

CMMG (MPI) Pre-Ask 2**Question:**

Since the Corporation's creation of an RSR, how many unexpected events and losses from non-recurring events have required payments of:

- a) over \$200,000,000.00;
- b) over \$150,000,000.00;
- c) over \$100,000,000.00?

RESPONSE:

The Corporation has assumed that the above question is in regards to the payment of claims.

There have been no unexpected claims events and/or losses from non-recurring events that have resulted in payments of over \$100M in a single fiscal year. In relation to the DCAT analysis, the most adverse events generally occur over multi-year periods (e.g. 4 years) or involve significant declines in asset values (e.g. stock market crash). The expected variability of **claims incurred only** over 1, 2, 3, and 4 year periods is shown on page 92 of 2015 DCAT report, which shows that the Corporation expects ultimate claims incurred variability to remain within approximately +/- \$50 million for single year results and +/- \$120 million for 4-year results in 95% of outcomes.