



TO: MEMBERS OF THE FACILITY ASSOCIATION

ATTENTION: CHIEF EXECUTIVE OFFICER

BULLETIN NO.: F2020 – 083

DATE: NOVEMBER 27, 2020

SUBJECT: FARM – SEPTEMBER 2020 PARTICIPATION REPORT

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

Please be advised that the September 2020 FARM Participation Report is available on the Facility Association Portal at <https://portal.facilityassociation.com>.

Key Points

- (a) The loss ratios currently being used include a review and assessment of the incurred impacts associated with the COVID-19 pandemic; and
- (b) The *projected 2020 year-end net operating surplus is now \$17.5 million*, with a COR at 95.6% on earned premium of \$391 million (our Outlook for 2020 was \$33.7 million of net operating surplus with a COR of 90.5% on earned premium of \$342 million).

Summary of Financial Results

The calendar year-to-date Operating Result is -\$0.4 million and the incurred loss ratio to the end of 9 months is 78.4%, as summarized in the following table.

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

Amounts in \$000s	September 2020	September 2019	Year to date Sep 2020	Year to Date Sep 2019
Premium Written	40,830	34,918	321,867	276,518
Premium Earned	34,138	29,993	287,752	229,669
Incurred Losses	20,501	20,253	225,744	168,239
Underwriting & Admin Expense	7,311	6,359	62,366	51,833
Net Result from Operations	6,326	3,381	(358)	9,597
<i>Ratios:</i>				
Loss ratio - Prior Accident Years	(2.0%)	(1.8%)	16.1%	3.6%
- Current Accident Year	62.0%	69.4%	62.3%	69.7%
<i>Total</i>	60.0%	67.6%	78.4%	73.3%
<i>Underwriting & Admin Expense</i>	21.5%	21.5%	21.8%	22.9%
<i>Combined Operating Ratio</i>	81.5%	89.1%	100.2%	96.2%

rounding differences may occur

These results are discussed in some detail in the “Current Month Results” section. For additional numeric details, please refer to Exhibit 1 “Summary of Operations for Calendar Year 2020 - All jurisdictions by month”. A comparable summary by jurisdiction is included in Exhibit 2. Detailed exhibits by jurisdiction are included in the [Summary of Operations](#) folder on our website.

Updated Projection to Year-end 2020

PLEASE NOTE: September’s projections include the following **adjustments to reflect COVID-19 pandemic impacts**:

- A 5% decrease in written counts for the rest of the 2020 calendar year, following discussions with FA’s underwriting team and Servicing Carriers and being consistent with the adjustment originally introduced with April 2020’s premium projections.

The projected calendar year Net Result from Operations to December 2020 is \$17.5 million and the estimated combined operating ratio to December 2020 is 95.6% as indicated in the following table.

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*FARM Summary of **Projected Year-end** Financial Results (current month's projection, prior month's projection, and Outlook posted last fall)*

FARM 2020 Year-end Projection Amounts in \$000s	Current (Sep 2020)	Prior Mth (Aug 2020)	Change	Final 2020 Outlook*
Premium Written	426,348	416,199	10,149	350,613
Premium Earned	391,472	388,592	2,879	341,552
Incurred Losses	288,208	286,667	1,541	233,103
Underwriting & Admin Expense	85,782	84,833	949	74,721
Net Result from Operations	17,482	17,092	389	33,728
<i>Ratios:</i>				
Loss ratio - Prior Accident Years	11.1%	11.2%	(0.1%)	(1.7%)
- Current Accident Year	62.5%	62.6%	(0.1%)	69.9%
<i>Total</i>	73.6%	73.8%	(0.2%)	68.2%
<i>Underwriting & Admin Expense</i>	22.0%	22.0%	0.0%	22.3%
<i>Combined Operating Ratio</i>	95.6%	95.8%	(0.2%)	90.5%

rounding differences may occur

*as posted to FA's website Nov. 20, 2019

This updated projection to the end of the year has improved by \$0.4 million from the projection provided last month (see second last column in the preceding table). This improvement is driven by the \$10.1 million increase in the projected written premium for the year, and its associated impacts on earned premium, claims, and expense projections.

Current Month Results

The Net Results from Operations in the month of September 2020 was \$6.3 million, up \$2.9 million from the same month last year. This improvement is composed of a \$0.4 million favourable impact associated with the \$4.1 million increase in earned premium (at a prior combined ratio of 89.1%), and an approximately \$2.5 million favourable impact stemming from the overall decrease in the combined ratio (from 89.1% to 81.5% applied to \$34.1 million in earned premium).

This month's results moved the year-to-date combined operating ratio from 102.8% at the end of 8 months to 100.2% at the end of 9 months. The 2.6 percentage point decrease is composed of a 2.5 percentage point decrease in the Prior Accident Years loss ratio and a 0.1 percentage point decrease in the Current Accident Year loss ratio.

Variances from Projections

The following table provides a summary of key components of the operating results as compared to the estimates projected last month.

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FARM Summary of Actual vs Projected variances

September 2020	Actual	Projection	Difference	Difference %
Premium Written	40,830	34,656	6,174	17.8%
Premium Earned	34,138	32,377	1,761	5.4%
Reported Losses				
Paid Losses	16,189	16,616	(427)	(2.6%)
Change in Outstanding Losses	29,930	7,023	22,907	326.2%
Total Reported Losses	46,119	23,639	22,480	95.1%
Change in IBNR*	(25,337)	(3,470)	(21,867)	
Change in Premium Deficiency (DPAC)*	(443)	(179)	(264)	
Change in Retro Claims Expense*	(281)	(678)	397	

(Amounts in \$000's)

rounding differences may occur

Each month, management reviews the variance between reported premium activity and claims activity (actual reported claims payments and changes in case reserves) and the associated projections. The projection process involves many assumptions including claims reporting patterns. Actual reporting patterns vary from month-to-month, sometimes considerably. Although variances from our projections are expected, management investigates variances beyond set thresholds and responds as appropriate.

For the month of September, recorded indemnity amounts were \$22.8 million higher than projected (*allowed claims expenses are included in the table immediately above as part of reported losses, explaining why the variance in Total Reported Losses in the table shows \$22.5 million*), mainly from the Prior Accident Years with an unfavourable variance of \$24.5 million, this large unfavourable variance was due to the correction in reporting of an Accident Year 1994 claim, \$27.2 million that was previously reported as expense reserves has now been reported as indemnity reserves. The Current Accident Year had a favourable variance of \$1.8 million.

The variances for claims activity that were beyond the set thresholds at the jurisdiction, business segment level, and accident year group (i.e. Prior Accident Years vs. Current Accident Year) were investigated by management. Management is satisfied that the variances are appropriately accounted for in our current booking process (variances were spread across jurisdictions, business segments, and accident years).

Booking IBNR

The IBNR booking process this month allowed the nominal IBNR (i.e. before the impact of discounting and changes in provisions for adverse deviation) to vary from projected in order to offset the Prior Accident Years and Current Accident Year variances from projected for the most recent accident years back to 1994 (for accident years 1993 and earlier, IBNR is held at \$0). This is consistent with management's investigation into reported claims variances, concluding they were random and not necessarily indicative of a trend. As a result, we have noted a significant decrease in the Prior Accident Years IBNR, which reflects the correction in claims reporting mentioned above.

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Effect of Quarterly Valuation

The September 2020 Participation Report does not reflect the results of an actuarial valuation update. The most recent valuation was as at June 30, 2020 for all jurisdictions and business segments. The actuarial valuation will be updated next as at September 30, 2020 for all jurisdictions and business segments, and the results of that valuation are anticipated to be reflected in the October 2020 Participation Report.

Management Comments

As shown in the following table, the **private passenger** annualized vehicle count represents an overall decrease of 10.8% in September 2020 relative to September 2019, with decreases in majority of the jurisdictions except for Ontario and Nunavut.

FARM Private Passenger Written Counts (September 2020)

Jurisdiction	2020			2019			2018
	Annualize Vehicle Count	Change from Prior	% Change from Prior	Annualize Vehicle Count	Change from Prior	% Change from Prior	Annualize Vehicle Count
ON	745	69	10.2%	676	388	134.2%	289
AB	112	(120)	(51.8%)	232	53	29.3%	180
NL	792	(278)	(26.0%)	1,070	107	11.1%	964
NB	540	(26)	(4.6%)	566	40	7.7%	526
NS	649	(9)	(1.3%)	658	118	21.9%	540
PE	144	(16)	(9.8%)	160	59	57.7%	101
YT	19	(2)	(7.7%)	21	11	113.8%	10
NT	169	(10)	(5.5%)	179	23	14.7%	156
NU	29	5	23.0%	24	13	117.4%	11
Grand Total	3,201	(386)	(10.8%)	3,587	811	29.2%	2,776

However, on a year-to-date basis, the private passenger annualized vehicle counts was still up by 10.3%, largely driven by the increase in Ontario, up 1,739 vehicles (35%) and accounting for 60% of the overall increase, shown in the following table.

FARM Private Passenger Written Counts (Year-to-date to September 2020)

Jurisdiction	2020			2019			2018
	Annualized Vehicle Count	Change from Prior	% Change from Prior	Annualized Vehicle Count	Change from Prior	% Change from Prior	Annualized Vehicle Count
ON	6,733	1,739	34.8%	4,994	2,634	111.6%	2,360
AB	1,464	161	12.4%	1,303	57	4.6%	1,246
NL	8,942	226	2.6%	8,715	815	10.3%	7,900
NB	5,154	362	7.6%	4,792	216	4.7%	4,576
NS	5,971	104	1.8%	5,867	2,106	56.0%	3,761
PE	1,157	111	10.6%	1,046	132	14.5%	913
YT	124	13	11.9%	111	(15)	(12.1%)	126
NT	1,480	165	12.5%	1,315	(233)	(15.0%)	1,548
NU	109	16	17.3%	93	(0)	(0.4%)	93
Grand Total	31,135	2,898	10.3%	28,237	5,712	25.4%	22,525

On a rolling 12-month basis to September (as shown in the following table), FARM vehicle counts are up 14.9% across all rating classes (up 16.8% for private passenger, 13.9% for non-private passenger). In particular, the non-private passenger increase in vehicle counts is mainly driven by increases in commercial vehicles, motorcycles, and to a certain extent Interurban vehicles and ATVs. It is important to note that the increase for interurban vehicle counts that we have previously seen has gone down due to

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the recent decrease in Ontario, with the majority of the decrease from fleet business. We have also noted the recent increase in motorcycle business in Alberta, which we are actively monitoring.

Rolling 12-month premium changes are more significant than the changes in counts (private passenger up 28.2%, non-private passenger up 19.6%, for a total increase of 22.1%). The difference in the count and premium increases reflects the more significant increase in counts in Ontario for private passenger and changes in mix by rating class and jurisdiction for non-private passenger.

FARM Vehicle Counts and Written Premium – Rolling 12-months to September 2020

Business Segment	FA Minor Rating Class Desc	2020 rolling 12 to month 09			% Change in Amount			Change in Amount			2019 rolling 12 to month 09		
		Annualize Vehicle Count	Sum of Written Premium	AWP	Annualize Vehicle Count	Sum of Written Premium	AWP	Annualize Vehicle Count	Sum of Written Premium	AWP	Annualize Vehicle Count	Sum of Written Premium	AWP
PPV	Private Passenger (x Farmers)	41,020	129,637,242	3,160	16.8%	28.2%	9.7%	5,909	28,491,400	279	35,111	101,145,842	2,881
	Farmer	-	81	81	-	100.0%	100.0%	-	81	81	-	-	-
PPV Total		41,020	129,637,323	3,160	16.8%	28.2%	9.7%	5,909	28,491,481	279	35,111	101,145,842	2,881
non-PPV	Private Passenger (x Farmers)	669	689,763	1,031	(2.0%)	(7.3%)	(5.3%)	(14)	(54,453)	(58)	683	744,216	1,089
	Commercial	20,379	112,841,904	5,537	33.7%	48.6%	11.1%	5,142	36,887,848	552	15,237	75,954,056	4,985
	Interurban	7,757	93,573,048	12,063	14.9%	(5.6%)	(17.8%)	1,004	(5,574,004)	(2,620)	6,753	99,147,052	14,683
	Public Bus	848	3,120,805	3,678	(50.7%)	(60.5%)	(19.9%)	(873)	(4,787,403)	(915)	1,722	7,908,208	4,593
	Private Bus & Misc Public	1,411	5,664,990	4,016	(8.6%)	(2.4%)	6.8%	(133)	(139,988)	255	1,544	5,804,978	3,761
	School Bus	901	1,457,445	1,618	(12.7%)	(11.9%)	0.9%	(131)	(196,063)	15	1,031	1,653,508	1,603
	Hotel & Country Club Bus	552	1,230,750	2,231	(10.9%)	(14.4%)	(3.9%)	(67)	(206,777)	(91)	619	1,437,527	2,322
	Taxi	5,158	36,526,957	7,082	11.5%	70.6%	53.0%	533	15,114,502	2,452	4,625	21,412,455	4,630
	Funeral	3	9,899	3,300	(40.0%)	(14.9%)	41.8%	(2)	(1,734)	973	5	11,633	2,327
	Ambulance	45	202,834	4,516	29.9%	52.2%	17.2%	10	69,548	662	35	133,286	3,854
	Motorcycle	18,979	14,153,361	746	12.6%	21.5%	8.0%	2,130	2,507,680	55	16,849	11,645,681	691
	All Terrain Vehicle	9,866	4,340,450	440	11.7%	19.5%	7.1%	1,033	709,283	29	8,834	3,631,167	411
	Snow Vehicle	3,811	1,627,366	427	(3.9%)	(1.6%)	2.4%	(155)	(25,708)	10	3,966	1,653,074	417
	Antique	4	6,964	1,741	(23.8%)	19.0%	56.3%	(1)	1,114	627	5	5,850	1,114
	Motor Home	364	894,942	2,460	47.0%	40.9%	(4.2%)	116	259,771	(107)	247	635,171	2,567
	Trailer Home	-	74,806	74,806	-	497.9%	497.9%	-	62,295	62,295	-	12,511	12,511
	Garage	-	11,054,302	11,054,302	-	27.1%	27.1%	-	2,353,595	2,353,595	-	8,700,707	8,700,707
	Non-Owned	-	498,322	498,322	-	54.0%	54.0%	-	174,758	174,758	-	323,564	323,564
	Drivers Policy	95	142,436	1,506	57.6%	104.7%	29.8%	35	72,852	346	60	69,584	1,160
non-PPV Total		70,841	288,111,344	4,067	13.9%	19.6%	5.0%	8,627	47,227,116	195	62,214	240,884,228	3,872
TOTAL		111,861	417,748,667	3,735	14.9%	22.1%	6.3%	14,536	75,718,597	221	97,324	342,030,070	3,514

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

Saskia Matheson
President & CEO

Related link:

[FARM September 2020 Participation Report – Actuarial Highlights](#)

*For additional details on Actual vs Projected variances, IBNR, and valuation (if applicable)

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020
FACILITY ASSOCIATION RESIDUAL MARKET - ALL JURISDICTIONS BY MONTH
Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)
Source: Monthly (Accident Year) Member Participation Report as at 09/2020
(Thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$38,815	\$29,715	\$39,160	\$11,893	\$38,359	\$42,287	\$40,788	\$40,020	\$40,830	\$321,867	\$426,348	\$372,967
CHANGE IN UNEARNED PREMIUMS	-4,450	364	-5,702	17,183	-8,623	-12,344	-7,951	-5,900	-6,692	-34,115	-34,876	-49,022
NET PREMIUMS EARNED	\$34,365	\$30,079	\$33,458	\$29,076	\$29,736	\$29,943	\$32,837	\$34,120	\$34,138	\$287,752	\$391,472	\$323,945
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	2,394	-3,629	7,887	-81	5,957	-33	-58	26,336	9	38,782	38,782	14,991
EFFECT OF DISCOUNTING	-773	-556	-856	-735	9,863	-1,392	-1,008	3,772	-681	7,634	4,696	924
DISCOUNTED	1,621	-4,185	7,031	-816	15,820	-1,425	-1,066	30,108	-672	46,416	43,478	15,915
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	20,592	19,677	19,356	18,671	16,845	18,719	20,467	12,463	19,998	166,788	227,372	214,321
EFFECT OF DISCOUNTING	1,488	1,261	830	928	2,673	1,164	1,383	1,638	1,175	12,540	17,358	11,261
DISCOUNTED	22,080	20,938	20,186	19,599	19,518	19,883	21,850	14,101	21,173	179,328	244,730	225,582
CLAIMS INCURRED	\$23,701	\$16,753	\$27,217	\$18,783	\$35,338	\$18,458	\$20,784	\$44,209	\$20,501	\$225,744	\$288,208	\$241,497
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	3,980	3,082	4,101	1,178	3,954	4,354	4,205	4,139	4,230	33,223	44,036	38,519
AGENTS COMMISSIONS	3,082	2,124	2,769	1,284	3,062	3,335	3,232	3,018	2,888	24,794	33,119	28,514
DRIVER RECORD ABSTRACTS	286	271	206	372	530	318	472	328	129	2,912	4,569	3,532
BAD DEBTS	-3	-2	-2	0	-3	-2	0	6	-6	-12	-4	-148
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	-361	83	-381	1,149	-641	-930	-581	-443	-443	-2,548	-2,574	-3,571
EFFECT OF DISCOUNTING	2	3	-52	0	0	0	0	0	0	-47	-47	-460
DISCOUNTED	-359	86	-433	1,149	-641	-930	-581	-443	-443	-2,595	-2,621	-4,031
UNDERWRITING EXPENSES	\$6,986	\$5,561	\$6,641	\$3,983	\$6,902	\$7,075	\$7,328	\$7,048	\$6,798	\$58,322	\$79,099	\$66,386
NET UNDERWRITING GAIN (LOSS)	\$3,678	\$7,765	-\$400	\$6,310	-\$12,504	\$4,410	\$4,725	-\$17,137	\$6,839	\$3,686	\$24,165	\$16,062
ADMINISTRATIVE EXPENSES	398	623	419	506	482	518	485	458	531	4,420	7,147	6,286
PREMIUM FINANCE FEE	-13	-12	-13	-12	-12	-11	-12	-12	-13	-110	-99	-130
INVESTMENT INCOME	119	121	75	30	30	27	23	30	31	486	566	1,208
OPERATING RESULTS	\$3,386	\$7,251	-\$757	\$5,822	-\$12,968	\$3,908	\$4,251	-\$17,577	\$6,326	-\$358	\$17,485	\$10,854
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	4.7%	-13.9%	21.0%	-2.8%	53.2%	-4.8%	-3.2%	88.2%	-2.0%	16.1%	11.1%	4.9%
Current Accident Year	64.3%	69.6%	60.3%	67.4%	65.6%	66.4%	66.5%	41.3%	62.0%	62.3%	62.5%	69.6%
All Accident Years Combined	69.0%	55.7%	81.3%	64.6%	118.8%	61.6%	63.3%	129.5%	60.0%	78.4%	73.6%	74.5%
Underwriting & Admin Exp.(Earned)	21.5%	20.6%	21.1%	15.4%	24.8%	25.4%	23.8%	22.0%	21.5%	21.8%	22.0%	22.4%
COMBINED OPERATING RATIO	90.5%	76.3%	102.4%	80.0%	143.6%	87.0%	87.1%	151.5%	81.5%	100.2%	95.6%	96.9%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020
FACILITY ASSOCIATION RESIDUAL MARKET - ALL JURISDICTIONS
Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)
Source: Monthly (Accident Year) Member Participation Report as at 09/2020
(thousands of dollars)

	Alberta	Ontario	NS	PEI	NB	NFLD & LAB	Yukon	NWT	Nunavut	Total	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$100,968	\$123,497	\$34,004	\$4,834	\$24,872	\$27,478	\$1,740	\$3,702	\$772	\$321,867	\$426,348	\$372,967
CHANGE IN UNEARNED PREMIUMS	-9,691	-14,469	-4,621	-289	-2,606	-1,920	-190	-309	-20	-34,115	-34,876	-49,022
NET PREMIUMS EARNED	\$91,277	\$109,028	\$29,383	\$4,545	\$22,266	\$25,558	\$1,550	\$3,393	\$752	\$287,752	\$391,472	\$323,945
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	16,537	28,069	-4,091	-625	253	14	-795	-399	-181	38,782	38,782	14,991
EFFECT OF DISCOUNTING	1,928	4,474	38	148	538	518	-12	13	-11	7,634	4,696	924
DISCOUNTED	18,465	32,543	-4,053	-477	791	532	-807	-386	-192	46,416	43,478	15,915
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	56,566	53,453	18,554	2,871	14,721	17,777	849	1,737	260	166,788	227,372	214,321
EFFECT OF DISCOUNTING	3,880	4,536	1,378	230	1,079	1,235	69	112	21	12,540	17,358	11,261
DISCOUNTED	60,446	57,989	19,932	3,101	15,800	19,012	918	1,849	281	179,328	244,730	225,582
CLAIMS INCURRED	\$78,911	\$90,532	\$15,879	\$2,624	\$16,591	\$19,544	\$111	\$1,463	\$89	\$225,744	\$288,208	\$241,497
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	10,097	13,337	3,400	484	2,487	2,795	175	370	78	33,223	44,036	38,519
AGENTS COMMISSIONS	8,119	7,764	2,961	440	2,293	2,640	154	358	65	24,794	33,119	28,514
DRIVER RECORD ABSTRACTS	617	317	796	157	514	456	7	48	0	2,912	4,569	3,532
BAD DEBTS	2	-1	-2	-1	0	-7	-1	-2	0	-12	-4	-148
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	-667	-996	-382	-24	-228	-203	-17	-30	-1	-2,548	-2,574	-3,571
EFFECT OF DISCOUNTING	0	0	-47	0	0	0	0	0	0	-47	-47	-460
DISCOUNTED	-667	-996	-429	-24	-228	-203	-17	-30	-1	-2,595	-2,621	-4,031
UNDERWRITING EXPENSES	\$18,168	\$20,421	\$6,726	\$1,056	\$5,066	\$5,681	\$318	\$744	\$142	\$58,322	\$79,099	\$66,386
NET UNDERWRITING GAIN (LOSS)	-\$5,802	-\$1,925	\$6,778	\$865	\$609	\$333	\$1,121	\$1,186	\$521	\$3,686	\$24,165	\$16,062
ADMINISTRATIVE EXPENSES	1,184	1,521	485	155	368	397	102	118	90	4,420	7,147	6,286
PREMIUM FINANCE FEE	-31	-52	-10	0	-7	-10	0	0	0	-110	-99	-130
INVESTMENT INCOME	142	179	50	11	44	52	3	4	1	486	566	1,208
OPERATING RESULTS	-\$6,875	-\$3,319	\$6,333	\$721	\$278	-\$22	\$1,022	\$1,072	\$432	-\$358	\$17,485	\$10,854
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	20.2%	29.8%	-13.8%	-10.5%	3.6%	2.1%	-52.1%	-11.4%	-25.5%	16.1%	11.1%	4.9%
Current Accident Year	66.2%	53.2%	67.8%	68.2%	71.0%	74.4%	59.2%	54.5%	37.4%	62.3%	62.5%	69.6%
All Accident Years Combined	86.4%	83.0%	54.0%	57.7%	74.6%	76.5%	7.1%	43.1%	11.9%	78.4%	73.6%	74.5%
Underwriting & Admin Exp.(Earned)	21.2%	20.1%	24.5%	26.6%	24.4%	23.8%	27.1%	25.4%	30.9%	21.8%	22.0%	22.4%
COMBINED OPERATING RATIO	107.6%	103.1%	78.5%	84.3%	99.0%	100.3%	34.2%	68.5%	42.8%	100.2%	95.6%	96.9%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020
FACILITY ASSOCIATION RESIDUAL MARKET - ALBERTA
Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)
Source: Monthly (Accident Year) Member Participation Report as at 09/2020
(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$17,167	\$8,069	\$12,538	\$5,102	\$11,971	\$12,086	\$12,086	\$11,386	\$10,563	\$100,968	\$130,433	\$114,601
CHANGE IN UNEARNED PREMIUMS	-4,415	1,657	-1,834	4,256	-2,849	-3,043	-1,962	-964	-537	-9,691	-8,245	-8,283
NET PREMIUMS EARNED	\$12,752	\$9,726	\$10,704	\$9,358	\$9,122	\$9,043	\$10,124	\$10,422	\$10,026	\$91,277	\$122,188	\$106,318
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	1,900	-636	7,148	-79	2,562	-11	-4	5,659	-2	16,537	16,536	10,587
EFFECT OF DISCOUNTING	-298	-146	523	-294	2,775	-769	-462	724	-125	1,928	1,044	873
DISCOUNTED	1,602	-782	7,671	-373	5,337	-780	-466	6,383	-127	18,465	17,580	11,460
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	6,322	6,016	7,083	6,205	6,106	5,933	6,647	5,784	6,470	56,566	76,505	68,811
EFFECT OF DISCOUNTING	414	325	313	264	861	318	326	699	360	3,880	4,939	2,997
DISCOUNTED	6,736	6,341	7,396	6,469	6,967	6,251	6,973	6,483	6,830	60,446	81,444	71,808
CLAIMS INCURRED	\$8,338	\$5,559	\$15,067	6,096	12,304	5,471	6,507	12,866	6,703	\$78,911	\$99,024	\$83,268
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	1,717	807	1,255	510	1,196	1,208	1,208	1,140	1,056	10,097	13,043	11,461
AGENTS COMMISSIONS	1,410	652	1,009	398	933	988	987	923	819	8,119	10,536	8,936
DRIVER RECORD ABSTRACTS	39	43	68	89	93	69	54	107	55	617	1,001	798
BAD DEBTS	1	1	-1	1	0	0	0	-1	1	2	2	-69
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	-365	111	-143	346	-219	-240	-155	33	-35	-667	-563	-484
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNTED	-365	111	-143	346	-219	-240	-155	33	-35	-667	-563	-484
UNDERWRITING EXPENSES	\$2,802	\$1,614	\$2,188	\$1,344	\$2,003	\$2,025	\$2,094	\$2,202	\$1,896	\$18,168	\$24,019	\$20,642
NET UNDERWRITING GAIN (LOSS)	\$1,612	\$2,553	-\$6,551	\$1,918	-\$5,185	\$1,547	\$1,523	-\$4,646	\$1,427	-\$5,802	-\$855	\$2,408
ADMINISTRATIVE EXPENSES	185	183	119	162	32	151	127	122	103	1,184	1,990	1,771
PREMIUM FINANCE FEE	-5	-3	-4	-4	-3	-3	-3	-3	-3	-31	-29	-36
INVESTMENT INCOME	32	36	21	11	11	8	7	7	9	142	163	353
OPERATING RESULTS	\$1,454	\$2,403	-\$6,653	\$1,763	-\$5,209	\$1,401	\$1,400	-\$4,764	\$1,330	-\$6,875	-\$2,711	\$954
AVERAGE YTD OPERATING RESULT	\$1,454	\$1,929	-\$932	-\$258	-\$1,248	-\$807	-\$492	-\$1,026	-\$764	-\$764	-\$226	\$80
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	12.6%	-8.0%	71.7%	-4.0%	58.5%	-8.6%	-4.6%	61.2%	-1.3%	20.2%	14.4%	10.8%
Current Accident Year	52.8%	65.2%	69.1%	69.1%	76.4%	69.1%	68.9%	62.2%	68.1%	66.2%	66.7%	67.5%
All Accident Years Combined	65.4%	57.2%	140.8%	65.1%	134.9%	60.5%	64.3%	123.4%	66.8%	86.4%	81.1%	78.3%
Underwriting & Admin Exp.(Earned)	23.4%	18.5%	21.6%	16.1%	22.3%	24.1%	21.9%	22.3%	19.9%	21.2%	21.3%	21.1%
COMBINED OPERATING RATIO	88.8%	75.7%	162.4%	81.2%	157.2%	84.6%	86.2%	145.7%	86.7%	107.6%	102.4%	99.4%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

FACILITY ASSOCIATION RESIDUAL MARKET - ONTARIO

Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)

Source: Monthly (Accident Year) Member Participation Report as at 09/2020

(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$12,025	\$13,847	\$17,321	-\$1,441	\$14,822	\$15,837	\$15,773	\$16,819	\$18,494	\$123,497	\$168,760	\$146,703
CHANGE IN UNEARNED PREMIUMS	-175	-2,417	-4,152	12,143	-3,414	-4,516	-3,322	-3,634	-4,982	-14,469	-18,500	-28,619
NET PREMIUMS EARNED	\$11,850	\$11,430	\$13,169	\$10,702	\$11,408	\$11,321	\$12,451	\$13,185	\$13,512	\$109,028	\$150,260	\$118,084
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	237	-2,713	2,317	-2	3,979	-11	-55	24,306	11	28,069	28,071	4,386
EFFECT OF DISCOUNTING	-277	-294	-243	-151	3,757	-343	-256	2,557	-276	4,474	3,370	667
DISCOUNTED	-40	-3,007	2,074	-153	7,736	-354	-311	26,863	-265	32,543	31,441	5,053
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	7,422	7,182	5,749	6,048	4,961	6,126	6,707	2,635	6,623	53,453	73,561	68,258
EFFECT OF DISCOUNTING	628	580	270	389	904	458	539	447	321	4,536	6,942	4,395
DISCOUNTED	8,050	7,762	6,019	6,437	5,865	6,584	7,246	3,082	6,944	57,989	80,503	72,653
CLAIMS INCURRED	\$8,010	\$4,755	\$8,093	\$6,284	\$13,601	\$6,230	\$6,935	\$29,945	\$6,679	\$90,532	\$111,944	\$77,706
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	1,299	1,495	1,869	-154	1,601	1,710	1,703	1,817	1,997	13,337	18,226	15,842
AGENTS COMMISSIONS	803	769	896	79	1,044	1,062	1,088	1,023	1,000	7,764	10,868	9,196
DRIVER RECORD ABSTRACTS	26	26	22	40	65	23	52	34	29	317	608	345
BAD DEBTS	0	0	0	0	1	-1	0	0	-1	-1	0	-86
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	-9	-149	-257	751	-209	-276	-204	-330	-313	-996	-1,246	-1,724
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNTED	-9	-149	-257	751	-209	-276	-204	-330	-313	-996	-1,246	-1,724
UNDERWRITING EXPENSES	\$2,119	\$2,141	\$2,530	\$716	\$2,502	\$2,518	\$2,639	\$2,544	\$2,712	\$20,421	\$28,456	\$23,573
NET UNDERWRITING GAIN (LOSS)	\$1,721	\$4,534	\$2,546	\$3,702	-\$4,695	\$2,573	\$2,877	-\$19,304	\$4,121	-\$1,925	\$9,860	\$16,805
ADMINISTRATIVE EXPENSES	105	285	183	63	255	80	169	163	218	1,521	2,699	2,347
PREMIUM FINANCE FEE	-6	-7	-7	-2	-6	-5	-6	-6	-7	-52	-43	-61
INVESTMENT INCOME	44	43	29	10	9	10	9	13	12	179	209	441
OPERATING RESULTS	\$1,654	\$4,285	\$2,385	\$3,647	-\$4,947	\$2,498	\$2,711	-\$19,460	\$3,908	-\$3,319	\$7,327	\$14,838
AVERAGE YTD OPERATING RESULT	\$1,654	\$2,970	\$2,775	\$2,993	\$1,405	\$1,587	\$1,748	-\$903	-\$369	-\$369	\$611	\$1,237
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	-0.3%	-26.3%	15.7%	-1.4%	67.8%	-3.1%	-2.5%	203.7%	-2.0%	29.8%	20.9%	4.3%
Current Accident Year	67.9%	67.9%	45.7%	60.1%	51.4%	58.2%	58.2%	23.4%	51.4%	53.2%	53.6%	61.5%
All Accident Years Combined	67.6%	41.6%	61.4%	58.7%	119.2%	55.1%	55.7%	227.1%	49.4%	83.0%	74.5%	65.8%
Underwriting & Admin Exp.(Earned)	18.8%	21.2%	20.6%	7.3%	24.2%	22.9%	22.6%	20.5%	21.7%	20.1%	20.7%	22.0%
COMBINED OPERATING RATIO	86.4%	62.8%	82.0%	66.0%	143.4%	78.0%	78.3%	247.6%	71.1%	103.1%	95.2%	87.8%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

FACILITY ASSOCIATION RESIDUAL MARKET - NOVA SCOTIA

Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)

Source: Monthly (Accident Year) Member Participation Report as at 09/2020

(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$3,617	\$3,146	\$3,291	\$3,253	\$3,436	\$4,317	\$4,618	\$4,053	\$4,273	\$34,004	\$44,323	\$35,559
CHANGE IN UNEARNED PREMIUMS	-432	-194	-139	-151	-336	-1,161	-1,140	-494	-574	-4,621	-4,127	-6,000
NET PREMIUMS EARNED	\$3,185	\$2,952	\$3,152	\$3,102	\$3,100	\$3,156	\$3,478	\$3,559	\$3,699	\$29,383	\$40,196	\$29,559
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	101	77	-2,424	-2	-1,462	-4	0	-376	-1	-4,091	-4,091	-907
EFFECT OF DISCOUNTING	-33	-18	-427	-48	597	-66	-55	195	-107	38	-152	-165
DISCOUNTED	68	59	-2,851	-50	-865	-70	-55	-181	-108	-4,053	-4,243	-1,072
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	2,337	2,252	1,984	2,223	1,615	2,135	2,352	1,310	2,346	18,554	25,404	23,331
EFFECT OF DISCOUNTING	160	140	95	87	267	130	165	157	177	1,378	1,810	1,211
DISCOUNTED	2,497	2,392	2,079	2,310	1,882	2,265	2,517	1,467	2,523	19,932	27,214	24,542
CLAIMS INCURRED	\$2,565	\$2,451	-\$772	\$2,260	\$1,017	\$2,195	\$2,462	\$1,286	\$2,415	\$15,879	\$22,971	\$23,470
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	362	314	329	325	344	432	462	405	427	3,400	4,433	3,555
AGENTS COMMISSIONS	308	262	290	296	320	382	388	349	366	2,961	3,920	3,226
DRIVER RECORD ABSTRACTS	96	70	68	100	135	108	152	57	10	796	1,400	951
BAD DEBTS	0	0	0	0	-1	0	0	0	-1	-2	-1	-29
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	-37	-6	-12	-16	-35	-103	-89	-39	-45	-382	-362	-790
EFFECT OF DISCOUNTING	2	3	-52	0	0	0	0	0	0	-47	-47	-187
DISCOUNTED	-35	-3	-64	-16	-35	-103	-89	-39	-45	-429	-409	-977
UNDERWRITING EXPENSES	\$731	\$643	\$623	\$705	\$763	\$819	\$913	\$772	\$757	\$6,726	\$9,343	\$6,726
NET UNDERWRITING GAIN (LOSS)	-\$111	-\$142	\$3,301	\$137	\$1,320	\$142	\$103	\$1,501	\$527	\$6,778	\$7,882	-\$637
ADMINISTRATIVE EXPENSES	35	73	30	87	31	74	54	42	59	485	765	623
PREMIUM FINANCE FEE	-1	-1	-1	-2	-1	-1	-1	-1	-1	-10	-9	-12
INVESTMENT INCOME	13	14	9	2	2	2	2	3	3	50	58	106
OPERATING RESULTS	-\$134	-\$202	\$3,279	\$50	\$1,290	\$69	\$50	\$1,461	\$470	\$6,333	\$7,166	-\$1,166
AVERAGE YTD OPERATING RESULT	-\$134	-\$168	\$981	\$748	\$857	\$725	\$629	\$733	\$704	\$704	\$597	-\$97
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	2.1%	2.0%	-90.5%	-1.6%	-27.9%	-2.2%	-1.6%	-5.1%	-2.9%	-13.8%	-10.6%	-3.6%
Current Accident Year	78.4%	81.0%	66.0%	74.5%	60.7%	71.8%	72.4%	41.2%	68.2%	67.8%	67.7%	83.0%
All Accident Years Combined	80.5%	83.0%	-24.5%	72.9%	32.8%	69.6%	70.8%	36.1%	65.3%	54.0%	57.1%	79.4%
Underwriting & Admin Exp.(Earned)	24.1%	24.3%	20.7%	25.5%	25.6%	28.3%	27.8%	22.9%	22.1%	24.5%	25.1%	24.9%
COMBINED OPERATING RATIO	104.6%	107.3%	-3.8%	98.4%	58.4%	97.9%	98.6%	59.0%	87.4%	78.5%	82.2%	104.3%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

FACILITY ASSOCIATION RESIDUAL MARKET - PRINCE EDWARD ISLAND

Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)

Source: Monthly (Accident Year) Member Participation Report as at 09/2020

(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$578	\$243	\$480	\$513	\$499	\$631	\$668	\$572	\$650	\$4,834	\$6,614	\$5,865
CHANGE IN UNEARNED PREMIUMS	-58	232	28	-12	-67	-143	-135	-37	-97	-289	-405	-650
NET PREMIUMS EARNED	\$520	\$475	\$508	\$501	\$432	\$488	\$533	\$535	\$553	\$4,545	\$6,209	\$5,215
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	14	54	-583	17	59	1	0	-188	1	-625	-627	381
EFFECT OF DISCOUNTING	-5	3	-129	-2	255	17	-6	18	-3	148	89	-53
DISCOUNTED	9	57	-712	15	314	18	-6	-170	-2	-477	-538	328
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	334	312	322	315	300	320	351	263	354	2,871	3,936	3,685
EFFECT OF DISCOUNTING	24	17	16	20	45	6	32	38	32	230	336	215
DISCOUNTED	358	329	338	335	345	326	383	301	386	3,101	4,272	3,900
CLAIMS INCURRED	\$367	\$386	-\$374	\$350	\$659	\$344	\$377	\$131	\$384	\$2,624	\$3,734	\$4,228
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	58	25	48	51	50	63	67	57	65	484	662	585
AGENTS COMMISSIONS	51	25	43	46	45	58	61	53	58	440	606	545
DRIVER RECORD ABSTRACTS	15	13	8	21	36	14	27	18	5	157	235	242
BAD DEBTS	0	0	0	0	0	0	0	0	-1	-1	0	41
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	-5	21	3	0	-5	-12	-13	-3	-10	-24	-33	-60
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNTED	-5	21	3	0	-5	-12	-13	-3	-10	-24	-33	-60
UNDERWRITING EXPENSES	\$119	\$84	\$102	\$118	\$126	\$123	\$142	\$125	\$117	\$1,056	\$1,470	\$1,353
NET UNDERWRITING GAIN (LOSS)	\$34	\$5	\$780	\$33	-\$353	\$21	\$14	\$279	\$52	\$865	\$1,005	-\$366
ADMINISTRATIVE EXPENSES	9	10	9	25	19	26	22	16	19	155	194	171
PREMIUM FINANCE FEE	0	0	0	0	0	0	0	0	0	0	-1	0
INVESTMENT INCOME	2	3	2	0	1	1	0	1	1	11	12	27
OPERATING RESULTS	\$27	-\$2	\$773	\$8	-\$371	-\$4	-\$8	\$264	\$34	\$721	\$822	-\$510
AVERAGE YTD OPERATING RESULT	\$27	\$13	\$266	\$202	\$87	\$72	\$60	\$86	\$80	\$80	\$69	-\$43
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	1.7%	12.0%	-140.2%	3.0%	72.7%	3.7%	-1.1%	-31.8%	-0.4%	-10.5%	-8.7%	6.3%
Current Accident Year	68.8%	69.3%	66.5%	66.9%	79.9%	66.8%	71.9%	56.3%	69.8%	68.2%	68.8%	74.8%
All Accident Years Combined	70.5%	81.3%	-73.7%	69.9%	152.6%	70.5%	70.8%	24.5%	69.4%	57.7%	60.1%	81.1%
Underwriting & Admin Exp.(Earned)	24.6%	19.8%	21.9%	28.5%	33.6%	30.5%	30.8%	26.4%	24.6%	26.6%	26.8%	29.2%
COMBINED OPERATING RATIO	95.1%	101.1%	-51.8%	98.4%	186.2%	101.0%	101.6%	50.9%	94.0%	84.3%	86.9%	110.3%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

FACILITY ASSOCIATION RESIDUAL MARKET - NEW BRUNSWICK

Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)

Source: Monthly (Accident Year) Member Participation Report as at 09/2020

(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$2,667	\$1,670	\$2,057	\$2,347	\$3,322	\$3,977	\$3,227	\$2,989	\$2,616	\$24,872	\$32,748	\$28,610
CHANGE IN UNEARNED PREMIUMS	-227	600	367	-87	-961	-1,503	-590	-267	62	-2,606	-2,346	-2,307
NET PREMIUMS EARNED	\$2,440	\$2,270	\$2,424	\$2,260	\$2,361	\$2,474	\$2,637	\$2,722	\$2,678	\$22,266	\$30,402	\$26,303
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	38	-47	1,523	-3	-334	-5	2	-922	1	253	253	-2,973
EFFECT OF DISCOUNTING	-43	-62	-8	-82	976	-168	-76	54	-53	538	268	-422
DISCOUNTED	-5	-109	1,515	-85	642	-173	-74	-868	-52	791	521	-3,395
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	1,710	1,602	1,685	1,595	1,689	1,747	1,859	1,063	1,771	14,721	20,103	20,134
EFFECT OF DISCOUNTING	111	78	41	64	291	90	142	133	129	1,079	1,412	932
DISCOUNTED	1,821	1,680	1,726	1,659	1,980	1,837	2,001	1,196	1,900	15,800	21,515	21,066
CLAIMS INCURRED	\$1,816	\$1,571	\$3,241	\$1,574	\$2,622	\$1,664	\$1,927	\$328	\$1,848	\$16,591	\$22,036	\$17,671
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	267	167	206	235	332	397	323	299	261	2,487	3,278	2,881
AGENTS COMMISSIONS	247	167	207	213	302	349	291	272	245	2,293	3,031	2,671
DRIVER RECORD ABSTRACTS	56	62	21	64	92	58	104	46	11	514	670	575
BAD DEBTS	0	0	0	0	0	0	0	0	0	0	0	-23
UNDISCOUNTED	-22	49	27	-5	-81	-129	-48	-25	6	-228	-218	-213
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNTED	-22	49	27	-5	-81	-129	-48	-25	6	-228	-218	-213
UNDERWRITING EXPENSES	\$548	\$445	\$461	\$507	\$645	\$675	\$670	\$592	\$523	\$5,066	\$6,761	\$5,891
NET UNDERWRITING GAIN (LOSS)	\$76	\$254	-\$1,278	\$179	-\$906	\$135	\$40	\$1,802	\$307	\$609	\$1,605	\$2,741
ADMINISTRATIVE EXPENSES	28	33	21	64	44	64	40	35	39	368	581	512
PREMIUM FINANCE FEE	0	0	0	-2	-1	-1	-1	-1	-1	-7	-6	-9
INVESTMENT INCOME	11	11	6	3	3	2	2	3	3	44	51	103
OPERATING RESULTS	\$59	\$232	-\$1,293	\$116	-\$948	\$72	\$1	\$1,769	\$270	\$278	\$1,069	\$2,323
AVERAGE YTD OPERATING RESULT	\$59	\$146	-\$334	-\$222	-\$367	-\$294	-\$252	\$1	\$31	\$31	\$89	\$194
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	-0.2%	-4.8%	62.5%	-3.8%	27.2%	-7.0%	-2.8%	-31.9%	-1.9%	3.6%	1.7%	-12.9%
Current Accident Year	74.6%	74.0%	71.2%	73.4%	83.9%	74.3%	75.9%	43.9%	70.9%	71.0%	70.8%	80.1%
All Accident Years Combined	74.4%	69.2%	133.7%	69.6%	111.1%	67.3%	73.1%	12.0%	69.0%	74.6%	72.5%	67.2%
Underwriting & Admin Exp.(Earned)	23.6%	21.1%	19.9%	25.3%	29.2%	29.9%	26.9%	23.0%	21.0%	24.4%	24.1%	24.3%
COMBINED OPERATING RATIO	98.0%	90.3%	153.6%	94.9%	140.3%	97.2%	100.0%	35.0%	90.0%	99.0%	96.6%	91.5%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

FACILITY ASSOCIATION RESIDUAL MARKET - NEWFOUNDLAND & LABRADOR

Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)

Source: Monthly (Accident Year) Member Participation Report as at 09/2020

(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$1,966	\$2,334	\$2,673	\$1,766	\$3,660	\$4,279	\$3,580	\$3,579	\$3,641	\$27,478	\$35,616	\$34,533
CHANGE IN UNEARNED PREMIUMS	899	325	184	824	-919	-1,496	-593	-531	-613	-1,920	-992	-3,235
NET PREMIUMS EARNED	\$2,865	\$2,659	\$2,857	\$2,590	\$2,741	\$2,783	\$2,987	\$3,048	\$3,028	\$25,558	\$34,624	\$31,298
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	23	-169	556	-3	1,449	-1	0	-1,840	-1	14	16	4,426
EFFECT OF DISCOUNTING	-114	-26	-488	-153	1,350	-61	-148	272	-114	518	114	3
DISCOUNTED	-91	-195	68	-156	2,799	-62	-148	-1,568	-115	532	130	4,429
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	2,142	2,002	2,202	1,972	1,833	2,062	2,212	1,245	2,107	17,777	24,094	25,969
EFFECT OF DISCOUNTING	128	105	88	93	263	134	151	140	133	1,235	1,666	1,297
DISCOUNTED	2,270	2,107	2,290	2,065	2,096	2,196	2,363	1,385	2,240	19,012	25,760	27,266
CLAIMS INCURRED	\$2,179	\$1,912	\$2,358	\$1,909	\$4,895	\$2,134	\$2,215	-\$183	\$2,125	\$19,544	\$25,890	\$31,695
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	197	234	314	176	366	428	358	358	364	2,795	3,609	3,484
AGENTS COMMISSIONS	186	208	252	215	357	402	342	340	338	2,640	3,429	3,279
DRIVER RECORD ABSTRACTS	48	33	14	54	102	41	83	62	19	456	566	533
BAD DEBTS	-3	-3	-1	-1	-3	-1	0	7	-2	-7	-4	54
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	83	43	16	54	-86	-129	-54	-81	-49	-203	-126	-310
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	-273
DISCOUNTED	83	43	16	54	-86	-129	-54	-81	-49	-203	-126	-583
UNDERWRITING EXPENSES	\$511	\$515	\$595	\$498	\$736	\$741	\$729	\$686	\$670	\$5,681	\$7,474	\$6,767
NET UNDERWRITING GAIN (LOSS)	\$175	\$232	-\$96	\$183	-\$2,890	-\$92	\$43	\$2,545	\$233	\$333	\$1,260	-\$7,164
ADMINISTRATIVE EXPENSES	17	36	32	55	51	68	44	42	52	397	603	604
PREMIUM FINANCE FEE	-1	-1	-1	-2	-1	-1	-1	-1	-1	-10	-9	-12
INVESTMENT INCOME	14	12	7	4	4	4	3	1	3	52	61	151
OPERATING RESULTS	\$171	\$207	-\$122	\$130	-\$2,938	-\$157	\$1	\$2,503	\$183	-\$22	\$709	-\$7,629
AVERAGE YTD OPERATING RESULT	\$171	\$189	\$85	\$97	-\$510	-\$452	-\$387	-\$26	-\$2	-\$2	\$59	-\$636
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	-3.2%	-7.3%	2.4%	-6.0%	102.1%	-2.2%	-5.0%	-51.4%	-3.8%	2.1%	0.4%	14.2%
Current Accident Year	79.2%	79.2%	80.2%	79.7%	76.5%	78.9%	79.1%	45.4%	74.0%	74.4%	74.4%	87.1%
All Accident Years Combined	76.0%	71.9%	82.6%	73.7%	178.6%	76.7%	74.1%	-6.0%	70.2%	76.5%	74.8%	101.3%
Underwriting & Admin Exp.(Earned)	18.4%	20.7%	21.9%	21.4%	28.7%	29.1%	25.9%	23.9%	23.8%	23.8%	23.3%	23.6%
COMBINED OPERATING RATIO	94.4%	92.6%	104.5%	95.1%	207.3%	105.8%	100.0%	17.9%	94.0%	100.3%	98.1%	124.9%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

FACILITY ASSOCIATION RESIDUAL MARKET - YUKON

Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)

Source: Monthly (Accident Year) Member Participation Report as at 09/2020

(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$118	\$50	\$167	\$103	\$250	\$432	\$316	\$209	\$95	\$1,740	\$2,153	\$2,051
CHANGE IN UNEARNED PREMIUMS	58	94	10	53	-95	-258	-125	-16	89	-190	-71	-79
NET PREMIUMS EARNED	\$176	\$144	\$177	\$156	\$155	\$174	\$191	\$193	\$184	\$1,550	\$2,082	\$1,972
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	3	22	-508	-1	-140	-2	0	-169	0	-795	-795	247
EFFECT OF DISCOUNTING	0	-3	-34	1	46	0	-2	-20	0	-12	-18	36
DISCOUNTED	3	19	-542	0	-94	-2	-2	-189	0	-807	-813	283
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	109	100	109	99	75	113	118	24	102	849	1,128	1,177
EFFECT OF DISCOUNTING	8	7	1	7	13	6	12	5	10	69	76	68
DISCOUNTED	117	107	110	106	88	119	130	29	112	918	1,204	1,245
CLAIMS INCURRED	\$120	\$126	-\$432	\$106	-\$6	\$117	\$128	-\$160	\$112	\$111	\$391	\$1,528
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	12	5	17	10	25	43	32	21	10	175	215	205
AGENTS COMMISSIONS	9	6	16	10	22	36	25	19	11	154	189	182
DRIVER RECORD ABSTRACTS	1	2	1	1	1	1	0	0	0	7	13	17
BAD DEBTS	0	0	0	0	0	0	0	0	-1	-1	-1	-22
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	5	7	0	6	-9	-21	-11	-2	8	-17	-7	-6
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNTED	5	7	0	6	-9	-21	-11	-2	8	-17	-7	-6
UNDERWRITING EXPENSES	\$27	\$20	\$34	\$27	\$39	\$59	\$46	\$38	\$28	\$318	\$409	\$376
NET UNDERWRITING GAIN (LOSS)	\$29	-\$2	\$575	\$23	\$122	-\$2	\$17	\$315	\$44	\$1,121	\$1,282	\$68
ADMINISTRATIVE EXPENSES	4	3	7	16	16	20	11	13	12	102	103	82
PREMIUM FINANCE FEE	0	0	0	0	0	0	0	0	0	0	-1	0
INVESTMENT INCOME	1	1	0	0	0	0	0	1	0	3	4	8
OPERATING RESULTS	\$26	-\$4	\$568	\$7	\$106	-\$22	\$6	\$303	\$32	\$1,022	\$1,182	-\$6
AVERAGE YTD OPERATING RESULT	\$26	\$11	\$197	\$149	\$141	\$114	\$98	\$124	\$114	\$114	\$99	-\$1
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	1.7%	13.2%	-306.2%	0.0%	-60.6%	-1.1%	-1.0%	-97.9%	0.0%	-52.1%	-39.0%	14.4%
Current Accident Year	66.5%	74.3%	62.1%	67.9%	56.8%	68.4%	68.1%	15.0%	60.9%	59.2%	57.8%	63.1%
All Accident Years Combined	68.2%	87.5%	-244.1%	67.9%	-3.8%	67.3%	67.1%	-82.9%	60.9%	7.1%	18.8%	77.5%
Underwriting & Admin Exp.(Earned)	17.6%	16.0%	23.2%	27.6%	35.5%	45.4%	29.8%	26.4%	21.7%	27.1%	24.6%	23.2%
COMBINED OPERATING RATIO	85.8%	103.5%	-220.9%	95.5%	31.7%	112.7%	96.9%	-56.5%	82.6%	34.2%	43.4%	100.7%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020

FACILITY ASSOCIATION RESIDUAL MARKET - NWT

Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)

Source: Monthly (Accident Year) Member Participation Report as at 09/2020

(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$567	\$322	\$579	\$213	\$342	\$670	\$291	\$346	\$372	\$3,702	\$4,715	\$4,052
CHANGE IN UNEARNED PREMIUMS	-108	25	-196	133	-5	-245	62	27	-2	-309	-213	140
NET PREMIUMS EARNED	\$459	\$347	\$383	\$346	\$337	\$425	\$353	\$373	\$370	\$3,393	\$4,502	\$4,192
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	64	-163	-55	0	-128	-1	-1	-116	1	-399	-398	-1,041
EFFECT OF DISCOUNTING	-2	-10	-35	-4	86	-3	-3	-16	0	13	-6	-21
DISCOUNTED	62	-173	-90	-4	-42	-4	-4	-132	1	-386	-404	-1,062
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	183	178	194	180	234	252	187	135	194	1,737	2,293	2,550
EFFECT OF DISCOUNTING	13	7	5	3	22	21	13	18	10	112	152	124
DISCOUNTED	196	185	199	183	256	273	200	153	204	1,849	2,445	2,674
CLAIMS INCURRED	\$258	\$12	\$109	\$179	\$214	\$269	\$196	\$21	\$205	\$1,463	\$2,041	\$1,612
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	57	32	58	21	34	67	29	35	37	370	472	406
AGENTS COMMISSIONS	58	32	51	25	33	54	31	35	39	358	457	395
DRIVER RECORD ABSTRACTS	5	22	4	3	6	4	0	4	0	48	71	65
BAD DEBTS	-1	0	0	0	0	0	0	0	-1	-2	0	-15
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	-12	3	-17	12	0	-21	5	2	-2	-30	-21	15
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNTED	-12	3	-17	12	0	-21	5	2	-2	-30	-21	15
UNDERWRITING EXPENSES	\$107	\$89	\$96	\$61	\$73	\$104	\$65	\$76	\$73	\$744	\$979	\$866
NET UNDERWRITING GAIN (LOSS)	\$94	\$246	\$178	\$106	\$50	\$52	\$92	\$276	\$92	\$1,186	\$1,482	\$1,714
ADMINISTRATIVE EXPENSES	10	-3	13	19	20	20	9	14	16	118	130	110
PREMIUM FINANCE FEE	0	0	0	0	0	0	0	0	0	0	-1	0
INVESTMENT INCOME	1	1	1	0	0	0	0	1	0	4	6	15
OPERATING RESULTS	\$85	\$250	\$166	\$87	\$30	\$32	\$83	\$263	\$76	\$1,072	\$1,357	\$1,619
AVERAGE YTD OPERATING RESULT	\$85	\$168	\$167	\$147	\$124	\$108	\$105	\$125	\$119	\$119	\$113	\$135
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	13.5%	-49.9%	-23.5%	-1.2%	-12.5%	-0.9%	-1.1%	-35.4%	0.3%	-11.4%	-9.0%	-25.3%
Current Accident Year	42.7%	53.3%	52.0%	52.9%	76.0%	64.2%	56.7%	41.0%	55.1%	54.5%	54.3%	63.8%
All Accident Years Combined	56.2%	3.4%	28.5%	51.7%	63.5%	63.3%	55.6%	5.6%	55.4%	43.1%	45.3%	38.5%
Underwriting & Admin Exp.(Earned)	25.5%	24.8%	28.5%	23.1%	27.6%	29.2%	21.0%	24.1%	24.1%	25.4%	24.6%	23.3%
COMBINED OPERATING RATIO	81.7%	28.2%	57.0%	74.8%	91.1%	92.5%	76.6%	29.7%	79.5%	68.5%	69.9%	61.8%

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

Rounding Difference may apply

SUMMARY OF OPERATIONS - CALENDAR YEAR 2020
FACILITY ASSOCIATION RESIDUAL MARKET - NUNAVUT
Operating Results for the 9 months ended September 30, 2020 (Discounted Basis)
Source: Monthly (Accident Year) Member Participation Report as at 09/2020
(thousands of dollars)

	January	February	March	April	May	June	July	August	September	CY2020 YTD	CY2020 12 Months Updated Projections	CY2019 12 Months Actual
UNDERWRITING REVENUE:												
PREMIUMS WRITTEN	\$110	\$34	\$54	\$37	\$57	\$58	\$229	\$67	\$126	\$772	\$986	\$993
CHANGE IN UNEARNED PREMIUMS	8	42	30	24	23	21	-146	16	-38	-20	23	11
NET PREMIUMS EARNED	\$118	\$76	\$84	\$61	\$80	\$79	\$83	\$83	\$88	\$752	\$1,009	\$1,004
CLAIMS INCURRED												
PRIOR ACCIDENT YEARS												
UNDISCOUNTED	14	-54	-87	-8	-28	1	0	-18	-1	-181	-183	-115
EFFECT OF DISCOUNTING	-1	0	-15	-2	21	1	0	-12	-3	-11	-13	6
DISCOUNTED	13	-54	-102	-10	-7	2	0	-30	-4	-192	-196	-109
CURRENT ACCIDENT YEAR												
UNDISCOUNTED	33	33	28	34	32	31	34	4	31	260	348	406
EFFECT OF DISCOUNTING	2	2	1	1	7	1	3	1	3	21	25	22
DISCOUNTED	35	35	29	35	39	32	37	5	34	281	373	428
CLAIMS INCURRED	\$48	-\$19	-\$73	\$25	\$32	\$34	\$37	-\$25	\$30	\$89	\$177	\$319
UNDERWRITING EXPENSES												
OPERATING & SERVICE FEES	11	3	5	4	6	6	23	7	13	78	98	100
AGENTS COMMISSIONS	10	3	5	2	6	4	19	4	12	65	83	84
DRIVER RECORD ABSTRACTS	0	0	0	0	0	0	0	0	0	0	5	6
BAD DEBTS	0	0	0	0	0	0	0	0	0	0	0	1
PREMIUM DEFICIENCY/(DPAC)												
UNDISCOUNTED	1	4	2	1	3	1	-12	2	-3	-1	2	1
EFFECT OF DISCOUNTING	0	0	0	0	0	0	0	0	0	0	0	0
DISCOUNTED	1	4	2	1	3	1	-12	2	-3	-1	2	1
UNDERWRITING EXPENSES	\$22	\$10	\$12	\$7	\$15	\$11	\$30	\$13	\$22	\$142	\$188	\$192
NET UNDERWRITING GAIN (LOSS)	\$48	\$85	\$145	\$29	\$33	\$34	\$16	\$95	\$36	\$521	\$644	\$493
ADMINISTRATIVE EXPENSES	5	3	5	15	14	15	9	11	13	90	82	66
PREMIUM FINANCE FEE	0	0	0	0	0	0	0	0	0	0	0	0
INVESTMENT INCOME	1	0	0	0	0	0	0	0	0	1	2	4
OPERATING RESULTS	\$44	\$82	\$140	\$14	\$19	\$19	\$7	\$84	\$23	\$432	\$564	\$431
AVERAGE YTD OPERATING RESULT	\$44	\$63	\$89	\$70	\$60	\$53	\$46	\$51	\$48	\$48	\$47	\$36
RATIOS:												
Claims & Adj Expenses Incurred (Earned)												
Prior Accident Years	11.0%	-71.1%	-121.4%	-16.4%	-8.8%	2.5%	0.0%	-36.1%	-4.5%	-25.5%	-19.4%	-10.9%
Current Accident Year	29.7%	46.1%	34.5%	57.4%	48.8%	40.5%	44.6%	6.0%	38.6%	37.4%	37.0%	42.6%
All Accident Years Combined	40.7%	-25.0%	-86.9%	41.0%	40.0%	43.0%	44.6%	-30.1%	34.1%	11.9%	17.6%	31.7%
Underwriting & Admin Exp.(Earned)	22.9%	17.1%	20.2%	36.1%	36.3%	32.9%	47.0%	28.9%	39.8%	30.9%	26.8%	25.7%
COMBINED OPERATING RATIO	63.6%	-7.9%	-66.7%	77.1%	76.3%	75.9%	91.6%	-1.2%	73.9%	42.8%	44.4%	57.4%

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

Rounding Difference may apply