.9%	75.6%
Underwriting & Admin Exp (EP)	31.7%	33.2%	34.5%	36.8%	36.5%	38.3%	36.5%	37.4%	35.2%	35.4%	33.4%	33.6%
Combined Operating Ratio	113.3%	107.8%	108.9%	112.6%	111.7%	114.2%	112.5%	113.2%	110.0%	111.1%	109.3%	109.2%

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 Summary of Operations

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New Brunswick 300 NB	FULL YEAR						
in \$ thousands	2017	2018	2019	Change during 2018		Change during 2019	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	11,775	14,981	17,957	3,206	27.2%	2,976	19.9%
decrease / (increase) in unearned	(1,162)	(1,540)	(916)	(378)	32.5%	624	(40.5%)
earned premium	10,613	13,441	17,041	2,828	26.6%	3,600	26.8%
Claims Incurred							
Prior Accident Years							
Undiscounted	(339)	(396)	-	(57)	16.8%	396	(100.0%)
effect of discounting	(915)	(338)	(160)	577	(63.1%)	178	(52.7%)
Discounted	(1,254)	(734)	(160)	520	(41.5%)	574	(78.2%)
Current Accident Year							
Undiscounted	7,958	9,866	12,696	1,908	24.0%	2,830	28.7%
effect of discounting	256	281	398	25	9.8%	117	41.6%
Discounted	8,214	10,147	13,094	1,933	23.5%	2,947	29.0%
Claims Incurred	6,960	9,413	12,934	2,453	35.2%	3,521	37.4%
Underwriting Expenses							
Expense Allowance	3,745	4,280	5,136	535	14.3%	856	20.0%
% wp	31.8%	28.6%	28.6%	(3.2%)		-	
Premium Deficiency / (DPAC)							
Undiscounted	(556)	(199)	(78)	357	(64.2%)	121	(60.8%)
effect of discounting	(109)	28	38	137	(125.7%)	10	35.7%
Discounted	(665)	(171)	(40)	494	(74.3%)	131	(76.6%)
Underwriting Expenses	3,080	4,109	5,096	1,029	33.4%	987	24.0%
Net Underwriting Gain (Loss)	573	(81)	(989)	(654)	(114.1%)	(908)	1,121.0%
Administrative Expenses	603	779	915	176	29.1%	136	17.5%
Operating Result	(30)	(860)	(1,904)	(830)	2,763.5%	(1,044)	121.5%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	(11.8%)	(5.5%)	(0.9%)	6.3%		4.6%	
Current Accident Year	77.4%	75.5%	76.8%	(1.9%)		1.3%	
All Accident Years Combined	65.6%	70.0%	75.9%	4.4%		5.9%	
Underwriting & Admin Exp (EP)	34.7%	36.4%	35.3%	1.7%		(1.1%)	
Combined Operating Ratio	100.3%	106.4%	111.2%	6.1%		4.8%	

Exhibit B-5
 Nova Scotia RSP
 Summary of Operations

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in \$ thousands	201901	201902	201903	201904	201905	201906	201907	201908	201909	201910	201911	201912
Underwriting Revenue												
written premium	1,967	1,939	2,387	2,651	3,121	3,276	3,205	3,275	3,211	2,821	2,356	2,260
decrease / (increase) in unearned	637	573	234	(45)	(489)	(582)	(459)	(490)	(453)	(130)	222	222
earned premium	2,604	2,512	2,621	2,606	2,632	2,694	2,746	2,785	2,758	2,691	2,578	2,482
Claims Incurred												
Prior Accident Years												
Undiscounted	-	-	-	-	-	-	-	-	-	-	-	-
effect of discounting	179	(52)	(34)	(39)	(33)	(53)	(50)	(27)	(39)	(41)	(53)	(87)
Discounted	179	(52)	(34)	(39)	(33)	(53)	(50)	(27)	(39)	(41)	(53)	(87)
Current Accident Year												
Undiscounted	2,482	2,394	2,498	2,484	2,507	2,568	2,617	2,654	2,629	2,564	2,457	2,365
effect of discounting	132	108	95	110	109	111	110	108	107	102	97	90
Discounted	2,614	2,502	2,593	2,594	2,616	2,679	2,727	2,762	2,736	2,666	2,554	2,455
Claims Incurred	2,793	2,450	2,559	2,555	2,583	2,626	2,677	2,735	2,697	2,625	2,501	2,368
Underwriting Expenses												
Expense Allowance	594	586	721	800	943	989	968	989	970	852	711	682
% wp	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%	30.2%
Premium Deficiency / (DPAC)												
Undiscounted	17	24	21	21	20	27	39	48	56	64	72	72
effect of discounting	(30)	(33)	(12)	3	28	35	26	29	28	12	(9)	(8)
Discounted	(13)	(9)	9	24	48	62	65	77	84	76	63	64
Underwriting Expenses	581	577	730	824	991	1,051	1,033	1,066	1,054	928	774	746
Net Underwriting Gain (Loss)	(770)	(515)	(668)	(773)	(942)	(983)	(964)	(1,016)	(993)	(862)	(697)	(632)
Administrative Expenses	69	68	84	92	109	115	113	115	112	99	82	79
Operating Result	(839)	(583)	(752)	(865)	(1,051)	(1,098)	(1,077)	(1,131)	(1,105)	(961)	(779)	(711)
Ratios												
Claims & Adj. Expenses to EP												
Prior Accident Year	6.9%	(2.1%)	(1.3%)	(1.5%)	(1.3%)	(2.0%)	(1.8%)	(1.0%)	(1.4%)	(1.5%)	(2.1%)	(3.5%)
Current Accident Year	100.4%	99.6%	98.9%	99.5%	99.4%	99.4%	99.3%	99.2%	99.2%	99.1%	99.1%	98.9%
All Accident Years Combined	107.3%	97.5%	97.6%	98.0%	98.1%	97.4%	97.5%	98.2%	97.8%	97.6%	97.0%	95.4%
Underwriting & Admin Exp (EP)	25.0%	25.7%	31.1%	35.1%	41.8%	43.3%	41.7%	42.4%	42.3%	38.2%	33.2%	33.2%
Combined Operating Ratio	132.3%	123.2%	128.7%	133.1%	139.9%	140.7%	139.2%	140.6%	140.1%	135.8%	130.2%	128.6%

Exhibit B-5
Nova Scotia RSP
Summary of Operations

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Nova Scotia NS	400	FULL YEAR					
in \$ thousands	2017	2018	2019	Change during 2018		Change during 2019	
				Amount	%	Amount	%
Underwriting Revenue							
written premium	25,298	30,053	32,469	4,755	18.8%	2,416	8.0%
decrease / (increase) in unearned	(6,335)	(1,793)	(760)	4,542	(71.7%)	1,033	(57.6%)
earned premium	18,963	28,260	31,709	9,297	49.0%	3,449	12.2%
Claims Incurred							
Prior Accident Years							
Undiscounted	(2,136)	(947)	-	1,189	(55.7%)	947	(100.0%)
effect of discounting	(1,836)	(383)	(329)	1,453	(79.1%)	54	(14.1%)
Discounted	(3,972)	(1,330)	(329)	2,642	(66.5%)	1,001	(75.3%)
Current Accident Year							
Undiscounted	17,838	26,674	30,219	8,836	49.5%	3,545	13.3%
effect of discounting	817	1,104	1,279	287	35.1%	175	15.9%
Discounted	18,655	27,778	31,498	9,123	48.9%	3,720	13.4%
Claims Incurred	14,683	26,448	31,169	11,765	80.1%	4,721	17.9%
Underwriting Expenses							
Expense Allowance	7,828	9,073	9,805	1,245	15.9%	732	8.1%
% wp	30.9%	30.2%	30.2%	(0.7%)		-	
Premium Deficiency / (DPAC)							
Undiscounted	(773)	359	481	1,132	(146.4%)	122	34.0%
effect of discounting	37	59	69	22	59.5%	10	16.9%
Discounted	(736)	418	550	1,154	(156.8%)	132	31.6%
Underwriting Expenses	7,092	9,491	10,355	2,399	33.8%	864	9.1%
Net Underwriting Gain (Loss)	(2,812)	(7,679)	(9,815)	(4,867)	173.1%	(2,136)	27.8%
Administrative Expenses	600	980	1,137	380	63.4%	157	16.0%
Operating Result	(3,412)	(8,659)	(10,952)	(5,247)	153.8%	(2,293)	26.5%
Ratios							
Claims & Adj. Expenses to EP							
Prior Accident Year	(20.9%)	(4.7%)	(1.0%)	16.2%		3.7%	
Current Accident Year	98.4%	98.3%	99.3%	(0.1%)		1.0%	
All Accident Years Combined	77.5%	93.6%	98.3%	16.1%		4.7%	
Underwriting & Admin Exp (EP)	40.6%	37.1%	36.2%	(3.5%)		(0.9%)	
Combined Operating Ratio	118.1%	130.7%	134.5%	12.6%		3.8%	

Exhibit C-1
Ontario RSP
Projected Policy Liabilities

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Ontario		Projected Balances as at Dec. 31, 2018 (\$000s)						
ending 2018		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	24,635	(5,660)	18,975	(1,149)	153	1,784	788	19,763
1999	570	15	585	(51)	6	54	9	594
2000	15	(4)	11	(1)	-	1	-	11
2001	702	55	757	(81)	10	68	(3)	754
2002	51	144	195	(22)	3	18	(1)	194
2003	684	266	950	(114)	13	84	(17)	933
2004	942	314	1,256	(162)	20	110	(32)	1,224
2005	156	407	563	(77)	9	48	(20)	543
2006	1,723	798	2,521	(368)	43	215	(110)	2,411
2007	1,992	979	2,971	(437)	51	253	(133)	2,838
2008	3,003	2,159	5,162	(692)	83	447	(162)	5,000
2009	5,323	3,547	8,870	(852)	98	802	48	8,918
2010	8,813	4,654	13,467	(943)	108	1,253	418	13,885
2011	13,988	728	14,716	(1,030)	118	1,369	457	15,173
2012	26,154	2,433	28,587	(2,087)	257	2,650	820	29,407
2013	35,013	2,499	37,512	(2,101)	263	4,426	2,588	40,100
2014	67,644	229	67,873	(3,190)	407	9,702	6,919	74,792
2015	95,549	7,222	102,771	(4,522)	514	14,639	10,631	113,402
2016	104,227	32,131	136,358	(6,682)	818	22,434	16,570	152,928
2017	118,314	122,243	240,557	(13,231)	1,684	44,784	33,237	273,794
PAYs (sub-total):	509,498	175,159	684,657	(37,792)	4,658	105,141	72,007	756,664
CAY (2018)	134,450	171,541	305,991	(18,053)	2,142	54,420	38,509	344,500
claims liabilities:	643,948	346,700	990,648	(55,845)	6,800	159,561	110,516	1,101,164
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	215,170	59,688	274,858	(13,168)	1,372	37,871	26,075	300,933
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			1,265,506	(69,013)	8,172	197,432	136,591	1,402,097

Exhibit C-1
 Ontario RSP
 Projected Policy Liabilities

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Ontario		Projected Balances as at Dec. 31, 2019 (\$000s)						
ending 2019		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
prior	17,699	(3,990)	13,709	(1,925)	236	1,180	(509)	13,200
2000	15	(4)	11	(1)	-	1	-	11
2001	492	40	532	(52)	6	48	2	534
2002	35	102	137	(15)	2	13	-	137
2003	477	188	665	(76)	9	59	(8)	657
2004	657	224	881	(106)	12	77	(17)	864
2005	107	288	395	(51)	6	34	(11)	384
2006	1,203	564	1,767	(240)	28	153	(59)	1,708
2007	1,392	692	2,084	(304)	35	178	(91)	1,993
2008	2,092	1,526	3,618	(532)	61	309	(162)	3,456
2009	3,709	2,509	6,218	(833)	99	539	(195)	6,023
2010	6,149	3,290	9,439	(906)	104	853	51	9,490
2011	9,802	513	10,315	(722)	83	960	321	10,636
2012	18,316	1,720	20,036	(1,403)	160	1,864	621	20,657
2013	24,526	1,768	26,294	(1,919)	237	3,047	1,365	27,659
2014	47,412	161	47,573	(2,664)	333	6,736	4,405	51,978
2015	69,130	693	69,823	(3,282)	419	9,915	7,052	76,875
2016	89,028	13,662	102,690	(4,518)	513	16,983	12,978	115,668
2017	128,132	62,543	190,675	(9,343)	1,144	35,722	27,523	218,198
2018	146,437	98,528	244,965	(13,473)	1,715	43,752	31,994	276,959
PAYs (sub-total):	566,810	185,017	751,827	(42,365)	5,202	122,423	85,260	837,087
CAY (2019)	141,641	250,596	392,237	(23,142)	2,746	69,759	49,363	441,600
claims liabilities:	708,451	435,613	1,144,064	(65,507)	7,948	192,182	134,623	1,278,687
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	218,233	65,994	284,227	(13,618)	1,419	39,162	26,963	311,190
policy liabilities:			1,428,291	(79,125)	9,367	231,344	161,586	1,589,877

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

Exhibit C-2
 Alberta Grid RSP
 Projected Policy Liabilities

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Alberta Grid ending 2018	Projected Balances as at Dec. 31, 2018 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				TOTAL
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
2004	-	(79)	(79)	-	-	8	8	(71)
2005	673	(32)	641	(15)	2	63	50	691
2006	169	(90)	79	(2)	-	8	6	85
2007	1,965	(755)	1,210	(35)	5	117	87	1,297
2008	1,134	(2)	1,132	(35)	5	109	79	1,211
2009	684	359	1,043	(33)	4	101	72	1,115
2010	4,553	423	4,976	(169)	20	481	332	5,308
2011	6,651	131	6,782	(244)	34	654	444	7,226
2012	7,812	2,097	9,909	(327)	40	958	671	10,580
2013	9,289	3,195	12,484	(437)	50	1,204	817	13,301
2014	18,234	6,921	25,155	(1,006)	126	2,414	1,534	26,689
2015	31,611	12,594	44,205	(2,033)	265	5,272	3,504	47,709
2016	33,615	17,704	51,319	(2,617)	308	6,088	3,779	55,098
2017	33,772	32,088	65,860	(3,688)	461	7,647	4,420	70,280
PAYs (sub-total):	150,162	74,554	224,716	(10,641)	1,320	25,124	15,803	240,519
CAY (2018)	57,601	39,412	97,013	(5,530)	679	10,795	5,944	102,957
claims liabilities:	207,763	113,966	321,729	(16,171)	1,999	35,919	21,747	343,476
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	79,553	(5,951)	73,602	(3,447)	440	7,060	4,053	77,655
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			395,331	(19,618)	2,439	42,979	25,800	421,131

Exhibit C-2
 Alberta Grid RSP
 Projected Policy Liabilities

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Alberta Grid		Projected Balances as at Dec. 31, 2019 (\$000s)						
ending 2019		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2004	-	(79)	(79)	-	-	8	8	(71)
2005	426	(18)	408	-	-	41	41	449
2006	101	(51)	50	(1)	-	5	4	54
2007	1,201	(428)	773	(24)	3	75	54	827
2008	724	(2)	722	(21)	3	70	52	774
2009	461	204	665	(21)	3	64	46	711
2010	2,934	241	3,175	(102)	13	307	218	3,393
2011	4,254	74	4,328	(147)	17	418	288	4,616
2012	5,132	1,190	6,322	(228)	32	609	413	6,735
2013	6,151	1,816	7,967	(263)	32	771	540	8,507
2014	12,121	3,930	16,051	(562)	64	1,549	1,051	17,102
2015	25,169	7,092	32,261	(1,290)	161	3,872	2,743	35,004
2016	29,794	11,294	41,088	(1,890)	247	4,900	3,257	44,345
2017	31,662	22,711	54,373	(2,773)	326	6,347	3,900	58,273
2018	39,839	26,670	66,509	(3,725)	466	7,409	4,150	70,659
PAYs (sub-total):	159,969	74,644	234,613	(11,047)	1,367	26,445	16,765	251,378
CAY (2019)	54,961	40,305	95,266	(5,430)	667	10,600	5,837	101,103
claims liabilities:	214,930	114,949	329,879	(16,477)	2,034	37,045	22,602	352,481
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	79,673	(3,968)	75,705	(3,546)	453	7,262	4,169	79,874
policy liabilities:			405,584	(20,023)	2,487	44,307	26,771	432,355

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

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

Alberta non-Grid ending 2018	Projected Balances as at Dec. 31, 2018 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2004	26	36	62	-	-	6	6	68
2005	59	5	64	-	-	6	6	70
2006	614	(106)	508	(16)	2	49	35	543
2007	478	66	544	(18)	2	52	36	580
2008	(17)	96	79	(2)	-	8	6	85
2009	928	(41)	887	(33)	4	86	57	944
2010	1,510	251	1,761	(77)	11	168	102	1,863
2011	3,148	551	3,699	(181)	22	352	193	3,892
2012	7,137	451	7,588	(349)	46	724	421	8,009
2013	7,130	1,675	8,805	(440)	53	836	449	9,254
2014	11,769	1,411	13,180	(593)	66	1,259	732	13,912
2015	15,215	4,476	19,691	(925)	118	2,327	1,520	21,211
2016	19,136	9,256	28,392	(1,505)	170	3,307	1,972	30,364
2017	24,998	19,501	44,499	(2,447)	311	5,172	3,036	47,535
PAYs (sub-total):	92,131	37,628	129,759	(6,586)	805	14,352	8,571	138,330
CAY (2018)	41,589	24,713	66,302	(3,514)	464	7,221	4,171	70,473
claims liabilities:	133,720	62,341	196,061	(10,100)	1,269	21,573	12,742	208,803
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	63,874	7,142	71,016	(2,758)	354	6,184	3,780	74,796
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			267,077	(12,858)	1,623	27,757	16,522	283,599

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

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Alberta non-Grid ending 2019	Projected Balances as at Dec. 31, 2019 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				TOTAL
	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
Acc Yr								
2004	26	36	62	-	-	6	6	68
2005	39	5	44	-	-	4	4	48
2006	435	(75)	360	-	-	36	36	396
2007	341	45	386	(12)	2	38	28	414
2008	(9)	66	57	(2)	-	6	4	61
2009	658	(30)	628	(19)	3	61	45	673
2010	1,069	178	1,247	(46)	6	120	80	1,327
2011	2,230	389	2,619	(115)	16	250	151	2,770
2012	5,054	318	5,372	(263)	32	511	280	5,652
2013	5,049	1,184	6,233	(287)	37	594	344	6,577
2014	8,335	995	9,330	(467)	56	886	475	9,805
2015	13,063	2,071	15,134	(681)	76	1,793	1,188	16,322
2016	18,449	4,989	23,438	(1,102)	141	2,747	1,786	25,224
2017	21,690	13,938	35,628	(1,888)	214	4,150	2,476	38,104
2018	26,771	17,664	44,435	(2,444)	311	4,829	2,696	47,131
PAYs (sub-total):	103,200	41,773	144,973	(7,326)	894	16,031	9,599	154,572
CAY (2019)	49,916	33,525	83,441	(4,422)	584	9,087	5,249	88,690
claims liabilities:	153,116	75,298	228,414	(11,748)	1,478	25,118	14,848	243,262
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	70,919	10,481	81,400	(3,161)	405	7,088	4,332	85,732
policy liabilities:			309,814	(14,909)	1,883	32,206	19,180	328,994

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

Exhibit C-4
New Brunswick RSP
Projected Policy Liabilities

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New Brunswick		Projected Balances as at Dec. 31, 2018 (\$000s)						
ending 2018		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2005	-	(2)	(2)	-	-	-	-	(2)
2006	-	-	-	-	-	-	-	-
2007	4	4	8	-	-	1	1	9
2008	85	14	99	(3)	-	10	7	106
2009	396	(17)	379	(11)	1	37	27	406
2010	130	41	171	(5)	1	16	12	183
2011	1,224	109	1,333	(44)	5	129	90	1,423
2012	596	20	616	(22)	2	60	40	656
2013	1,874	(187)	1,687	(66)	8	162	104	1,791
2014	1,504	237	1,741	(68)	9	167	108	1,849
2015	1,455	(27)	1,428	(64)	7	159	102	1,530
2016	884	990	1,874	(99)	13	207	121	1,995
2017	3,253	837	4,090	(254)	33	461	240	4,330
PAYs (sub-total):	11,405	2,019	13,424	(636)	79	1,409	852	14,276
CAY (2018)	3,453	1,973	5,426	(342)	43	580	281	5,707
claims liabilities:	14,858	3,992	18,850	(978)	122	1,989	1,133	19,983
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	7,921	(1,818)	6,103	(301)	35	549	283	6,386
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:	24,953			(1,279)	157	2,538	1,416	26,369

Exhibit C-4
New Brunswick RSP
Projected Policy Liabilities

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New Brunswick ending 2019	Projected Balances as at Dec. 31, 2019 (\$000s)							
	nominal values			actuarial present value adjustments (apvs)				TOTAL
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	
2005	-	(2)	(2)	-	-	-	-	(2)
2006	-	-	-	-	-	-	-	-
2007	6	2	8	-	-	1	1	9
2008	76	4	80	(2)	-	8	6	86
2009	315	(5)	310	(8)	1	30	23	333
2010	131	11	142	(4)	-	14	10	152
2011	1,058	31	1,089	(35)	4	106	75	1,164
2012	499	6	505	(17)	2	49	34	539
2013	1,429	(51)	1,378	(50)	6	133	89	1,467
2014	1,357	65	1,422	(55)	7	136	88	1,510
2015	1,159	(18)	1,141	(45)	6	129	90	1,231
2016	724	808	1,532	(69)	8	171	110	1,642
2017	2,687	655	3,342	(177)	23	380	226	3,568
2018	2,715	1,450	4,165	(258)	33	446	221	4,386
PAYs (sub-total):	12,156	2,956	15,112	(720)	90	1,603	973	16,085
CAY (2019)	3,872	3,809	7,681	(484)	61	821	398	8,079
claims liabilities:	16,028	6,765	22,793	(1,204)	151	2,424	1,371	24,164
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	8,837	(1,896)	6,941	(343)	40	624	321	7,262
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			29,734	(1,547)	191	3,048	1,692	31,426

Exhibit C-5
Nova Scotia RSP
Projected Policy Liabilities

page 1 of 2

Nova Scotia		Projected Balances as at Dec. 31, 2018 (\$000s)						
ending 2018		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2007	-	(1)	(1)	-	-	-	-	(1)
2008	1	1	2	-	-	-	-	2
2009	62	3	65	(2)	-	7	5	70
2010	51	(1)	50	(2)	-	5	3	53
2011	846	2	848	(29)	3	82	56	904
2012	1,890	280	2,170	(82)	11	209	138	2,308
2013	2,734	(27)	2,707	(70)	8	264	202	2,909
2014	1,995	24	2,019	(50)	8	244	202	2,221
2015	3,865	359	4,224	(144)	17	490	363	4,587
2016	4,637	1,916	6,553	(275)	33	760	518	7,071
2017	6,492	3,180	9,672	(503)	68	1,119	684	10,356
PAYs (sub-total):	22,573	5,736	28,309	(1,157)	148	3,180	2,171	30,480
CAY (2018)	9,736	8,002	17,738	(1,011)	124	1,991	1,104	18,842
claims liabilities:	32,309	13,738	46,047	(2,168)	272	5,171	3,275	49,322
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	16,014	(472)	15,542	(748)	92	1,509	853	16,395
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			61,589	(2,916)	364	6,680	4,128	65,717

Exhibit C-5
Nova Scotia RSP
Projected Policy Liabilities

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Nova Scotia		Projected Balances as at Dec. 31, 2019 (\$000s)						
ending 2019		nominal values			actuarial present value adjustments (apvs)			
Acc Yr	Case	IBNR	Total Unpaid	discount	investment PfAD	development PfAD	Total apvs	TOTAL
2007	-	(1)	(1)	-	-	-	-	(1)
2008	1	1	2	-	-	-	-	2
2009	50	2	52	-	-	5	5	57
2010	47	(1)	46	(2)	-	5	3	49
2011	713	1	714	(24)	4	69	49	763
2012	1,655	174	1,829	(62)	7	177	122	1,951
2013	2,300	(18)	2,282	(87)	11	219	143	2,425
2014	1,685	17	1,702	(44)	5	206	167	1,869
2015	3,048	219	3,267	(82)	13	382	313	3,580
2016	4,466	1,111	5,577	(190)	22	652	484	6,061
2017	6,308	1,923	8,231	(346)	41	962	657	8,888
2018	9,471	5,316	14,787	(769)	104	1,668	1,003	15,790
PAYs (sub-total):	29,744	8,744	38,488	(1,606)	207	4,345	2,946	41,434
CAY (2019)	10,577	9,972	20,549	(1,171)	144	2,306	1,279	21,828
claims liabilities:	40,321	18,716	59,037	(2,777)	351	6,651	4,225	63,262
	Unearned Premium	Premium Deficiency / (DPAC)	Total Provision	discount	investment PfAD	development PfAD	Total apvs	TOTAL*
premium liabilities:	16,774	9	16,783	(808)	99	1,631	922	17,705
*Total may not be sum of parts, as apvs apply to future costs within UPR								
policy liabilities:			75,820	(3,585)	450	8,282	5,147	80,967

Exhibit D

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

Facility Association Outlook Actual vs Projected Risk Sharing Pools (RSPs) RSP ON			*PROJECTED IS BASED ON PRELIMINARY OUTLOOK								
			average A less P 2013 to 2017:				167.0	(55.7%)	62.6%		
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	277.6	299.6	(19.4)	(38.9%)	383.3	137.5%	(50.3)	116.7%	
	[b]	Projected*	301.2	295.4	(20.3)	(6.9%)	457.9	155.0%	(260.0)	188.0%	
	[c]=[a]-[b]	A less P	(23.6)	4.2	0.9	(32.0%)	(74.6)	(17.5%)	209.8	(71.3%)	(0.4%)
	[d]=[c]/[b]	% of P	(7.8%)	1.4%	(4.3%)		(16.3%)		(80.7%)		
2014	[a]	Actual	278.6	270.5	(109.6)	(40.5%)	368.1	136.1%	(66.0)	124.4%	
	[b]	Projected*	321.6	318.4	(15.8)	(5.0%)	487.9	153.2%	(266.2)	183.5%	
	[c]=[a]-[b]	A less P	(43.0)	(47.9)	(93.8)	(35.5%)	(119.8)	(17.1%)	200.2	(59.1%)	46.8%
	[d]=[c]/[b]	% of P	(13.4%)	(15.1%)	592.7%		(24.5%)		(75.2%)		
2015	[a]	Actual	239.0	262.6	(188.9)	(71.9%)	342.6	130.5%	47.5	81.9%	
	[b]	Projected*	291.3	287.6	(24.6)	(8.5%)	430.6	149.7%	(217.8)	175.8%	
	[c]=[a]-[b]	A less P	(52.3)	(25.1)	(164.3)	(63.4%)	(87.9)	(19.2%)	265.4	(93.9%)	61.9%
	[d]=[c]/[b]	% of P	(18.0%)	(8.7%)	668.4%		(20.4%)		(121.8%)		
2016	[a]	Actual	336.0	270.9	(106.9)	(39.5%)	362.1	133.7%	(104.5)	138.6%	
	[b]	Projected*	268.5	268.7	(28.1)	(10.5%)	388.8	144.7%	(175.9)	165.4%	
	[c]=[a]-[b]	A less P	67.6	2.2	(78.9)	(29.0%)	(26.8)	(11.0%)	71.4	(26.8%)	110.4%
	[d]=[c]/[b]	% of P	25.2%	0.8%	280.8%		(6.9%)		(40.6%)		
2017	[a]	Actual	362.5	373.7	(114.1)	(30.5%)	495.7	132.7%	(118.3)	131.7%	
	[b]	Projected*	354.7	350.2	(30.9)	(8.8%)	466.5	133.2%	(206.5)	159.0%	
	[c]=[a]-[b]	A less P	7.8	23.5	(83.2)	(21.7%)	29.2	(0.5%)	88.2	(27.3%)	94.3%
	[d]=[c]/[b]	% of P	2.2%	6.7%	269.3%		6.3%		(42.7%)		

Exhibit D

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

page 2 of 5

Facility Association Outlook Actual vs Projected Risk Sharing Pools (RSPs) RSP AB			*PROJECTED IS BASED ON PRELIMINARY OUTLOOK										
			average A less P 2013 to 2017:								(38.1)	27.4%	47.0%
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result				
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs		
2013	[a]	Actual	135.9	146.8	14.3	9.7%	99.9	68.1%	(10.3)	107.0%			
	[b]	Projected*	154.8	156.3	(5.9)	(3.8%)	105.5	67.5%	10.9	93.0%			
	[c]=[a]-[b]	A less P	(18.9)	(9.4)	20.2	13.5%	(5.6)	0.6%	(21.2)	14.0%	95.2%		
	[d]=[c]/[b]	% of P	(12.2%)	(6.0%)	(341.2%)		(5.3%)		(194.2%)				
2014	[a]	Actual	155.8	144.9	30.4	21.0%	109.6	75.7%	(40.0)	127.7%			
	[b]	Projected*	151.1	148.6	(4.7)	(3.2%)	101.4	68.2%	9.5	93.6%			
	[c]=[a]-[b]	A less P	4.7	(3.7)	35.1	24.2%	8.2	7.5%	(49.5)	34.1%	70.9%		
	[d]=[c]/[b]	% of P	3.1%	(2.5%)	(741.4%)		8.1%		(523.4%)				
2015	[a]	Actual	138.3	146.2	(9.2)	(6.3%)	117.8	80.6%	(5.4)	103.7%			
	[b]	Projected*	146.9	145.1	(5.4)	(3.7%)	103.2	71.1%	5.0	96.6%			
	[c]=[a]-[b]	A less P	(8.6)	1.1	(3.8)	(2.6%)	14.6	9.5%	(10.4)	7.1%	(36.6%)		
	[d]=[c]/[b]	% of P	(5.9%)	0.8%	70.3%		14.2%		(207.2%)				
2016	[a]	Actual	148.5	131.8	39.5	29.9%	118.1	89.6%	(73.9)	156.1%			
	[b]	Projected*	153.0	152.9	(8.0)	(5.2%)	110.1	72.0%	6.8	95.6%			
	[c]=[a]-[b]	A less P	(4.5)	(21.1)	47.4	35.1%	8.0	17.6%	(80.7)	60.5%	58.7%		
	[d]=[c]/[b]	% of P	(2.9%)	(13.8%)	(595.6%)		7.3%		<(999.9%)				
2017	[a]	Actual	160.0	149.5	6.5	4.4%	141.7	94.8%	(49.7)	133.3%			
	[b]	Projected*	186.0	180.4	(6.8)	(3.8%)	151.0	83.7%	(21.3)	111.8%			
	[c]=[a]-[b]	A less P	(26.0)	(30.9)	13.4	8.2%	(9.2)	11.1%	(28.5)	21.5%	47.0%		
	[d]=[c]/[b]	% of P	(14.0%)	(17.1%)	(195.7%)		(6.1%)		133.7%				

Exhibit D

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

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Facility Association Outlook Actual vs Projected Risk Sharing Pools (RSPs)			*PROJECTED IS BASED ON PRELIMINARY OUTLOOK								
RSP NL			average A less P 2013 to 2017: (13.0) 16.3% 48.1%								
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	81.9	81.2	10.8	13.3%	80.9	99.6%	(35.0)	143.2%	
	[b]	Projected*	85.8	84.9	(2.5)	(3.0%)	82.7	97.5%	(18.8)	122.1%	
	[c]=[a]-[b]	A less P	(4.0)	(3.6)	13.3	16.3%	(1.8)	2.1%	(16.3)	21.1%	81.7%
	[d]=[c]/[b]	% of P	(4.6%)	(4.3%)	(525.9%)		(2.2%)				86.7%
2014	[a]	Actual	88.4	83.7	5.3	6.3%	91.9	109.8%	(40.9)	148.9%	
	[b]	Projected*	89.3	88.4	(2.5)	(2.9%)	87.8	99.3%	(22.6)	125.5%	
	[c]=[a]-[b]	A less P	(0.9)	(4.7)	7.8	9.2%	4.1	10.5%	(18.4)	23.4%	42.4%
	[d]=[c]/[b]	% of P	(1.0%)	(5.3%)	(308.2%)		4.7%				81.3%
2015	[a]	Actual	86.0	89.8	(9.3)	(10.3%)	96.2	107.1%	(21.0)	123.4%	
	[b]	Projected*	90.1	89.7	(2.5)	(2.8%)	93.5	104.2%	(28.5)	131.8%	
	[c]=[a]-[b]	A less P	(4.1)	0.1	(6.8)	(7.5%)	2.8	2.9%	7.5	(8.4%)	90.5%
	[d]=[c]/[b]	% of P	(4.6%)	0.1%	267.5%		3.0%		(26.2%)		
2016	[a]	Actual	99.7	90.5	(0.9)	(1.0%)	107.8	119.2%	(49.4)	154.6%	
	[b]	Projected*	93.0	91.2	(4.3)	(4.7%)	93.7	102.7%	(25.7)	128.1%	
	[c]=[a]-[b]	A less P	6.7	(0.7)	3.4	3.7%	14.1	16.5%	(23.7)	26.5%	14.2%
	[d]=[c]/[b]	% of P	7.2%	(0.8%)	(79.4%)		15.1%				92.4%
2017	[a]	Actual	99.0	96.9	(2.5)	(2.6%)	114.0	117.7%	(47.0)	148.5%	
	[b]	Projected*	110.9	111.6	(4.1)	(3.7%)	113.1	101.3%	(32.9)	129.5%	
	[c]=[a]-[b]	A less P	(5.9)	(14.7)	1.7	1.1%	1.0	16.4%	(14.1)	19.0%	11.7%
	[d]=[c]/[b]	% of P	(5.3%)	(13.2%)	(40.0%)		0.8%				42.7%

Exhibit D

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

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Facility Association Outlook Actual vs Projected Risk Sharing Pools (RSPs) RSP NB			*PROJECTED IS BASED ON PRELIMINARY OUTLOOK								
			average A less P 2013 to 2017:				(0.1)	1.0%	51.3%		
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	9.6	10.4	(0.2)	(2.2%)	7.5	72.0%	(0.9)	109.0%	
	[b]	Projected*	11.3	11.0	(0.2)	(2.0%)	8.2	74.3%	(1.5)	113.5%	
	[c]=[a]-[b]	A less P	(1.7)	(0.6)	(0.0)	(0.2%)	(0.7)	(2.3%)	0.6	(4.5%)	2.0%
	[d]=[c]/[b]	% of P	(14.9%)	(5.8%)	5.0%		(8.7%)		(36.8%)		
2014	[a]	Actual	9.5	9.6	1.0	10.7%	8.1	84.5%	(3.5)	136.3%	
	[b]	Projected*	10.3	10.2	(0.5)	(5.1%)	8.4	81.7%	(1.5)	114.4%	
	[c]=[a]-[b]	A less P	(0.8)	(0.7)	1.5	15.8%	(0.3)	2.8%	(2.0)	21.9%	77.8%
	[d]=[c]/[b]	% of P	(7.4%)	(6.5%)	(296.2%)		(3.4%)		134.9%		
2015	[a]	Actual	11.2	10.2	0.9	9.0%	9.2	90.2%	(4.4)	143.2%	
	[b]	Projected*	9.6	9.7	(0.4)	(3.8%)	7.4	76.6%	(1.0)	110.8%	
	[c]=[a]-[b]	A less P	1.6	0.6	1.3	12.8%	1.8	13.6%	(3.4)	32.4%	37.9%
	[d]=[c]/[b]	% of P	16.2%	6.0%	(352.6%)		24.8%		325.3%		
2016	[a]	Actual	9.7	10.0	(3.0)	(30.1%)	8.0	80.1%	1.3	87.0%	
	[b]	Projected*	9.9	10.0	(0.6)	(5.6%)	7.8	77.9%	(1.3)	112.8%	
	[c]=[a]-[b]	A less P	(0.2)	(0.0)	(2.4)	(24.5%)	0.2	2.2%	2.6	(25.8%)	94.5%
	[d]=[c]/[b]	% of P	(1.9%)	(0.4%)	433.0%		2.4%		(202.3%)		
2017	[a]	Actual	11.8	10.6	(1.3)	(11.8%)	8.2	77.4%	(0.0)	100.2%	
	[b]	Projected*	9.6	9.7	(0.4)	(4.6%)	8.0	82.7%	(1.8)	119.2%	
	[c]=[a]-[b]	A less P	2.2	0.9	(0.8)	(7.2%)	0.2	(5.3%)	1.8	(19.0%)	44.2%
	[d]=[c]/[b]	% of P	22.7%	9.8%	179.3%		2.8%		(98.7%)		

Exhibit D

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

Facility Association Outlook Actual vs Projected Risk Sharing Pools (RSPs)			*PROJECTED IS BASED ON PRELIMINARY OUTLOOK								
RSP NS			average A less P 2013 to 2017:				(2.0)	13.5%	73.8%		
Cal Year	row id	Data	Premium (\$millions)		PAYs Incurred		CAY Incurred		Net Operating Result		
			Written	Earned	\$ millions	% EP	\$ millions	% EP	\$ millions	COR	% variance due to PAYs
2013	[a]	Actual	13.0	13.7	1.0	7.1%	12.3	89.4%	(5.1)	136.7%	
	[b]	Projected*	13.3	13.0	(0.2)	(1.7%)	10.7	82.4%	(2.5)	118.9%	
	[c]=[a]-[b] A less P		(0.3)	0.7	1.2	8.8%	1.6	7.0%	(2.6)	17.8%	46.6%
	[d]=[c]/[b] % of P		(2.2%)	5.7%	(531.3%)		14.7%		105.2%		
2014	[a]	Actual	13.6	13.3	1.6	12.1%	13.2	99.6%	(7.1)	153.7%	
	[b]	Projected*	13.9	13.9	(0.6)	(4.1%)	11.5	82.6%	(2.0)	114.6%	
	[c]=[a]-[b] A less P		(0.3)	(0.6)	2.2	16.2%	1.7	17.0%	(5.1)	39.1%	42.7%
	[d]=[c]/[b] % of P		(2.1%)	(4.5%)	(378.1%)		15.2%		253.3%		
2015	[a]	Actual	14.5	14.1	0.2	1.3%	14.7	104.3%	(7.0)	149.9%	
	[b]	Projected*	15.2	15.2	(0.5)	(3.3%)	14.5	95.1%	(4.6)	130.0%	
	[c]=[a]-[b] A less P		(0.7)	(1.1)	0.7	4.6%	0.2	9.2%	(2.5)	19.9%	27.6%
	[d]=[c]/[b] % of P		(4.5%)	(7.4%)	(134.9%)		1.6%		54.2%		
2016	[a]	Actual	15.2	14.8	(0.6)	(4.3%)	15.4	103.9%	(5.5)	137.1%	
	[b]	Projected*	13.2	13.5	(0.7)	(5.5%)	13.5	100.2%	(4.4)	132.4%	
	[c]=[a]-[b] A less P		1.9	1.3	0.1	1.2%	1.9	3.7%	(1.1)	4.7%	10.0%
	[d]=[c]/[b] % of P		14.7%	9.7%	(15.1%)		13.8%		25.9%		
2017	[a]	Actual	25.3	19.0	(4.0)	(20.9%)	18.7	98.4%	(3.4)	118.2%	
	[b]	Projected*	14.4	14.5	(0.9)	(6.4%)	14.5	100.1%	(4.7)	132.4%	
	[c]=[a]-[b] A less P		10.9	4.4	(3.0)	(14.5%)	4.1	(1.7%)	1.3	(14.2%)	242.2%
	[d]=[c]/[b] % of P		75.5%	30.5%	324.8%		28.3%		(26.7%)		