

TO: MEMBERS OF THE FACILITY ASSOCIATION

ATTENTION: CHIEF EXECUTIVE OFFICER
NEWFOUNDLAND AND LABRADOR RISK SHARING POOL PROJECT
MANAGER

BULLETIN NO.: F2020 – 074

DATE: SEPTEMBER 29, 2020

SUBJECT: NEWFOUNDLAND AND LABRADOR RISK SHARING POOL
– AUGUST 2020 OPERATIONAL REPORT

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

Please be advised that the August 2020 Newfoundland and Labrador (NL) Risk Sharing Pool Operational Report is available on the Facility Association (FA) Portal at <https://portal.facilityassociation.com>.

Key Points

- (a) The *net operating deficit was \$126 thousand* for August 2020, mainly driven by the \$126 thousand expenses accrued to August 2020 in relation to the NL RSP implementation; and
- (b) The *projected 2020 year-end net operating deficit is \$52 thousand*, with a COR of 279.3% on earned premium of \$29 thousand.

Summary of Financial Results

As summarized in the following table, the current month and calendar year-to-date Operating Result is -\$126 thousand and the incurred loss ratio is 0%. The Operating Result is driven by the \$17 thousand written premium transferred in the month and the \$126 thousand expenses accrued to August 2020 in relation to the implementation of the NL RSP. No claims have been transferred to the NL RSP to-date.

NL RSP Summary of Financial Results (for month and year-to-date)

Amounts in \$000s	August 2020	August 2019	Year to date Aug 2020
Premium Written	17	-	17
Premium Earned	-	-	-
Incurred Losses	-	-	-
Underwriting & Admin Expense	126	-	126
Operating Result	(126)	-	(126)
Ratios:			
Loss ratio - <i>Prior Accident Years</i>	-	-	-
- <i>Current Accident Year</i>	-	-	-
<i>Total</i>	-	-	-
Underwriting & Admin Expense	100.0%	-	100.0%
Combined Operating Ratio	100.0%	-	100.0%

*rounding differences may occur*Updated Projection to Year-end 2020

The projected calendar year Operating Result to December 2020 is -\$52 thousand and the estimated combined operating ratio to December 2020 is 279.3%, as summarized in the following table.

NL RSP Summary of Projected Year-end Financial Results

NL RSP 2020 Yr-end Projection	Current (Aug 2020)
Amounts in \$000s	
Premium Written	120
Premium Earned	29
Incurred Losses	30
Underwriting & Admin Expense	51
Net Result from Operations	(52)
Ratios:	
Loss ratio - <i>Prior Accident Years</i>	0.0%
- <i>Current Accident Year</i>	103.4%
<i>Total</i>	103.4%
Underwriting & Admin Expense	175.9%
Combined Operating Ratio	279.3%

rounding differences may occur

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Newfoundland and Labrador Risk Sharing Pool –August 2020 Operational Report

Should you require any further information, please call Aidan Chen, AVP Data & Analytics at (416) 863-1750 x4804.

Saskia Matheson
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